MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE

Contract No. 2314 Docket No. OME 6906

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [x] Closing Letter
- [ ] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [ ] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and Attachments

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semiannual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [ ] On-site Exam. Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No._____: Reports
- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with Transmittal, Narrative and Maps

Folders No._____: Maps (Use pocket folder or envelope)

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty Material

72195-65

Government's copy

EXPLORATION CONTRACT
MARDON, INC.
OME-6906

AMENDMENT NO. 1

It is agreed this 24th day of November, 1975, between the United States of America, acting through the Department of the Interior, U.S. Geological Survey, hereinafter called the "Government", and Mardon, Inc., hereinafter called the "Operator", that Exploration Contract 2314 (OME 6906), dated April 30, 1975, is amended effective November 1, 1975, as follows:

1. (a) Work under the Contract may be suspended during the period beginning November 1, 1975, and ending no later than June 1, 1976.

(b) The Government shall not contribute to any costs incurred during the period of suspension.

(c) The Government shall not contribute to or be liable for any costs of rehabilitation or repair or any other costs which would not have occurred if there had been no suspension of work, or which may arise out of this suspension.

(d) The Operator, at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work.

2. The date fixed by Article 1(a) of the Contract for completion of the work is extended from twelve (12) months to eighteen (18) months from the date of the Contract, or until November 1, 1976.

3. It is the essence of this amendment that the work shall be resumed on or before the termination of the period herein fixed for suspension; and if not so resumed, the following provisions shall thereupon become effective:

(a). The Contract and all obligations of the parties thereunder except as hereinafter otherwise provided, shall be and are hereby terminated effective November 1, 1975, if work on the Contract has not been recommenced on or before June 1, 1976.

(b). The Government will contribute only to allowable costs incurred prior to the date set forth in 3(a) above.

(c). The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

(d). 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 its interest in the land), shall pay to the Government the royalty provided for in the Contract in the same manner and amount, for the same period, and subject to the same provisions as provided for in the Contract as amended herein as if a certification of possible production had been made, such certification of possible production, percentage royalty and liens to secure payment thereof, reports (including the preservation of Operator's record), accounts, audits, and the right to recover any overpayments are hereby preserved.

(e). The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of the Contract, except as provided for in this Amendment No. 1.

This amendment shall not be construed to increase the estimated total cost of the Contract, the aggregate amount which the Government may be required to contribute, the amount of any item designated as a maximum, nor the fixed unit cost of any item of work.

Except as herein amended, Exploration Contract 2314 (OME-6906) dated April 30, 1975, shall remain in full force and effect.

Executed in quadruplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Harold Kirkemo
Chief, Office of Minerals Exploration
U.S. Geological Survey

Martin 11/26/75

MARDON, INC.

By Don Hargrove
Title Pres.

Government's Copy

MME Form 51
July 1965

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
U. S. Geological Survey

EXPLORATION CONTRACT
(Short Form)

Docket	Commodity	Contract No.	County	State
OME 6906	Gold-Silver	2314	Lander	Nevada

It is agreed April 30, 1975 (Date) between the United States of America, acting through the Department of the Interior, U. S. Geological Survey, hereinafter called the "Government," and

Mardon, Inc., a New Mexico corporation

,

whose mailing address is 7239 E. Camino Vecino, Tucson, Arizona 85715, hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before JUL 1 1975 (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 12 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 work is $ 21,000.00 The Government will contribute ~~50~~ 75 percent of the total fixed unit costs of the work performed, not in excess of $ 15,750.00 in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest at the rate of 9½ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) 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 rights in land.--(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 right 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:

See Annex I

(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 Lien Agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

See Annex I

(c) The Operator shall preserve and maintain his right, title, or 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 in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true 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, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws 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 production operations during the period that royalty is payable to the Government. 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. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. To the extent that amounts in excess of fixed unit costs or in excess of the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such amounts 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) Monthly reports.--The Operator shall provide the Government with four copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; 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 three copies of a final report (in addition to the final monthly report). 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 royalty relates, such as two copies of smelter or concentrator settlement sheets and certified accounts of production and sale or other disposition of production.

(e) Compliance with requirements.--If the Government determines that 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 preparation or completion of same 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 mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, 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 (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator or producer)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator or producer are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" 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.

(2) 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.

(d) Unsold production.--If any production (ore, concentrate, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used 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, concentrate, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used 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) Lien for payment.--To secure the payment of royalty (see Article 6(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) Notice to purchasers.--The Operator or producer 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 Government, and this estimate shall be final and binding upon the Operator or producer.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(h) Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals and metals mined or produced from the land.

ARTICLE 7. Termination of the Government's Obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to pay on account of units of work not then performed; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is 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:

(1) the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

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 royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 11.

ARTICLE 8. Notices to be given by the Government may be delivered to the Operator or may be sent by certified mail addressed to the Operator at his 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. Nondiscrimination in Employment.--The provisions respecting nondiscrimination in employment which are required by section 301 of Executive Order 10925, dated March 6, 1961, as amended and supplemented, are attached hereto as Exhibit B and are hereby incorporated in and made a part of this contract.

1

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, U. S. Geological Survey, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, U S. Geological Survey, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, U. S. Geological Survey, a written appeal addressed to the Secretary of the Interior. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, U. S. Geological Survey," as used herein includes his duly authorized representative.

ARTICLE 12. Work Hours Act of 1962 - Overtime Compensation.--This contract, to the extent that it is of a character specified in the Work Hours Act of 1962 (Public Law 87-581, 76 Stat. 357-360) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and to all other provisions and exceptions of said Work Hours Act of 1962.

(a) Overtime requirements.--No Operator or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic to be employed on such work in excess of eight hours in any calendar day or in excess of forty hours in any workweek unless such laborer or mechanic receives compensation at a rate of not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any such calendar day or in excess of forty hours in any such workweek, as the case may be.

(b) Violations; liability for unpaid wages; liquidated damages.--In the event of any violation of the clause set forth in subparagraph (a) of this paragraph, the Operator and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Operator and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed, with respect to each individual laborer or mechanic employed in violation of the clause set forth in subparagraph (a) of this paragraph, in the sum of $10 for each calendar day on which such employee was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (a) of this paragraph.

(c) Withholding for unpaid wages and liquidated damages.--The U. S. Geological Survey may withhold or cause to be withheld, from any moneys payable on account of work performed by the Operator or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Operator or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) of this paragraph.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 14. Changes and added provisions.--

Executed in ~~duplicate~~ quadruplicate the day and year first above written.

MARDON, INC.
(Operator)

By Don Hargrove

Title Pres.

THE UNITED STATES OF AMERICA

By William A. Berk
U.S. Geological Survey

I, Maren S. Hargrove Maren S. Hargrove (Name), certify that I am the Secretary-Treasurer ~~Secretary~~ of the corporation named as Operator herein; that Don Hargrove (Name), who signed this contract on behalf of the Operator, was then President (Title) 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.

Martin 4/18/75
Stephens 4/29/75
Toohey 4/28
Davis 4/29
Edwards 4/30/75
Sawyer 4/30/75

CORPORATE SEAL

EXPLORATION CONTRACT
MARDON, INC.
OME-6906

ANNEX I

The land, including all rights thereto, referred to in Article 2 of the contract consists of six (6) unpatented mining claims in section 10, T. 20N., R. 40E., MDBM, New Pass Mining District, Lander County, Nevada. These claims are shown on Figure 1, entitled "Map showing Maren Lode Group of claims and proposed exploration, New Pass Mining District, Lander County, Nevada," which is attached and made part hereof.

The unpatented lode mining claims are identified in the official records of Lander County at Austin, Nevada, as:

Name	Book	Page
Maren No. 1	112	89
Maren No. 2	112	90
Maren No. 3	112	91
Maren No. 4	112	92
Maren No. 5	112	93
Maren No. 6	112	94

The Operator is in possession of these claims by virtue of a Lease of Mining Claims between Don Hargrove, Keith Vermilyea, Dennis Stacey, and Jack Hargrove, Lessors and owners, and the Operator dated January 16, 1973.

A Lien and Subordination Agreements executed by the owners and dated January 4, 1975, is attached and made part hereof.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OME-6906
(Gold-Silver)

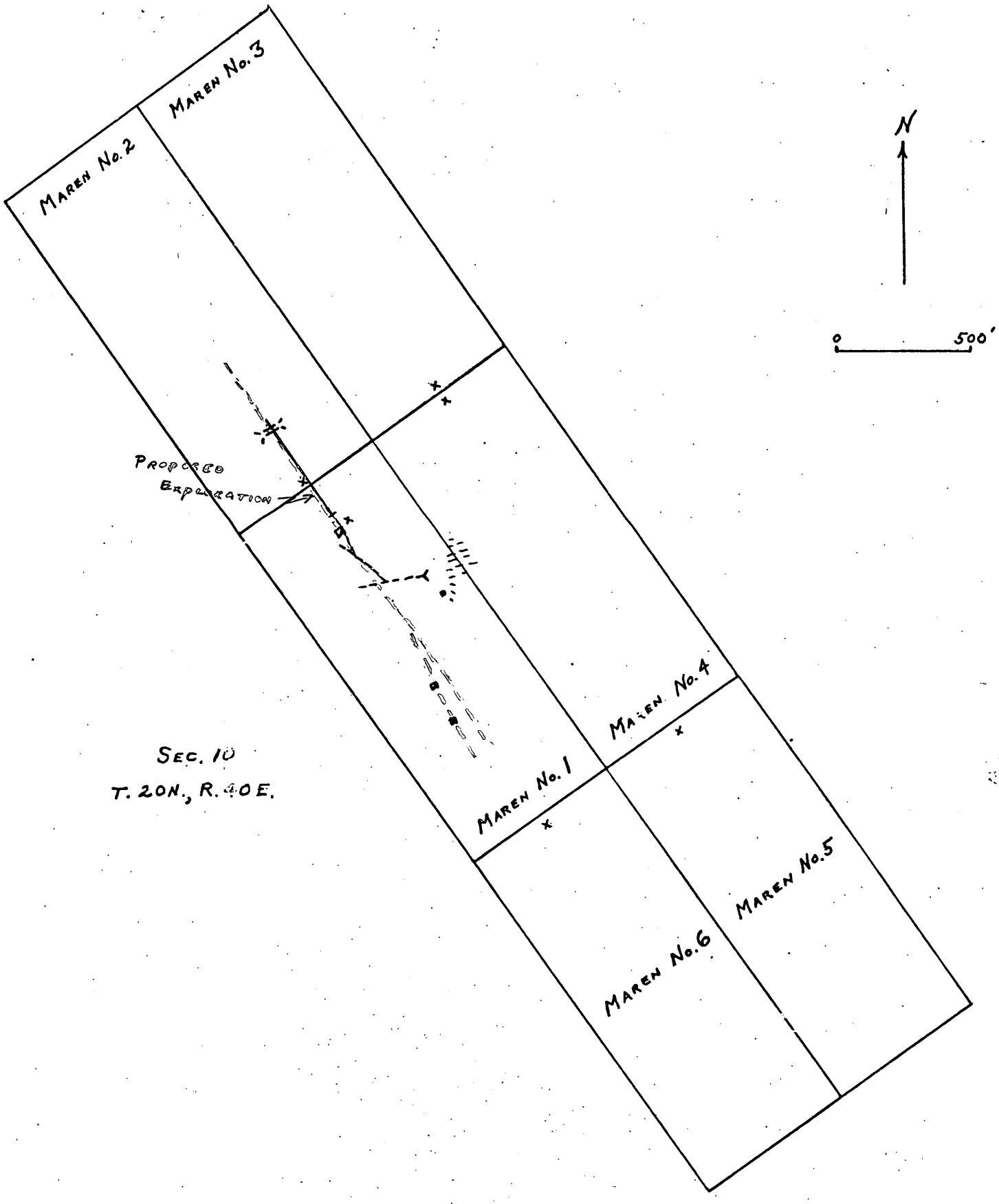


Figure 1.--Map showing Maren Lode Group of Claims and proposed exploration, New Pass Mining District, Lander County, Nevada.

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 –
Contract Date

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of Lander, State of Nevada, described as follows:[2] in a lease dated 16 January 1973 and recorded in Book 113, Page 544, official records of said County.

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and MARDON, INC.[3] hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same.[4]

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

None

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease /or contract, deed, or other document/ dated _____, and recorded in Book_____, Page____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions None (State "None" or "See Annex No. ____".)

Dated this 4th day of January, 19 76.

Don Hargrove	(Seal)	7239 E Camino Vecino (Street) Tucson Arizona 85715 (City & State)
Dennis Stacey	(Seal)	7239 E. Camino Vecino (Street) Tucson, Az. 85715 (City & State)
Keith Vermilyea	(Seal)	816 Wheeler Ave. (Street) Reno. Nevada. 89502 (City & State)
Jack Hargrove	(Seal)	4290 Jasper Ln (Street) Reno. Nevada 89502 (City & State)
	(Seal)	(Street) (City & State)
	(Seal)	(Street) (City & State)

I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement was then _____ (Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____ (Corporate Seal)

EXPLORATION CONTRACT
MARDON, INC.
OME-6906

EXHIBIT A

The purpose of the project is to explore by drifting, crosscutting and raising for gold and silver-bearing ore shoots in or along the Maren quartz vein which cuts rocks in the Havallah sequence of Pennsylvanian and Permian age.

General Provisions

Drifts, crosscuts, and raises shall be not less than 5 by 7 feet in cross section and shall be timbered or rock-bolted as necessary. Timber sets shall be not less than 8-by-8 inch timber or equivalent round timber. Raises shall be timbered to provide a chute and manway with 3-inch thick lagging on the chute side and ladders on the manway side. Rock bolts shall be not less than 6 feet long.

Mine rails shall be not less than 16-pound size, air lines not less than 2-inch diameter, water lines not less than 1-inch diameter, and vent lines not less than 14-inch diameter.

All significantly mineralized areas traversed by the drift, crosscuts, and raises shall be sampled normal to the trends of the deposits at intervals not exceeding 5 feet. In addition, a representative bulk sample may be taken of each round broken.

Significantly mineralized samples, from whatever source, shall be split as necessary and one split assayed. The Operator shall store one split of each sample in a suitable container properly labeled as to source and location. Stored samples shall be made available for Government inspection and possible use, and may be disposed of only with prior Government approval.

All splits of samples assayed shall be analyzed for gold and silver.

True copies of assay certificates and maps or sketches showing the work completed; the location, width, and assay values of all samples assayed; and the geological formations and structures traversed by the workings shall be furnished monthly to the Government.

The Operator shall provide such equipment, materials, supervision, labor, and technical services as may be required to perform the work in a satisfactory manner.

The location, direction, and extent of each work item shall be subject to Government approval confirmed in writing.

The Operator shall perform all work in such a manner as to maintain in the vicinity of the project the quality of the environment which existed prior to start of the work. Materials such as waste rock, stockpiled ore, and water resulting from the project shall be accumulated or discharged in a safe manner so as not to degrade the quality of the adjacent land, air, and streams.

Description of the Work

The work shall consist of extending the drift on the Maren vein in a northwesterly direction from the face of the drift as it exists on the date the contract is signed by the Operator, and crosscutting and raising as necessary to determine the width, grade, and continuity of mineralized material. The total of drifting, crosscutting, and raising may approximate 500 feet.

The approximate location of the proposed work is shown on Figure 1.

Estimated Costs of the Work

Fixed Unit Costs[1/] [2/]

Drifting, crosscutting, and raising 500 feet at $40.00/foot	$20,000.00	
Timbering drifts, crosscuts and raises 80 feet at $10.00/foot	800.00	
Assaying for gold and silver 40 samples at $5.00/sample	200.00	
Total Estimated Cost of the Project		$21,000.00
Government Participation at 75 Percent		$15,750.00

1/ Includes all costs whatsoever such as labor, equipment, materials and supplies, supervision, payroll taxes and insurance, office expense, report preparation and other services.

2/ The Government retains no equity in any of the equipment or materials used.

EXHIBIT B-1

CERTIFICATION OF NONSEGREGATED FACILITIES

The undersigned hereby certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. He certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he will not permit his employees to perform their services at any location under his control, where segregated facilities are maintained. He further agrees that a breach of this certification is a violation of the Equal Opportunity clause in OME Exploration contracts. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color, or national origin, because of habit, local custom, or otherwise. He further agrees that (except where he has obtained identical certifications from proposed subcontractors for specific time periods) he will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding $10,000 which are not exempt from the provisions of the Equal Opportunity clause; that he will retain such certifications in his files; and that he will forward the following notice to such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods):

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES

A Certification of Nonsegregated Facilities must be submitted prior to the award of a subcontract exceeding $10,000 which is not exempt from the provisions of the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

Don Hargrove
Signature

PRES
Title

20 APRIL '75
Date

MME Form 40
(Revised Nov. 71)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Form approved
Budget Bureau No. 42-R1368

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85—701 (72 Stat. 700; 30 U.S.C. 641)

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*

MARDON INC.
Don Hargrove, President
7239 E. Camino Vecino
Tucson, Arizona 85715

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6906

DATE RECEIVED: Jan 13, 1975

REGION: II

DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

- INDIVIDUAL [ ]
- CORPORATION [X]
- PARTNERSHIP [ ]
- OTHER *(Specify)* [ ]

STATE IN WHICH FIRM IS ORGANIZED: New Mexico

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Don Hargrove	7239 E. Camino Vecino, Tucson, Ariz.	President
Dennis Stacey,	7239 E. Camino Vecino, Tucson, Ariz.	Vice Pres.
Maren S. Hargrove,	7239 E. Camino Vecino, Tucson, Az.	Secy-Treas.

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Gold & Silver

ESTIMATED COST OF PROJECT: $20,000.00

PROPERTY NAME	LOCATION COUNTY	STATE
Maren Lode Group	Lander	Nevada

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. II). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit two copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Department of the Interior, U.S. Geological Survey, Office of Minerals Exploration,* ~~*Washington, D. C. 20242, or*~~ *with the nearest OME Field Office.* Reston, Va. 22092

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

5 January 1975
DATED

MARDON INC. by Don Hargrove
BY *(Signature)*

President
TITLE

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense.
U. S. Code, Title 18, Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

(submit on accompanying pages)

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include (1) *true copies of your letters to credit sources* which show date of loan request, amount and terms requested, and proposed use of loan funds and (2) *true copies of replies from credit sources.* If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the cost of the exploration work.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements signed by owner on MME Form 52. If the agreements cannot be obtained, state reasons and whether you can furnish a performance bond.

3. Physical Description:

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a)

(c) State, if you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves, giving quantities and grades.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) If you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates. State your reasons for expecting to find ore.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you have, indicating whether you require their return.

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property state name, address, and telephone number of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

(a) Describe fully the proposed exploration work giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and sections as necessary. Show location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show on maps also the relation of the proposed work to any existing mine workings and to *claim boundaries* or to the closest identifiable corner.

(b) If an access road must be built, show the proposed location on the property map and state the length, type and construction methods proposed.

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs for time and materials *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. (*Note*—If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

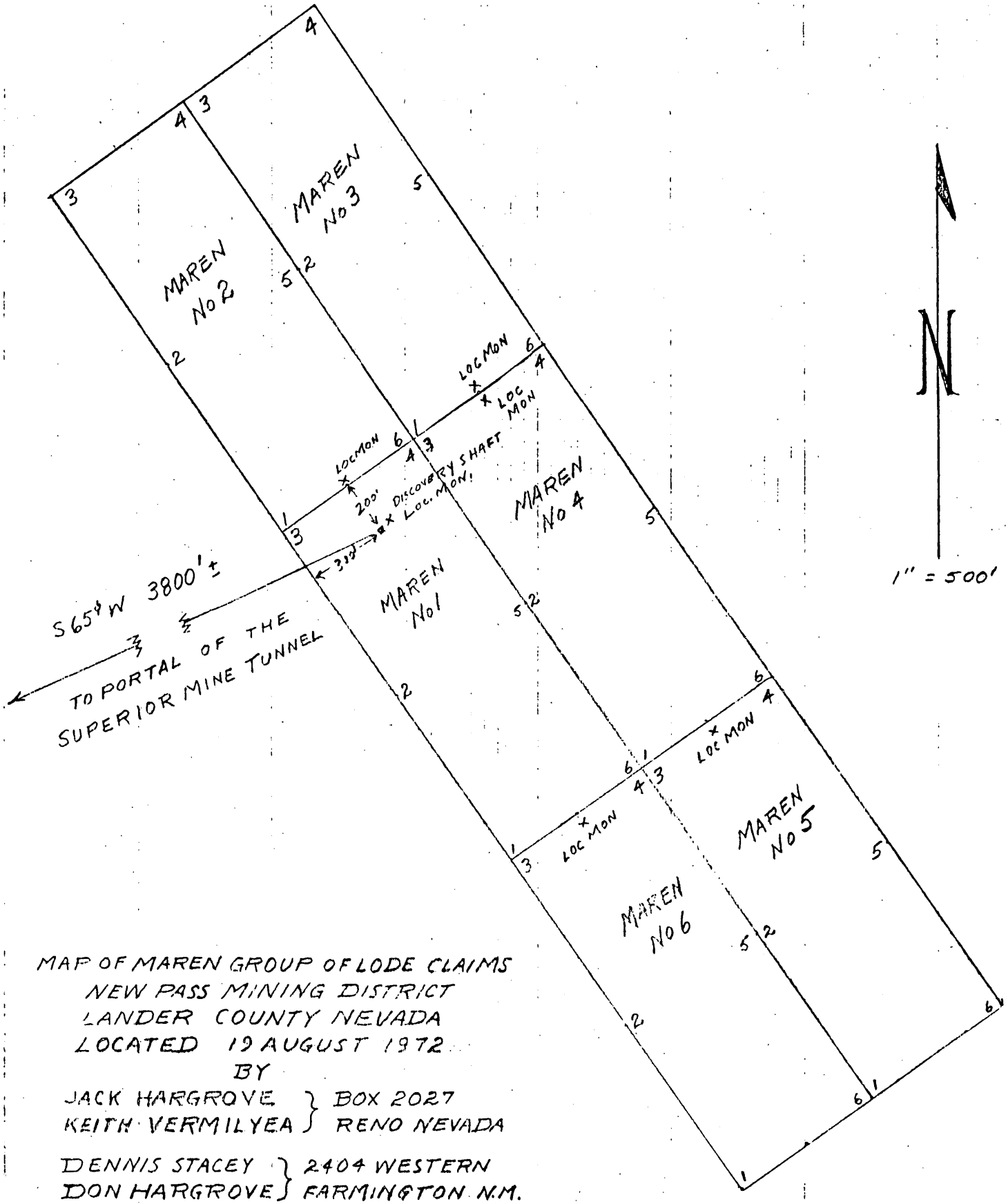
(c) Operating materials and supplies. List items of material and supplies giving quantity and price of each. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i. e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price and mobilization charge. If furnished by the applicant, state condition and present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant which will be used in the exploration work.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration work, stating specifications and cost including labor, and materials.

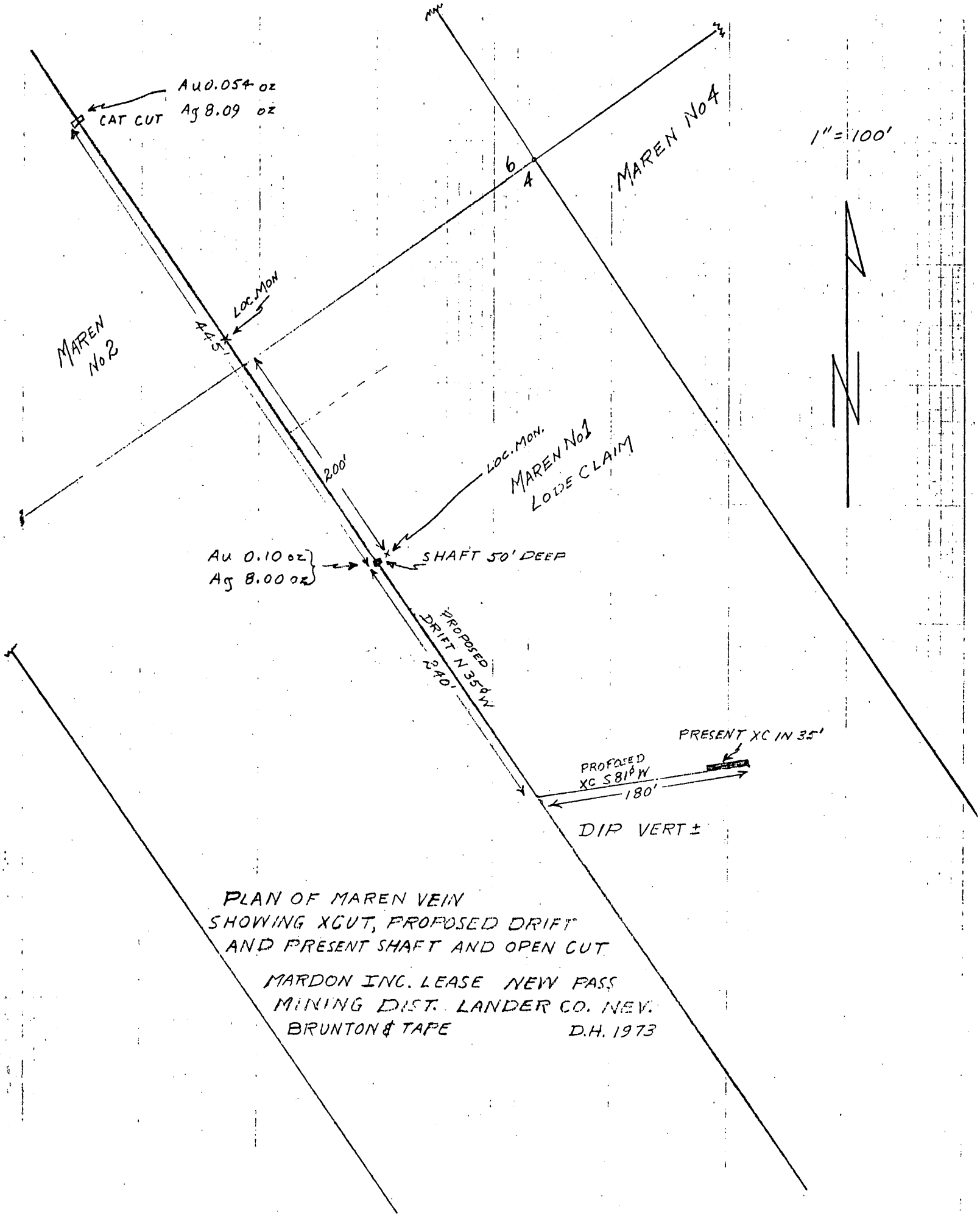
(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]



MAP OF MAREN GROUP OF LODE CLAIMS
NEW PASS MINING DISTRICT
LANDER COUNTY NEVADA
LOCATED 19 AUGUST 1972
BY

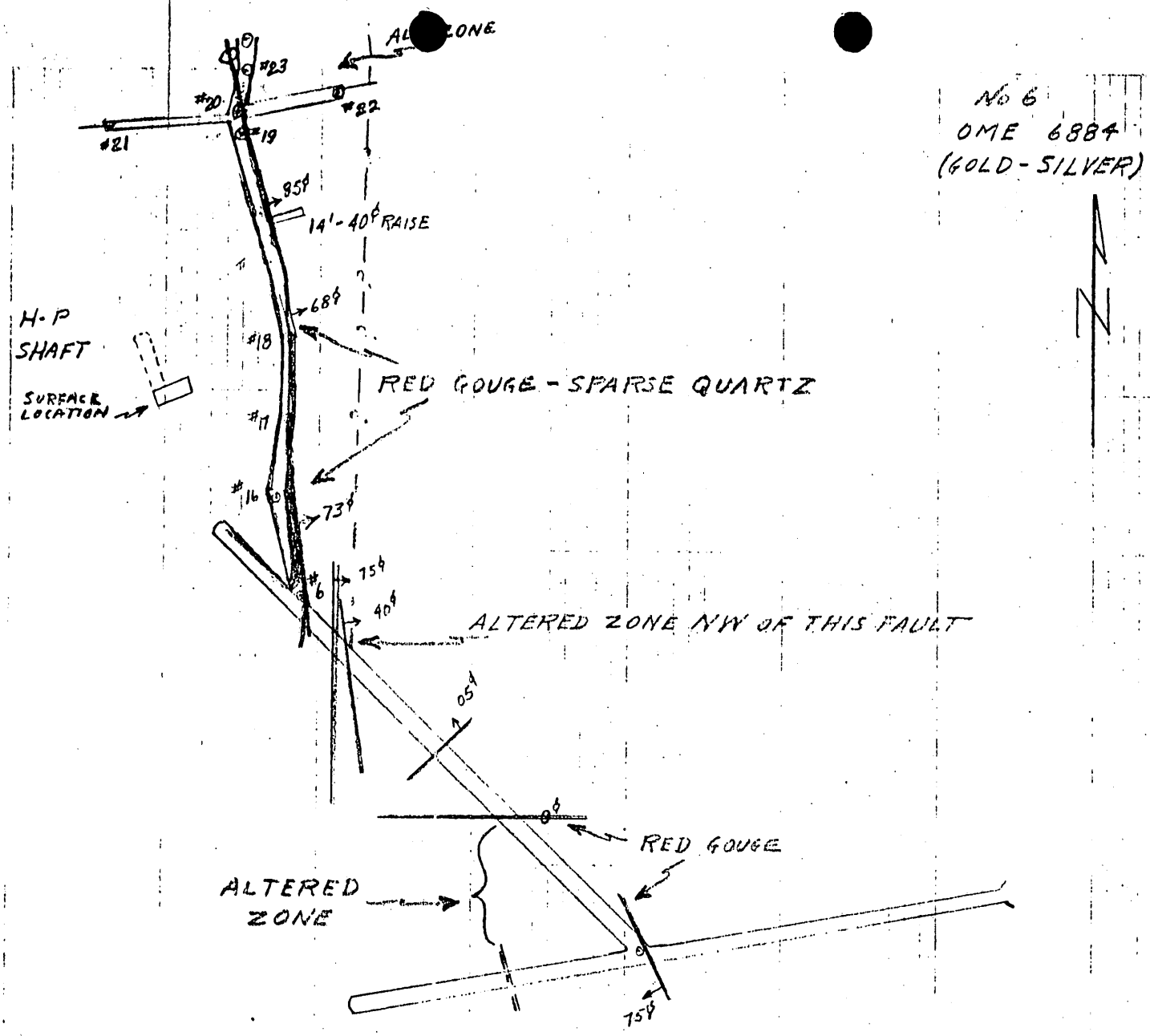
JACK HARGROVE } BOX 2027
KEITH VERMILYEA } RENO NEVADA

DENNIS STACEY } 2404 WESTERN
DON HARGROVE } FARMINGTON N.M.



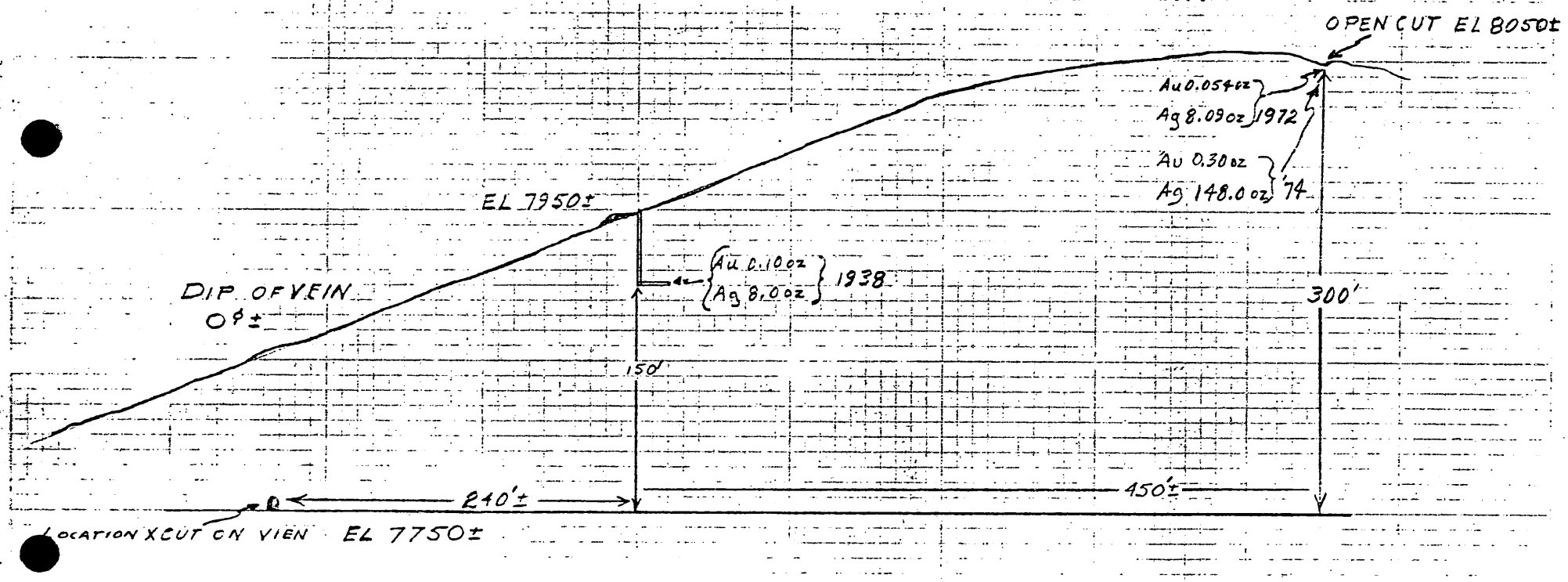
PLAN OF MAREN VEIN
SHOWING XCUT, PROPOSED DRIFT
AND PRESENT SHAFT AND OPEN CUT

MARDON INC. LEASE NEW PASS
MINING DIST. LANDER CO. NEV.
BRUNTON & TAPE D.H. 1973



PLAN OF XC AND DRIFT MAREN CLAIMS
MARDON INC LEASE
NEW PASS MINING DIST. LANDER CO NEV.
31 JULY 1974
D.H.

UPDATED TO 1 OCT 1974



SECTION OF MAREN VEIN
LOOKING S55°W
MARDON INC LEASE
NEW PASS MINING DIST.
LANDER CO. NEVADA
BRUNTON & TAPE D.H. 1973
1" = 100'

72795

BOOK NO. 113 PAGE 544

LEASE OF MINING CLAIMS

THIS INDENTURE made and entered into this 16th day of January, 1973, by and between DON HARGROVE, KEITH VERMILYEA, DENNIS STACEY and JACK HARGROVE, hereinafter referred to as LESSORS, joined pro forma herein by their respective spouses, and MARDON, INC., a New Mexico corporation with offices at 2404 Western Avenue, Farmington, New Mexico, hereinafter referred to as LESSEE.

WITNESSETH:

WHEREAS, Lessors are the owners of the following described Lode Mining Claims situated in Township 20 North, Range 40 East in the New Pass Mining District in Lander County, Nevada, as evidenced by Certificates of Location of Lode Mining Claims, to-wit:

a. Certificate dated September 7, 1972, filed for record on September 11, 1972, and recorded in Book 112 at Page 89 of the Lander County records, covering the Maren #1 claim.
b. Certificate dated September 7, 1972, filed for record on September 11, 1972, and recorded in Book 112 at Page 90 of the Lander County records, covering the Maren #2 claim.
c. Certificate dated September 7, 1972, filed for record on September 11, 1972, and recorded in Book 112 at Page 91 of the Lander County records covering the Maren #3 claim.
d. Certificate dated September 7, 1972, filed for record on September 11, 1972, and recorded in Book 112 at Page 92 of the Lander County records covering the Maren #4 claim.
e. Certificate dated September 7, 1972, filed for record on September 11, 1972, and recorded in Book 112 at Page 93 of the Lander County records covering the Maren #5 claim.
f. Certificate dated September 7, 1972, filed for record on September 11, 1972, and recorded in Book 112 at Page 94 of the Lander County records covering the Maren #6 claim, and

WHEREAS, Lessor is desirous of leasing and Lessee is desirous of acquiring a lease of the aforesaid mining claims upon certain terms and conditions,

NOW THEREFORE, for and in consideration of the sum of $10.00 and other valuable considerations, the receipt of which is hereby acknowledged by Lessors, Lessors have and do by these presents grant, demise, lease and let unto Lessee the above described 6 mining claims, subject to the following terms and conditions:

1. The term of this lease shall be for a period of five (5) years and as long thereafter as commercial production of ore is had.

2. Lessee agrees on or before June 1, 1973, to commence mining operations on the above 6 claims at a location of its choice; said operations shall consist of driving a crosscut approximately 175 feet to intersect the ore vein and thereafter drifting on the vein in an effort to explore the existing ore bodies. In this connection Lessee agrees, after commencement of operations, to continue same with due diligence and in a good and workmanlike manner.

3. If exploration produces ore bodies, Lessee agrees to mine the ore bodies, if, in the sole decision of Lessee, the ore bodies are of commercial value; at Lessee's sole discretion it may construct a mill.

4. Lessee agrees to pay Lessors, as their interest is now or hereafter stipulated, the following royalty on all ore ~~bodies~~ produced by Lessee from the above leased premises:

a. 10% of the net returns from the sale of mill production, less freight from mill to point of sale, on all ores having a milled recovery value of up to $50.00 a ton.
b. 15% of the net returns from the sale of mill production, less freight from mill to point of sale, on all ores having a milled recovery value of $50.00 a ton up to $75.00 a ton.
c. 20% of the net returns from the sale of mill production, less freight from mill to point of sale, on all ores having a milled recovery value of $75.00 a ton up to $100.00 per ton.
d. 25% of the net returns from the sale of mill production, less freight from mill to point of sale, on all ores having a milled recovery value of $100.00 a ton or more.

5. All royalty paid by Lessee shall be paid within 30 days following receipt of payment from the sale of all products produced hereunder; in this connection Lessee shall furnish Lessors, at the time of each royalty payment, a statement showing the kinds and amounts of products produced and sold, the sales price therefor, the name and address of the purchaser thereof and the freight charges pertaining to the sale from which the royalty payment is made.

6. Lessee agrees to hold Lessors free and harmless from any and all claims and demands of whatsoever nature arising out of Lessee's operations on the leased premises. Lessee agrees to carry adequate workman's compensation insurance on its employees, adequate public liability insurance, and further agrees to abide by all Federal, State, and local rules and regulations pertaining to its operations. In particular, Lessee agrees to carry out and record, as required, any and all assessment work on the leased claims.

7. Lessors agree that Lessee may, in the event it deems it necessary, procure a U. S. Department of the Interior, Office of Minerals Exploration loan in the amount of $20,000.00 for the purpose of carrying out mining activities hereunder, and in the event of said loan, Lessors agree to subordinate their rights hereunder to said loan agreement.

THIS AGREEMENT to be binding on the parties hereto, their heirs, successors and assigns.

IN WITNESS WHEREOF, we have hereunto set our hands and seals the date aforementioned.

BOOK NO. 113 PAGE 546

Dennis Stacey
Dennis Stacey

Don Hargrove
Don Hargrove

Maren S. Hargrove
Maren S. Hargrove

Keith Vermilyea
Keith Vermilyea

Aili Vermilyea
Aili Vermilyea

Jack Hargrove
Jack Hargrove

Ruth Hargrove
Ruth Hargrove

STATE OF New Mexico)
) ss.
COUNTY OF San Juan)

The foregoing instrument was acknowledged before me this 18th day of January, 1973, by DON HARGROVE and MAREN S. HARGROVE, husband and wife.

SEAL AFFIXED

Loree Warren
Notary Public

My commission expires:
5-4-75

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 26 day of January, 1973, by KEITH VERMILYEA and AILI VERMILYEA, husband and wife

Keith Vermilyea
Aili Vermilyea

IRMA ADAMS
Notary Public State of Nevada
Washoe County
My Commission Expires April 28, 1975

Irma Adams
Notary Public

My commission expires:

STATE OF New Mexico)
) ss.
COUNTY OF San Juan)

SEAL AFFIXED

The foregoing instrument was acknowledged before me this 18th day of January, 1973, by DENNIS STACEY a single man.

Dennis Stacey

Loree Warren
Notary Public

RECORDED AT REQUEST OF
Jack Hargrove
Jan. 29, 1973 AT 10:07 A.M.
BOOK 113 PAGE 544
OF LANDER COUNTY, NEVADA

My commission expires:
5-4-75

FEES PAID 6.00
FILE NO. 72795
COUNTY RECORDER

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 26 day of January, 1973, by JACK HARGROVE and RUTH HARGROVE, husband and wife

Jack Hargrove
Ruth Hargrove

IRMA ADAMS
Notary Public State of Nevada
Washoe County
My Commission Expires April 28, 1975

Notary Public

My commission expires:

MARDON INC.
7239 E. Camino Vecino
Tucson, Arizona 85715

3 January 1975

FINANCIAL STATEMENT OF MARDON INC.

ASSETS

Machinery, equipment and supplies now in use on

Maren Group Lease.....$ 19,000.00 +

31 Foot Airstream Trailer..... 11,347.00

Cash in bank..... 1,974.38

TOTAL.....$ 32,321.38

Liabilities..... None

Don Hargrove
President

Maren S. Hargrove
Secretary-treasurer

MARDON INC.
7239 E. Camino Vecino
Tucson, Aruzona 85715

3 January 1975

FINANCIAL STATEMENT OF MARDON INC.

Assets

Machinery, equipment and supplies now in use on Maren Group Lease	$ 19,000.00†
31 Foot Airstream Trailer	11,347.00
Cash in bank	1,974.38
TOTAL	$ 32,321.38

Liabilities ..... None

Don Hargrove
President

Maren S. Hargrove
Secretary-treasurer

94-99
1212

JACK OR RUTH HARGROVE

9-6 1972 No. 48

PAY TO THE ORDER OF Douglas County Treasurer $ 96.00

Ninety Six xx/100 DOLLARS

RENO MAIN OFFICE
VALLEY BANK OF NEVADA
RENO, NEVADA

Ruth Hargrove

⑆1212⑈0099⑆ 94 20 239⑈ ⑈0000009600⑈

Pay to the order
of Lander Co.
Recorder
Don Green
Lander Co. Treas.

PAY TO THE ORDER OF
NEVADA NATIONAL BANK OF COMMERCE
Austin Branch
RAY P. SELASKI
Lander County Recorder - Aud.

Pay Any Bank
P. E. G.

NEVADA NATIONAL BANK
AUSTIN BRANCH
NEVADA

BOOK NO. 112 PAGE 89

Certificate of Location of Lode Mining Claim

TO ALL WHOM IT MAY CONCERN:

The undersigned hereby certifies (certify) that he (she, they) has (have) located the Maren#1 Lode Mining Claim in Section _____, Township 20 N, Range 40 E in the New Pass Mining District, in Lander County, in the State of Nevada, on the 19 day of August, 1972.

The name(s) and post office address(es) of the locator(s) is (are) (please print):

(Name)	(Post Office Address)
Don Hargrove	4290 Jasper Ln. Reno, Nevada.
Keith Vermilyea	816 Wheeler Ave. Reno, Nevada
Dennis Stacy	4290 Jasper Ln. Reno, Nevada.
Jack Hargrove	4290 Jasper Ln. Reno, Nevada.

The claim is 1500 feet long and 600 feet wide, and 200 feet is claimed in a Northerly direction and 1300 feet in a Southerly direction from the location monument, at which the Notice of Location is posted, lengthwise of the claim, together with 300 feet in width on each side of the center of the claim. The general course of the lode deposit and premises is from the North to the South.

The location and number of each corner of this claim is shown on the claim map that is filed herewith. On the ground, each corner of the claim is marked with its appropriate number by scribing the wood

(Describe method of marking, such as "scribing the wood")

The description of each corner is as follows (describe the corner(s), such as "4x4 wooden post"):

Corner No. 1 is a 4x4 wooden post

Corner No. 2 is a 4x4 wooden post

Corner No. 3 is a 4x4 wooden post

Corner No. 4 is a 4x4 wodden post

Corner No. 5 is a 4x4 wooden post

Corner No. 6 is a 4x4 wooden post

The monumentation and marking of the corners was completed by the 27 day of August, 1972.
(Must be within 20 days of posting notice of location)

The location work consisted of making a claim map as provided in NRS 517.040. Two copies of this claim map have been filed with the Lander County Recorder, and the $15.00 lode claim filing fee has been paid to the County Recorder.

Dated this Sept. 7 day of September, 1972.

Don Hargrove — Jack Hargrove
(Locator sign here)
Keith Vermilyea — Dennis Stacy

Note 1: Two copies of this certificate and two copies of the claim map must be filed, and the $15 filing fee must be paid, within 90 days after the date of posting Notice of Location.

Note 2: "Every person who willfully and knowingly makes a false material statement on the location certificate or on any map required by this chapter shall be guilty of a felony, and upon conviction thereof shall be imprisoned in the state prison for not less than 3 years nor more than 10 years." NRS 517.300, Subsection 2.

Note 3: The claim map of this claim is filed in the _____ County Recorder's Office as Document No. _____. (may be filled in by locator)

CARLISLE FORM NO. 56 N

RECORDER'S STAMP
RECORDED AT REQUEST OF
Jack Hargrove
Sept. 11, 1972 AT 9:03 A.M.
BOOK 112 OFFICIAL RECORDS PAGE 89
OF LANDER COUNTY, NEVADA
FEES PAID 1.00
FILE NO. 72158
COUNTY RECORDER

72158 89

Certificate of Location of Lode Mining Claim

TO ALL WHOM IT MAY CONCERN:

The undersigned hereby certifies (certify) that he (she, they) has (have) located the Maren #2 Lode Mining Claim in Section _____, Township 20 N, Range 40 E in the New Pass Mining District, in Lander co. County, in the State of Nevada, on the 19 day of August, 19 72.

The name(s) and post office address(es) of the locator(s) is (are) (please print):

(Name)	(Post Office Address)
Don Hargrove	4290 Jasper Ln. Reno, Nevada.
Keith Vermilyea	816 Wheeler Ave. Reno, Nevada.
Dennis Stacey	4290 Jasper Ln. Reno, Nevada.
Jack Hargrove	4290 Jasper Ln. Reno, Nevada.

The claim is 1500 feet long and 600 feet wide, and 25 feet is claimed in a southerly direction and 1475 feet in a northerly direction from the location monument at which the Notice of Location is posted, lengthwise of the claim, together with 300 feet in width on each side of the center of the claim. The general course of the lode deposit and premises is from the North to the South.

The location and number of each corner of this claim is shown on the claim map that is filed herewith. On the ground, each corner of the claim is marked with its appropriate number by Scribing the wood

(Describe method of marking, such as "scribing the wood")

The description of each corner is as follows (describe the corner(s), such as "4x4 wooden post"):

Corner No. 1 is a 4x4 wood post

Corner No. 2 is a 4x4 wood post

Corner No. 3 is a 4x4 wood post

Corner No. 4 is a 4x4 wood post

Corner No. 5 is a 4x4 wood post

Corner No. 6 is a 4x4 wood post

The monumentation and marking of the corners was completed by the 27 day of August, 19 72.
(Must be within 20 days of posting notice of location)

The location work consisted of making a claim map as provided in NRS 517.040. Two copies of this claim map have been filed with the Lander County Recorder, and the $15.00 lode claim filing fee has been paid to the County Recorder.

Dated this 7 day of September, 19 72.

Don Hargrove — Jack Hargrove
(Locator sign here)

Keith Vermilyea — Dennis Stacey

Note 1: Two copies of this certificate and two copies of the claim map must be filed, and the $15 filing fee must be paid, within 90 days after the date of posting Notice of Location.

Note 2: "Every person who willfully and knowingly makes a false material statement on the location certificate or on any map required by this chapter shall be guilty of a felony, and upon conviction thereof shall be imprisoned in the state prison for not less than 3 years nor more than 10 years." NRS 517.300, Subsection 2.

Note 3: The claim map of this claim is filed in the _____ County Recorder's Office as Document No. _____. (may be filled in by locator)

RECORDER'S STAMP

RECORDED AT REQUEST OF
Jack Hargrove
Sept. 11, 19 72 AT 9:04 A M
BOOK 112 OFFICIAL RECORDS PAGE 90
OF LANDER COUNTY, NEVADA
FEES PAID 1.00
FILE NO. 72159
COUNTY RECORDER

CARLISLE FORM NO. 56 N

72159
90

A TIN, NEVADA July 19, 1973

Mr. Jack Hargrove

To RAY P. SILLASEN, RECORDER AND AUDITOR, LANDER COUNTY, NEVADA Dr.

This is to advise you that document no. 72160 should have read Recorded at the Request of Jack Hargrove September 11th, 1972, Official Records page 91, of Lander County, Nevada.

Fees Paid $1.00

File No. 72160 s/s Ray P. Sillasen
County Recorder

The above mentioned document was recorded as of September 1st, 1972 in error.

Ray P. Sillasen

RAY P. SILLASEN
Auditor-Recorder
Lander County, Nevada

I HEREBY CERTIFY THIS TO BE A TRUE AND CORRECT COPY OF THE ORIGINAL.

BY: Ray P. Sillasen

RAY P. SILLASEN
Auditor-Recorder
Lander County, Nevada

15

Certificate of Location of Lode Mining Claim

TO ALL WHOM IT MAY CONCERN:

The undersigned hereby certifies (certify) that he (she, they) has (have) located the Maren# 3 Lode Mining Claim in Section _____, Township 20 N, Range 40 E in the New Pass Mining District, in Lander County, in the State of Nevada, on the 19 day of August, 19 72.

The name(s) and post office address(es) of the locator(s) is (are) (please print):

(Name)	(Post Office Address)
Don Hargrove	4200 Jasper Ln. Reno, Nevada
Keith Vermilyea	216 Chester Ave. Reno, Nevada.
Jack Hargrove	4200 Jasper Ln. Reno, Nevada.
Dennis Stacey	4200 Jasper Ln. Reno, Nevada.

The claim is 1500 feet long and 600 feet wide, and 25 feet is claimed in a southerly direction and 1475 feet in a northerly direction from the location monument, at which the Notice of Location is posted, lengthwise of the claim, together with 300 feet in width on each side of the center of the claim. The general course of the lode deposit and premises is from the North m to the South.

The location and number of each corner of this claim is shown on the claim map that is filed herewith. On the ground, each corner of the claim is marked with its appropriate number by scribing the wood

(Describe method of marking, such as "scribing the wood")

The description of each corner is as follows (describe the corner(s), such as "4x4 wooden post"):

Corner No. 1 is a 4x4 wood post

Corner No. 2 is a 4x4 wood post

Corner No. 3 is a 4x4 wood post

Corner No. 4 is a 4x4 wood post

Corner No. 5 is a 4x4 wood post

Corner No. 6 is a 4x4 wood post

The monumentation and marking of the corners was completed by the 27 day of August, 19 72.
(Must be within 20 days of posting notice of location)

The location work consisted of making a claim map as provided in NRS 517.040. Two copies of this claim map have been filed with the Lander County Recorder, and the $15.00 lode claim filing fee has been paid to the County Recorder.

Dated this 7 day of September 19 72.

Don Hargrove — Jack Hargrove
(Locator sign here)
Keith Vermilyea — Dennis Stacey

Note 1: Two copies of this certificate and two copies of the claim map must be filed, and the $15 filing fee must be paid, within 90 days after the date of posting Notice of Location.

Note 2: "Every person who willfully and knowingly makes a false material statement on the location certificate or on any map required by this chapter shall be guilty of a felony, and upon conviction thereof shall be imprisoned in the state prison for not less than 3 years nor more than 10 years." NRS 517.300, Subsection 2.

Note 3: The claim map of this claim is filed in the _____ County Recorder's Office as Document No. _____. (may be filled in by locator)

RECORDER'S STAMP
RECORDED AT REQUEST OF
Jack Hargrove
Sept. 11, 1972 AT 9:05 AM
BOOK 112 OFFICIAL RECORDS PAGE 91
OF LANDER COUNTY, NEVADA
FEES PAID 1.00
FILE NO. 72160 Roy A. Nelson
COUNTY RECORDER

CARLISLE FORM NO. 56 N

72160 91

BOOK NO. 112 PAGE 92

Certificate of Location of Lode Mining Claim

TO ALL WHOM IT MAY CONCERN:

The undersigned hereby certifies (certify) that he (she, they) has (have) located the Maren #4 Lode Mining Claim in Section _____, Township 20 N., Range 40 E. in the New Pass Mining District, in Lander County, in the State of Nevada, on the 19 day of August, 1972.

The name(s) and post office address(es) of the locator(s) is (are) (please print):

(Name)	(Post Office Address)
Don Hargrove	4290 Jasper Ln. Reno, Nevada
Jack Hargrove	4290 Jasper Ln. Reno, Nevada
Dennis Stacey	4290 Jasper In. Reno, Nevada
Keith Vermilyea	816 Wheeler Ave. Reno, Nevada

The claim is 1500 feet long and 600 feet wide, and 25 feet is claimed in a northerly direction and 1475 feet in a southerly direction from the location monument, at which the Notice of Location is posted, lengthwise of the claim, together with 300 feet in width on each side of the center of the claim. The general course of the lode deposit and premises is from the north to the south.

The location and number of each corner of this claim is shown on the claim map that is filed herewith. On the ground, each corner of the claim is marked with its appropriate number by scribing the wood

(Describe method of marking, such as "scribing the wood")

The description of each corner is as follows (describe the corner(s), such as "4x4 wooden post"):

Corner No. 1 is a 4x4 wood post

Corner No. 2 is a 4x4 wood post

Corner No. 3 is a 4x4 wood post

Corner No. 4 is a 4x4 wood post

Corner No. 5 is a 4x4 wood post

Corner No. 6 is a 4x4 wood post

The monumentation and marking of the corners was completed by the 27 day of August, 1972.
(Must be within 20 days of posting notice of location)

The location work consisted of making a claim map as provided in NRS 517.040. Two copies of this claim map have been filed with the Lander County Recorder, and the $15.00 lode claim filing fee has been paid to the County Recorder.

Dated this 7 day of September 1972.

Don Hargrove — Jack Hargrove
(Locator sign here)
Keith Vermilyea — Dennis Stacey

Note 1: Two copies of this certificate and two copies of the claim map must be filed, and the $15 filing fee must be paid, within 90 days after the date of posting Notice of Location.

Note 2: "Every person who willfully and knowingly makes a false material statement on the location certificate or on any map required by this chapter shall be guilty of a felony, and upon conviction thereof shall be imprisoned in the state prison for not less than 3 years nor more than 10 years." NRS 517.300, Subsection 2.

Note 3: The claim map of this claim is filed in the _____ County Recorder's Office as Document No. _____. (may be filled in by locator)

RECORDER'S STAMP
RECORDED AT REQUEST OF
Jack Hargrove
Sept. 11, 1972 AT 9:06 A.M.
BOOK 112 OFFICIAL RECORDS PAGE 92
OF LANDER COUNTY, NEVADA
FEES PAID 1.00
FILE NO. 72161
COUNTY RECORDER

CARLISLE FORM NO. 56 N

72161 92

Certificate of Location of Lode Mining Claim

TO ALL WHOM IT MAY CONCERN:

The undersigned hereby certifies (certify) that he (she, they) has (have) located the Maren # 5 Lode Mining Claim in Section _____, Township 20 N, Range 40 E in the New Pass Mining District, in Lander County, in the State of Nevada, on the 19 day of August, 19 72.

The name(s) and post office address(es) of the locator(s) is (are) (please print):

(Name)	(Post Office Address)
Don Hargrove	4290 Jasper Ln. Reno, Nevada.
Jack Hargrove	4290 Jasper Ln. Reno, Nevada.
Dennis Stacey	4290 Jasper Ln. Reno, Nevada.
Keith Vermilyea	816 Wheeler Ave. Reno, Nevada.

The claim is 1500 feet long and 600 feet wide, and 25 feet is claimed in a northerly direction and 1475 feet in a southerly direction from the location monument, at which the Notice of Location is posted, lengthwise of the claim, together with 300 feet in width on each side of the center of the claim. The general course of the lode deposit and premises is from the north to the south.

The location and number of each corner of this claim is shown on the claim map that is filed herewith. On the ground, each corner of the claim is marked with its appropriate number by scribing the wood

(Describe method of marking, such as "scribing the wood")

The description of each corner is as follows (describe the corner(s), such as "4x4 wooden post"):

Corner No. 1 is a 4x4 wood post

Corner No. 2 is a 4x4 wood post

Corner No. 3 is a 4x4 wood post

Corner No. 4 is a 4x4 wood post

Corner No. 5 is a 4x4 wood post

Corner No. 6 is a 4x4 wood post

The monumentation and marking of the corners was completed by the 27 day of August, 19 72.
(Must be within 20 days of posting notice of location)

The location work consisted of making a claim map as provided in NRS 517.040. Two copies of this claim map have been filed with the Lander County Recorder, and the $15.00 lode claim filing fee has been paid to the County Recorder.

Dated this 7 day of September, 19 72.

Don Hargrove — Jack Hargrove
(Locator sign here)
Keith Vermilyea — Dennis Stacey

Note 1: Two copies of this certificate and two copies of the claim map must be filed, and the $15 filing fee must be paid, within 90 days after the date of posting Notice of Location.

Note 2: "Every person who willfully and knowingly makes a false material statement on the location certificate or on any map required by this chapter shall be guilty of a felony, and upon conviction thereof shall be imprisoned in the state prison for not less than 3 years nor more than 10 years." NRS 517.300, Subsection 2.

Note 3: The claim map of this claim is filed in the _____ County Recorder's Office as Document No. _____. (may be filled in by locator)

RECORDER'S STAMP
RECORDED AT REQUEST OF
Jack Hargrove
Sept. 11, 19 72 AT 9:02 AM
BOOK 112 OFFICIAL RECORDS PAGE 93
OF LANDER COUNTY, NEVADA
FEES PAID 1.00
FILE NO. 72162
COUNTY RECORDER

CARLISLE FORM NO. 56 N

72162 93

BOOK NO. 112 PAGE 94

Certificate of Location of Lode Mining Claim

TO ALL WHOM IT MAY CONCERN:

The undersigned hereby certifies (certify) that he (she, they) has (have) located the Maren # 6 Lode Mining Claim in Section _____, Township 20 N, Range 40 E, in the New Pass Mining District, in Lander County, in the State of Nevada, on the 19 day of August, 19 72.

The name(s) and post office address(es) of the locator(s) is (are) (please print):

(Name)	(Post Office Address)
Don Hargrove	4290 Jasper Ln. Reno, Nevada
Jack Hargrove	4290 Jasper Ln. Reno, Nevada
Dennis Stacey	4290 Jasper Ln. Reno, Nevada
Keith Vermilyea	816 Wheeler Ave. Reno, Nevada

The claim is 1500 feet long and 600 feet wide, and 25 feet is claimed in a Northerly direction and 1475 feet in a Southerly direction from the location monument at which the Notice of Location is posted, lengthwise of the claim, together with 300 feet in width on each side of the center of the claim. The general course of the lode deposit and premises is from the north n to the south.

The location and number of each corner of this claim is shown on the claim map that is filed herewith. On the ground, each corner of the claim is marked with its appropriate number by scribing the wood

(Describe method of marking, such as "scribing the wood")

The description of each corner is as follows (describe the corner(s), such as "4x4 wooden post"):

Corner No. 1 is a 4x4 wood post

Corner No. 2 is a 4x4 wood post

Corner No. 3 is a 4x4 wood post

Corner No. 4 is a 4x4 wood post

Corner No. 5 is a 4x4 wood post

Corner No. 6 is a 4x4 wood post

The monumentation and marking of the corners was completed by the 27 day of August, 19 72.

(Must be within 20 days of posting notice of location)

The location work consisted of making a claim map as provided in NRS 517.040. Two copies of this claim map have been filed with the Lander County Recorder, and the $15.00 lode claim filing fee has been paid to the County Recorder.

Dated this 7 day of September 19 72.

Don Hargrove — Jack Hargrove

(Locator sign here)

Keith Vermilyea — Dennis Stacey

Note 1: Two copies of this certificate and two copies of the claim map must be filed, and the $15 filing fee must be paid, within 90 days after the date of posting Notice of Location.

Note 2: "Every person who willfully and knowingly makes a false material statement on the location certificate or on any map required by this chapter shall be guilty of a felony, and upon conviction thereof shall be imprisoned in the state prison for not less than 3 years nor more than 10 years." NRS 517.300, Subsection 2.

Note 3: The claim map of this claim is filed in the _____ County Recorder's Office as Document No. _____. (may be filled in by locator)

RECORDER'S STAMP

RECORDED AT REQUEST OF Jack Hargrove

Sept. 11 1972 AT 9:08 A.M.

BOOK 112 OFFICIAL RECORDS PAGE 94

OF LANDER COUNTY, NEVADA

FEES PAID 1.00

FILE NO. 72163

COUNTY RECORDER

CARLISLE FORM NO. 56 N

72163-94

7239 East Camino Vecino
Tucson, Arizona 85715
30 December 1974

The First National Bank
Box 540
Farmington, New Mexico 87401

Attention: Mr. K. O. Wilbanks, President

Dear Mr. Wilbanks:

Mardon Inc., A New Mexico Corporation, Has obtained a lease on six mining claims in Lander County, Nevada. In 1938 my brother and I sunk a 50 foot deep shaft on the vein which is widening as it goes deeper. This ore assayed 8 ounces of silver and panned from $5.00 to $30.00 in gold per ton at the $35.00 price.

Further north, some 350 feet from the shaft we uncovered about four feet of quarts on the surface this showing was split by about 18 inches of country rock. A selected sample assayed 8.09 ounces silver and 0.054 ounces gold. A later sample in the same location assayed 148.0 ounces silver and 0.30 ounces gold. At present prices, this ore assays $703.00 in silver and $58.00 in gold or a total of $761.00 per ton. I consider this to be commercial ore, as is where is, and I consider this to be a good prospect which is now under development, weather permitting. We need to drift another 365 feet to be under this out-crop (vertically down dip).

Mardon would like to borrow $20,000.00 at a maximum of 9% to continue. We are 150 feet below the bottom of the old shaft and 250 feet below the surface exposure. We need to drift and raise 500 feet at a cost of $40.00 per foot. We have the necessary equipment, including compressor, mucking machine, drills, etc.

Parallel veins some 4,000 feet west of us have been producing sporadically for over 100 years. Average ore grade about $25 to $30 per ton at $35.00 gold price.

As you may know my business is mining. My experience dates from 1928 in nearly all facets of mining including exploration, mine development, mine and mill operation (mucker to manager and everything in between) metallurgical test work project engineer on mill design and construction for myself and as an employee of several well known corporations.

We will give you a lien on our six mining claims for security if you so desire.

Sincerely,

Don Hargrove

Don Hargrove, President
MARDON INC.

DH/mah

FIRST NATIONAL BANK
OF FARMINGTON / MEMBER F.D.I.C.

K. O. Wilbanks
President

January 2, 1975

Mr. Don Hargrove, President
MARDON INC.
7239 East Camino Vecino
Tucson, Arizona 85715

Dear Mr. Hargrove:

We are in receipt of your letter of application for your firm for $20,000.00 for a mining venture in Nevada.

I am sorry it's not the policy of this bank to loan money on mining ventures and particularly out of the state of New Mexico.

If we can be of any further service to you, feel free to call upon us.

Sincerely,

K. O. Wilbanks

K. O. Wilbanks
President

KOW:co

Post Office Box 540 • Farmington, New Mexico 87401

7239 East Camino Vecino
Tucson, Arizona 85715
30 December 1974

Southern Arizona Bank & Trust Co.
Box 511
Tucson, Arizona 85702

Attention: Mr. Hockings, Tucson Medical Banking Center

Dear Mr. Hoskings:

Mardon Inc., A New Mexico Corporation, has obtained a lease on six mining claims in Lander County, Nevada. In 1938 my brother and I sunk a 50 foot deep shaft on the vein which is widening as it goes deeper. This ore assayed 8 ounces of silver and panned from $5.00 to $30.00 in gold per ton at the $35.00 price.

Further north, some 350 feet from the shaft we uncovered about four feet of quartz on the surface this showing was split by about 18 inches of country rock. A selected sample assayed 8.09 ounces silver and 0.054 ounces gold. A later sample in the same location assayed 148.0 ounces silver and 0.30 ounces gold. At present prices, this ore assays $703.00 in silver and $58.00 in gold or a total of $761.00 per ton. I consider this to be commercial ore, as is where is, and I consider this to be a good prospect which is now under development, weather permitting. We need to drift another 365 feet to be under this outcrop (vertically down dip).

Mardon would like to borrow $20,000.00 at a maximum of 9% to continue. We are 150 feet below the bottom of the old shaft and 250 feet below the surface exposure. We need to drift and raise 500 feet at a cost of $40.00 per foot. We have the necessary equipment, including compressor, mucking machine, drills, etc.

Parallel veins some 4,000 feet west of us have been producing sporadically for over 100 years. Average ore grade about $15 to $30 per ton at $35.00 gold price.

Mining is my business. My experience dates from 1928 in nearly all facets of mining including exploration, mine development, mine and mill operation (mucker to manager and everything in between) metallurgical test work, project engineer on mill design and construction, for myself and as an employee of several well known corporations.

We will give you a lien on our six mining claims for security if you so desire.

Sincerely,

Don Hargrove

Don Hargrove, President
MARDON INC.

DH/mah

SOUTHERN ARIZONA BANK & TRUST COMPANY

TUCSON, ARIZONA

January 7, 1975

JOHN E. HOCKINGS
EXECUTIVE OFFICER

TUCSON MEDICAL BANKING CENTER
P.O. BOX 1871
TUCSON, ARIZONA 85702

Mr. Don Hargrove, President
Mardon, Inc.
7239 East Camino Vecino
Tucson, Arizona 85715

Dear Mr. Hargrove:

In answer to your letter request of December 30th for a $20,000.00 loan for mining purposes, we regret to inform you that this would not be a feasible loan for this bank due to the risk involved. Therefore it is with regret that we must decline your request.

Sincerely,

J. E. Hockings
Assistant Cashier

JEH: dlb

STANDARD FORM 19-B
OCTOBER 1969 EDITION
GENERAL SERVICES ADMINISTRATION
FED. PROC. REG. (41 CFR) 1-16.401

REPRESENTATIONS AND CERTIFICATIONS

(Construction Contract)
(For use with SF 19 and 21)

REFERENCE (*Enter same No.(s) as on SF 19/21*)

NAME AND ADDRESS OF BIDDER (*No., Street, City, State, and ZIP Code*)
MARDON INC. (Gold-Silver)
7239 E. Camino Vecino, Tucson, Ariz. 85715

Maren Lode Group Lander County, Nevada

DATE OF BID

In negotiated procurements, "bid" and "bidder" shall be construed to mean "offer" and "offeror."

The bidder makes the following representations and certifications as a part of the bid identified above. *(Check appropriate boxes.)*

1. SMALL BUSINESS

He ☐ is, ☐ is not, a small business concern. *(For this purpose, a small business concern is a business concern, including its affiliates, which (a) is independently owned and operated, (b) is not dominant in the field of operation in which it is bidding on Government contracts, and (c) had average annual receipts for the preceding 3 fiscal years not exceeding $7,500,000. For additional information see governing regulations of the Small Business Administration.)*

2. CONTINGENT FEE

(a) He ☐ has, ☐ has not, employed or retained any company or person (other than a full-time bona fide employee working solely for the bidder) to solicit or secure this contract, and *(b)* he ☐ has, ☐ has not, paid or agreed to pay any company or person (other than a full-time bona fide employee working solely for the bidder) any fee, commission, percentage or brokerage fee, contingent upon or resulting from the award of this contract; and agrees to furnish information relating to *(a)* and *(b)* above as requested by the Contracting Officer. *(For interpretation of the representation, including the term "bona fide employee," see Code of Federal Regulations, Title 41, Subpart 1-1.5.)*

3. TYPE OF ORGANIZATION

He operates as an ☐ individual, ☐ partnership, ☐ joint venture, ☐ corporation, incorporated in State of .....

4. INDEPENDENT PRICE DETERMINATION

(a) By submission of this bid, each bidder certifies, and in the case of a joint bid each party thereto certifies as to his own organization, that in connection with this procurement:

(1) The prices in this bid have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other bidder or with any competitor;

(2) Unless otherwise required by law, the prices which have been quoted in this bid have not been knowingly disclosed by the bidder and will not knowingly be disclosed by the bidder prior to opening, in the case of a bid, or prior to award, in the case of a proposal, directly or indirectly to any other bidder or to any competitor; and

(3) No attempt has been made or will be made by the bidder to induce any other person or firm to submit or not to submit a bid for the purpose of restricting competition.

(b) Each person signing this bid certifies that:

(1) He is the person in the bidder's organization responsible within that organization for the decision as to the prices being bid herein and that he has not participated, and will not participate, in any action contrary to *(a)* (1) through *(a)* (3) above; or

(2) (i) He is not the person in the bidder's organization responsible within that organization for the decision as to the prices being bid herein but that he has been authorized in writing to act as agent for the persons responsible for such decision in certifying that such persons have not participated, and will not participate, in any action contrary to *(a)* (1) through *(a)* (3) above, and as their agent does hereby so certify; and (ii) he has not participated, and will not participate, in any action contrary to *(a)* (1) through *(a)* (3) above.

(c) This certification is not applicable to a foreign bidder submitting a bid for a contract which requires performance or delivery outside the United States, its possessions, and Puerto Rico.

(d) A bid will not be considered for award where *(a)* (1), *(a)* (3), or *(b)* above, has been deleted or modified. Where *(a)* (2) above, has been deleted or modified, the bid will not be considered for award unless the bidder furnishes with the bid a signed statement which sets forth in detail the circumstances of the disclosure and the head of the agency, or his designee, determines that such disclosure was not made for the purpose of restricting competition.

THE FOLLOWING NEED BE CHECKED ONLY IF BID EXCEEDS $10,000 IN AMOUNT.

5. EQUAL OPPORTUNITY

He ☐ has, ☐ has not, participated in a previous contract or subcontract subject to the Equal Opportunity Clause herein, the clause originally contained in Section 301 of Executive Order No. 10925, or the clause contained in Section 201 of Executive Order No. 11114; he ☐ has, ☐ has not, filed all required compliance reports; and representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained prior to subcontract awards. *(The above representation need not be submitted in connection with contracts or subcontracts which are exempt from the clause.)*

NOTE.—Bids must set forth full, accurate, and complete information as required by this invitation for bids (including attachments). The penalty for making false statements in bids is prescribed in 18 U.S.C. 1001.

6. PARENT COMPANY AND EMPLOYER IDENTIFICATION NUMBER

Each bidder shall furnish the following information by filling in the appropriate blocks:

(*a*) Is the bidder owned or controlled by a parent company as described below? ☐ Yes ☐ No. *(For the purpose of this bid, a parent company is defined as one which either owns or controls the activities and basic business policies of the bidder. To own another company means the parent company must own at least a majority (more than 50 percent) of the voting rights in that company. To control another company, such ownership is not required; if another company is able to formulate, determine, or veto basic business policy decisions of the bidder, such other company is considered the parent company of the bidder. This control may be exercised through the use of dominant minority voting rights, use of proxy voting, contractual arrangements, or otherwise.)*

(*b*) If the answer to (*a*) above is "Yes," bidder shall insert in the space below the name and main office address of the parent company.

NAME OF PARENT COMPANY	MAIN OFFICE ADDRESS *(No., Street, City, State, and ZIP Code)*

(*c*) Bidder shall insert in the applicable space below, if he has no parent company, his own Employer's Identification Number (E.I. No.) *(Federal Social Security Number used on Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941)*, or, if he has a parent company, the E.I. No. of his parent company.

EMPLOYER IDENTIFICATION NUMBER OF	PARENT COMPANY	BIDDER

7. CERTIFICATION OF NONSEGREGATED FACILITIES

(Applicable to (1) contracts, (2) subcontracts, and (3) agreements with applicants who are themselves performing federally assisted construction contracts, exceeding $10,000 which are not exempt from the provisions of the Equal Opportunity clause.)

By the submission of this bid, the bidder, offeror, applicant, or subcontractor certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. He certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he will not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The bidder, offeror, applicant, or subcontractor agrees that a breach of this certification is a violation of the Equal Opportunity clause in this contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. He further agrees that (except where he has obtained identical certifications from proposed subcontractors for specific time periods) he will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding $10,000 which are not exempt from the provisions of the Equal Opportunity clause; that he will retain such certifications in his files; and that he will forward the following notice to such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods):

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES

A Certification of Nonsegregated Facilities must be submitted prior to the award of a subcontract exceeding $10,000 which is not exempt from the provisions of the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

MARDON INC.

Don Hargrove

Don Hargrove
President

☆ U.S. GOVERNMENT PRINTING OFFICE : 1969 OF—390-456 (13-K)

EXHIBIT B-1

CERTIFICATION OF NONSEGREGATED FACILITIES

The undersigned hereby certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. He certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he will not permit his employees to perform their services at any location under his control, where segregated facilities are maintained. He further agrees that a breach of this certification is a violation of the Equal Opportunity clause in OME Exploration contracts. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color, or national origin, because of habit, local custom, or otherwise. He further agrees that (except where he has obtained identical certifications from proposed subcontractors for specific time periods) he will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding $10,000 which are not exempt from the provisions of the Equal Opportunity clause; that he will retain such certifications in his files; and that he will forward the following notice to such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods):

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES

A Certification of Nonsegregated Facilities must be submitted prior to the award of a subcontract exceeding $10,000 which is not exempt from the provisions of the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

Don Hargrove
Signature

Pres
Title

5 JAN 1975
Date

MARDON INC.
7239 E. Camino Vecino
Tucson, Aruzona 85715

3 January 1975

FINANCIAL STATEMENT OF MARDON INC.

Assets

Machinery, equipment and supplies now in use on Maren Group Lease	$ 19,000.00†
31 Foot Airstream Trailer	11,347,00
Cash in bank	1,974.38
TOTAL	$ 31,693.00

Liabilities ..... None

original returned to Hargrove 4/15/75 for correction.
H. Kirkmo

Don Hargrove
Don Hargrove
President

Maren S. Hargrove
Maren S. Hargrove
Secretary-treasurer

3 January 1975

FINANCIAL STATEMENT OF DON AND MAREN S. HARGROVE

ASSETS

Warehouse, Tucson, Arizona		
Equity.....Principal....$194,763.00)		$306,341.00
Interest..... 111,578.00)		
San Juan Gravel Products Co.		
Equity.....Principal.... 201,000.00		
Interest..... 46,320.00)		247,320.00
Equity (7275 E. Camino Bacelar, Tucson)		19,611.00
Equity (7239 E. Camino Vecino, Tucson)		26,216.00
Mardon Inc		32,306.97
Chrysler Station Wagon (1968 Model)		1,200.00
American Motors Co.--1974 Fast Back Hornet		3,782.00
Bonds		65,950.00
Stocks		56,888.51
Other Assets		86,800.00
Equity Maren Group of Claims		?
Cash in Banks		
First National Bank, Farmington, N.M.		1,705.75
Southern Arizona Bank & Trust Co., Tucson, Ariz.		1,650.00
First Nat'l Bank of Nevada, Fallon, Nevada		100.00
TOTAL		$849,971.23

LIABILITIES

Home (7275 E. Camino Bacelar, Tucson)	$ 28,828.00
Home (7239 E. Camino Vecino, Tucson)	39,965.00
First National Bank, Farmington, N.M. (Note)	20,000.00
TOTAL	$ 88,793.00

NET WORTH.....$761,078.23

MONTHLY INCOME.....over $4,000.00

Maren S. Hargrove

Maren S. Hargrove

Don Hargrove

Don Hargrove

MARDON INC.
7239 E. Camino Vecino
Tucson, Arizona 85715

TO WHOM IT MAY CONCERN:

This is to certify that John Dennis Stacey and Dennis Stacey are one and the same person.

Don Hargrove

Don Hargrove, President

Maren S. Hargrove

Maren S. Hargrove, Secretary-Treasurer

5 January 1975

MARDON INC.
Box 67
Austin, Nevada 89310

31 August 1974

OPERATOR'S FINAL REPORT

1) ONE No. 6884--Gold and Silver
Contract No. 2311
Mardon Inc.
Lessee of the Maren Lode Group of mining claims. New Pass Mining District, Lander County, Nevada.

2) Summary of Project.

This ONE project was started on 15 August 1973. We shut down on 28 October 1973 for the winter and started work again on 27 April 1974. The contract was completed on 3 August 1974.

We completed 510 feet of crosscut and drift. Cost.....$ 19,375.00
We had 46 feet of timbering. Cost..... 460.00
33 Assays. Cost..... 165.00

Total Cost.....$ 20,000.00

3) Geology & Mineralogy.
Production from New Pass Mining District has been almost entirely from quartz filled fissure veins in greenstone. There are two or three major and several minor structures that are more or less parallel in strike (about N 15° to 20° W) and dip quite steeply to both east and west.
At least one of the major producers has had considerable post mineral faulting. Most of the veins have a low silver to gold ratio and nearly all ore in the district seems to be accompanied by minor amounts of copper and or galena.

The Maren vein is the eastern-most structure that we know of in this immediate area. Strike is N 15°--20° W dip from 68° to 75° to E.

One selected sample from surface outcrop some 400 feet N of our heading assayed 148 oz. Ag and 0.30 Oz. Au another sample assayed 17.5 oz. Ag and 0.28 oz. Au thus showing Ag--Au ratio of 60 to 1 to 450 to 1 which is very unusual for this area.

A great deal of this area south of us is covered by tuff, which may or may not overlie greenstone. Secondary (meteoric water) deposition of calsite is rather abundant amounts leads me to believe that the greenstone may have underlain limestone which is now eroded.

Width of the area from West to East is nearly one mile. We know of mineralization N--S for at least 4 miles. Gold has been found from an elevation of 8500 feet down to 6700 feet.

The enclosed map will show the salient features of the work done on the Maren Group.

We have not developed any commercial ore as yer.

4) We have done well over 600 feet of crosscutting and drifting during the summers of 1973 and 1974. We had a few problems, such as the South end of our structure being faulted to the east some 80 feet which completely changed our angle of interception of the vein near the old shaft which we sunk in 1938. We are at present running a slusher crosscut to the west (S 86° W) from a point 186 feet on the drift to be certain that we are on the right structure. We are in 40' and still in faulted (but not altered) greenstone.

If the slusher crosscut of the entire zone proves that we are (as I believe) on the proper structure then we will drift thru the fault gouge and continue our drift on the hanging wall side where we sill have better ground and, I believe, better chance for mineralization. (We have had car samples of up to 1.6 oz. Ag from 10 or more cars, which is certainly encouraging).

We intedn to drift on up to the upper cat cut (which produced the high surface assay) next year, if the Lord be willing, and we expect to be in ore before we get there.

We want to express our sincere appreciation for all the kindness and assistance extended by OME personnel. Thank you so much.

Don Hargrove

Don Hargrove
President
MARDON INC.

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

November 15, 1976

Memorandum

To: Branch of Financial Reports

From: Chief, Office of Minerals Exploration

Subject: Recording of Realized Loss under OME Contract

Write-off of loss on the listed OME contract is authorized:

Contract	Docket	Operator	Write-off
2314	6906	Mardon, Inc.	$15,750.00

Harold Kirkemo

Harold Kirkemo

CC:
DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo
Region II

HKirkemo/gpw

HK 11-10-76

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

November 10, 1976

MEMORANDUM

To: Chief, office of Minerals Exploration
Reston, Virginia

From: Field Officer, Region II

Subject: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract No. 2314

Enclosed is a summary-type Final Field Report for the subject exploration project.

H. K. Stager

Enclosure

FINAL FIELD REPORT - OME EXPLORATION PROJECT

By H. K. Stager, Field Officer, Region II

November 10, 1976

1. OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract No. 2314

Operator: Mardon, Inc.
Don Hargrove, President
7239 E. Camino Vecino
Tucson, Arizona 85715

Property: Consists of six (6) unpatented lode mining claims in sec. 10, T. 20 N., R. 40 E., MDBM, New Pass mining district, Lander County, Nevada. These claims are shown on a map attached to the contract and are recorded at Austin, Nevada as follows:

Claim name	Book	Page
Maren No. 1	112	89
Maren No. 2	112	90
Maren No. 3	112	91
Maren No. 4	112	92
Maren No. 5	112	93
Maren No. 6	112	94

Ownership: The Operator was in possession of the claims by virtue of a Lease of Mining Claims between Don Hargrove, Keith Vermilyea, Dennis Stacey, and Jack Hargrove, Lessors and Owners, and the Operator dated January 16, 1973. A Lien and Subordination Agreements executed by the owners and dated January 4, 1975 was attached to the contract.

2. Purpose of Project: The purpose of the project was to explore by drifting, crosscutting, and raising for gold- and silver-bearing ore shoots in or along the Maren quartz vein which cuts rocks in the Havallah sequence of Pennsylvanian and Permian age.

3. Contract: Dated April 30, 1975, for a term of 12 months.
Original contract amount - $21,000.00
Government participation (75%) - $15,750.00

Amendment No. 1, dated November 24, 1975, allowed a 7-month recess in the work during the winter and extended the time for completion to 18 months.

4. Project Work: Started June 19, 1975. Completed on July 19, 1976.

Cost Items	Authorized			Completed	
	Units	Rate	Amount	Units	Amount
Crosscutting and drifting	500 ft	$40/ft	$20,000.00	482 ft	$19,280.00
Timbering	80 ft	$10/ft	800.00	135 ft	1,350.00
Assaying for gold and silver	40 smpls	$5/smpl	200.00	74 smpls	370.00
Total estimated cost of project			$21,000.00		$21,000.00
Government participation at 75%			15,750.00		15,750.00
Paid to the Operator					$15,750.00

The Government retained no equity in any of the materials or equipment used.

Effectiveness of the work: The target area was adequately explored but no ore bodies were found. Additional exploration does not appear to be justified.

Efficiency of the Operator: The work was done efficiently and the Operator continued the exploration at its own expense for two months after completion of the OME contract, completing an additional 130 feet of drifting in the target area.

5. Reports:

Operator's Final Report: An acceptable Final Report was received on July 29, 1976.

Audits: Inasmuch as this was a short-form contract containing only three fixed-unit cost items, an audit was not required or requested. Final payment was made to the Operator on August 3, 1976.

Royalty Review: There was no ore mined or sold during the period of the contract and no royalty was due the Government. A Royalty Review was not requested.

6. Project results:

Discoveries: There were no significant discoveries of gold- or silver-bearing material. Assays for the 74 samples, obtained from material cut by the drift, indicated a trace to 0.23 ounce of gold and a trace to 7.15 ounces of silver per ton. Most of the samples assayed only a trace of gold and silver. The higher assays were obtained from small quartz fragments found in the fault breccia and do not represent minable material. No ore reserves were discovered as a result of the OME work, nor by the additional work done by the Operator after completion of the contract.

Certification: The OME work did not result in a discovery of minable ore and certification was not recommended. The Operator was notified on November 2, 1976 that the Government retains no claim or lien against the property.

Production: There was no ore mined or stockpiled during the period of the contract.

Royalties: There was no ore sold and no royalties were paid or due the Government.

7. Geologic Summary: The ore bodies that have been mined in the New Pass district consist of gold- and silver-bearing ore shoots in quartz veins along steeply dipping faults that cut a massive greenstone unit in the Havallah sequence of Pennsylvanian and Permian age. The ore minerals are free gold and argentiferous lead and copper sulfides, carbonates, and oxides. The ore shoots at the nearby New Pass Mine are from a few inches to as much as 10 feet thick, but where mined averaged about 3 feet. They are as much as 300 feet in length and have been mined downdip for as much as 500 feet. There has been no production from the Mardon property, but nearby mines have yielded about 40,000 tons of ore that averaged about 1 ounce of gold and 1 ounce of silver per ton.

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

November 2, 1976

Mr. Keith Vermilyea
816 Wheeler Avenue
Reno, Nevada 89502

Re: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract No. 2314

Dear Mr. Vermilyea:

Enclosed is a copy of a self-explanatory letter of today to the Operator under the subject contract.

This correspondence relates to the Lien and Subordination Agreements, signed by you on January 4, 1975, under the Office of Minerals Exploration program.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Enclosure

Mr. Dennis Stacey
7239 E. Camino Vecino
Tucson, Arizona 85715

Mr. Jack Hargrove
4290 Jasper Lane
Reno, Nevada 89502

Identical letters to Above

cc:
DRF
MR Rdg.
OME Files
OME Rdg.
Kirkemo
Branch of Financial Mgnt.
Region II

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

November 2, 1976

Mr. Don Hargrove
President
Mardon, Inc.
7239 E. Camino Vecino
Tucson, Arizona 85715

Re: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract No. 2314

Dear Mr. Hargrove:

Reference is made to your completed exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of possible production under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

We appreciate your interest and participation in the OME exploration program.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo, Chief
Office of Minerals Exploration

Copies to: Addressee at:
Box 67
Austin, Nevada 89310

Mr. Dennis Stacey
7239 E. Camino Vecino
Tucson, Arizona 85715

Mr. Keith Vermilyea
816 Wheeler Avenue
Reno, Nevada 89502

Mr. Jack Hargrove
4290 Jasper Lane
Reno, Nevada 89502

cc:
DRF
MR Rdg.
OME Files
OME Rdg.
Kirkemo
Branch of Financial Mgnt.
Region II

Rcvd 10/25/76

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

October 26, 1976

Memorandum

To: Chief, Office of Minerals Exploration
Reston, Virginia

From: Field Officer, Region II

Subject: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract No. 2314

Enclosed is a letter from the Operator outlining the work accomplished after the completion of the subject contract.

Inasmuch as the work accomplished under the OME contract, and the additional 130 feet of drifting at the Operator's expense, did not result in the discovery of significant mineralization, certification is not recommended.

As soon as you notify the Operator that the Government does not intend to issue a Certification of Possible Production, I will complete and transmit my Final Field Report.

H. K. Stager

Enclosure

MARDON INC,

Summer Address
Box 67
Austin, Nevada 89310

Winter Address
7239 E. Camino Vecino
Tucson, Arizona 85715

20 October 1976

Mr. H. K. Stager, Field Officer
Office of Minerals Exploration
U. S. Geological Survey
345 Middlefield Road
Menlo Park, California 94025

Re: OME-6906
Mardon Inc.
Maren Lode Group
Lander County, Nevada

Dear Mr. Stager:

Enclosed please find a revised map of the Maren tunnel, a list of assays, and the assay certificates. We got a small amount of silver from the car grabs for the last 100 feet or so. It's too bad it isn't good enough to make ore.

I wanted to crosscut the whole structure, but got the flu and lost nearly two weeks. The crosscut to the West is in dolomitized rock containing quite a lot of very fine pyrite.

The short distance we got to the East is still in oxidized material. It needs to be crosscut, or drilled. Maybe I can get a drill in there.

We had quite a bit of Siderite in the last 50 or 60 feet of drift, sometimes as much as 2 feet or more wide.

I dtill think there is an orebody there, if we can find it.

Thank you so much for your help and your kindness, we really do appreciate it.

Sincerely,

Don Hargrove

Don Hargrove, President
Mardon Inc.

DH/mah
Inclosures

RECEIVED
OCT 26 1976
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

MARDON INC.
List of Samples Assayed
July, August and September 1976

SOURCE	SAMPLE NUMBER		Au	Ag
Re-run	069616		0.01	0.4
Car Grab	069639	Station #32+63 to 71'	Tr	0.3
" "	069640	Station #32+71 to 79'	0.01	0.3
" "	069641	Station #33+72 to 80'	0.01	0.3
" "	069642	Station #33+80 to 88'	Tr	0.1
" "	069643	Station #33+88 to 96'	Tr	0.2
" "	069644	Station #33+96 to 104'	Tr	0.1
" "	069645	Station #33+104' to 112'	0.01	0.2
" "	069646	Station #33+112 to 120'	Tr	0.1
" "	069647	Station #32 +55 to 63'	Tr	0.1
Face Station #34	069649	5.5' Horizontal cut	Tr	0.2
Cut Across Back	069650	Station 33+66'	Tr	0.1
Cut Across Back	069651	32" Station 33+90'	Tr	0.1
Car Grab	069652	Station #33+120 to 129'	Tr	0.1
" "	069653	Station #34+6' ti 14' West	Tr	0.1
" "	069654	Station #34+14 to 22' West	0.01	0.1
Picked	069656	Station #34+42' Face West	Tr	0.1
Car Grab	069657	Station #34+22 to 30' West	Tr	0.2
" "	069658	Station #34+30 to 38' West	Tr	0.1
" "	069659	Station #34+38 to 42' West	Tr	0.1

Nevada Assay Office

675 LESTER AVENUE

Reno, Nevada

FRANK W. JONES
Assayer-Chemist

September 10, 1976

Phone
329-4080

ASSAY CERTIFICATE FOR: Hardon Mining Co., Austin, Nev.

NO.	SAMPLE	GOLD OZ./TON	SILVER OZ./TON	%	%	%	%	%
	069639	Tr	0.3					
	40	0.01	0.3					
	41	0.01	0.3					
	42	Tr	0.1					
	43	Tr	0.2	ONE				
	44	Tr	0.1					
	45	0.01	0.2					
	46	Tr	0.1					
	47	Tr	0.1					
	Antimony	0.01	0.2					

26 Samples plus the Sb.

Nevada Assay Office

675 LESTER AVENUE

Reno, Nevada

September 10, 1976

FRANK W. JONES
Assayer-Chemist

Phone
329-4080

ASSAY CERTIFICATE FOR: Mardon Mining Co., Austin, Nev.

NO.	SAMPLE	GOLD OZ./TON	SILVER OZ./TON	%	%	%	%	%
	069617	0.01	0.9					
	20	0.01	0.8					
	21	0.01	0.7					
	22	0.01	0.2					
	24	0.01	0.4	BOREALIS				
	25	0.005	0.4					
	26	0.01	0.5					
	27	Tr	0.4					
	28	0.01	0.8					
	15	0.01	0.1	RE-RUN				
	16	0.01	0.4					
	49	Tr	0.2					
	50	Tr	0.1					
	51 OMIT	Tr	0.1					
	52	Tr	0.1					
	53	Tr	0.1					
	90	Tr	0.1					

Re-stick pan
This number

Nevada Assay Office

675 LESTER AVENUE

Reno, Nevada

September 17, 1976

FRANK W. JONES
Assayer-Chemist

Phone
329-4080

ASSAY CERTIFICATE FOR: Mardon Mines, Austin, Nev.

NO.	SAMPLE	GOLD OZ./TON	SILVER OZ./TON	
	069610	0.06	0.5	RE-RUN
	654	0.01	0.1	— OMC
	694	0.26	7.8	- ??
	619	0.16	0.8	- RE-RUN BOREALIS
	648	0.01	0.1	Callagahan Ranch float.
	628	0.02	1.8	---re-checked

No such — 694
we still have this No.

Nevada Assay Office

675 LESTER AVENUE

Reno, Nevada

FRANK W. JONES
Assayer-Chemist

September 24, 1976

Phone
329-4080

ASSAY CERTIFICATE FOR: Mardon Mines, Austin, Nev.

NO.	SAMPLE	GOLD OZ./TON	SILVER OZ./TON	%	%	%	%	%
	069655	0.02	0.9	– ROCHESTER	-CRAVEN			
	56	Tr	0.1	– OMIE				
	57	Tr	0.2	6 ME				
	58	Tr	0.1	OME				
	59	Tr	0.1	OME				

#35
#32
#31
#30
#29
#28
#27
#26
#24
#18
#17
#10
#6
#3
PH "E"
SCALE 1" = 60'
MAREN MINE
NEW PASS RANCH CO. NEVADA
October, 1975
REVISED 31 MAY 1976
CORRECTED 30 JUNE 1976
ADDITION 26 OCT 1976

FORM 9-1648
MARCH 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OFFICIAL COPY
O. M. E.
RECEIVED
AUG 9 1976
INITIALS CODE

HK 8/4/76
8/4/76

OPERATOR'S MONTHLY VOUCHER

For Month of July 1976

Docket No. OME- 6906
Contract 14-08-0001 2314
Contract Amount $ 21,000.00
Gov't. Participation % 75 $15,750.00

Operator's Name MARDON INC.
Address Box 67, Austin, Nevada 89310

COST ITEMS (FROM EXHIBIT A)	FOR OPERATOR'S USE: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS	FOR GOVERNMENT USE ONLY: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS
		$		$		$		$
Crosscutting & Drifting	30	1,200.00	482	19,280.00	30'	1,200.00	482'	19,280.00
Timbering	--	-------	135	1,350.00	0	0	135	1,350.00
Assays	6	30.00	74	370.00	6	30.00	74	370.00
TOTALS		$1,230.00		$21,000.00		$ 1,230.00		$ 21,000.00

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

Date 19 July 1976 *Payee Mardon Inc.

Per Don Hargrove Title President

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

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

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature [illegible] OME Field Officer Date 7-29-76

14X0804

Approved for: $ 922.50
(SUBJECT TO AUDIT)

Signature FAN

Date 8-3-76 Vou. No. AT065A
(SEE OTHER SIDE)

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS

OPERATOR'S MONTHLY REPORT

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

FIRST, the Operator's Monthly Voucher on Form 9-1648 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

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

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

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

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

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

MARDON INC.

Summer Address
Box 67
Austin, Nevada 89310

Winter Address
7239 E. Camino Vecino
Tucson, Arizona 85715

19 July 1976

Mr. H. K. Stager, Field Officer
Office of Minerals Exploration
U. S. Geological Survey
345 Middlefield Road
Menlo Park, California 94025

Re: OME-6906
Mardon Inc.
Maren Lode Group
Lander County, Nevada

Dear Mr. Stager:

Enclosed please find an original and 3 copies of each of the following:

1. Final Report
2. List of assays
3. Assay certificates
4. Map indicating the drift and geology of the work
5. Final Voucher

We have enjoyed our association with you and thank you for your help.

Sincerely,

Don Hargrove

Don Hargrove, President
Mardon Inc.

DH/msh
Inclosures

RECEIVED
JUL 29 1976
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

MARDON INC.

10 July 1976

OPERATORS FINAL REPORT

1) OME No. 6906
Contract Number 2314
Mardon Inc. Lessee of the Maren Lode Group of Mining Claims.
Newpass Mining District, Lander County, Nevada.

2) Summary of Project.

This OME project was started in July of 1975. We shut down for the winter on 15 October 1975 and resumed work on 3 May 1976.
We completed 482 feet of crosscut and drifting. Cost.....$ 19,280.00
We timbered 135 feet. Cost..... 1,350.00
74 assays. Cost..... 370.00

TOTAL COST.....$ 21,000.00
OME participation is 75% of $21,000.00.

3) Geology and Mineralogy.

The Mardon Lease is exploring, by drifting on, the eastern most structure in the district. The altered zone varies is width but is up to 50 or 60 feet wide. Most of the mineralization has been found on the footwall which has an average dip of about 70°. (A section drawn from the upper Cat cut elevation 8050 thru the drift elevation 7750 shows an average dip of 71°).

The geology seems quite similar to the producing parts of the district, except that the country rock (greenstone or andesite?) seems to be less silicious and finer grained than the gabbro found to the west.

The mineralization so far has been sparse spots of galena, copper minerals including some tetrahedrite, iron, silver and gold. Quarts containing a parallel ribbon structure (banded) or containing Cu or Pb minerals will invairably assay. Lack of these characteristics usually results in a lack of values. Quarts deposition has been confined to small fragments in fault drag with a few small veinlets up to 6" wide and perhaps as mush as 5 feet long.

It seems that we are either too high or else not far enough in.
We note our best looking mineralization seems to accompany cross fractures which strike about N 20 or 30° W. We are some 30 feet N of a line directly down dip of the upper Cat cut where we got the good assay on the surface (selected sample).

We hope to find that the ore may make as we continue to drift on the structure.

We have done over 1100 feet of work and, like the old prospector, won't quit until we put in one more round!

Sincerely,

Don Hargrove

Don Hargrove, President
Mardon Inc.

DH/mah

MARDON INC.

LIST OF ASSAYS TAKEN IN JULY 1976

Sample Number	Remarks
069611	Station # 32 plus 23' to 31'. Car grab (16 cars) ±
069612	Station # 32 plus 31' to 39'. " " " " "
069613	Station # 32 plus 39' to 47'. " " " " "
069614	Station # 32 plus 47' to 55'. " " " " "
069615	Station # 32 plus 55' to 64'. " " " " "

All of the above samples had good dark brown color, but had sparse quartz. Mostly as isolated pieces in fault gouge.

069616	Station # 32 plus 64'. Small quartz vein (2" to 6" wide)in the back. Quartz fractured. About 50% of sample is included gouge.

Don Hargrove

Don Hargrove, President
Mardon Inc.

HUNTER MINING LABORATORY

3160 NORTH DEER RUN ROAD, NO. 9
CARSON CITY, NEVADA 89701

TELEPHONE: (702) 882-3170

July 20, 1976

MARDON INC.
c/o Mr. Don Hargrove
P.O.Box 67
Austin, Nevada 89310

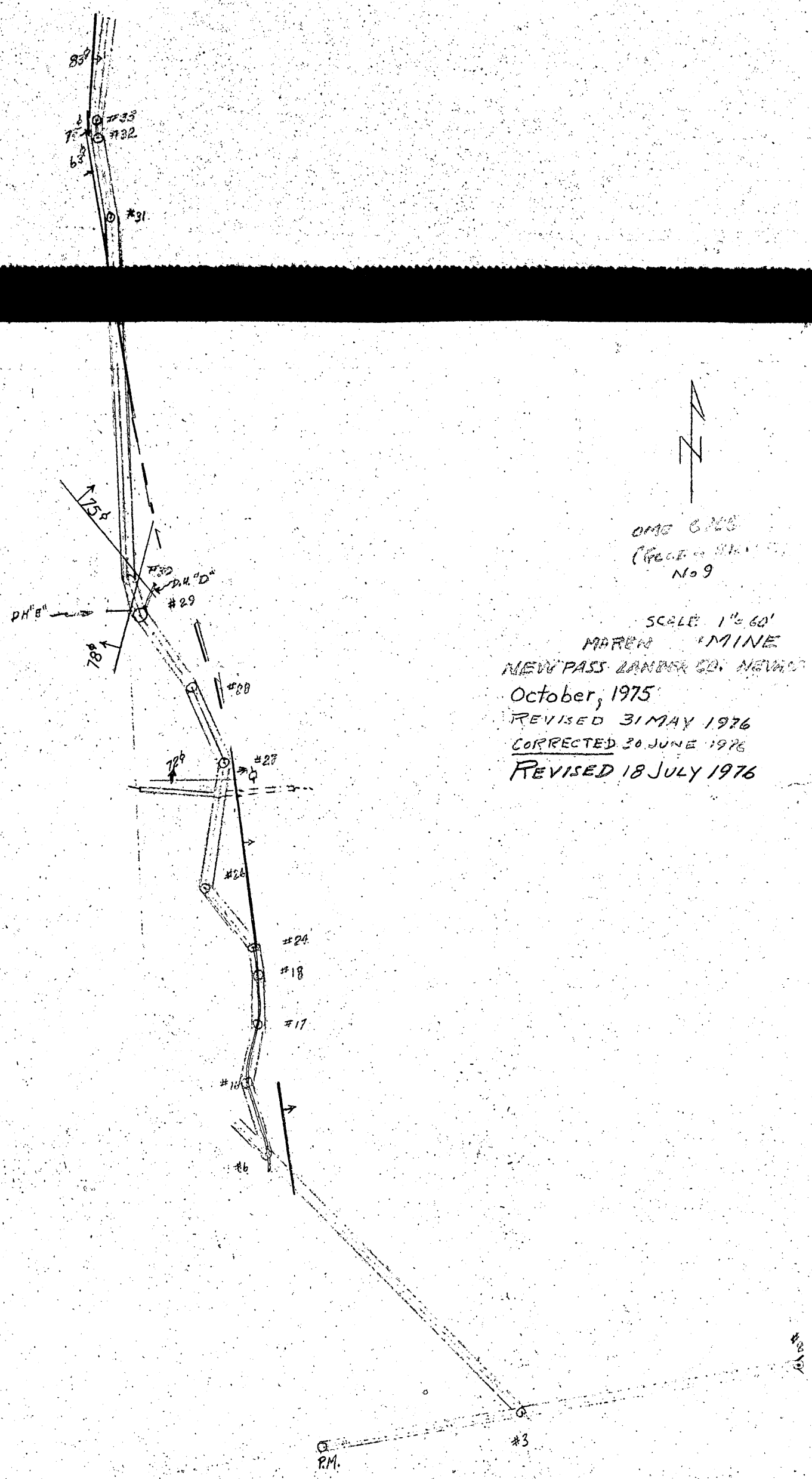
LABORATORY NO.: 0749

REPORT OF FIRE ASSAYS
- in troy ounces per ton of 2000 lbs. avoirdupois
- on the samples submitted on July 19, 1976:

SAMPLE MARK:	GOLD	SILVER
069611	trace	none
069612	trace	none
069613	trace	0.04
069614	trace	none
069615	trace	none
069616	none	none

H. H. Scales - Assayer

Trace of Gold indicates presence but below 0.005 oz./ton


83°
#33
7°
#32
63°
#31
75°
#30
D.H."D"
#29
PH"B"
78°
#28
72°
#27
#26
#24
#18
#17
#6
#3
P.M.
N
OMC 8225
(Recorded Map)
No 9
SCALE: 1" = 60'
MARRON MINE
NEW PASS LANDER CO. NEVADA
October, 1975
REVISED 31 MAY 1976
CORRECTED 30 JUNE 1976
REVISED 18 JULY 1976

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

OFFICIAL COPY
O. M. E.
RECEIVED
AUG 2 1976
INITIALS | CODE
HK | HE

July 29, 1976

Memorandum

To: Chief, Office of Minerals Exploration
Reston, Virginia

From: Field Officer, Region II

Subject: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract 2314

Enclosed are the Operator's Final Voucher and Report for the subject project. I recommend that the report be accepted and the final voucher paid in full.

The work apparently did not result in the discovery of a minable ore shoot. However, the Operator is continuing the drift at his own expense and an ore shoot may yet be found. I plan to make a final field inspection sometime during August and wish to delay my recommendation as to certification until after that inspection.

Inasmuch as this is the short-form, fixed-unit-costs contract, a cost audit or review is not required.

H. K. Stager

FORM 9-1648
MARCH 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

HK 7/14/76
7/21/76

OPERATOR'S MONTHLY VOUCHER For Month of June 1976

Docket No. OME- 6906
Contract 14-08-0001 2314
Contract Amount $ 21,000.00
Gov't. Participation % 75 $ 15,750.00

Operator's Name MARDON INC.
Address Box 67 Austin Nevada 89310

FOR OPERATOR'S USE					FOR GOVERNMENT USE ONLY			
COST ITEMS (FROM EXHIBIT A)	THIS MONTH		TO DATE		THIS MONTH		TO DATE	
	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS
		$		$		$		$
Crosscutting & drifting	55	2200.00	452	18,080.00	55'	2,200.00	452'	18,080.00
Timbering	10	100.00	135	1,350.00	10'	100.00	135'	1,350.00
Assays	13	65.00	68	340.00	13	65.00	68	340.00
TOTALS		$ 2365.00		$ 19,770.00		$ 2,365.00		$ 19,770.00

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

Date 3 July 1976 *Payee MARDON INC.

Per Don Hargrove Title President

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

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

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature [illegible] OME Field Officer 7-12-76 Date

14X0804

Approved for: $ 1,773.75 (SUBJECT TO AUDIT)

Signature FAR

Date JUL 19 1976 Vou. No AT027A

(SEE OTHER SIDE)

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS

OPERATOR'S MONTHLY REPORT

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

FIRST, the Operator's Monthly Voucher on Form 9-1648 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

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

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

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

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

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

MARDON INC.

Summer Address
Box 67
Austin, Nevada 89310

Winter Address
7239 E. Camino Vecino
Tucson, Arizona 85715

3 July 1976

Mr. H. K. Stager, Field Officer
Office of Minerals Exploration
U. S. Geological Survey
345 Middlefield Road
Menlo Park, California 94025

Re: OME-6906
Mardon Inc.
Maren Lode Group
Lander County, Nevada

Dear Mr. Stager:

The map I sent in for May is in error. The total distance from Station 30 to the face should have bean 191 feet as reported, but somehow I drew it in about 40 feet too long. My apologies. Please find corrected map. Station 30 to 31 is 182 feet. Number 31 to 32 is 40.5 feet and Station 32 to face on 30 June is 23.5 feet. We therefore made 55 feet in June.

We put in four sets of timber (2 different places) and 20 stulls. We cut the footwall strecture of the altered zone just south of Station 30 and began to get breccia with some chunks of vein quartz included. We also got little short veinlets from 1 to 6 inches wide but only 3 or 4 feet long. Some of the vein quartz panned and assayed.

The slickensided footwall has steepened from about 65° to 80° and has a slight bend to the east. We now have paralled faults about 6 feet apart, strike about N .03° W and dip 75-80°.

The face is about directly down dip of the upper Cat Cut.

Sincerely yours,

Don Hargrove

Don Hargrove, President
Mardon Inc.

DH/mah
Inclosures
1. Monthly Voucher
2. Map of Workings
3. Assay Reports

MARDON INC.

No.	List and description of Assays June 1976	
1197	Red breccia, fine grained, quite hard. 10 to 15' W of Station 31.	
1198	Banded vein quartz. Found in breccia. Some pieces up to 6" long.	
1199	Vein quartz showing blue black specks. Minor banding.. Pieces in breccia.	
1300	Car sample Station 30 + 179 to 187.	32 T ±
1301	Car sample Station 30 + 187 to 195.	"
1302	Car sample Station 30 + 195 to 199.	16 T ±
1303	Car sample Station 31 + 17 to 25.	32 T ±
1304	Car sample Station 31 + 25 to 28. Some quartz, some breccia.	12 T ±
069606	Car sample Station 31 + 28 to 32.	16 T ±
069607	Car sample Station 31 + 32 to 40.	32 T ±
069608	Car sample Starion 31 + 40 to 48.	32 T ±
069609	Car sample Station 31 + 48 to 56.	32 T ±
069610	Quartz Vein 3" to 6" wide. Ribbon,pans very fine colors.	

HUNTER MINING LABORATORY
3160 NORTH DEER RUN ROAD, NO. 9
CARSON CITY, NEVADA 89701

HENRY H. SCALES
LABORATORY: (702) 882-3170
RESIDENCE: (702) 883-3291

June 11, 1976

MARDON, INC.
c/o Mr. D. Hargrove
P.O.Box 67
Austin, Nevada 89310

LABORATORY NO.: 0694

REPORT OF FIRE ASSAYS
- in troy ounces per ton of 2000 lbs. av.
- on the samples submitted on June 9, 1976:

SAMPLE MARK:	GOLD	SILVER
#1197	0.110	0.05
#1198	0.210	2.87
#1199	0.230	7.15
#1300	trace	none
#1301	none	none
#1302	trace	none
#1303	trace	none
#1304	trace	none

H H Scales

H. H. Scales - Assayer

Trace of Gold indicates presence but below 0.005 oz./ton

HUNTER MINING LABORATORY
3160 NORTH DEER RUN ROAD, NO
CARSON CITY, NEVADA 89701

HENR H. SCALES
LABORATORY: (702) 882-3170
RESIDENCE: (702) 883-3291

June 25, 1976

MARDON, INC.
c/o Mr. D. Hargrove
P.O.Box 67
Austin, Nevada 89310

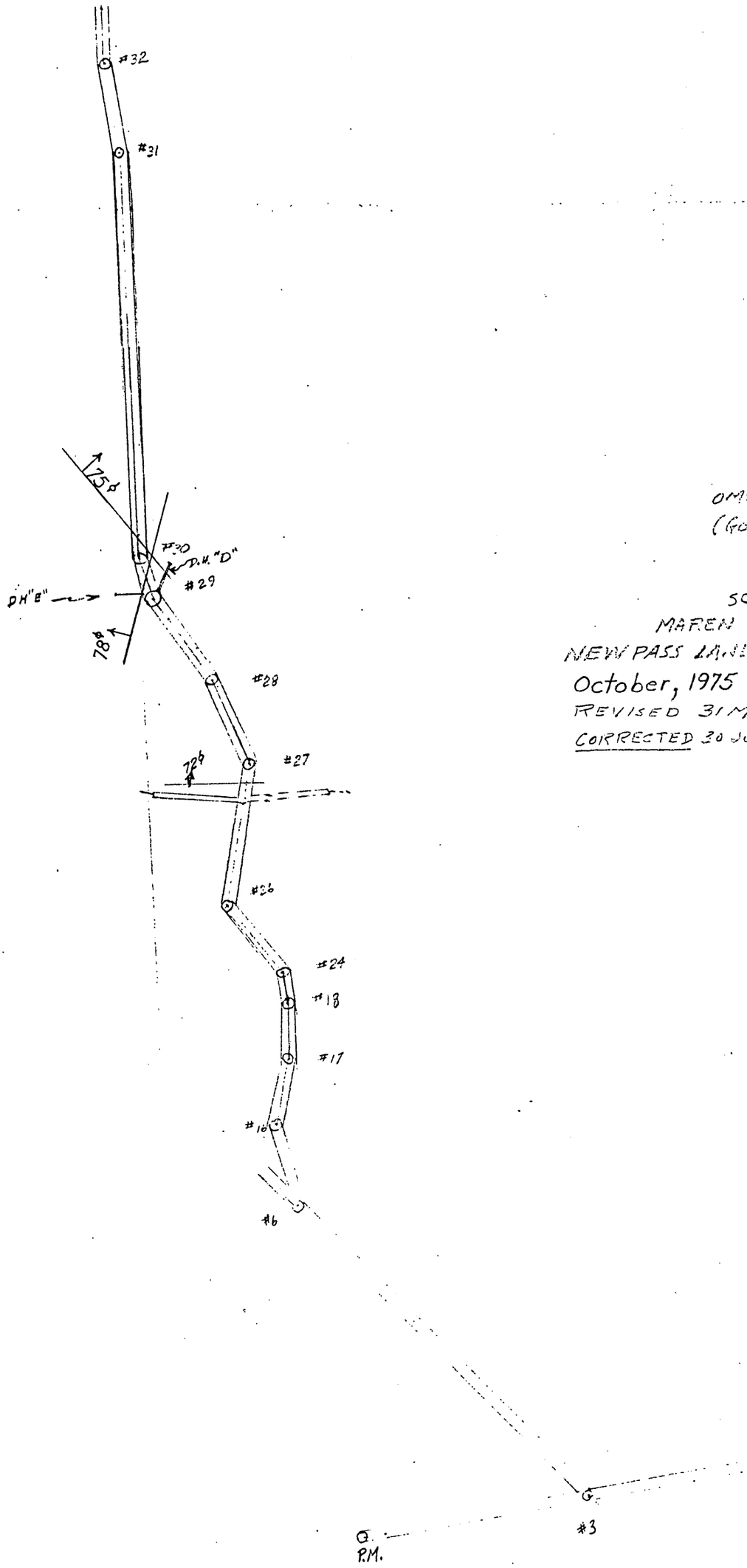
LABORATORY NO.: 0711

REPORT OF FIRE ASSAYS
- in troy ounces per ton of 2000 lbs. av.
- on the samples submitted on June 23, 1976:

SAMPLE MARK:	GOLD	SILVER
#069606	trace	none
#069607	trace	none
#069608	trace	none
#069609	trace	none
#069610	0.060	none

H. H. Scales - Assayer

Trace of Gold indicates presence but below 0.005 oz./ton



OME 6206
(Gold - Silver)
No 9

SCALE 1" = 60'
MAREN MINE
NEW PASS LANDER CO. NEVADA
October, 1975
REVISED 31 MAY 1976
CORRECTED 30 JUNE 1976

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

July 9, 1976

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 12 1976

INITIALS	CODE
HK	~~HK~~

Memorandum

To: Chief, Office of Minerals Exploration
Reston, Virginia

From: Field Officer, Region II

Subject: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract 2314

Interim Inspection

An interim inspection of the subject project was made by the Field Officer accompanied by Mr. Don Hargrove, president of Mardon, Inc., on July 7, 1976.

Since the last inspection on May 26 (Report dated June 2, 1976) the OME drift has been driven an additional 70 feet to the north along the Maren fracture zone. Several sets of timber have been required to hold the wet brecciated rock.

The fracture zone is about 3 feet wide and dips about 80° to the east. There are abundant vein quartz fragments in the brecciated material and most of these contain fine gold particles but assays of car samples indicate only a trace to 0.01 oz of gold and a trace to 1.17 oz of silver per ton.

The face of the drift is under, or a short distance past, the ore shoot exposed at the surface. If the shoot rakes to the north, as do the ore shoots in the nearby Superior and Thomas W. veins, an ore body may yet be discovered by the OME work. About 20 feet of drifting remains to be completed under the contract, but the operator plans to continue the drift at his own expense for an additional 100 feet or more.

H. K. Stager

648
968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 11 1976

A6901A

HK 6/15/76
HI

OPERATOR'S MONTHLY VOUCHER

For Month of May 1976

INITIALS HK

Docket No. OME- 6906
CODE 2314
Contract 14-08-0001
Contract Amount $ 21,000.00
Gov't. Participation % 75 $ 15,750.00

Operator's Name MARDON INC.
Address Box 67, Austin, Nevada 89310

FOR OPERATOR'S USE					FOR GOVERNMENT USE ONLY			
COST ITEMS (FROM EXHIBIT A)	THIS MONTH		TO DATE		THIS MONTH		TO DATE	
	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS
		$		$		$		$
Crosscutting & Drifting	96	3840.00	397	15,880.00	96'	3,840.00	397'	15,880.00
Assays	9	45.00	55	275.00	9	45.00	55	275.00
Timbering	0	0	125	1,250.00	0	0	125'	1,250.00
TOTALS		$ 3885.00		$ 17405.00		$ 3,885.00		$ 17,405.00

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

Date 5 June 1976 *Payee MARDON INC.

Per Don Hargrove Title President

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

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

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature H B Hagen OME Field Officer Date 6-11-76

14X0804

Approved for: $ 2913 75 (SUBJECT TO AUDIT)

Signature FAN

Date 6/15/76 Vou. No. A6901A

(SEE OTHER SIDE)

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS

OPERATOR'S MONTHLY REPORT

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

FIRST, the Operator's Monthly Voucher on Form 9-1648 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

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

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

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

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

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

M6901A

MARDON INC.

Summer Address
Box 67
Austin, Nevada 89310

Winter Address
7239 E. Camino Vecino
Tucson, Arizona 85715

4 June 1976

Mr. H. K. Stager , Field Officer
Office of Minerals Exploration
U. S. Geological Survey
345 Middle field Road
Menlo Park, California 94025

Re: OME-6906
Mardon Inc.
Maren Lode Group
Lander,County, Nevada

Dear Mr. Stager:

We got started again on May 4, 1976 on the drift. It took us several days to get the material stored in the tunnel out of the way. We had only about 3 cars of slough in various places to clean up by hand.

We have advanced from the face at Station No. 30 + 95 feet to plus 191 feet a distance of 96 feet for the month. No timber was necessary.

We are still driving N 03°W in the footwall of the most altered part of the zone.

We are encountering more faulting and more quartz. Considerable breccia, red matrix, constituents quite fine, some chert, some vein quartz. No ore yet. We are now about 60 to 70 feet from being down dip from the upper cat cut where we had ore exposed.

Sincerely yours,

Don Hargrove

Don Hargrove, President
Mardon Inc.

DH/mah

Inclosures
1. Monthly Voucher
2. Map of current workings
3. Assay Reports

MARDON INC.

4 June 1976

List of Samples & Assays May 1976--Newpass, Nevada

Sample Nos.	Description
1188	Station # 30 + 165'. Breccia, red matrix, some quartz. Very hard. E side of drift.
1189	White quartz from E side of drift Station 30 + 170' to 180' Some of quartz shows dark banding..
1190	Car grab from Station 30 + 171 to 179'.
1191	Car grab from Station 30 + 165 to 171'.
1192	Car grab from Station 30 + 123 to 131'.
1193	Car grab from Station 30 + 131 to 139'.
1194	Car grab from Station 30 + 139 to 147'..
1195	Car grab from Station 30 + 147 to 159'.
1196	Car grab from Station 30 + 179 to 187',

Practically all of this drift is under the fault, in more or less altered greenstone with minor faults some quartz and calcite seams.

Don Hargrove

Don Hargrove, President
Mardon Inc.

DH/mah

A6901A

HUNTER MINING LABORATORY

3160 NORTH DEER RUN ROAD, NO. 9
CARSON CITY, NEVADA 89701

HENRY H. SCALES
LABORATORY (702) 882-3170
RESIDENCE: (702) 883-3291

June 1, 1976

MARDON, INC.
c/o Mr. Don Hargrove
P.O.Box 67
Austin, Nevada 89310

LABORATORY NO.: 0678

REPORT OF FIRE ASSAYS
- in troy ounces per ton of 2000 lbs. av.
on the samples submitted on May 29, 1976:

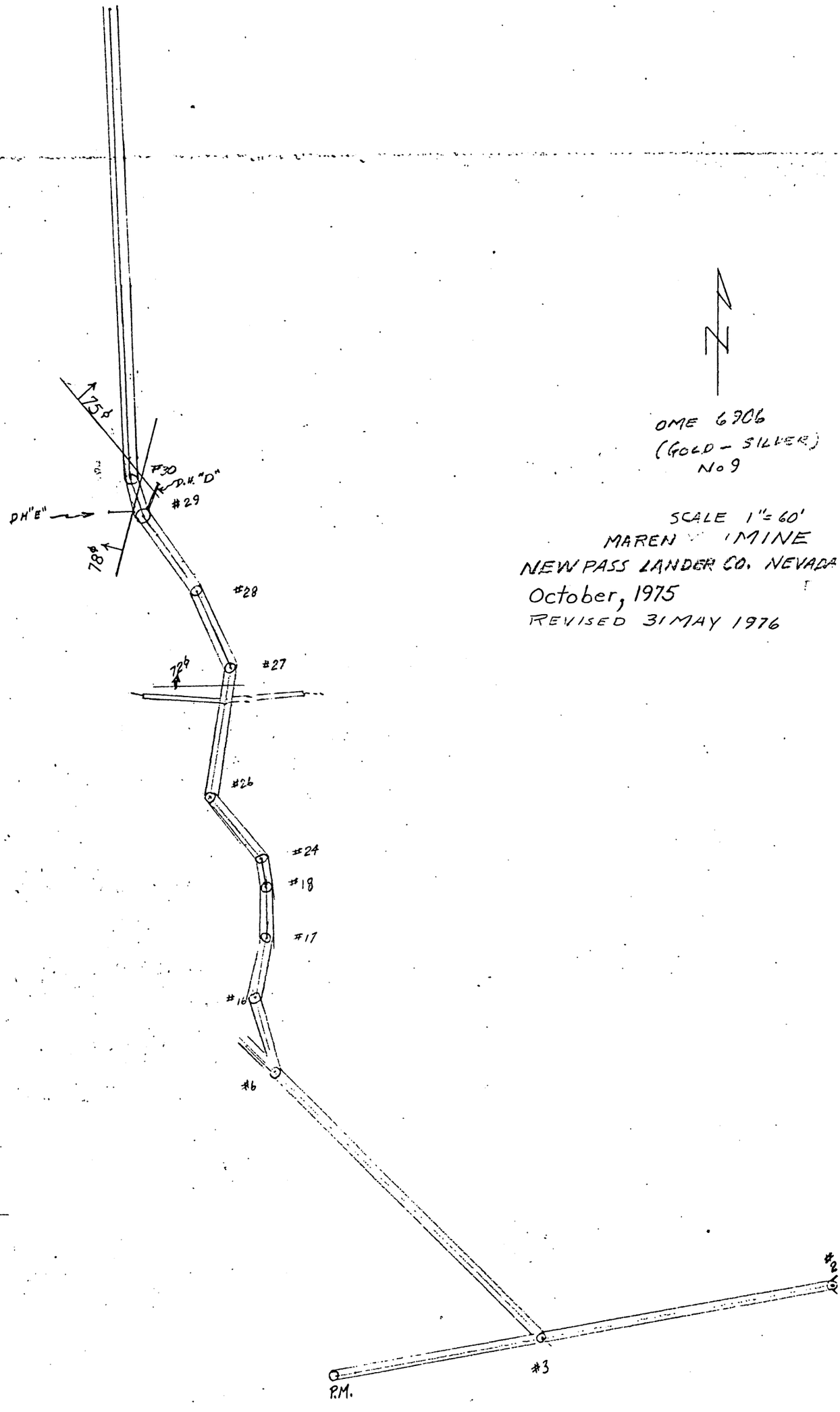
SAMPLE MARK:	GOLD	SILVER
1188	trace	0.02
1189	0.010	1.17
1190	trace	none
1191	none	0.04
1192	none	none
1193	trace	none
1194	none	none
1195	none	0.06
1196	trace	none

H. H. Scales

H. H. Scales - Assayer

Trace of Gold indicates presence but below 0.005 oz./ton

A6901A



OME 6906
(GOLD - SILVER)
No 9

SCALE 1" = 60'
MAREN MINE
NEW PASS LANDER CO. NEVADA
October, 1975
REVISED 31 MAY 1976

RECEIVED
JUN 11 1976
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

June 2, 1976

MEMORANDUM

To: Chief, Office of Minerals Exploration
Reston, Virginia

From: Field Officer, Region II

Subject: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract 2314

Interim Inspection

An interim inspection of the subject project was made by the Field Officer accompanied by Mr. Don Hargrove, president of Mardon, Inc., on May 26, 1976.

Work on the project was resumed on May 3, after a recess of about six months. About 80 feet of drifting had been completed during May, or a total of about 100 feet since the last inspection on October 8 (Report dated October 14, 1975). All of the drift appears to be along the footwall of the Maren fracture zone in highly brecciated rock with abundant quartz vein fragments that locally show fine gold particles on panning. No recent samples have been assayed. On the day of the inspection the drift face was in wet fault gouge that will probably cave readily and require timber support.

The face of the drift is now under the downward extension of the ore shoot exposed by surface trenching. About 100 feet of drifting and/or raising remains to be completed. Under the contract and at the present rate of advance the project will probably be completed by the end of June.

H. K. Stager

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

December 8, 1975

MEMORANDUM

To: Chief, Office of Minerals Exploration
Reston, Virginia

From: Field Officer, Region II

Subject: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract 2314

Enclosed are the Government's copy and Branch of Financial Management's copy of Amendment No. 1 to the subject contract signed by the Operator. The Operator's copy and the Field Office's copy have been appropriately retained.

H. K. Stager

Enclosures

FORM 9-1648
MARCH 1968

J
HK 11/24/75

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OPERATOR'S MONTHLY VOUCHER

For Month of October 1975

Docket No. OME- 6906
Contract 14-08-0001 2314
Contract Amount $21,000.00
Gov't. Participation %75 $15,750.00

Operator's Name MARDON INC.
Address 7239 E. Camino Vecino, Tucson, Arizona 85715

FOR OPERATOR'S USE					FOR GOVERNMENT USE ONLY			
COST ITEMS (FROM EXHIBIT A)	THIS MONTH		TO DATE		THIS MONTH		TO DATE	
	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS
		$		$		$		$
Crosscutting & Drifting	45	1,800.00	301	12,040.00	45'	1,800.00	301'	12,040.00
Timbering	15	150.00	125	1,250.00	15'	150.00	125'	1,250.00
Assays	15	75.00	46	230.00	15	75.00	46	230.00
TOTALS		$2,025.00		$13,520.00		$2,025.00		$13,520.00

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

Date 1 November 1975 *Payee MARDON INC.

Per Maren S. Hargrove Title Secretary-Treasurer

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

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

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature [illegible] OME Field Officer Date 11-17-75

14X0804

Approved for: $ 1518.75 (SUBJECT TO AUDIT)

Signature FAN

Date 2 DEC 1975 Vou. No. A 6 4 6 6 A

(SEE OTHER SIDE)

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS
	1) Total of excess over estimate plus first item does not exceed total allowable cost of the contract. Acceptable for payment as claimed. H. Kirkemo

OPERATOR'S MONTHLY REPORT

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

FIRST, the Operator's Monthly Voucher on Form 9-1648 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

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

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

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

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

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

MARDON INC.

Summer Address
Box 67
Austin, Nevada 89310

Winter Address
7239 E. Camino Vecino
Tucson, Arizona 85715

1 November 1975

Mr. H. K. Stager, Field Officer
Office of Minerals Exploration
U. S. Geological Sruvey
345 Middlefield Road
Menlo Park, California 94025

Re: OME-6906
Mardon Inc.
Maren Lode Group
Lander County, Nevada

Dear Mr. Stager:

We were forced to conclude our operations for the year in early October due to increasingly inclement weather and a health problem which affected Mr. Hargrove.

We made 45 feet of advance in the tunnel during the first eight working days. We then got our timbering caught up and "closed-up" for the season.

We are still in the footwall of the fault apparently. We are driving in a more or less fractured zone of mildly altered greenstone on a heading of N 03° W, so we should be crosscutting toward the fault. We hit several minor slips striking roughly N 20° W and dipping steeply to the east. We have encountered ocassional siderite, and quartz and calcite stringers.

The ground is standing well without timber at this time, however it is turning "blockier" at the face and there are one or two small open fissures. Although this proves nothing yet, in the past this has proven to be a rough guide to the proximity of the fault zone.

We intend to do some long hole drilling with a heavier machine and longer drill string this next Spring before we resume our cross cutting. We should resume work about 1 May 1976.

Sincerely,

Dennis Stacey

Dennis Stacey, Vice-President
Mardon Inc.

RECEIVED
NOV 6 1975
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

Inclosures
(1) Winter recess request
(2) Operator's Monthly Voucher
(3) Map of current workings
(4) Assay reports

2 DEC 1975 A 6 4 6 6 A

MARDON INC.

Summer Address
Box 67
Austin, Nevada 89310

Winter Address
7239 E. Camino Vecino
Tucson, Arizona 85715

1 November 1975

Mr. H. K. Stager, Field Officer
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, Californis 94025

Re: OME-6906 (Gold-Silver)
Contract Number 2314
Mardon Inc.
Maren Lode Group
Lander County, Nevada

Dear Mr. Stager:

We have suspended work for the winter at the Mardon Inc. lease and find it necessary to request a recess of six months. The weather should permit resumption of work in early May.

Sincerely,

Maren S. Hargrove

Maren S. Hargrove, Secretary-Treasurer
Mardon Inc.

MSH

2 DEC 1975

A 6466A

MARDON INC.

Assays for month of October 1975 Mardon Lease

Assay Number

1145--Car Sample Station # 29 plus 27' to 35'

1146--" " " " " 35' to 43'

1147--" " " " " 43' to 51'

1148--" " " " " 51' to 59'

1153--" " " " " 59' to 67'

1154--Car Sample Station # 30 plus 47' to 55'

1155--" " " " " 55' to 63'

1156--Small quartz stringers in face Station # 30 plus 59'. Calcite and siderite present.

1157--Car Sample Station # 30 plus 63' to 67'

1181--" " " " " 67' to 74'

1182--" " " " " 74' to 82'

1183--" " " " " 82' to 90'

1184--" " " " " 90' to 95'

1299--Car Sample Station # 27 plus 76' to 84'

1300--" " " " " 84' to 92'

Dennis Stacey

Dennis Stacey, Vice-President
Mardon Inc.

2 DEC 1975 A 6 4 6 6 AV

HUNTER MINING LABORATORY

3160 NORTH DEER RUN ROAD, NO. 9
CARSON CITY, NEVADA 89701

HENRY H. SCALES
LABORATORY: (702) 882-3170
RESIDENCE: (702) 883-3291

OCTOBER 8, 1975

MARDON, INC.
P. O. Box 67
Austin, Nevada 89310

LABORATORY NO.: 0365

REPORT OF FIRE ASSAYS
- in troy ounces per ton (2000 lb. av.)
- on the samples submitted on October 4, 1975:

SAMPLE MARK:	GOLD	SILVER
#1145	none	0.08
#1146	none	0.26
#1147	none	0.06
#1148	none	0.22
#1149	trace	none NOT OME
#1150	trace	0.14 NOT OME
#1151	0.190	0.09 NOT OME
#1152	0.510	0.57 NOT OME
#1153	none	0.16
#1154	none	0.14
#1155	none	0.30
#1156	none	0.28

—continued to page 2

2 DEC 1975
A 6466

HUNTER MINING LABORATORY
3160 NORTH DEER RUN ROAD, NO. 9
CARSON CITY, NEVADA 89701

HENRY H. SCALES
LABORATORY: (702) 882-3170
RESIDENCE: (702) 883-3291

October 20, 1975

MARDON, INC.
MR. DON HARGROVE
7239 E. Camino Vecino
Tucson, Arizona 85715

LABORATORY NO.: 0399

REPORT OF FIRE ASSAYS
- in troy ounces per ton (2000 lb. av.)
- on the samples submitted on October 20, 1975:

SAMPLE MARK:	GOLD	SILVER
#1181	trace	0.02
#1182	trace	0.18
#1183	none	0.30
#1184	trace	none

H. H. Scales - Assayer

Trace of Gold indicates presence but below 0.005 oz./ton

2 DEC 1975 A 6 4 6 6 A

MARDON, INC. LABORATORY NO.: 0365

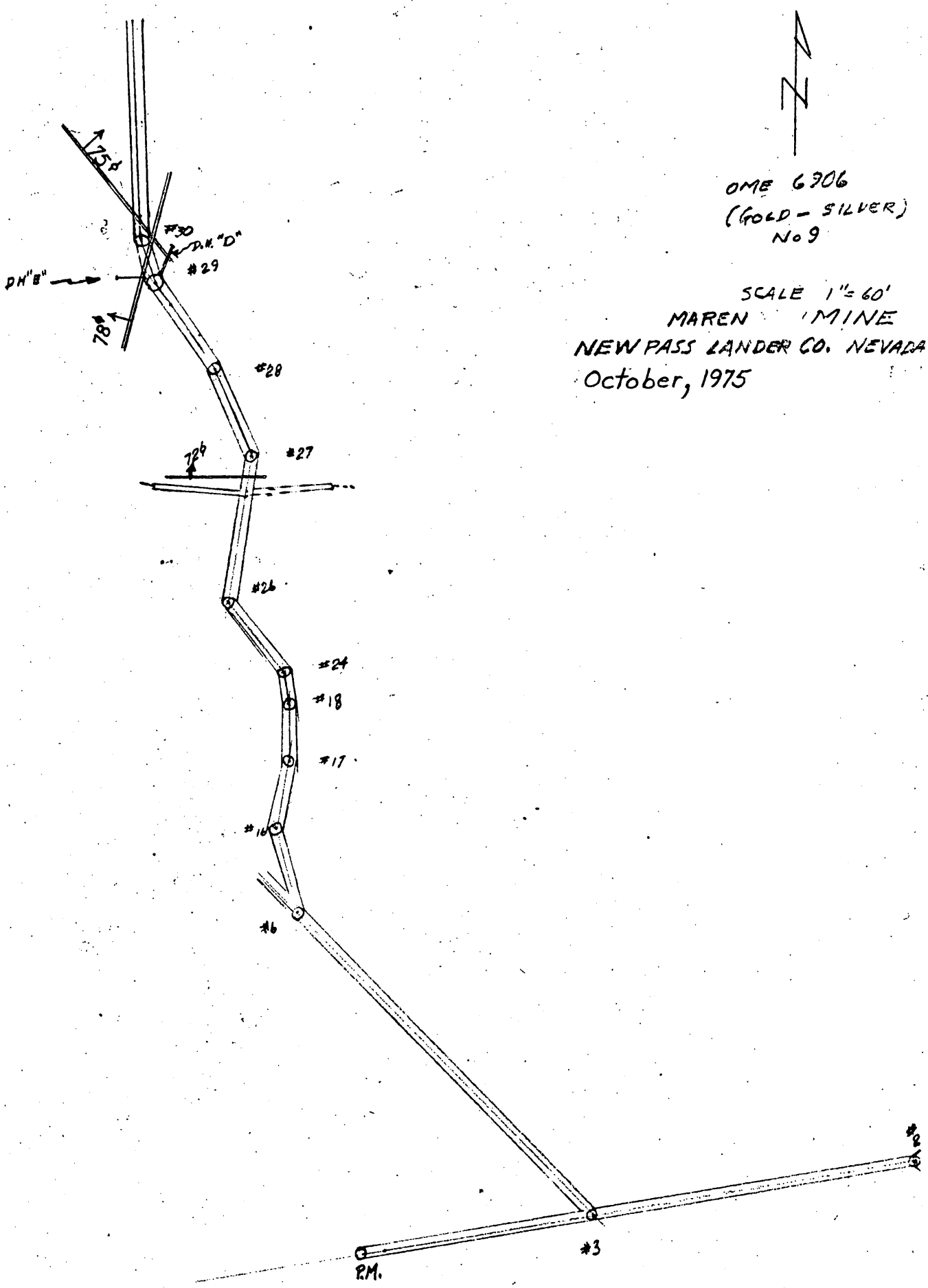
SAMPLE MARK:		GOLD		SILVER
#1157	- - - - - -	none	- - - - - -	0.06
#1299	- - - - - -	none	- - - - - -	0.06
#1300	- - - - - -	none	- - - - - -	0.14

H. H. Scales - Assayer

Trace of Gold indicates presence but below 0.005 oz./ton

HUNTER MINING LABORATORY
October 8, 1975

2 DEC 1975 A 6 4 6 6 A



2 DEC 1975 A 6 4 6 6 A

HK 12/3/75

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

December 1, 1975

Mr. Don Hargrove, President
Mardon, Inc.
7239 East Camino Vecino
Tucson, Arizona 85715

Re: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract 2314

Dear Mr. Hargrove:

Enclosed are the original and three copies of proposed Amendment No. 1 (two pages) to the subject contract, signed for the Government.

If the proposed amendment is satisfactory to you, please sign all copies and return the Government's copy, Branch of Financial Management's copy, and Field Office's copy to this office. The Operator's copy should be retained for your files. If any part of the proposed amendment does not have your approval, the original and all copies are to be returned to this office together with the proposed changes for consideration.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

Enclosures

CC: OME, Reston
Dir RF
MP RF
Docket

HKStager:mlb

United States Department of the Interior

GEOLOGICAL SURVEY - 953
RESTON, VIRGINIA 22092

November 26, 1975

Memorandum

To: Field Officer, Region II

From: Chief, Office of Minerals Exploration

Subject: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract 2314

Enclosed are the original and three copies of proposed Amendment No. 1 (two pages) to the subject contract, signed for the Government. An extra copy is enclosed for field use.

If the proposed amendment is satisfactory to you and the Operator, the four copies should be signed by an authorized representative of the Operator and distributed as usual.

Should any part of the proposed amendment not have your approval or that of the Operator, please return all copies to this office with the proposed changes.

Harold Kirkemo

CC: DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo
HKIRKEMO/dja 11/25/75

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

United States Department of the Interior

GEOLOGICAL SURVEY - 953
RESTON, VIRGINIA 22092

November 25, 1975

Memorandum

To: The File

From: Chief, Office of Minerals Exploration

Subject: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract No. 2314

Justification for Amendment No. 1

The Operator, in a letter which accompanied his voucher for October 1975, stated that work on the project had been suspended for the winter, and requested an extension of six months to the contract. The Field Officer recommended that the request be approved and I concur in the recommendation.

Winter storms forced the project to cease operations in mid-October, and continued adverse operating conditions will continue until late spring. The serious illness of Mr. Hargrove, President, Mardon, Inc., during the operating season caused delays so the contract work was not completed as expected this fall. The downward extension of an ore shoot exposed on the surface has yet to be intersected. It is in the best interests of the Government that the contract be continued next summer, hence the need to recess the contract until work can be resumed next spring.

Harold Kirkemo

AMERICAN REVOLUTION BICENTENNIAL 1776-1976

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

November 17, 1975

MEMORANDUM

To: Chief, Office of Minerals Exploration
Reston, Virginia

From: Field Officer, Region II

Subject: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract 2314

Enclosed is the Operator's Monthly Voucher for the month of October 1975 and a request for a 6-months' recess in the contract work.

Early snowstorms and Mr. Hargrove's illness, that required hospitalization and surgery, necessitated a shutdown of the exploration project about mid-October. The Operator plans to resume work about May 1, 1976.

I recommend that the time for completion of the work be extended for 6 months, until November 1, 1976, and that a 7-months' recess in the work be granted for the period from November 1, 1975 to June 1, 1976.

H. K. Stager

H. K. Stager

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

ORIGINAL
COPY
O. M. E.
RECEIVED
OCT 17 1975
INITIALS
HK HK

October 14, 1975

MEMORANDUM

To: Chief, Office of Minerals Exploration
Reston, Virginia

From: Field Officer, Region II

Subject: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract 2314

Interim Inspection

An interim inspection of the subject project was made by the Field Officer on October 8, 1975.

Since the last inspection on August 5 (Report dated August 12, 1975), about 170 feet of drift has been completed for a season total of 280 feet, of which 110 feet has required timber support. Most of the drifting is along the footwall of the Maren fracture zone with only a trace to 0.02 ounce of gold and a trace to 0.54 ounce of silver per ton.

The face of the drift is in fractured and altered greenstone about 100 feet south of the ore shoot exposed on the surface. The Operators hope to reach the downward extension of the shoot before winter storms force a recess in the work probably in late October.

H. K. Stager

FORM 9-1648
MARCH 1968

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 15 1975
INITIALS HK CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OFFICIAL COPY
O. M. E.
RECEIVED
OCT 15 1975
INITIALS HK CODE

HK 10/9/75

A 6319 A

OPERATOR'S MONTHLY VOUCHER

For Month of September 1975

6906
(2314)

Operator's Name MARDON INC.
Address Box 67., Austin, Nevada 89310

Contract 14-08-0001
Contract Amount $ 21,000.00
Gov't Participation % 75 $ 15,750.00

COST ITEMS (FROM EXHIBIT A)	FOR OPERATOR'S USE: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS	FOR GOVERNMENT USE ONLY: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS
		$		$		$		$
Crosscutting & Drifting	98	3920.00	256	10,240.00	98'	3,920.00	256'	10,240.00
Timbering	40	400.00	110	1,100.00	40'	400.00	110'	1,100.00
Assays	13	65.00	31	155.00	13	65.00	31	155.00
TOTALS		$ 4385.00		$ 11,495.00		$ 4,385.00		$ 11,495.00

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

Date 1 October 1975 *Payee Mardon Inc.

Per Don Hargrove Title President

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

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

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature [illegible] OME Field Officer Date 10-6-75

14X0804

Approved for: $ 3288.75 (SUBJECT TO AUDIT)

Signature FAN

Date OCT 15 1975 Vou. No.

(SEE OTHER SIDE)

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS

OPERATOR'S MONTHLY REPORT

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

FIRST, the Operator's Monthly Voucher on Form 9-1648 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

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

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

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

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

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

MARDON INC.

A 6319A

Summer Address
Box 67
Austin, Nevada 89310

Winter Address
7239 E. Camino Vecino
Tucson, Arizona 85715

1 October 1975

Mr. H. K. Stager, Field Officer
Office of Minerals Exploration
U. S. Geological Survey
345 Middlefield Road
Menlo Park, California 94025

Re: OME-6906
Mardon Inc.
Maren Lode Group
Lander County, Nevada

Dear Mr. Stager:

Enclosed please find the map showing current workings, the assay reports and the vouchers. We have encountered several faults which have evidently displaced the red streak. The 16 foot drill holes did not cut the red streak. We were in unaltered greenstone in the hole to the west but did not cut the red streak in the hole drilled to the east. So, I believe we are still in the footwall of the fault. If you agree, I believe we will be better off to continue on a northerly course until we either have a reason to change or feel that it is time to crosscut the structure again.

Our assays show that we are not close to the fault but I think our present course should intercept it. We've been getting some small streaks of siderite and, in a few places, some small quarts and calcite stringers.

Sincerely yours,

Don Hargrove

Don Hargrove, President
Mardon Inc.

DH/mah

A 6319A

MARDON INC.

Assays for Month of September 1975 Mardon Lease

Assay Number

1142--Car Sample Station 29 plus 3' to 11'

1143--Car Sample Station 29 plus 11' to 19'

1144--Car Sample Station 29 plus 19' to 27'

1287--Cut acrpss 9" of quartz 15' N of slusher crosscut

1288--Car Sample slusher crosscut plus 61' to 67' (in FW of fault)

1289--Car Sample slusher crosscut plus 61' to 69' (slab ofr turn) Brown and white banded altered greenstone

1290--First 4' of 8' drill hole station 29 plus 23.5 ft. E side up 20° N 60° E

1291--Last 4' of 8 ft. drill hole as above. Darker brown color

1294--Car Sample from three rounds 69' to 84' N of slusher crosscut. Some red and brown seams.

1295--Car Sample from 84 ft. to 92' N of slusher crosscut

1296--Cut across small mineralized structures in FE of fault

1297--Drill hole to NE 8' deep. 44' NW of station 28. First 4 ft.

1298--Second 4 ft. of above hole. Darker color. Did not cut red streak.

Don Hargrove

Don Hargrove, President
Mardon Inc.

HUNTER MINING LABORATORY

3160 NORTH DEER RUN ROAD, NO. 9
CARSON CITY, NEVADA 89701

HENRY H. SCALES
LABORATORY: (702) 882-3170
RESIDENCE: (702) 883-3291

cc please

A 6319A

September 26, 1975

MARDON, INC.
P.O. Box 67
Austin, Nevada 89310

LABORATORY NO.: 0341

REPORT OF FIRE ASSAYS
- in troy ounces per ton (2000 lb. av.)
- on the samples submitted on September 23, 1975:

SAMPLE MARK:	GOLD	SILVER
#1095	none	0.02 NOT OME
#1096	0.020	0.20 NOT OME
#1097	trace	0.12 NOT OME
#1142	none	none
#1143	none	none
#1144	trace	none

H. H. Scales - Assayer

Trace of Gold indicates presence but below 0.005 oz./ton

A 6319A

HUNTER MINING LABORATORY

3160 NORTH DEER RUN ROAD, NO. 9
CARSON CITY, NEVADA 89701

HENRY H. SCALES
LABORATORY: (702) 882-3170
RESIDENCE: (702) 883-3291

cc phone

September 11, 1975

MARDON, INC.
P. O. Box 67
Austin, Nevada 89310

LABORATORY NO.: 0308

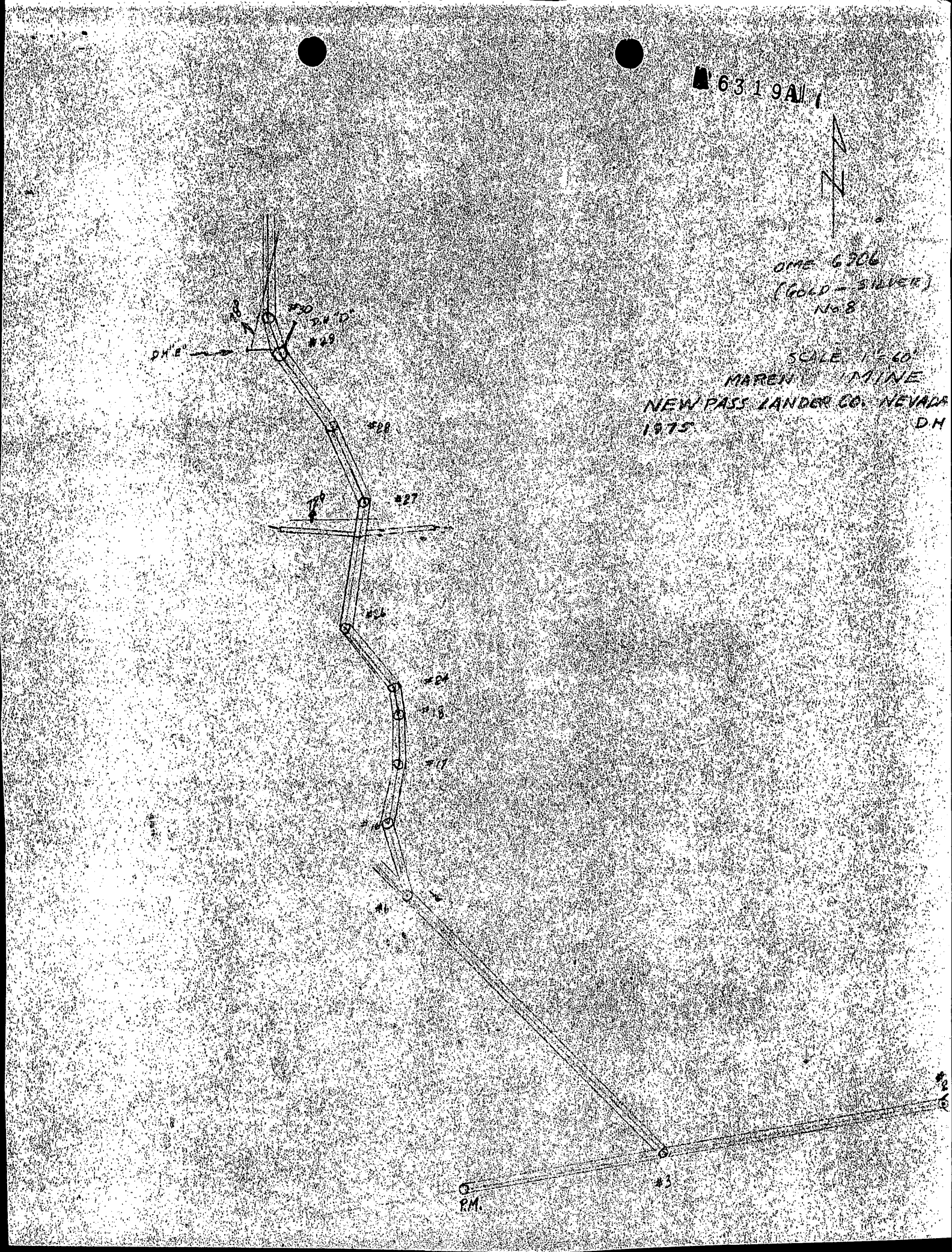
REPORT OF FIRE ASSAYS
- in troy ounces per ton (2000 lb. av.)
- on the samples submitted on September 9, 1975:

SAMPLE MARK:	GOLD	SILVER
#1287	0.020	0.18
#1288	0.010	0.23
#1289	trace	0.26
#1292	none	4.84 NOT OME
#1293	trace	0.08 NOT OME
#1294	none	0.40
#1295	none	0.34
#1296	none	0.44
#1290	trace	0.40
#1291	trace	0.46
#1297	none	0.54
#1298	none	0.40

H. H. Scales - Assayer

Trace of Gold indicates presence but below 0.005 oz./ton

6319A1


N
OMZ 6306
(GOLD - SILVER)
No. 8
SCALE 1" = 60'
MAREN MINE
NEW PASS LANDER CO. NEVADA
1975
DH
#30
DH "D"
#29
DH "E"
#28
#27
#26
#24
#18
#17
#16
#4
#3
P.M.

FORM 9-1648
MARCH 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

HK 9/11/75
HK 9/22/75
19 SEP REC'D

OPERATOR'S MONTHLY VOUCHER For Month of August 1975

Docket No. OME- 6906
Contract 14-08-0001 (2314)
Contract Amount $21,000.00
Gov't. Participation %75 $ 15,750.00

Operator's Name MARDON INC.
Address Box 68, Austin, Nevada 89310

FOR OPERATOR'S USE					FOR GOVERNMENT USE ONLY			
COST ITEMS (FROM EXHIBIT A)	THIS MONTH		TO DATE		THIS MONTH		TO DATE	
	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS
		$		$		$		$
Crosscutting & Drifting	49	1960.00	158	6320.00	49'	1,960.00	158'	6,320.00
Timbering	35	350.00	70	700.00	35'	350.00	70'	700.00
Assays	18	90.00	18	90.00	18	90.00	18	90.00
TOTALS		$2400.00		$ 7110.00		$2,400.00		$ 7,110.00

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

Date 2 September 1975 Payee Mardon Inc.

Per Don Hargrove Title President

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

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

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature [illegible] OME Field Officer Date 9/8/75

14X0804

Approved for: $ 1 900.00 (SUBJECT TO AUDIT)

Signature FAN

Date SEP 17 1975 Vou. No. A 6240A

(SEE OTHER SIDE)

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS

OPERATOR'S MONTHLY REPORT

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

FIRST, the Operator's Monthly Voucher on Form 9-1648 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

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

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

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

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MARDON INC.

Summer Address
Box 67
Austin, Nevada 89310

Winter Address
7239 E. Camino Vecino
Tucson, Arizona 85715

2 September 1975

Mr. H. K. Stager, Field Officer
Office of Minerals Exploration
U. S. Geological Survey
345 Middle-field Road
Menlo Park, California 94025

Re: OMX-6906
Mardon Inc.
Marsh Lode Group
Lander County, Nevada

Dear Mr. Stager:

We did not do well this month. We made 30 feet in four days and then spent six days timbering. Two cross faults intersected the main fault and with water on them were impossible to hold. We had a lot of cribbing to do. The enclosed map will show our present position.

The values seem to have petered out as we left the E-W fault just north of the slusher crosscut. We have a small (1' to 5') streak of quartz which pans sometimes. Our silver values are getting a little bit better. (Please see assay reports enclosed).

The structure looks good and I think it is trying to make ore. We find it impossible, or at least impractical, to stay on the fault without timbering so we are driving under the fault. I believe the gouge will keep the water out of the drift and I think we can proceed with much less timbering. We propose to drill to test the structure at reasonable intervals.

We purchased four 4' jointed steel and they do very well so far.

I believe we are just under the same fault that we followed in from the "Y".

We put in a switch and have put some of the better looking rock on the ore dump--even tho it isn't ore grade.

I hope that we will do better this month.

Sincerely yours,

Don Hargrave

Don Hargrave, President
Mardon Inc.

Inclosures

RECEIVED

MARDON INC,

Assays for Month of August 1975 Mardon Lease

Assay Number

1269--Car sample from 8'. 8' to 16' N of slusher crossout.

1270--Brecia. Grey quarts cherty. Seams of Fe. Slusher XC + 15' N.

1271--Car sample 22' to 26' N of slusher XC. Drill holes panned.

1272--Drill hole cuttings 22' to 26' N of slusher XC. These panned a few small colors. West side.

1273--Drill hole cuttings. Panned, few small colors. East Side.

1274--Car sample. Slusher XC + 26' to 30'.

1275--Car sample slusher XC + 30' to 34'.

1276--Car sample slusher XC + 34'to 38'.

1277--Car sample slusher XC + 26'-34'-slab, round to start turn to west.

1278--Car sample after turn 26'-30' N of slusher XC.

1279--Car sample. 30'-33' N of slusher XC.

1280--Cut sample of quarts vienlet 1" to 5" wide. Panned few fine colors. 39' N of slusher XC.

1281--Cuttings from 16' drill hole. Second 4' of hole B. located 26' N of slusher XC. Drilled N 60°E + 23°. Pans considerable cons.

1282--Car sample from 33' to 37' N of slusher XC.

1283--Car sample from 45' to 49' N of slusher XC.

1284--Car sample from 49' to 53' N of slusher XC.

1285--Car sample from 53' to 57' N of slusher XC.

1286--Car sample from 57' to 63' B if skyager XC.

Nevada Assay Office

675 LESTER AVENUE

Reno, Nevada

August 15, 1975

FRANK W. JONES
Assayer-Chemist

Phone
329-4080

ASSAY CERTIFICATE FOR: Marcon Mines, Austin, Nev.

No.	Sample	Gold Oz./Ton	Silver Oz./Ton	%	%	%	%	%
	1269	Tr	0.1					
	1270	Tr	0.1					
	1271	0.01	0.1					
	1272	0.01	0.1					
	1273	0.01	0.1					

Nevada Assay Office

675 LESTER AVENUE

Reno, Nevada

August 25, 1975

FRANK W. JONES
Assayer-Chemist

Phone
329-4080

ASSAY CERTIFICATE FOR: Marcon Mines, Austin, Nev.

No.	Sample	Gold Oz./Ton	Silver Oz./Ton	%	%	%	%	%
	1274	0.01	0.1					
	1275	0.01	0.1					
	1276	0.01	0.1					
	1277	Tr	0.1					
	1278	0.01	0.1					
	1279	Tr	0.3					
	1280	Tr	0.3					
	1281	0.01	0.3					
	No Tag	Tr	0.2					

HUNTER MINING LABORATORY

3160 NORTH DEER RUN ROAD, NO. 9
CARSON CITY, NEVADA 89701

HENRY H. SCALES
LABORATORY: (702) 882-3170
RESIDENCE: (702) 883-3291

August 26, 1975

MARDON, INC.
P. O. Box 67
Austin, Nevada 89310

LABORATORY NO.: 0273

REPORT OF FIRE ASSAYS
- in troy ounces per ton (2000 lb. av.)
- on the samples submitted on August 25, 1975:

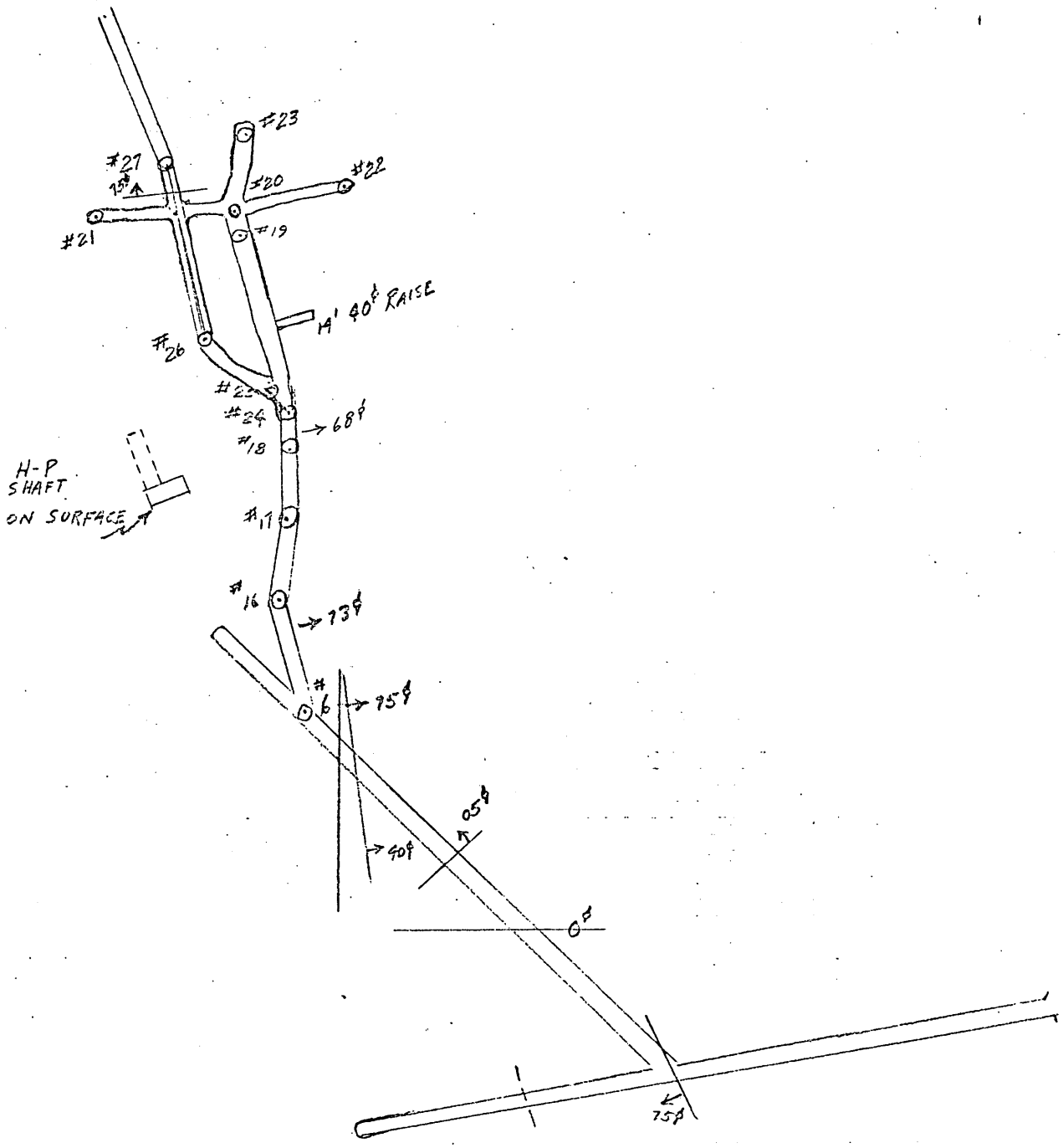
SAMPLE MARK:	GOLD	SILVER
#1282	trace	0.68
#1283	trace	0.70
#1284	none	0.58
#1285	none	0.64
#1286	0.020	0.44

H. H. Scales - Assayer

Trace of Gold indicates presence but below 0.005 oz./ton

No. 7
CME 6206
(GOLD SILVER)

PLAN OF XC AND DRIFT MAREN CLAIMS.
MARDON INC LEASE
NEWPASS MINING DIST. LANDER CO.
NEVADA
31 AUG 1975 D.H.



FORM 9-1648
MARCH 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OFFICIAL COPY
O. M. E.
RECEIVED
AUG 19 1975
INITIALS CODE
HK

✓ HK 9/15/75

OPERATOR'S MONTHLY VOUCHER

For Month of July 1975

Docket No. OME- 6906
Contract 14-08-0001 (2314)
Contract Amount $21,000.00
Gov't. Participation %75 $ 15,750.00

Operator's Name MARDON INC.
Address Box 67, Austin, Nevada 89310

FOR OPERATOR'S USE					FOR GOVERNMENT USE ONLY			
COST ITEMS (FROM EXHIBIT A)	THIS MONTH		TO DATE		THIS MONTH		TO DATE	
	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS	UNITS	COSTS
Crosscutting & drifting	109	$4360.00	109	$ 4360.00	109 ft.	$ 4,360.00	109 ft.	$ 4,360.00
Timbering	35	350.00	35	350.00	35 ft.	350.00	35 ft.	350.00
TOTALS		$4710.00		$ 4710.00		$ 4,710.00		$ 4,710.00

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

Date 6 August 1975 *Payee Mardon Inc.

Per Don Hargrove Title President

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

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

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature [illegible] OME Field Officer 8-10-75 Date

(63) 14X0804

Approved for: $ 3532.50 (SUBJECT TO AUDIT)

Signature FAN

Date A 6148A AUG 18 1975 Vou. No.

(SEE OTHER SIDE)

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS

OPERATOR'S MONTHLY REPORT

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

FIRST, the Operator's Monthly Voucher on Form 9-1648 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

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

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

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

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

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

MARDON INC.

Summer Address
Box 67
Austin, Nevada 89310

Winter Address
7239 E. Camino Vecino
Tucson, Arizona 85715

6 August 1975

Mr. H. K. Stager, Field Officer
Office of Minerals Exploration
U. S. Geological Survey
345 Middlefield Road
Menlo Park, California 94025

Re: OME-6906
Mardon Inc.
Maren Lode Group
Lander County, Nevada

Dear Mr. Stager:

We arrived at Newpass on 1 June 1975. Due to the extremely heavy moisture we found a lot of slough in several spots along our crosscut and drift.

You will remember last fall we were unable to get dimension timber in quantity. This year we were fortunate in being able to buy 28,500 board feet of 8 x 8, 3 x 12 and 2 x 12 also some 1760 lineal feet of round timber. We timbered all ground needing it which was 35 units (8 sets).

The little 14 foot exploratory raise shown on the map started to cave and filled the drift. We finally gave up and by-passed it as shown on the map.

Our "by-pass" cut a fault shown just North of the slusher cross-cut. We find ourselves out of the unaltered greenstone and into altered rock. Some is brecciated, all shows abundant iron oxide. We drilled three 8' drill holes, one to the west, one to the east and one in the face. All three of these holes panned gold. We have samples to send in for assay and expect results next week. The face looks quite interesting. I believe its trying to make an ore body.

Our dilemma now is that we do not know where we are in relation to the main fault. (Assuming that it may have been offset by the E-W fault which put us back into altered rock).

We intend to continue on our present heading which I think is converging on the main fault if it has not been offset.

We will keep you informed.

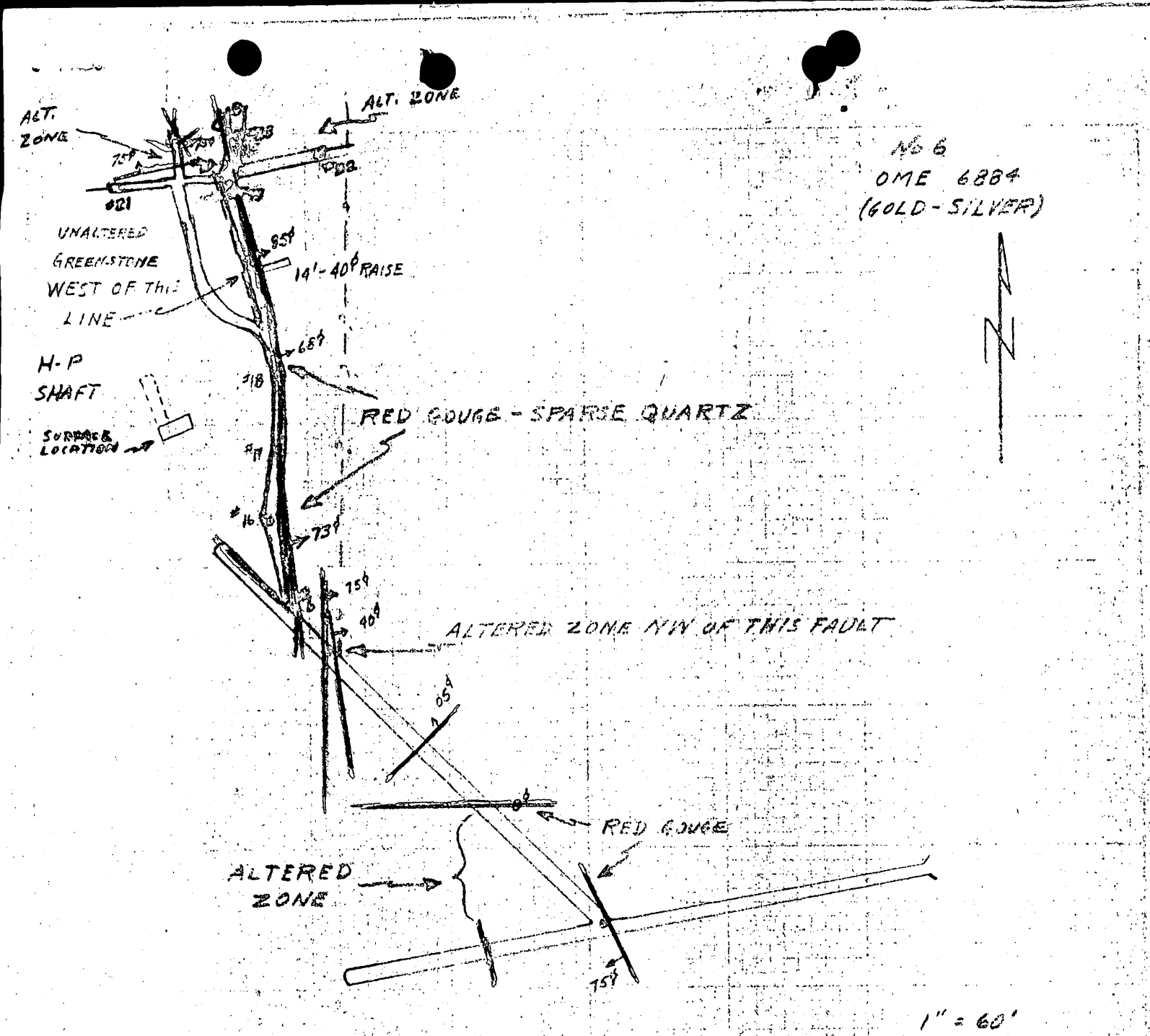
RECEIVED
AUG 11 1975
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

Sincerely yours,

Don Hargrove

Don Hargrove, President
Mardon Inc.

DH/msh
Inclosures



PLAN OF XC AND DRIFT MAREN CLAIMS
MARDON INC LEASE
NEW PASS MINING DIST. LANDER CO NEV.
31 JULY 1974 D.H.

UPDATED TO 1 OCT 1974
UPDATED TO 1 AUG 1975

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

OFFICIAL COPY
O. M. E.
RECEIVED
Aug 14 1975
INITIALS CODE
HK

August 12, 1975

MEMORANDUM

To: Chief, Office of Minerals Exploration
Reston, Virginia

From: Field Officer, Region II

Subject: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract 2314

Interim Inspection

An interim inspection of the subject project was made by the Field Officer accompanied by Mr. Don Hargrove, president of Mardon, Inc., on August 5, 1975.

Since the last inspection on June 19, 1975 (report dated June 23, 1975), about 110 feet of drift has been completed. Most of this new drift was driven in the footwall of the Maren Vein to bypass a badly caved section of drift that the Operator drove at his own expense last fall. About 35 feet of timber (8 sets) was also required.

The face of the drift was in fractured and altered greenstone with numerous thin quartz veins from about 1 to 6 inches thick. Drill hole cuttings, from both sides and the face of the drift, were panned during the inspection, and all showed free gold. The Operator has taken samples for assay and will report the results in his next monthly report.

H. K. Stager

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 26 1975

INITIALS	CODE
HK	

June 23, 1975

Memorandum

To: Chief, Office of Minerals Exploration
Reston, Virginia

From: Field Officer, Region II

Subject: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract 2314

Interim Inspection

An Interim Inspection of the subject project was made by the Field Officer on June 19, 1975.

The Operator arrived at the mine camp on June 2d and immediately started cleanup and preparation work for resuming the exploration of the Maren Vein under the new OME contract. During the past winter the portal had been closed by a rockslide that damaged the timber set at the portal. Several days' work was required to clear the material from the portal and repair the timbers. Another week was spent acquiring and hauling a supply of mine timber from the Nevada Scheelite Mine at Rawhide. On the day of the inspection the last of the cleanup had been completed in the OME adit and the miners were preparing to drill the first drift round on the Maren Vein under the new contract.

H. K. Stager

MME Form 14
July 1965

Contract No. Idm-E 14-23) 2314

Docket No. DMEA MME) OME-6906

Date of Action May 15, 1975
Executed contract

DEPARTMENT OF THE INTERIOR
U. S. Geological Survey

OBLIGATION DOCUMENT

To: Chief, Branch of Budget & Finance

From: Chief, Office of Minerals Exploration

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:

Mardon, Inc.
7239 E. Camino Vecino
Tucson, Arizona 85715

Date of Contract	Region	State	Commodity
April 30, 1975	II	Nevada	Gold-Silver

	Reserve	Obligation
Prior Amount	$15,750.00	0
Increase	0	15,750.00
Decrease	15,750.00	0
Revised Amount	0	$15,750.00

Remarks:

Interest Rate - 9-1/2 percent

cc: 110
800
210

✓
HIC

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 14 1975

INITIALS	CODE

May 12, 1975

MEMORANDUM

To: Chief, Office of Minerals Exploration
Reston, Virginia

From: Field Officer, Region II

Subject: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract No. 2314

Enclosed are the Government's copy and the Branch of Financial Management's copy of the subject contract signed by the Operator on May 8, 1975. The remaining copies were distributed as usual.

H. K. Stager

Enclosures

MARDON INC.
7239 E. Camino Vecino
Tucson, Arizona 85715

8 May 1975

Mr. H. K. Stager, Field Officer
Office of Minerals Exploration
U. S. Geological Survey
345 Middlefield Road
Menlo Park, California 94025

Re: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada

Dear Mr. Stager:

Thank you for the contract which arrived this morning. The proposed contract is satisfactory and we are returning the duly signed copies for the Government, Branch of Financial Management, and Field Office.

We sincerely appreciate your help.

We plan to leave here about the 15th, but will take more driving time until Mrs. Hargrove is more fully recovered. We hope to see you soon.

Sincerely,

Don Hargrove

Don Hargrove, President
Mardon Inc.

Enclosures
DH/msh

RECEIVED
MAY 12 1975
OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY
MENLO PARK, CALIF.

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

May 2, 1975

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 6 1975
INITIALS | CODE
HK

Mr. Don Hargrove, President
Mardon, Inc.
7239 E. Camino Vecino
Tucson, Arizona 85715

Re: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada

Dear Mr. Hargrove:

Enclosed are the original and three copies of a proposed contract to explore the Maren Lode Group property. The contract consists of MME Form 51 (five pages), Annex I (one page), Lien and Subordination Agreements (one page), Exhibit A (two pages), Exhibit B-1, and one map (Figure 1). All copies of the contract have been signed by the Government.

If the proposed contract is satisfactory to you the four copies should be signed by you and the Government's Copy, Branch of Financial Management's Copy, and Field Office Copy returned to this office. The Operator's Copy should be retained for your files.

Please note that the 9½ percent interest acrues from the dates on which individual payments are made by the Government, and like the principal, is repayable from royalty on production.

If any part of the proposed contract does not have your approval the original and all copies should be returned to this office together with the proposed changes for consideration. If you have any questions please call this office.

Sincerely yours,

H. K. Stager
Field Officer
OME, Region II

Enclosures

cc: OME, Reston, VA
cc: Dir RF
MP RF
Docket 6906
HKStager:mlb

~~April 28, 1975~~

APR 30 1975
APR 30 1975

Memorandum

To: Field Officer, Region II

From: Chief, Office of Minerals Exploration

Subject: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada

Enclosed are the original and three copies of a proposed contract to explore the Maren Lode Group property. The contract consists of MME Form 51 (five pages), Annex I (one page), Lien and Subordination Agreements (one page), Exhibit A (two pages), Exhibit B-1, and one map (Figure 1). All copies of the contract have been signed by the Government. You should insert the date for commencement of the work. An extra copy of the contract is enclosed for field use.

If the proposed contract is satisfactory to you and the Applicant, the four copies should be signed by Mr. Don Hargrove, President, Mardon, Inc., and distributed as usual.

Please advise the Applicant that the 9½ percent interest accrues from the dates on which individual payments are made by the Government, and like the principal, is repayable from royalty on production.

If any part of the proposed contract does not have your approval or that of the Applicant, the original and all copies should be returned to this office together with the proposed changes for consideration.

Harold Kirkemo

Enclosures
cc:
DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo
HKirkemo/gpw 3/27/75

MARDON INC.
7239 E. Camino Vecino
Tucson, Arizona 85715

OFFICIAL
COPY
O. M. E.
RECEIVED
APR 29 1975
INITIALS | COLL

26 April 1975

Mr. Harold Kirkemo, chief
Office of Minerals Exploration
United States Department of the Interior
Reston, Virginia 22092

Re: OME-6906 (Gold-Silver)
Mardon Inc.
Maren Lode Group
Lander County, Nevada

Dear Mr. Kirkemo:

Enclosed is the correct total on the financial statement for Mardon Inc. Also five copies of the duly signed Lien and Subordination Agreements.

We trust that these will be satisfactory.

Thank you for your help.

Sincerely yours,

Don Hargrove

Don Hargrove, President
Mardon Inc.

Enclosures

DH/msh

United States Department of the Interior

GEOLOGICAL SURVEY
RESTON, VIRGINIA 22092

April 15, 1975

Mr. Don Hargrove, President
Mardon, Inc.
7239 E. Camino Vecino
Tucson, Arizona 85715

Re: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada

Dear Mr. Hargrove:

Enclosed are the five copies of unsigned Lien and Subordination Agreements which accompanied your application of January 5, 1975.

The collective owners of the mining claims are not incorporated so the certification statement and the corporate seal of Mardon, Inc., on these copies are not applicable to this Lien and Subordination Agreements. We enclose another five copies of the document which should be signed and address entered by each of the owners (lessors), Keith Vermilyea, Dennis Stacey, Jack Hargrove, and yourself.

When signed by the four individuals, please return the five copies to this office.

Thank you for your cooperation.

Sincerely yours,

Harold Kirkemo, Chief
Office of Minerals Exploration

Enclosures

cc:
DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo
Region II

P.S.: The values of the items listed on the enclosed financial statement for Mardon, Inc., do not add to the total shown. Please correct and return.

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 –
Contract Date

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of Lander, State of Nevada,

described as follows:[2] in a lease dated 16 January 1973 and recorded in Book 119, Page 544, official records of said County.

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

Marmon, Inc.[3]

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same.[4]

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

None

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease /or contract, deed, or other document/ dated_____, and recorded in Book_____, Page____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions ____None____ (State "None" or "See Annex No.____".)

Dated this 4th day of January, 19 73.

_____ (Street)
_____ (Seal) _____ (City & State)

_____ (Street)
_____ (Seal) _____ (City & State)

_____ (Street)
_____ (Seal) _____ (City & State)

_____ (Street)
_____ (Seal) _____ (City & State)

_____ (Street)
_____ (Seal) _____ (City & State)

_____ (Street)
_____ (Seal) _____ (City & State)

I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement was then _____ (Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____
(Corporate Seal)

INT.-DOP. SEC., WASH., D.C. 21103

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090–
Contract Date

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of Lander, State of Nevada, described ~~as follows:~~[2] in a lease dated 16 January 1973 and recorded in Book 113, Page 544, official records of said County.

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and MARDON INC.[3] hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same.[4]

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

NONE

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page ____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions NONE (State "None" or "See Annex No. ____".)

Dated this 4th day of January, 1975.

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

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_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

I, Marvin E. Hargrove (Name), certify that I am the Secretary-Treasurer (Title—Secretary, etc.) of the corporation named herein; that Wm. E. Hargrove (Name), who signed this agreement was then President (Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____ (Corporate Seal)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

OFFICIAL COPY
O. M. E.
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APR 11 1975

INITIALS	CODE
	HK

April 8, 1975

MEMORANDUM

To: Chief, Office of Minerals Exploration
Reston, Virginia

From: Field Officer
Region II

Subject: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada

Enclosed is an Application Report on the subject property recommending that a contract be granted consisting of 500 feet of drifting, cross-cutting and raising, 80 feet of timbering, and 40 assays at an estimated total cost of about $21,000.00.

Also enclosed are five extra copies of Figure 2 for your use if a contract is granted.

H. K. Stager

Enclosure

UNITED STATES

DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

OFFICE OF MINERALS EXPLORATION

REPORT OF EXAMINATION

REGION II

APPLICATION REPORT

OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada

By

H. K. Stager

Field Officer
OME, Region II

April 8, 1975

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ILLUSTRATIONS

Figure 1. Index map of Lander County, Nevada.

Figure 2. Map showing Maren Lode Group of Claims and proposed exploration, New Pass Mining District, Lander County, Nevada.

INTRODUCTION

Mardon, Inc., 7239 E. Camino Vecino, Tucson, Arizona 85715, applied to the Office of Minerals Exploration for additional Government assistance in an exploration project, Docket OME-6906, to continue the exploration for gold and silver on the Maren Lode Group of Claims, Lander County, Nevada. This work was started under a previous contract, Docket OME-6884, Contract No. 2311, during the period August 15, 1973 - August 3, 1974. The applicant infers the presence of minable gold- and silver-bearing ore shoots in a quartz vein that occurs along a fault cutting metavolcanic rocks on the property and wishes to explore for these ore shoots by continuing to drift, and raise, on the vein exposed by the previous work.

The new application was received in the Field Office on January 9, 1975. Inasmuch as the Field Officer is familiar with the geology of the property and all of the work accomplished during the period of the previous contract, a field examination was not necessary.

SUMMARY

The area of the New Pass district contains numerous gold- and silver-bearing quartz veins that occur along faults in greenstone. The results of the previous work discovered the downdip extension of a mineralized quartz vein exposed at the surface on the Maren No. 1 claim but the part of the vein drifted on did not contain an ore shoot. The additional work proposed would allow the exploration on the vein to the north beneath a known ore shoot exposed on the surface of the Maren No. 2 claim. The proposed exploration consists of an additional 500 feet of drifting,

crosscutting and raising along the Maren vein, and the assaying of 40 samples for gold and silver. The work will require about 12 months to complete and some of the costs will be slightly higher than in the first contract. Facilities for accomplishing the work are available, the project site is accessible, and the impact of the proposed work on the environment will be small.

RECOMMENDATIONS

It is recommended that the Government enter into a new contract with Mardon, Inc., to provide 75 percent of the costs of the proposed program to further explore the Maren vein. The program will require about 12 months to complete and the Government's share of the estimated total cost of $21,000.00 would be $15,750.00.

LOCATION, ACCESSIBILITY, AND LOCAL FACILITIES

The Maren Lode Group of Claims is in sec. 10, T. 20 N., R. 40 E., MDBM, New Pass mining district, Lander County, Nevada (Fig 1), near the south end of the New Pass Range at an altitude of about 8,000 feet.

To reach the claims, that are about 25 miles northwest of Austin (the closest town), drive 23 miles northwest on U.S. Highway 50 to New Pass summit, turn right (north) on a graded dirt road and drive about 5 miles to the New Pass mine mill and camp, turn right (northeast) on a poor dirt road and drive about 1 mile to the property. The road to the New Pass mine camp is maintained by Lander County and is passable to ordinary passenger vehicles except in winter when it may be blocked by snow, or made impassable by mud, for brief periods. The drive from Austin usually requires about 1 hour.

Mail and telephone service, some supplies, and mine labor are available in Austin, but most supplies, equipment, and materials are obtained from Fallon, Nevada (90 miles) or from the Reno-Sparks, Nevada area (150 miles). Water is available on the property or from nearby wells. Electrical power is generated on the property by gasoline- or diesel-powered generators, but a new transmission line that passes about 3 miles from the property was under construction during 1974 and electrical power is expected to be available from this line in the near future. Assay service is available in Reno or Salt Lake City.

PROPERTY

History and Production

Gold was discovered, and the New Pass district was organized, in 1864 or 1865 by a group of miners from Austin. A small 5-stamp amalgamation mill was moved to the district from Austin in 1868 and operated for several years, treating about 12,000 tons of ore. The district was then idle until about 1900 when renewed activity resulted in the establishment of a post office at the New Pass camp and this office remained in operation until about 1904. In 1917 the Nevada Austin Mines Company constructed a cyanide mill of about 100-tons-per-day capacity, but the company was unsuccessful and the mill was sold after treating about 5,500 tons of ore. Mining was again resumed about 1930 and continued intermittently on a small scale until about 1941. Except for a brief period from 1960 to 1964, the mines in the district were inactive until 1972 when an exploration project, with Office of Minerals Exploration assistance, was started at the New Pass mine (OME-6699). This exploration stimulated other mining activity in the

district, and in 1973 an OME contract was granted for exploration on the Mardon property. At the present time two mines are operating in the district and the ore is being processed at the New Pass mill.

Total production from the district is estimated to be about 40,000 tons of ore that averaged about 1 ounce of gold and 1 ounce of silver per ton. Most of this production came from the Thomas W., Gold Belt, and Superior mines. There has been no production from the Mardon property.

Ownership

The property consists of six unpatented claims recorded at Austin, Nevada as follows:

Claim Name	Book	Page
Maren No. 1	112	89
Maren No. 2	112	90
Maren No. 3	112	91
Maren No. 4	112	92
Maren No. 5	112	93
Maren No. 6	112	94

These claims, as shown on Figure 2, are owned by Don Hargrove, Keith Vermilyea, Dennis Stacey, and Jack Hargrove, and leased to Mardon, Inc. A copy of the lease is attached to the application together with Lien and Subordination Agreements signed by the owners.

Financial Eligibility

The applicant furnished copies of letters to two banks requesting loans for the proposed work and also copies of letters denying the loans. The applicant proposes to furnish its share of the exploration costs by use of equipment and supplies and the balance in cash. Financial statements for Mardon, Inc. and the principal officers were submitted by the applicant.

Development

The property is developed by a vertical shaft about 50 feet deep, with a drift 20 feet long at the bottom, that is now partly caved and inaccessible; a shallow inclined shaft, also caved; several other shallow pits and open cuts that are partly caved or filled with slope wash; a bulldozer trench on the ridge top that is open and accessible for study; and the crosscut adit and drift that was started during 1972 and continued with OME assistance during 1973 and 1974. The crosscuts and drifts total about 780 feet in length but only about 200 feet of this is drift along the Maren vein. The new underground workings are all open and in good condition with rail installed to the face of the drift and ventilation tubing to within a short distance of the face.

Mining equipment and supplies consist of a 365-cubic-foot (diesel powered) compressor, two (2) side dump mine cars, an Eimco 12B mucking machine, two (2) jackleg drills with drill steel, various small tools, and an ample supply of rail, air and water pipe, vent tubing, hoses, and mine timber.

Surface facilities consist of a compressor and storage building near the adit portal and a large house trailer presently parked at the New Pass mine camp.

GEOLOGY

Geologic Setting

The New Pass Range consists of chert and quartzite of the Ordovician Valmy Formation overlain by conglomerate of the Battle Formation. These rocks have been overthrust by rocks of the Pennsylvanian and Permian

Havallah sequence which are depositionally overlain by Triassic rocks. Most of the range consists of shales, siltstones, cherts, and greenstones of the Havallah sequence, with some conglomerate and siltstone of Triassic age. These sedimentary rocks in general strike north and dip west in a west-dipping homocline. Volcanic rocks, chiefly ash-flow tuffs with some local units of tuffaceous sedimentary rocks, of Tertiary age overlie the sedimentary rocks in the northern, eastern, and southern parts of the district. Numerous faults have formed a series of gently east-dipping fault blocks. The gold and silver deposits occur in quartz veins along faults that cut the Havallah sequence rocks.

Ore Deposits

The gold- and silver-bearing deposits consist of free gold, with minor amounts of silver occurring with lead and copper sulfides, carbonates, and oxides, in quartz veins along steeply dipping faults that cut a massive greenstone unit. The veins strike north or northwest and are vertical or steeply dipping. The ore shoots at the nearby New Pass mine are from less than a foot to as much as 10 feet thick, but where mined averaged about 3 feet. They were as much as 300 feet in length and have been mined downdip for as much as 550 feet. Most of the ore is oxidized, but some sulfide minerals are reported from the deeper levels of the mines. Gangue minerals, in addition to quartz, are iron oxides with some pyrite.

The Superior vein, at the New Pass mine, is parallel to and about 3,000 feet west of the Maren vein. It has been mined for a strike length of about 1,000 feet and to a depth of 300 feet. The Maren vein occurs

along a fault zone that strikes about N. 35° W. and dips steeply northeast. It has been exposed by several prospect shafts and pits along a strike length of about 800 feet on the surface and by 200 feet of drift at a depth of about 200 feet below the outcrop. Quartz, from a few inches to 4 feet thick, containing sparse to abundant pyrite and galena with visible gold is exposed in the shaft, pits, and bulldozer cut. Traces of copper staining on the outcrop and underground indicate some copper sulfides are present. The recently completed OME exploration, by drifting along about 200 feet of the Maren vein, did not expose a minable ore shoot although locally the narrow quartz vein was weakly mineralized. The quartz vein appears to be increasing in thickness and favorability as the drift is advanced to the north.

Sampling

Assays of the 33 samples taken during the recently completed exploration are listed in the application. Material cut by the crosscut and drifts contained a trace to 0.08 ounce of gold and 0.1 to 1.6 ounces of silver per ton. The highest grade sample was from 10 mine cars of rock at the north end of the drift, where the Maren vein is about 6 inches to 8 inches wide, and appears to indicate that the mineralization is increasing in value to the north. Samples, taken by the Operator across about 2 feet of quartz vein exposed in a bulldozer cut on the Maren vein about 350 feet north of the face of the drift, assayed 0.28 to 0.30 ounce of gold and 17.5 to 148.0 ounces of silver per ton. These samples contained fine-grained galena and pyromorphite, abundant pyrite and limonite pseudomorphs of

pyrite crystals, and traces of copper oxides that probably were derived from tetrahedrite or chalcopyrite. The downward continuation of this possible ore shoot is the principal target of the proposed extension of the OME drift on the Maren vein that will explore the vein at a depth of about 300 feet below the outcrop.

Ore Reserves

The recently completed underground work did not discover minable ore and no reserves were indicated or inferred as a result of the OME exploration. There are no measured reserves on the property and only a few tons of indicated ore can be estimated from the surface exposures. It is reasonable to infer, however, based on a knowledge of other similar veins in the nearby New Pass mine, that the Maren vein will probably be found to contain minable ore shoots somewhere along the known strike length of 800 feet and dip length of 200-300 feet. If the surface exposure in the bulldozer cut on the Maren No. 2 Claim represents the top of an average-size ore shoot, about 5,000 tons of reserves can be inferred. The grade of these reserves, that are the target of the proposed exploration, is inferred to be about 0.3 ounce of gold and 10 ounces of silver per ton.

EXPLORATION

Applicant's Proposal

The Applicant proposes to continue the exploration on the Maren vein by driving an additional 500 feet of drifts, crosscuts, and raises. This work is estimated to cost $21,000.00 and require about 12 months to complete.

Examiner's Proposal

I concur in the Applicant's proposal to continue the exploration of the Maren vein by drifting north along the strike of the vein.

The Applicant, at its own expense, has accomplished a significant amount of exploration in addition to that done under the previous OME contract. Mr. Hargrove is an experienced miner and operator with a good knowledge of mining and he employs good miners to assist him in the work. He is well qualified to undertake and supervise the work.

Proposed Exploration Costs

Although the Applicant is willing to continue the exploration at the fixed unit costs established under the previous contract of 2 years ago, the application lists increases in costs of explosives, fuel, and other items. The Applicant estimates that drifting and raising costs will be at least $40.00 per foot (up from $38/ft) and I consider this to be a minimum cost. Timbering and assaying costs have also increased but these items are only a small part of the total project expense and can probably be left the same.

Cost Estimate

Fixed Unit Costs:

Drifting, crosscutting, and raising 500 feet at $40.00/foot	$20,000.00
Timbering, drifts, crosscuts, and raises 80 feet at $10.00/foot	800.00
Assaying - 40 samples for gold and silver at $5.00/sample	200.00
Estimated total cost of project	$21,000.00
Government participation at 75 percent	$15,750.00

ENVIRONMENTAL STATEMENT

The purpose of the proposed project is to explore, by drifting, crosscutting, and raising, from an existing adit, for concealed gold- and silver-bearing ore bodies in a quartz vein along a fault in metavolcanic rocks of late Paleozoic age. All of the work will be done at depths of from 200 to 300 feet beneath the land surface from existing mine workings. About 700 cubic yards of waste rock and ore will be brought to the surface for disposal and this material will be placed on the existing mine dump, the mine access road, or transported to a nearby mill for processing. There will be no disturbance of the existing land surface or vegetation. The impact of the proposed work on the environment will therefore be small.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

OME-6906
(Gold-Silver)

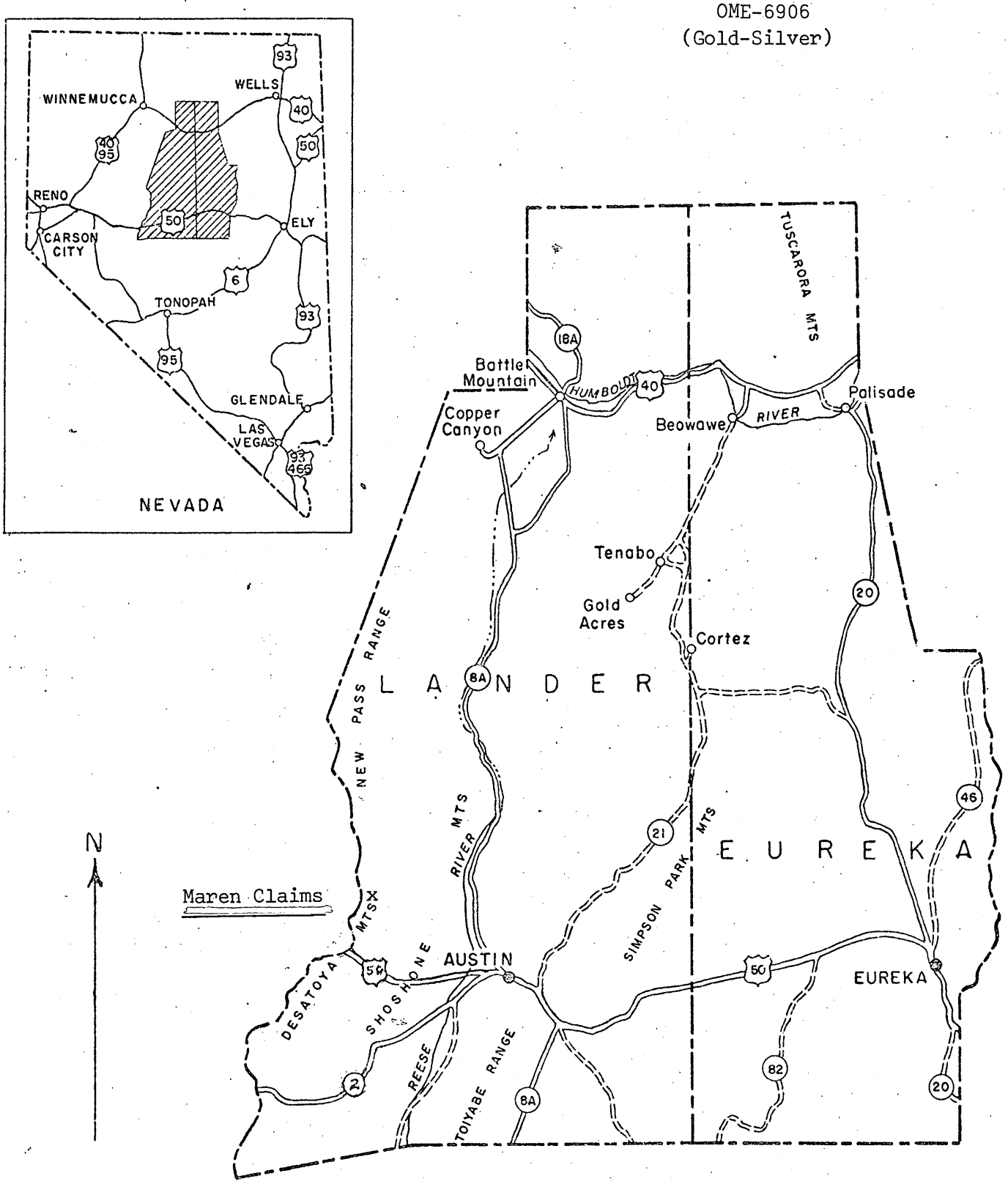

Figure 1. INDEX MAP OF LANDER AND EUREKA COUNTIES, NEVADA

0 20 40 60 Miles

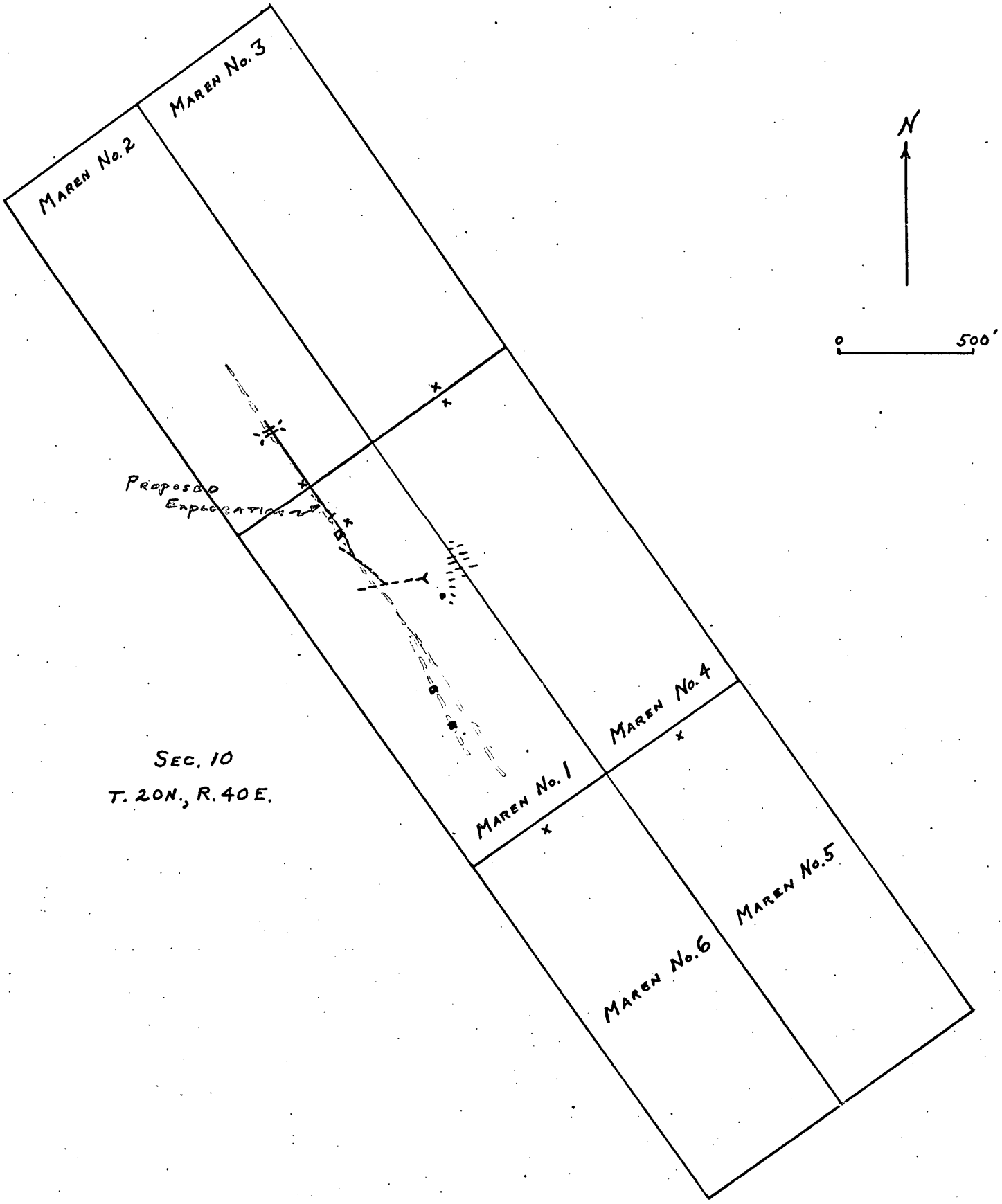

Figure 2.--Map showing Maren Lode Group of Claims and proposed exploration, New Pass Mining District, Lander County, Nevada.

MARDON INC.
7239 E. Camino Vecino
Tucson, Arizona 85715

OFFICIAL COPY
O. M. E.
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HR

19 March 1975

Mr. Harold Kirkemo, Chief
Office of Minerals Exploration
Reston, Virginia 22092

Re: OME-6906 (Gold-Silver)
Mardon Inc.
Maren Lode Group
Lander County, Nevada

Dear Mr. Kirkemo:

Thank you for your letter of 3 March 1975.

We will appreciate your and Mr.H. K. Stager's consideration of our application for a loan to continue exploration of the Maren Lode Group of claims.

Sincerely yours,

Don Hargrove

Don Hargrove, President
Mardon Inc.

cc Mr. H. K. Stager

DH/msh

March 3, 1975

Mr. Don Hargrove, President
Mardon, Inc.
7239 E. Camino Vecino
Tucson, Arizona 85715

Re: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada

Dear Mr. Hargrove:

Your application for financial assistance to continue exploration of the Maren Lode Group of claims has been assigned Docket No. 6906. Please refer to this number in subsequent correspondence.

We now have sufficient funds on hand to consider several applications. Mr. H. K. Stager, Field Officer, OME Region II, is reviewing your application and, if necessary, may contact you.

Sincerely yours,

Harold Kirkemo, Chief
Office of Minerals Exploration

Copy to: Region II, OME

cc:
DRF
MR Rdg.
OME Rdg.
OME Files
Mr. Kirkemo
Region II

HKirkemo/gpw

March 3, 1975

Memorandum

To: Field Officer, Region II

From: Chief, Office of Minerals Exploration

Subject: OME-6906 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada

The enclosed copy of our letter to Mr. Margrove refers to our discussion last week about this application.

With respect to the estimated unit costs, we agree with you that consideration beggiven to allowing higher prices for drifting and raising than the applicant proposes. The general rise in costs for everything since the first contract with Mardon, Inc. was executed in August 1973 warrants higher unit prices in the proposed new project.

Harold Kirkemo

Enclosure

cc:
DRF
MR Rdg.
OME Rdg.
OME Files
Mxxxxx
Mr. Kirkemo

Hkirkemo/gpw

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Office of Minerals Exploration
345 Middlefield Road
Menlo Park, California 94025

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HR

January 9, 1975

MEMORANDUM

To: Chief, Office of Minerals Exploration
Reston, Virginia

From: Field Officer
Region II
6906

Subject: OME-6884 (Gold-Silver)
Mardon, Inc.
Maren Lode Group
Lander County, Nevada
Contract 2311

Enclosed is the application from the Operator for additional financial assistance per your letter to him dated September 13, 1974. A copy has been retained for our files.

The new application appears complete and I consider the proposed additional work to be justified.

H. K. Stager

Enclosure

MARDON INC.
7239 E. Camino Vecino
Tucson, Arizona 85715

4 January 1975

Office Of Minerals Exploration
U. S. Geological Survey
345 Middlefield Road
Menlo Park, California 94025

Dear Mr. Stager:

Mardon Inc. will sincerely appreciate your consideration of an OME Loan to finish the exploration started under OME 6884 Contract No. 2311 which was completed last August 3, 1974.

We would like to apply for a $20,000.00 loan with 75% Government participation under the same terms as before, if they are still applicable.

Enclosed please find the following data which apply:

1. Two copies of the map of the Maren group of 6 claims.
2. Two copies of the plan of Maren Vein.
3. Two copies of the plan of crosscut and drift Maren claims.
4 Two copies of the section of Maren vein.
5. Two copies of the Lease to Mardon Inc.
6. Two copies of the certificate of location of each of the six Maren lode claims.(Maren #1 to Maren #6 incl.)
7. Two copies of a letter from Mardon Inc. to the First National Bank of Farmington, New Mexico and two copies of the reply.
8. Two copies of a letter from Mardno Inc. to the Southern Arizona Bank, Tucson, Arizona and two copies of the reply. I think you will find all of the above information self-explanatory.
9. Five copies of MME form 52 January 1959(reproduced) duly executed.
10. Two copies of MME form 40 revised November 1971--executed.
11. Two copies Standard Form 19-B GSA.
12. Two copies Exhibit B-1.
13. Two copies of Financial Statement of Mardon Inc.
14. Two copies of Personal Financial Statement of Officers of Mardon Inc.
15. Certification that Dennis Stacey and John Dennis Stacey same.
16. Geology and Minerology:

Enclosed please find two copies of Operators Final Report dated 31 August 1974. To update this report--
We crosscut, including an 8 foot drill hole in each face, the footwall and hanging wall of the fault that we are following. This work is nearly 60 feet on each side of the fault. The footwall is fractured, but with minor displacement, and practically no alteration after leaving the fault a few feet. The hanging wall is altered as far as we crosscut which was 43.5 feet. We did not intersect the black gouge which shows in the main crosscut.

The main N 15°± W fault has steepened from 68° to vertical and in the face seems to be reversing its dip. (See Plan of Drift Map No. 6)

From information gleaned from the crosscutting we believe that we are on the main structure. The 10 car sample which assayed 1.6 oz Ag is also encouraging, as are the good surface samples noted in the final report.

17. Proposed exploration work:

We, therefor intend to continue drifting North on the fault until we intersect the downward extension of the ore found in the cat cut ahead of us on the surface. The size of the altered zone leaves ample room to produce some fine orebodies--if we get to the right place at the right elevation. We are now cutting small (6"--8" lenses) of quartz.

18. Drifting, Crosscutting and Raising Costs.

We estimate drifting and raising costs to be $40.00 per foot. Explosives have increased in cost, (prill from $6.50 per hundred lbs. to $16.75) Diesel fuel has increased, as has most everything else. However, we would be happy to continue on the same basis as the first loan if that is agreeable with you. We estimate $38.00 per foot plus timber and assays.

19. We have the following equipment and supplies:

1) 1972 Chevrolet 4W Dr. Pickup.
2) Two I-R J-38 Jacklegs.
3) One Eimco 12B Mucking Machine.
4) One G-D WBH 365 cu. ft. Compressor, Diesel driven.
5) Two 30 cu ft Miners Foundry Cars.
6) One Long Tom retractable Air Leg.
7) 12 Tons + of 20# rail and accessories (new & used).
8) 700 feet of 12" vent pipe (new) with Blower.
9) Hoses, two pressure tanks, steel etc etc.
10) 1000 feet of 2" air line. 700 feet of 1" water line.
11) Various hand tools, switches, etc.

Total cost of above is in excess of $25,000.00.

Mardon Inc. would not normally be able to undertake this much exploration work solely at its own expense. Any further information needed may be obtained, if we have it, by writing to the above address or calling 602-296-1778.

Thank you for your consideration.

Sincerely yours,

Don Hargrove

Don Hargrove, President
MARDON INC.

DH/msh
Inclosures