UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (~~or cancelled~~) without certification. DMEA No. 747

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

Left Side

✓ Certificate of Audit (Final).

Interim Audit(s).

Report of Review.

✓ Termination Notice or Agreement.

Recision Notice.

Assignment of Contract.

✓ Contract Amendments (latest on top).

✓ Contract with all exhibits and annexes.

Owner's Consent to Lien.

Subordination Agreement.

Leases and assignments of leases.

Application and attachments.

Schedule of Collections.

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

Right Side

Project summary.

✓ Work completed analysis.

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

✓ Final Field Team Report. (Tab)

Operator's Final Report.

✓ Interim Reports.

On-site Exam Report(s). (Tab)

Settlement Sheets.

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

Maps in folder number _____

Operator's Monthly Reports in folder number _____

7973

_____
Reviewer's Initials

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

FINAL Audit Certificate

I have examined the records and transactions of

Kelly Camp Tungsten
Partners: Ole Aavestrud and
Charles J. Weller
Republic, Washington

pertaining to Exploration Project Contract No. I-DMA-12, Docket No. DMEA 747, for the period of June 19, 1951 to July 31, 1952, subject to the following amendments: No. 1, October 4, 1951, and No. 2, October 22, 1951.

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

The audit disclosed the following facts in regard to the amounts to be paid the contractor:

Total cost as billed by contractor	$10,479.76
Less equipment salvage	1,226.83
	9,252.93
Exceptions (per audit report)	none
Total accepted cost	$ 9,252.93

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Six thousand nine hundred thirty nine and 69/100 Dollars,

$6,939.69

is valid and proper.

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

February 25, 1953

C. A. Turner, Auditor

I INTRODUCTION

On January 14 and 15, 1953 a final audit (covering the period of June 19, 1951 to July 31, 1952) was made of the records and accounts of operations pertaining to Contract No. I-DMA-E12, Docket No. DMA 747 (as amended by the DMA Acting Executive Officer of Region II, October 4, 1951, and DMA Executive Officer of Region II, October 22, 1951, and subject to the assignments of payments to State Bank of Republic, Republic, Washington, dated October 3, 1951, November 12, 1951, December 7, 1951, June 9, 1952, and July 7, 1952) with the

Kelly Camp Tungsten
Partners: Ole Aavestrud and
Charles J. Weller
Republic, Washington

covering a project of exploration for tungsten.

The accounting records under this contract are in Mr. Charles J. Weller's possession at Coulee City, Washington.

During the course of the audit Mr. Charles J. Weller, partner, was consulted as required. His cooperation and assistance greatly facilitated the audit.

II GENERAL INFORMATION ON RECORDS

The accounting records for the exploration project consisted of payrolls, suppliers' invoices, and cancelled checks. Ledgers and cost records were not maintained as such.

The source documents covering the costs of this project are recorded on monthly work sheets which form the basis for preparation of the monthly MF-104, Operator's Monthly Report and Voucher. Therefore, this audit

involved in general a check of the source documents against the monthly work sheets. All costs were recorded on a cash basis.

III SCOPE OF AUDIT AND FINDINGS

The audit was limited to ascertaining the accuracy, propriety and validity of the costs as shown in the Totals to Date column of Form MF-104 for the month of July 1952. The extent of the audit and the findings under each of the "Items of Cost" follow.

(1) Independent Contracts

Not applicable to this contract. However, the contractor has the following item erroneously charged under Independent Contracts:

Drilling	$674.50

The item of Drilling is labor paid on a footage basis in lieu of an hourly basis. It is properly chargeable and allowable as a labor item.

(2) Labor and Supervision

All charges under this item were checked against the recordings on the monthly work sheets. In order to verify the labor time, rates and charges, the labor costs charged to the project for the period covered by the contract were checked back from the work sheets through the monthly payroll book, supported by the foreman's daily entries in his pocket payroll book. Payments of labor were verified by the paid checks.

The audit disclosed that the costs shown under this item on the July 1952 MF-104 as compared to the costs properly chargeable and allowable under the terms of the contract to be:

Labor

Labor claimed July 1952 MF-104	$3,787.14
Labor erroneously charged to Independent contract drilling	674.50
	4,461.64
Supervision charged erroneously to labor	1,305.00
Allowed by audit	$3,156.64

Supervision

Supervision claimed MF-104	$ 360.00
Supervision claimed in error as labor but properly allowable and chargeable as supervision	1,305.00
Allowed by audit	$1,665.00

(3) Operating Materials and Supplies

All charges against this category were checked against the monthly work sheets; an analysis was made to determine the propriety of items charged; all purchases from June 19, 1951 to July 31, 1952 were verified against suppliers' invoices and payments verified by cancelled checks.

The Operator claimed on the July MF-104 the following:

Explosives	$645.17
Other	500.59
Gas and oil	41.13
Total	$1186.89

In the above charges, errors were made in distribution and the total costs properly chargeable and allowable under Operating Materials and Supplies were found to be the following:

Timber and lumber		$103.00
Explosives		645.17
Gasoline and oil		248.45
Other		
Cable and clamps	$ 35.00	
Nails and bolts	21.50	
Small tools	102.04	
Anti-freeze	7.73	
Miscellaneous	24.00	190.27
Total		$1186.89

(4) Operating Equipment

All charges for Operating Equipment were checked against the monthly work sheets and the time operated at the rates specified in the contract. There were no daily time logs or other records covering the time company equipment was used on the project. The time charged was based on estimates which appear to be most reasonable.

The proper and allowable costs to Operating Equipment Rental were found to be:

Compressor	5-29/30 mo. @ $200/mo.	$1193.33
Jackhammer	5-20/30 mo. @ $ 25/mo.	141.67
Pickup truck	5- 5/30 mo. @ $150/mo.	775.00
		$2110.00

All charges for equipment purchased were checked against the monthly work sheets, suppliers' invoices and paid checks for payment. All equipment purchased for the project was authorized by the contract as follows:

1 Air Drill and Fittings	$ 600.23
1 Hoist and Bucket	856.25
1 Drill tool grinder	103.00
1 Sump pump	350.00
Total	$1909.48

Mr. Charles J. Weller, partner, Kelly Camp Tungsten, on December 30, 1952, made an offer for the Government's equity in the equipment in the amount of $920.12.

The offer was accepted January 14, 1953, by A. E. Weissenborn, Executive Officer, U. S. Geological Survey, and M. E. Velin, Member, U. S. Bureau of Mines.

(5) Initial Rehabilitation and Repairs

Not applicable to this contract.

(6) New Buildings, Improvements and Repairs

Not applicable to this contract.

(7) Miscellaneous

Payroll Taxes

All charges for payroll taxes and insurance were checked by computation at rates shown by the Company's files to be in effect. These rates were:

Social Security Tax	1.5%
Unemployment - Federal	---
Unemployment - Washington	2.7
Total	4.2%

Industrial Insurance		$ .095 per hour worked
Medical Aid	$ .0350 per hour worked	
Less 1/2 paid by employee	.0175 " " "	
Net Medical Aid		.0175
Total Industrial Insurance		$ .1125 per hour worked

Costs under this item were found to be:

Labor	$3,156.64			
Supervision	1,665.00			
	$4,821.64	@	4.2%	$202.51

Industrial Insurance				
Labor	1781 hours			
Supervision	888 "			
	2669 "	@	$ .1125	300.26
				$502.77

The contractor, however, claimed only $451.75 and that amount was allowed by the audit.

IV CONCLUSIONS AND RECOMMENDATIONS

This audit disclosed that all costs as charged to this project are reasonable and proper under the terms of the contract, including the Exhibit "A" which reflects the costs of the project less the salvage value of the equipment purchased by the contractor.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D. C.~~
Spokane, Washington
January 14, 1953

C
O
P
Y

Mr. Charles J. Weller
Republic, Washington

Subject: Equipment disposal
Kelly Camp Tungsten
Ferry County, Washington
Contract I-DMA-12
Docket No. DMA 747 (tungsten)

Dear Mr. Weller:

We are in receipt of your letter dated December 30, 1952, in which you offer $1,226.83 for the equipment which was purchased jointly under the subject contract.

Value of equipment	$1,226.83
Government's interest - 75%	920.12
Credit - July 1952 invoice	482.40
Balance payable to Government	437.72

This offer is acceptable to the DMEA Field Team, and a check in the amount of $437.72 payable to the Treasurer of the United States should be forwarded to this office.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey
157 South Howard Street

M. E. Volin, Member
U. S. Bureau of Mines
1201 N. Division Street

cc: Mr. Ole Aavestrud
Republic, Wash.

KELLY CAMP TUNGSTEN
Contract I-DMA-K12

Exhibit "A"

	Totals July 31, 1952 MF-104	Distribution corrected	Disallowed by audit	Allowed by audit
(1) Independent contracts				
Drilling	$ 674.50	—	—	0
(2) Labor and Supervision				
Labor	3,787.14	$3,156.64		$3,156.64
Supervision	360.00	1,665.00		1,665.00
(3) Operating Materials and Supplies				
Timber		103.00		103.00
Explosives	645.17	645.17		645.17
Gas and Oil	41.13	248.45		248.45
Other	500.59	190.27		190.27
(4) Operating Equipment				
Rental	2,110.00	2,110.00		2,110.00
Purchases	1,909.48	1,909.48		1,909.48
(7) Miscellaneous				
Payroll Taxes	451.75	451.75		451.75
	$10,479.76	$10,479.76	0	$10,479.76
Less salvage equipment purchased				1,226.83
				$ 9,252.93

C. A. Turner, Auditor

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
1201 N. Division Street
Spokane, Wash.
August 13, 1952

To: Charles J. Weller and
Ole Aavestrud (partners)
Kelly Camp Tungsten
Republic, Wash.

Operator under Exploration Project
Contract Idm-E12, Docket No. DMEA
748, dated June 19, 1951

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, under the terms of the above-mentioned contract, hereby terminates the contract on the following grounds:

> In the opinion of the Government, you have failed to prosecute operations pursuant to the terms of the contract.

Upon the receipt of this notice, as provided in said contract, you are required to dispose of any remaining materials, supplies, facilities, buildings, fixtures, equipment, or other items, in which the Government has an interest, for the joint account of yourself and the Government; and to render to the Government a full and final accounting of your operations under the contract and of your expenditures of money on account thereof.

Any work prosecuted or costs incurred by you after the receipt of this notice shall be for your sole account, except for (a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings, fixtures, equipment, or other items, to the cost of which the Government has contributed and in which the Government has an equity, and (b) the costs of any reports, accounts, and winding-up and settlement actions provided for in the contract.

Dated this 13th day of August 1952.

UNITED STATES OF AMERICA

By_____
for M. E. Volin
Acting Executive Officer
DMEA Field Team, Reg. II

Rec'd 3/19/53

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

1201 N. Division Street
Spokane, Wash.
August 13, 1952

To: Charles L. Voller and
Ole Mavstrud (partners)
Kelly Camp Prospect
Republic, Wash.

Operator under Exploration Project
Contract Ida-512, Docket No. DMEA
742, dated June 19, 1951

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, under the terms of the above-mentioned contract, hereby terminates the contract on the following grounds:

> If the opinion of the Government, you have failed to prosecute operations pursuant to the terms of the contract.

Upon the receipt of this notice, as provided in said contract, you are required to dispose of any remaining materials, supplies, facilities, buildings, fixtures, equipment, or other items, in which the Government has an interest, for the joint account of yourself and the Government; and to render to the Government a full and final accounting of your operations under the contract and of your expenditures of money on account thereof.

Any work processed or costs incurred by you after the receipt of this notice shall be for your sole account, except for (a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings, fixtures, equipment, or other items, to the cost of which the Government has contributed and in which the Government has an equity, and (b) the costs of any reports, accounts, and winding-up and settlement actions provided for in the contract.

Dated this 13th day of August 1952.

UNITED STATES OF AMERICA

By _____
for K. E. Volin
Acting Executive Officer
DMEA Field Team, Reg. XI

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D. C.
OCT 26 1 37 PM '51

AMENDMENT NO. 2

It is agreed this 22nd day of October 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and Kelly Camp Tungsten, (Aavestrud and Weller) Partners, Ole Aavestrud and Charles J. Weller, Republic, Washington,

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract I-DMA-12 of June 19 1951 between the parties hereto be modified and amended as described in Exhibit "F", attached hereto, which, with any maps or drawings attached therto, is made a part of this aggrement. The effective date of this amendment shall be October 22 1951.

This amendment is made by authority granted the Executive Office, DMA Field Team, Region II in Order No. 2653 by the Acting Secretary of the Interior.

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

Executed in sextuplicate the day and year first above written.

KELLY CAMP TUNGSTEN
(Operator)

By Chas. J. Weller

The United States of America

By A. E. Warnock
Executive Officer
DMA Field Team, Region II

Contract Ser.
Change Order
Noted SML
Reviewed

KELLY CAMP TUNGSTEN
Docket No. 747

Contract I-DMA-12

AMENDMENT NO. 2

EXHIBIT "F"

Changes and modifications.

1. In Exhibit C of the contract under Operating Equipment to be purchased, add:

   " 1 - Pump sump, cost not to exceed $350."

2. In Exhibit D of the contract under Labor and Supervision delete the paragraph shown and substitute the following paragraph:

   "Labor for the various items of work described above may be paid at shift rates or unit contract rates not to exceed rates generally paid for like work in the district in which the project is located, and the costs thereof shall be allowable to the extent approved by the DMA Field Team, Region II. The maximum wage rate of $15.00 per day for one Superintendent will be allowable.

3. In paragraph 3, delete "one year" and substitute "12 operating months."

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
OCT 26 1 37 PM '51

RECEIVED
NOV 5 1951
G.A.O.

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D. C.
OCT 25 1 43 PM '51

AMENDMENT NO. 1

It is agreed this 4th day of October 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and Kelly Camp Tungsten, (Aavestrud and Weller) Partners, Ole Aavestrud and Charles J. Weller, Republic, Washington,

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract I-DMA-12 of June 19, 1951 between the parties hereto be modified and amended as described in Exhibit "F", attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be September 1, 1951.

This amendment is made by authority granted the Executive Officer, DMA Field Team, Region II in Order No. 2653 by the Acting Secretary of the Interior.

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

Executed in sextuplicate the day and year first above written.

Kelly Camp Tungsten
(Operator)

By Chas. J. Weller

The United States of America

By M. Wellolin
Acting Executive Officer
DMA Field Team, Region II

1951

Cont. Serv. Sec.
Change Order
Noted SML
Reviewed

KELLY CAMP TUNGSTEN

Exploration Project Contract - AMENDMENT NO. 1

EXHIBIT "F"

Changes and Modifications

(1) In Exhibit "C" of the contract add to the list of operating equipment to be purchased, "1 - drill tool grinder - $103.00".

MF-200
(April 1951)

Indexed
No. Card
Card
Reviewed

Original

Docket No. DMA - 747
Commodity Tungsten

I-DMA-E12

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

RECEIVED
G. A. O.

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 19 day of June, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2]

Kelly Camp Tungsten, (Aavestrud and Weller)
Partners: Ole Aavestrud and Charles J. Weller
Republic, Washington

hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Washington, County of Ferry described as follows: [3]

Five mining claims (Annex, Kayo, Dutchman, Georgia, Winner) in Eureka Mining District, sec. 9, T. 38 N., R. 32 E., WM, in Colville National Forest

with respect to which the Operator represents and undertakes: [4]

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

Property is being purchased from owner on installment contract, payable $240.00 each six months without interest or 10% of smelter returns. $4,900.00 due on total price of $7,000.00.

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

3. *Exploration project.* The Operator, within 30 days from the date of this contract shall commence work on a project of exploration for [5] tungsten; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] one year from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

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

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

6. *Operating equipment.* Attached hereto, marked "Exhibit 'C'," is a detailed list of operating equipment divided into categories of items to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or rental value, as the case may be, annexed to each. As to equipment purchased for the project, the Government will contribute its agreed pro-rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

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

Supplement No. Amend 1, dated 10-4-51 Attached 11-15-51 SML
Supplement No. Amend 2, dated 10-22-51 Attached 11-15-51 SML

16—64066-1

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

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

9. *Rehabilitation and repairs.* Attached hereto, marked "Exhibit 'E'," is a detailed schedule of existing facilities, buildings, installations, and fixtures, with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition, which cost shall be allowed as a cost of the project.

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

11. *Participation by the Government.* At the end of the first full calendar month after the Operator has commenced work under the project, and at the end of each succeeding calendar month, the Operator shall submit to the Government a voucher for payment with a detailed statement of work done and allowable costs (as defined in Article 10 of this agreement) incurred, in a form and with supporting data acceptable to the Government. After approving the voucher, the Government shall pay to the Operator 75 percent of the sum of such costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $24,525.00, which is 75 percent of the agreed estimated total cost of this project, $32,700.00.

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

13. *Progress reports.* The Operator shall provide the Government with monthly reports of progress in form and content satisfactory to the Government, and upon the completion of the project or termination of the contract shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

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

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

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

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

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

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

Executed in triplicate the day and year first above written.

Kelly Camp Tungsten
(Operator)

By Chas. J. Weller
Business agent for
Aaverstad & Weller, Owners
Ole Aaverstad

THE UNITED STATES OF AMERICA

By [signature]
Administrator
Defense Minerals Administration

U. S. GOVERNMENT PRINTING OFFICE 16—61661

Original

DOCKET NO. DMA - 747 (Tungsten)

Kelly Camp Tungsten

(Aavestrud and Weller)

Exploration Project Contract

EXHIBIT "A"

Exploration Project:

Part A:

Sink incline shaft (now about 15 ft. deep), indicated on map by X, approximately 150 ft. to granite contact. 150 ft. @ $50.00 per ft.	$ 7,500.00
Drift from bottom of shaft N.E. and E. along strike of structure for a distance of approximately 150 ft. 150 ft. @ $30.00 per ft.	4,500.00
Construction of headframe	1,000.00
Equipment to be purchased	4,200.00
" furnished by applicant (rental)	4,500.00
Miscellaneous tools	500.00
Cost of Part A.	$22,200.00

Part B:

Extend lower adit on property approximately 150 ft. to granite contact, and drift 200 ft. along structures. 350 ft. @ $30.00 per ft.	10,500.00
Total cost of project	$32,700.00

Part A of the project is to be completed first. On successful completion of Part A, the second step or Part B may be started.

EXHIBIT "B"

Fixtures and Improvements:

Construction of headframe	$ 1,000.00

EXHIBIT "C"

Operating Equipment:

Rented - None

Purchased:

1 - Air drill or drifter, hose & attachments	$ 1,000.00
1 - Hoist and bucket	2,500.00
1 - Air receiver	150.00
1 - 50 gallon water pressure tank	75.00
1 - rail bender	75.00
1 - chain saw for timber	400.00
Total	$4,200.00

Furnished by applicant (Rental value)

1 - Sullivan portable compressor (110 cu. ft.) 12 mos. @ $200.00 per month	$ 2,400.00
1 - Jackhammer (Sullivan 57) 12 mos. @ $25.00 per month	300.00
1 - Pickup truck (Ford 1950, 3/4 ton) 12 mos. @ $150.00 per month	1,800.00
Total	4,500.00

EXHIBIT "D"

Labor and Supervision:

Total cost of labor is included in the price per foot of sinking and drifting.

Labor	No.	Class	maximum wage rate per day
	2	Miners	$ 13.50
	4	Muckers	12.00
Supervision			
	1	Superintendent	15.00

EXHIBIT "E"

Rehabilitation and Repairs:

The cost of any rehabilitation and repairs to existing facilities, buildings, installations, and fixtures to put into useful and operable condition shall not be charged as a cost of the project.

Dma-747

Date July 3, 1946 No. 666

ESCROW INSTRUCTIONS

To THE FIRST NATIONAL BANK IN SPOKANE
Marble Bank Building
Spokane 1, Washington

COPY

Vendors: Nancy Ford

Purchasers: Ole Swestrud
Charles J. Miller

Deposited in Escrow: Agreement of Sale, Lining Land.

The above instruments are hereby left in escrow with you subject to the following instructions. The documents listed, with the exception of the contract, are to be delivered to the purchasers, or either of them, or their order upon final payment to you,

for the vendors or order, of the sum of $ 6,000.00 and interest, as follows: $200.00 on the 1st day of each December and July beginning December 1, 1946. Should an installment become delinquent the Vendor may at their option, collect interest on the entire bal. then due at the rate of 5% per annum from the date of the default until the default is cleared. Such interest shall be payable with the principal installments on the 1st day of Dec. or July of each year. The Vendors must give notice to the bank in writing should they desire to collect int. on any delinquent payments. Any additional payments made by purchaser shall apply on the next payments then to be due and payable.

The cost of two new stamps in the amount of $7.00 State and $7.70 Federal are to be deducted from the Vendor's funds on final payment.

In event of default in any payment as and when due, or failure to perform any of the terms or conditions of the within contract, you are hereby instructed to return said papers to vendors after ~~thirty (30)~~ 30 days' notice of such default in writing by registered mail to the last known address of the purchasers provided the default has not been removed.

Such notice shall be executed by the vendors addressed to the purchasers, specifying the default, declaring the forfeiture and demanding return of the escrowed papers. The vendors shall pay you one dollar ($1.00) for each notice. The notice shall be filed with you in duplicate, one copy of which you shall retain and the other shall be mailed to the purchasers as above stated.

It is understood and agreed that any and all payments made to you, at variance with instructions, and any and all payments made after due, are accepted subject to the vendors' approval.

If at any time during the life of this escrow, any dispute shall arise between any of the parties hereto, or their representatives, successors or assigns, as to the delivery by you of any of the documents deposited hereunder, or as to the ownership or right of possession thereto, you may hold and retain in your possession without liability, any or all of the property or papers, referred to in this escrow agreement, until such dispute shall have been settled, or you may at your option, deposit said property and papers with the Clerk of the Superior Court for Spokane County and shall thereupon be relieved of all liability with respect thereto.

Your costs, expenses, charges and attorney's fees chargeable to either party hereto are hereby made a first and paramount lien upon all monies, papers, and things deposited in connection with said escrow.

If there be any conflict between the provisions of these Escrow Instructions and any Agreement deposited hereunder, the former shall govern insofar as your rights, duties and obligations are concerned.

Each of the parties hereto agrees with you as follows: That you will not be responsible for any of the following:

1. The correctness or completeness or sufficiency of any documents held in this escrow.
2. For failure to notify any party of either non-payment or declaration of default except as herein provided.
3. For the deposit, procurement or renewal of insurance policies or any riders, or additional clauses.
4. For payment of insurance premiums or taxes.
5. For determination of balances due third parties or overpayment to them where instructed to credit payments to persons other than the vendors.

These papers are left with you in escrow and you are hereby released from any and all liability or claim whatsoever by receiving and delivering said papers, except that in case payment is made as stated, you are to pay, credit or deliver the proceeds, less your charges and less any legal expenses incurred by you on account hereof, to Nancy Ford

Escrow fees in the sum of $ 6.00 per annum are to be paid by 1/2 each and in the event default is made in the payment of said fees for the period of three (3) years, you are hereby authorized to return the enclosed papers to Nancy Ford without notice to either party to this agreement.

Each of these agreements is binding upon and inures to the benefit of the successor or assigns of either party hereto.

EACH OF THE UNDERSIGNED STATES THAT HE HAS READ THE FOREGOING INSTRUCTIONS AND UNDERSTANDS AND AGREES TO THEM

Vendors	Purchasers
Nancy Ford	Charles J. Miller
[illegible] Garfield, Spokane, Washington	Ole Swestrud Walla Walla, Washington
Address	Address

FN 257

DMA-747

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

So. 157 Howard Street
Spokane 4, Washington

June 12, 1951

Mr. Landon F. Strobel
Executive Secretary
Defense Minerals Administration
Department of Interior
Washington 25, D. C.

Dear Mr. Strobel:

Enclosed herewith are four copies of an Escrow Agreement submitted by Charles J. Weller and Ole Aavestrud concerning the Kelly Camp Tungsten, Ferry County, Washington.

The applicants hope that these copies of the Escrow Agreement will substitute for a signed Mortgagor Agreement. They have, however, advised that if the Mortgagor Agreement is necessary for the exploration contract on their property that they will obtain such an agreement upon request.

Yours very truly,

Thor H. Kiilsgaard
For: A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosure

File
Copies of Escrow Instructions attached to contract copies.
Our reply made. 7/23/51
FEJ

Dma-747

Date July 3, 1946 No. 226

ESCROW INSTRUCTIONS

To THE FIRST NATIONAL BANK IN SPOKANE
Marble Bank Building
Spokane 1, Washington

COPY

Vendors: Demcy Ward

Purchasers: Ole Aavestrud
Charles J. Weller

Deposited in Escrow: Agreement of Sale, Mining Deed.

The above instruments are hereby left in escrow with you subject to the following instructions. The documents listed, with the exception of the contract, are to be delivered to the purchasers, or either of them, or their order upon final payment to you,

for the vendors or order, of the sum of $6,900.00 and interest, as follows: $240.00 on the 1st day of each December and July beginning December 1, 1946. Should an installment become delinquent the Vendor may at their option, collect interest on the entire bal. then due at the rate of 5% per annum from the date of the default until the default is cleared. Such interest shal be payable with the principal installments on the 1st day of Dec. or July of each year. The Vendors must give notice to the bank in writing should they desire to collect int. on any delinquent payments. Any additional payments made by purchaser shall apply on the next payments then to be due and payable.

The cost of Revenue Stamps in the amount of $7.00 State and $7.70 Federal are to be deducted from the Vendor's funds on final payment.

In event of default in any payment as and when due, or failure to perform any of the terms or conditions of the within contract, you are hereby instructed to return said papers to vendors after ~~thirty (30)~~ 60 days' notice of such default in writing by registered mail to the last known address of the purchasers provided the default has not been removed.

Such notice shall be executed by the vendors addressed to the purchasers, specifying the default, declaring the forfeiture and demanding return of the escrowed papers. The vendors shall pay you one dollar ($1.00) for each notice. The notice shall be filed with you in duplicate, one copy of which you shall retain and the other shall be mailed to the purchasers as above stated.

It is understood and agreed that any and all payments made to you, at variance with instructions, and any and all payments made after due, are accepted subject to the vendors' approval.

If at any time during the life of this escrow, any dispute shall arise between any of the parties hereto, or their representatives, successors or assigns, as to the delivery by you of any of the documents deposited hereunder, or as to the ownership or right of possession thereto, you may hold and retain in your possession without liability, any or all of the property or papers, referred to in this escrow agreement, until such dispute shall have been settled, or you may at your option, deposit said property and papers with the Clerk of the Superior Court for Spokane County and shall thereupon be relieved of all liability with respect thereto.

Your costs, expenses, charges and attorney's fees chargeable to either party hereto are hereby made a first and paramount lien upon all monies, papers, and things deposited in connection with said escrow.

If there be any conflict between the provisions of these Escrow Instructions and any Agreement deposited hereunder, the former shall govern insofar as your rights, duties and obligations are concerned.

Each of the parties hereto agrees with you as follows: That you will not be responsible for any of the following:

1. The correctness or completeness or sufficiency of any documents held in this escrow.
2. For failure to notify any party of either non-payment or declaration of default except as herein provided.
3. For the deposit, procurement or renewal of insurance policies or any riders, or additional clauses.
4. For payment of insurance premiums or taxes.
5. For determination of balances due third parties or overpayment to them where instructed to credit payments to persons other than the vendors.

These papers are left with you in escrow and you are hereby released from any and all liability or claim whatsoever by receiving and delivering said papers, except that in case payment is made as stated, you are to pay, credit or deliver the proceeds, less your charges and less any legal expenses incurred by you on account hereof, to Demcy Ward

Escrow fees in the sum of $6.00 per annum are to be paid by 1/2 each and in the event default is made in the payment of said fees for the period of three (3) years, you are hereby authorized to return the enclosed papers to Demcy Ward without notice to either party to this agreement.

Each of these agreements is binding upon and inures to the benefit of the successor or assigns of either party hereto.

EACH OF THE UNDERSIGNED STATES THAT HE HAS READ THE FOREGOING INSTRUCTIONS AND UNDERSTANDS AND AGREES TO THEM

Vendors	Purchasers
Demcy Ward	Charles J. Weller
E. 812 Carlisle, Spokane, Washington	Ole Aavestrud Coulee City, Washington
Address	Address

FN 257

JEH

Coulee City, Washington
February 13, 1953.

Control Officer, Defense Minerals Exploration Author ity.
U. S. Bureau of Mines
1201 N Division
Spokane, Washington.

Sub: Equipment Disposal
DMA -E12 Contract

Dear Sirs:-

Inclosed find check for your interest in the salable equipment left on hand at the close of our contract.

This is the amount arrived at by determining the ceiling price under instructions furnished by the Office of Price Stabilization and approved in a letter to us from your office.

We still expect to produce tungsten to some extent geared to ability.

Wish to thank the many members of your organization for the many and generous favors they have shown us.

Yours truly,

Holly Camp Tungsten

By Chas. J. Weller

RECEIVED
BUREAU OF MINES
FEB 19 1953
SPOKANE, WASH.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 3 1953

February 3, 1953

BW.

Mr. Charles J. Weller
Republic
Washington

Re: Docket No. DMA-747 (tungsten)
Kelly Camp Tungsten
Ferry County, Washington
Contract Idm-F12

Dear Mr. Weller:

This is to inform you that the Government waives its equity in the unexpended supplies left over from the work on the subject contract. These supplies consist of 20 cases (1,000 lbs.) of Gelex No. 1 powder.

Sincerely yours

A. E. Weissenborn
A. E. Weissenborn
Executive Officer, DMA
Field Team, Region XI

cc: DMA (3)
Contr. Aud. Div., D. Q.
USBM (2)
Certifying Officer (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Spokane, Washington
January 14, 1953

DMA 747

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 19 1953

Mr. Charles J. Keller
Republic, Washington

Subject: Equipment disposal
Kelly Camp Tungsten
Ferry County, Washington
Contract I-DMA-12
Docket No. DMA 747 (tungsten)

Dear Mr. Keller:

We are in receipt of your letter dated December 30, 1952, in which you offer $1,226.83 for the equipment which was purchased jointly under the subject contract.

Value of equipment	$1,226.83
Government's interest - 75%	920.12
Credit - July 1952 invoice	482.40
Balance payable to Government	437.72

This offer is acceptable to the DMA Field Team, and a check in the amount of $437.72 payable to the Treasurer of the United States should be forwarded to this office.

By Field Team, Region II

A. B. Weissenborn, Exec. Officer
U. S. Geological Survey
157 South Howard Street

Copy retained

J. E. Volin, Member
U. S. Bureau of Mines
1201 E. Division Street

cc: Mr. Ole Aavestrom
Republic, Wash.

DMEA, Wash. (2)
Contr. & Audit Div.
USGS (2)

W. Hulon Lee, Finance Officer
R. J. Hindman, Certifying Officer

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
1201 N. Division St.
Spokane 2, Wash.
January 14, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 19 1953

RCL
1/20/53

MEMORANDUM

To: DMEA Field Team, Region II

From: E. A. Magill, Mining Engineer, Bureau of Mines

Subject: Disposal of equipment, Kelly Camp Tungsten, Ferry County, Wash., Contract I-DMA-12, Docket DMA 747 (tungsten)

Attached is a copy of a letter from Charles J. Weller, one of the partners in the subject contract. He offers the OPS ceiling price ($437.72) for the equipment purchased jointly under the exploration project contract. His price extensions have been checked and as near as can be determined they are in agreement with the OPS ceiling prices for that type of equipment.

It is recommended that Mr. Weller's offer of $437.72 for the equipment be accepted.

E. A. Magill

E. A. Magill

Orig. & 1 cy—Wash. ✓
USGS
DMEA
AD
Contr. & Audit Div.
EAM

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE ~~[illegible]~~ ADMINISTRATION
~~Spokane, Washington~~ WASHINGTON 25, D.C.
February 20, 1953

Mr. Charles J. Weller
Mr. Ole Avestrud
Kelly Camp Tungsten
Coulee City, Washington

Subject: Docket No. DMEA 747
Contract Idm-R12

Gentlemen:

This will acknowledge receipt of your letter of February 18, 1953, enclosing a check for $437.72 in payment of the balance due the Government for its equity in equipment purchased under the subject contract, per your offer to purchase dated December 30, 1952.

This letter together with your cancelled check will constitute your receipt for full payment of the Government's interest.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey
157 South Howard Street

M. E. Volin, Member
U. S. Bureau of Mines
1201 N. Division St.

cc: DMEA, Wash. (2)
USGS (2)
Certifying Officer
Contract & Audit Division
DMEA
DF

Kelly Camp Tungsten
Republic, Washington

Present address;
P.O.Box 296 Double City,
Washington.

December 30, 1952.

Subject: Disposal of Equipment
used on Contract
I-9 A-12

Executive Officer
Defense Minerals Exploration Administration
1201 L. Division
Spokane 2, Washington

Dear Sir:-

The following list of resalable equipment costing in excess of $[illegible] left in our possession upon the termination of the above contract are as follows for which we offer the ceiling prices as determined from Ceiling Price Regulation 105, Revision 1, dated June 30, 1952, from the Office of Price Stabilization.

Our contract was dated June 19th, 1951 and although terminated as of August 1, 1952 this equipment was kept set up until completion of sampling at the request of Bureau of Mines that we keep the shaft dewatered for that purpose which was completed on August 23th. This gives a use of about a year on this equipment, upon which ceiling price is determined.

1 - Copco Pacific Atlas Pneumatic Leg Rock Drill	$19.[illegible]
2 - 7/8"x 2'7" Steel with Tungsten Carbide Inserts @ $17.50 plus 3% sales tax $30.67	
2 - 7/8"x 5'3" Steels @ $19.50 and sales tax $77.05	
1 - 1½ x 5" Bit Grinding Wheel $ 3.71	
1 - Jaeger Company Single drum Gas Engine Hoist	$56.25
1 - Black & Decker Company Portable tool Grinder	10[illegible]
1 - Chicago Pneumatic Tool Company Air operated Sump Pump	350.00

The steel and grinding wheel are pretty well worn out and would probably bring very little if offered for sale.

The ceiling price on the Drill is set at 70% or	3[illegible].01
On the hoist 55%	[illegible]
On the Electric Grinder 75%	77.25
On the Pneumatic Pump 90%	315.[illegible]
	1,226.53
We have a credit of $643.20 from our July Report	643.20
	583.33
DMEA'S Share is 75% or	437.72

We offer $437.72 for your 75% interest in this equipment.

U.S. BUREAU OF MINES
RECEIVED
JAN 2 1953
SPOKANE WASHINGTON

Yours truly,
Kelly Camp Tungsten
By Chas F. Weller Partner

DMA-747

Mr. Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
RECEIVED
NOV 30 1951
Defense Minerals Administration,
Production Expansion Division.

November 26, 1951

Chairman, Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Dear Sir:

Attached are three copies of Field Team approval of a subcontract for Kelly Camp Tungsten, Exploration Contract I-DMA-E12.

Copies have been mailed to the Operator and the Fiscal Officer.

Yours very truly,

A. E. Weissenborn RG

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosures

cc: U.S.B.M.

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D.C.
NOV 30 8 57 AM '51

Contract [illegible] & Audit Division

APPROVAL

November 2, 1951
Date

Under authority granted by Order No. 2653 of the Acting Secretary of the Interior, approval is hereby given to a subcontract between Kelly Camp Tungsten, Republic, Washington, Chas. J. Weller Contracting Officer, and B. G. Fowler and Arthur Jarvis, Contractor, described in letter attached dated October 31, 1951, an approved copy of which shall be kept on file in the Regional Office of the DMA Field Team, Region II, for a portion of the work to be performed under Exploration Contract I-DMA-E12 dated 19 June 1951.

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

Thor H. Kiilsgaard
Thor H. Kiilsgaard
for A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Glenn C. Reed
Glenn C. Reed for M. E. Volin
Member, DMA
Field Team, Region II

C
O
P
Y

Kelly Camp Tungsten
Republic, Washington

October 31, 1951

U. S. Bureau of Mines
1201 North Monroe
Spokane 2, Washington

Re: Contract I-DMA-12

Att: Mr. Magill

Dear Sirs:

Under Article No. 2 of Exhibit "F" of Amendment No. 2 to our DMA Contract I-DMA-12 Docket No. 747 provision is made for letting a contract for sinking a shaft called for under our project.

We have a man who with his partner wishes to do this work on contract. He has offered to do the work for a price of $30.00 per foot with all equipment and supplies furnished by us. He will do all drilling, blasting and mucking. When the muck is in the bucket it is up to us to take care of it from then on. The man hired by us as superintendent will do the hoisting and tramming as part of his duties, at no additional salary or wage.

We have given this considerable study and believe we can get more done in less time by contracting the job and at a saving in final cost.

We have not drawn up a contract yet but with your approval we would prefer to enter into such a deal.

The proposed contractors, B. G. Fowler and Arthur Jarvis have had mining experience with operating mining properties and have put in considerable time underground.

We would appreciate your views on this and also your suggestions as to a form of contract.

Yours truly,

Kelly Camp Tungsten

By CHAS. J. WELLER (signed)

For Schedule of Collections No. DMA-33, dated February 20, 1953, giving ~~repayment~~ payment of $437.72 for equity in equipment purchased, see E-41.

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

Budget Bureau No. 22-R1036.3.
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 16 1953

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

Month of July, 1952 Docket No. DMEA 747 Contract No. I-DMA-12
Operator's Name Kelly Camp Tungsten Minerals Tungsten
Address Republic, Washington
Contract Amount, $ ~~24,525.00~~ 32700.00 Government Participation: 75 % Amount, $ 24525.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						WSM
Drilling	314.50	360.00	674.50	360.00	360.00	-0-
Bulldozing						
Crosscutting						
Drifting						
				375.00	375.00	-0-
(2) Labor and Supervision:						
Labor		3,787.14	3,787.14	630.50	3787.14	3156.64
Supervision Sched. A.	195.00	165.00	360.00	1500.00	165.00	1665.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber				103.00		103.00
Explosives		645.17	645.17		645.17	645.17
Pipe						
Track						
Other		500.59	500.59	310.32	500.59	190.27
Gas and oil		41.13	41.13	207.32	41.13	248.45
(4) Operating Equipment:						
Rental Sched. B.	112.50	1,997.50	2,110.00	487.50	1622.50	2110.00
Purchase		1,909.48	1,909.48		1909.48	1909.48
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes Sched. C.	21.20	430.55	451.75	21.20	430.55	451.75
Liability Insurance						
(8) Contingencies (specify):						
				1226.83		1226.83
TOTALS	643.20	9,836.56	10,479.76	1552.63	9836.56	19,524.93

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

Date Aug. 4, 1952 *Payee Kelly Camp Tungsten

Per Chas. J. Weller Title Partner

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

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

(Instructions on reverse)

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

75% 437.72
less 25% from operator $ 437.72

Signature
(Authorized Certifying Officer)

Date 3/9/53 Vou. No.
(See other side)

See final audit certificate.

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 12 in accordance with the terms of the contract.

Signature Chas A. Mizell Title Mining Engr Date Aug 21, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E. Howard Title Mining Engr Date 3/9/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

wash

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 16 1953

Month of July 195 2 Docket No. DMEA 747 Contract No. I-DMA-12
Operator's Name Kelly Camp Tungsten Minerals Tungsten
Address Republic, Washington

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Ft.	None	None	None	None	None	150	4,500.00
Crosscutting								
Raising								
Shafts	Ft.	530.70	9-1/4	5,068.80	57-1/4	88.54	150	7,500.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails Headframe on jb		None	None	1,391.48	Complete	1,391.48		1,000.00
Extend Lower Adit	Ft.	None	None	None	None	None	350	10,500.00
Total Distributed Costs		530.70		6,460.28				Total Costs Authorized by Contract
Operating Equipment Purchased Miscellaneous tools		None		1,909.48				4,200.00
Equipment Rentals		None						500.00
New Buildings, Improvements, etc. Equipment rental		112.50		2,110.00				4,500.00
Total Costs		643.20		10,479.76				32,700.00

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

Date August 4, 1952 Operator Kelly Camp Tungsten

Per Chas. J. Weller Title Partner

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

Remarks:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

KELLY CAMP TUNGSTEN
REPUBLIC, WASHINGTON
JULY, 1952 [illegible]

SCHEDULE A

Payroll Transcript:

	Days	Rate	Gross	F.I.C.	W.T.	Board	Net
Supervision:							
Ole Savestrud	13	$15.00	$195.00	293	$23.80	∅	$168.27

SCHEDULE B

Equipment Rental:

Compressor - 1/2 of July @ 200.00	$100.00
Jackhammer - 1/2 of July @ 25.00	12.50
Total Equipment Rental	$112.50

SCHEDULE C

Payroll Taxes:

Federal insurance Contribution - Employers portion	
1.5% of 195.00	$ 2.93
State unemployment compensation	
2.7% of 195.00	5.27
State indust. ins. & medical aid	
104 hours @ .125	13.00
Total Payroll Taxes	$21.20

Kelly Camp Tungsten
Route 1
Republic, Washington

August 4, 1952.

Re: I-DMA-12

Department of the Interior, U. S. A.
Bureau of Mines
1201 North Division
Spokane 2, Washington

Dear Sirs:-

We submit herewith report on our activities under our DMA Contract for the month of July.

We started the month with a contract with Mr. Thayer, a new contractor. He put in some long hours and hard work and seemed to be an able miner. He left at noon on the 18th supposedly to return on the 20th. We have had no word from him since other than a request from his wife for a settlement.

We received a letter from Mr. Weisenborn and Mr. Volin on the 19th. notifying us that the DMA contract would be subject to termination on August 1st should no better results be shown for July than for past months.

There seems no way to improve the situation there and at the same time keep within our specified costs. We have had no success securing reliable help to go ahead. Work ceased as of the 18th. There are just no men in this section looking for this kind of work.

Mr. Aavestrud and myself are past the age where we can accomplish much as actual muckers.

The shaft is available for inspection, the water has been pumped out regularly and the equipment bought under this contract is stored either at the mine or at our mill site.

We can see little success ahead of continuing this shaft sinking.

Yours truly,

Kelly Camp Tungsten

By Chas. F. Weller
Partner.

Standard Form No. 1034a—Revised
Form prescribed by
Comptroller General, U. S.
September 7, 1950
(Gen. Reg. No. 51, Supp. No. 11)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. .....

Bu. Vou. No. DMA-317

U. S. Interior, Mines
(Department, bureau, or establishment)

Voucher prepared at Albany, Oregon 8/7/52
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No-DMA-12

To Kelly Camp Tungsten, State Bank of Repuglic, Assignee,
(Payee)

Republic, Washington
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	June 1952	As per attached certified form MF-104 dated May 7, 1952				929	00
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					

Shipped from to Weight Government B/L No. Total 929 00

(Payee must NOT use this space)

Differences .....

Account verified; correct for 929 00

(Signature or initials) .....

Contract No-DMA-12 Date Req. No. Date Invoice Rec'd.

929.00

MEMORANDUM

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 25 1952

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	929.00	929.00

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. ..... dated ....., 19....., for $..... } on Treasurer of the United States in favor of payee named above.
{ Cash, $....., on ....., 19.....

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐.
2. (*a*) Advertising by circular letters sent to ..... dealers.
   (*b*) And by notices posted in public places Yes ☐ No ☐.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.).

ABSENCE OF ADVERTISING

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with .....
5. Without advertising, it being impracticable to secure competition because of .....

.....

.....

.....

.....

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, as amended.)

U. S. GOVERNMENT PRINTING OFFICE : 1950 O—75805

16—22000a-2

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

Budget Bureau No. 42-R1038
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 25 1952

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

Month of June, 1952 Docket No. DMEA 747 Contract No. I-DMA-12
Operator's Name Kelly Camp Tungsten Minerals Tungsten
Address Republic, Washington
Contract Amount, $ 24,525.00 Government Participation: 75 % Amount, $

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling		360.00	360.00		360.00	360.00
Bulldozing						
Crosscutting						
Drifting						
Shaft Work	375.00		375.00	375.00		375.00
(2) Labor and Supervision:						
Labor Sched. A.	630.00	3,157.14	3,787.14	630.00	3157.14	3787.14
Supervision Sched. A.	75.00	90.00	165.00	75.00	90.00	165.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	38.11	607.06	645.17	38.11	607.06	645.17
Pipe						
Track						
Other	1.81	498.78	500.59	1.81	498.78	500.59
Gas & oil	41.13		41.13	41.13		41.13
(4) Operating Equipment:						
Rental Sched. B.	~~375.00~~	1,622.50	~~1,997.50~~ 1622.50		1622.50	1622.50
Purchase		1,909.48	1,909.48		1909.48	1909.48
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes Sched. C.	77.62	352.93	430.55	77.62	352.93	430.55
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,238.67	8,597.89	9,836.56	1238.67	8597.89	9836.56

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

Date July 7, 1952 *Payee Kelly Camp Tungsten

Per Chas. F. Wells Title Partner

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

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

(Instructions on reverse)

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

MP

$ 929.00

Signature W R L (Authorized Certifying Officer)

Date 8/5/52 Vou. No. (See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 7DMA-12 in accordance with the terms of the contract.

Signature Glenn A. Mazzil Title Min. Engr. Date July 9, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Glenn A. Reed Title Mng. Engr. Date 7/9

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 25 1952

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

Month of June 195 2 Docket No. DMEA 747 Contract No. I-DMA-12
Operator's Name Kelly Camp Tungsten Minerals Tungsten
Address Republic, Washington

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft.	None	None	None	None	None	150	4,500.00
Crosscutting								
Raising		1238.67		6515.52		135.74		
Shafts	Ft.	~~863.67~~	15	~~4,538.10~~	48	~~94.54~~	150	7,500.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails Headframe	One job	None	None	1,391.48	Complete	1,391.48		1,000.00
Extend lower adit	Ft.	None	None	None	None	None	350	10,500.00
TOTAL DISTRIBUTED COSTS		1238.67 ~~863.67~~		7907.00 ~~5,929.58~~				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None		1,909.48				4,200.00
Initial Rehabilitation and Repairs		None						500.00
New Buildings, Improvements, etc.				1622.50				
Equipment rental		~~375.00~~		~~1,994.50~~				4,500.00
TOTAL COSTS		1,238.67		~~9,836.56~~ 11438.98				32,700.00

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

Date July 7, 1952 Operator Kelly Camp Tungsten

Per Chas. J. Welle Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

KELLY CAMP TUNGSTEN
REPUBLIC, WASHINGTON
JUNE, 1952 EMEA REPORT

SCHEDULE A

Payroll Transcript:

	Days	Rate	Gross	F.I.C.	W.T.	Board	Net
Labor:							
Delbert L. Flint	19	$15.00	$285.00	$4.28	$1.20		$279.52
Arthur Jarvis	19	15.00	285.00	4.28	23.50		257.22
Guy Thayer	5	12.00	60.00	.90	7.10	$10.00	42.00
Total Labor			$630.00	$9.46	$31.80	$10.00	$578.74
Supervision:							
Ole Aavestrud	5	$15.00	$75.00	$1.13	$9.90		$63.97

SCHEDULE B

Equipment Rental:

Pickup truck	Month of June, 1952	$150.00
Compressor	" " "	200.00
Jackhammer	" " "	25.00
Total Equipment Rental		$375.00

SCHEDULE C

Payroll Taxes:

Federal Insurance Contribution - Employer portion 1.5% of 705.00	$10.58
State unemployment compensation 2.7% of 705.00	19.04
State Indust. Ins. & Medical Aid 384 hours @ .125	48.00
Total Payroll Taxes	$77.62

KELLY CAMP TUNGSTEN
ROUTE # 1, BOX 28-A
REPUBLIC, WASHINGTON

July 7, 1952

Department of the Interior
U. S. Bureau of Mines
1201 North Division Street
Spokane 2, Washington

Re: Contract I-DMA-12

Dear Sirs:

Our report of activities and progress for the month of June is here inclosed. Our activities have been varied a bit but the progress picture hasn't improved much.

We started the month with a contract for 25 feet of shaft deepening which the contractor estimated would take 12 shifts. After 19 shifts he pulled out with about 14 feet dug, leaving us with his help to pay off.

We have two men sinking on day wages now. The man in the shaft seems to be doing better than the contractor and his two helpers. He seems to have had more experience at this kind of work.

Labor for this class of work that is reliable and efficient has been scarce if not nonexistant here. Wages and conditions in the logging industry claim practically all available labor that is worth the wage.

The 15 feet that the shaft has gone down has been mostly in barren rock with no new ore uncovered.

You furnished us with 10 copies each of forms MF-104 and MF-104A for this report but we have to use 7 copies for each report; 5 copies to your office, 1 to State Bank of Republic with their assignment and retain 1 for our files. Would you please furnish us with seven of each for each monthly report?

Yours truly,

KELLY CAMP TUNGSTEN

By Chas. J. Weller

Standard Form No. 1034a—Revised
Form prescribed by
Comptroller General, U. S.
September 7, 1950
(Gen. Reg. No. 51, Supp. No. 11)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. .....

Bu. Vou. No. DMA-291

U. S. Interior, Mines
(Department, bureau, or establishment)

Voucher prepared at Albany, Oregon 7/8/52
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E I-DMA-12

To State Bank of Republic, Assignee
(Payee)

Kelly Camp Tungsten, Republic, Washington
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms net	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	May 1952	As per attached certified Form MF-104 dated June 9, 1952				232	33
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					

Shipped from to Weight Government B/L No. Total 232 33

(Payee must NOT use this space)

Differences .....

Account verified; correct for 232 33

(Signature or initials) .....

Contract No. Idm-E I-DMA-12 Date Req. No. Date Invoice Rec'd.

232.33

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X1401	Revolving Fund, Defense Production Act, Interior	232.33	232.33

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. ..... dated ....., 19....., for $..... } on Treasurer of the United States in favor of payee named above.
{ Cash, $....., on ....., 19.....

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐.
2. (*a*) Advertising by circular letters sent to ..... dealers.
   (*b*) And by notices posted in public places Yes ☐ No ☐.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.).

ABSENCE OF ADVERTISING

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with .....
5. Without advertising, it being impracticable to secure competition because of .....

.....

.....

.....

.....

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, as amended.)

U. S. GOVERNMENT PRINTING OFFICE : 1950 O—75805

16—22900a-2

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E I-DMA-12

Wash.

Name of Operator Kelly Camp Tungsten
Docket No. DMA 747
Total Contract Amount $ ~~[illegible]~~ 32,700
Government Participation: 75 % Amount, $ 24,525.00
Distribution of Expenditures for Month of May, 1952

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

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

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

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

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

CERTIFICATION

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

Kelly Camp Tungsten
(Name of Company)

By C. G. Weller
(Signature of Authorized Official)

June 9, 1952
(Date)

Partner
(Title)

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

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]		1,909.48	1,909.48			
(b) Rented[2]		1,562.50	1,622.50			
Compressor 9 days	60.00					
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

KELLY CAMP TUNGSTEN
ROUTE # 1, BOX 28-A
REPUBLIC, WASHINGTON

June 9, 1952

Department of the Interior
U. S. Bureau of Mines
1201 North Division Street
Spokane 2, Washington

Re: Contract I-DMA-12

Dear Sirs:

The work at the shaft was resumed May 1, 1952 on Contract at the same price as was being paid when work was closed down last fall. One of the parties to the original contract, Arthur Jarvis, took over the work. After a few rounds he gave up after going down some 5 feet.

Work was resumed June 1, 1952 on a contract with the original contractors to go down an additional 25 feet for the sum of $850.00. This will be from the 54' to 79' level from the collar of the shaft or from the 33 to 58 foot progress stations.

Our supply of report forms MF-104 have been used up. May we have additional forms for our next report?

Yours truly,

KELLY CAMP TUNGSTEN

By C. L. Weller

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]		3,157.14	3,157.14			
5. Supervision 6 days Supt.	90.00		90.00			
6. Supplies						
(a) Timber						
(b) Explosives		607.06	607.06			
(c) Repair Parts						
(d) Other		498.78	498.78			
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation	9.78	343.15	352.93			
10. Contract Work 5 @ 30.00	150.00	210.00	360.00			
11. Other (specify)						
Total	309.78	8,288.11	8,597.89			
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date	309.78	8,288.11	8,597.89	309.78	8288.11	8597.89

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by [signature]
Entered by
Approved by Elmer A. Magill
Amount approved for payment $ 232.33
Remarks

10—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF May, 1952

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2] Rental	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting						Ft.	None	None	None	150
Crosscutting										
Raising										
Shafts	90.00	60.00		159.73	309.73	Ft.	5	28	33	150
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify) Headframe						One Job	None	Completed	None	One Job
						Ft.	None	None	None	350
Totals	90.00	60.00		159.73	309.73	Ft.	5	28	33	650

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

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

Spokane Compensation $ 9.73
Contract work 5' @ $30.00 150.00
Total to "Other" above $159.73

Standard Form No. 1034a—Rev.
Form approved by
Comptroller General, U. S.
May 26, 1938
(Amended August 15, 1941)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. _____
Bu. Vou. No. 81

GENERAL ACCOUNTING OFFICE PREAUDIT
Certified for payment in the sum of $_____
Comptroller General of the United States
By _____

U. S. Department of the Interior, ~~Bureau of Mines~~
(Department, bureau, or establishment)

Voucher prepared at Albany, Oregon, Jan. 2, 1952
(Give place and date)

THE UNITED STATES, Dr.,

To ~~Kelly Camp Tungsten~~
State Bank of Republic, Assignee

Address Republic, Washington

Payee's Account No. I-DMA-E 12

PAID BY
(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	Articles or Services (Enter description, item number of contract or general supply schedule, and other information deemed necessary) Terms _____% Discount Cash _____ days	Quantity	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		Brought forward from continuation sheet(s)					
	November	As per attached certified Form MF-104 dated Dec. 4, 1951				675	29

Shipped from _____ to _____ Weight _____ Government B/L No. _____ Total 675 29

(Payee must NOT use this space)
Differences _____
Account verified; correct for 675 29
(Signature or initials) _____

Contract No. I-DMA-E 12 Date 6/19/51 Req. No. _____ Date _____ Invoice Rec'd _____

675.29

MEMORANDUM

ACCOUNTING CLASSIFICATION (for completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n or Proj't Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	675.29	675.29

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. _____ dated _____, 19____, for $_____ } on Treasurer of the United States in favor of payee named above.
{ Cash, $_____, on _____, 19____, Payee _____ (Sign original only)

* 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.
† If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the blank space below "Approved for $_____", and over his official title.

Per _____
Title _____

16—22900a-1

METHOD OF OR ABSENCE OF ADVERTISING

(Section 3709 of the Revised Statutes)

1. After advertising in newspapers.

2. (*a*) After advertising by circular letters sent to _____ dealers.

(*b*) And by notices posted in public places.

(If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made. The notation on the certificate on the face of the voucher must be "2(*a*)(*b*)" or "2(*a*)", depending on whether or not notices were posted.)

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.

4. Without advertising in accordance with _____

5. Without advertising, it being impracticable to secure competition because of _____

_____

_____

_____

_____

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, Supplement No. 6, General Accounting Office, Aug. 20, 1930.)

U.S. GOVERNMENT PRINTING OFFICE: 1946 O-88934

16—22900-1

MF-104
(April 1951)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

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

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 10 1952

CERTIFICATION

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

Kelly Camp Tungsten
(Name of Company)

By /S/ Ole Aavestrud
(Signature of Authorized Official)

December 4, 1951
(Date)

Partner
(Title)

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

16—64068-1

MONTHLY SUMMARY COST STATEMENT

Name of operator Kelly Camp Tungsten
Project No. DMA 747
Total contract amount $24,525.00
Government participation percent 75

Distribution of Expenditures for Month of November, 1951

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	273.00	2,884.14	3,157.14			
Equipment purchase [1]		1,909.48	1,909.48			
Equipment rental [2] Sched. B.	262.50	1,300.00	1,562.50			
Buildings						
Explosives	57.25	549.81	607.06			
Repair parts						
Other supplies Sched. C.	91.62	407.16	498.78			
Power						
Transportation						
Withholding taxes Sched. D.	.72	43.26	43.98			
Compensation insurance Sched.E.	5.30	293.87	299.17			
Other insurance						
Contract work 7 ft.at30.00	210.00		210.00			
Other (specify)						
Total	900.39	7,387.72	8,288.11			
Totals previously reported		7,387.72				
Totals to date	900.39	7,387.72	8,288.11			

FOR GOVERNMENT USE ONLY

Checked by /S/ W. R. Lee
Entered by
Approved by /S/ Glenn C. Reed
Amount approved for payment $675.29
Remarks

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

16—64068-1

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF November, 1951

Name of operator: Kelly Camp Tungsten
Project No. DMA: 747
Total contract amount: $24,525.00
Government participation percent: 75

Type	Number	Man-Shifts	Rate	Total
Miners	2	4	$ 12.00	$ 48.00
Muckers				
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent	1	15	15.00	225.00
Engineers				
Geologists				
Bookkeeper				
Foreman				
Clerks				
Stenographers				
Other				
Total	3	19		273.00

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

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /S/ Glenn C. Reed
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF November, 1951

Name of operator Kelly Camp Tungsten
Project No. DMA 747
Total contract amount $24,525.00
Government participation, percent 75

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2] Rental	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting						Ft.	None	None	None	150
Crosscutting										
Raising										
Shafts	273.00	262.50	148.87	216.02	900.39	Ft.	7	21	28	150
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify) Headframe						One job	None	Completed		One job
Extend Lower Adit						Ft.	None	None	None	350
Totals	273.00	262.50	148.87	216.02	900.39		7	21	28	650

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

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

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /S/ Glenn C. Reed
Remarks

[illegible]

December 7, 1951

Department of the Interior
U. S. Bureau of Mines
1201 North Division Street
Spokane 2, Washington

Re: Contract I-XXI-12

Dear Sirs:

Please find enclosed our monthly report of progress and expenditures for the month of November, 1951.

As stated in our last report, we had two experienced miners willing to contract our shaft work and they commenced operating until the contract was presented to them. It has been their understanding that they would be operating as employees and thereby not have employment tax reports, etc. to contend with and upon discovering the contrary would do no further work on an independent contracting basis.

During operations this month we were able to solve our blasting problems by exchanging our stock of powder fuse for electric fuse and thereby eliminating misfires almost entirely.

Our weather conditions, as everywhere, have been quite contrary, especially the last week of the month. The temperature hovering at just freezing, turning the rain which fell to ice and then snow on the ice and then repeating itself several times made things rather miserable and indefinite as to what to expect.

At the present time our weather conditions have gone to the cold side and will undoubtedly stay that way and we shall know what we have to contend with. That and freezing out our contracting affair will see us with much better progress.

Very truly yours,

[illegible] [illegible]

By _____
President

KELLY CAMP TUNGSTEN
ROUTE #1 BOX 28-A
REPUBLIC, WASHINGTON
MONTHLY PROGRESS REPORT FOR NOVEMBER, 1951

Schedule B - Equipment Rental:	
Pickup truck - $150.00 monthly - 21 days	$105.00
Compressor - $200.00 monthly - 21 days	140.00
Jackhammer - $25.00 monthly - 21 days	17.50
Total Equipment Rental	$262.50
Schedule C - Other Supplies:	
Gas and oil	$35.72
Shovels	9.90
Axe	3.55
Pipe wrenche	9.50
Miscellaneous	8.95
Camp wood	24.00
Total Other Supplies	$91.62
Schedule D - Withholding Taxes:	
Employer portion of Federal Insurance Contribution 1.5% of $48.00	$ .72
Schedule E - Compensation Insurance:	
State of Washington - Unemployment insurance 2.7% of $48.00	$1.30
State of Washington - Industrial insurance and medical aid - 32 hours @ .125	4.00
Total Compensation Insurance	$5.30

December 7, 1953

Assignment to State Bank of Republic
Republic, Washington

The State Bank of Republic a banking corporation under the laws of the State of Washington, in Ferry assignee and of the interest of the Kelly Camp Tungsten Incorporated a Nevada (partnership) under an act dated December 5, 1951, to the United States Department of the Interior Bureau Land Management, said report covering a sum total of Three 25% or $675.00. Said sum is the fourth re-ore published under Mule Spur Project Contract, Kelly Camp Tungsten Incorporated bearing date June 29, 1951, Mine Map on file at Z-28-12.

This assignment is given for consideration of said bank having made a cash advance of $675.00, receipt of which is hereby acknowledged. This assignment is also given under and in compliance to comply with the requirement of Chinese Gold Known as Public Law Number 30.

Permission to the Kelly Camp Tungsten to make assignment as the above stated and contract was granted by the Defense Minerals Administration on Aug. 31, 1953 as per letter by F.A. Schroeder.

Kelly Camp Tungsten

By: _____
President

State of Washington }
} ss
County of Ferry }

Subscribed and sworn to before me on this 7th day of December 1953.

_____
Notary Public
Republic, Washington

Standard Form No. 1034a—Rev.
Form approved by
Comptroller General, U. S.
May 26, 1938
(Amended August 15, 1941)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. _____
Bu. Vou. No. DMA-60

GENERAL ACCOUNTING OFFICE PREAUDIT
Certified for payment in the sum of $_____
Comptroller General of the United States
By _____

U. S. Department of the Interior, Bureau of Mines
(Department, bureau, or establishment)

Voucher prepared at Albany, Oregon 12/7/51
(Give place and date)

THE UNITED STATES, Dr.,

To Kelly Camp Tungsten
State Bank of Republic, Assignee
Address Kelly Camp Tungsten, Republic, Washington

Payee's Account No. I-DMA-E 12

PAID BY
(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	Articles or Services (Enter description, item number of contract or general supply schedule, and other information deemed necessary) Terms ____% Discount Cash ____ days	Quantity	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		Brought forward from continuation sheet(s)					
	October 1951	Per attached certified Form MF-104 dated November 12, 1951				1608	08

Shipped from _____ to _____ Weight _____ Government B/L No. _____ Total 1,608 08

(Payee must NOT use this space)
Differences _____
Account verified; correct for 1,608 08
(Signature or initials) _____

Contract No. I-DMA-E 12 Date 6/19/51 Req. No. _____ Date _____ Invoice Rec'd _____

1,608.08

MEMORANDUM

ACCOUNTING CLASSIFICATION (for completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n or Proj't Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	1,608.08	1,608.08

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. _____ dated _____, 19____, for $_____ } on Treasurer of the United States in favor of payee named above.
{ Cash, $_____, on _____, 19____, Payee _____ }
(Sign original only)

Per _____
Title _____

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary", or "Treasurer", as the case may be.
† If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the blank space below "Approved for $_____", and over his official title.

16—22900a-1

METHOD OF OR ABSENCE OF ADVERTISING

(Section 3709 of the Revised Statutes)

1. After advertising in newspapers.

2. (*a*) After advertising by circular letters sent to _____ dealers.

(*b*) And by notices posted in public places.

(If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made. The notation on the certificate on the face of the voucher must be "2(*a*)(*b*)" or "2(*a*)", depending on whether or not notices were posted.)

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.

4. Without advertising in accordance with _____

5. Without advertising, it being impracticable to secure competition because of _____

_____

_____

_____

_____

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, Supplement No. 6, General Accounting Office, Aug. 20, 1930.)

U.S. GOVERNMENT PRINTING OFFICE: 1946 O-88934

16—22900-1

MF-104
(April 1951)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

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

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 10 1952

CERTIFICATION

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

Kelly Camp Tungsten
(Name of Company)

By /S/ Chas. J. Weller
(Signature of Authorized Official)

November 12, 1951
(Date)

Business Agent for
Aavestrud & Weller, Owners
(Title)

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

MONTHLY SUMMARY COST STATEMENT

Name of operator Kelly Camp Tungsten
Project No. DMA 747
Total contract amount $24,525.00
Government participation percent 75

Distribution of Expenditures for Month of October, 1951

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	846.00	2,038.14	2,884.14			
Equipment purchase [1] Sched. A.	350.00	1,599.48	1,909.48			
Equipment rental [2] Sched. B.	375.00	925.00	1,300.00			
Buildings						
Explosives	282.79	267.02	549.81			
Repair parts						
Other supplies Sched. C.	99.58	307.58	407.16			
Power						
Transportation						
Withholding taxes Sched. D.	12.69	30.57	43.26			
Compensation insurance Sched. E.	178.04	115.83	293.87			
Other insurance						
Contract work						
Other (specify)						
Total	2,144.10	5,243.62	7,387.72			
Totals previously reported		5,243.62				
Totals to date	2,144.10	5,243.62	7,387.72			

FOR GOVERNMENT USE ONLY

Checked by /S/ W. R. Lee
Entered by
Approved by /S/ Glenn C. Reed
Amount approved for payment $1608.08
Remarks

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

16—64068-1

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF October, 1951

Name of operator Kelly Camp Tungsten
Project No. DMA 747
Total contract amount $24,525.00
Government participation percent 75

TYPE	NUMBER	MAN-SHIFTS	RATE	TOTAL
Miners	2	6	$ 13.50	$ 81.00
Muckers	2	21	12.00	252.00
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters Muckers Shifted	2	12	12.00	144.00
Drill runners				
Drill helpers				
Teamsters	1	2	12.00	24.00
Manager				
Superintendent	1	23	15.00	345.00
Engineers				
Geologists				
Bookkeeper				
Foreman				
Clerks				
Stenographers				
Other				
TOTAL	8	64		846.00

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

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /S/ Glenn C. Reed
Remarks

The muckers shifted to carpenters was brought about by their performing the roofing over and housing in compressor and hoist for winter operations.

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF October, 1951

Name of operator: Kelly Camp Tungsten
Project No. DMA: 747
Total contract amount: $24,525.00
Government participation, percent: 75

Item	Costs					Progress				
	Wages [1] and salaries	Purchase & Rental Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting						Ft.	None	None	None	150
Crosscutting										
Raising										
Shafts	846.00	725.00	382.37	190.73	2,144.10	Ft.	7-1/2	13-1/2	21	150
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify) Headframe							None	Completed		One Job
Extend Lower Adit						One Job Ft.	None	None	None	350
Totals	846.00	725.00	382.37	190.73	2,144.10		7-1/2	13-1/2	21	650

NOTE: Under the heading "Units Previously Reported" on shafts, an error of several feet has accumulated. "Units Previously Reported" should read 13-1/2Ft. "Units to Date" 21 Ft.

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

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

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by /S/ Glenn C. Reed
Remarks

KELLY CAMP TUNGSTEN
ROUTE #1 BOX 28-A
REPUBLIC, WASHINGTON
MONTHLY PROGRESS REPORT FOR OCTOBER, 1951

Schedule A - Equipment Purchased:		
Sump pump		$350.00
Schedule B - Equipment Rental:		
Pickup truck - Month of October, 1951		$150.00
Compressor - Month of October, 1951		200.00
Jackhammer - Month of October, 1951		25.00
Total Equipment Rental		$375.00
Schedule C - Other Supplies:		
Gas, oil and grease		$91.85
Anti-freeze for compressor		7.73
Total Other Supplies		$99.58
Schedule D - Withholding Taxes:		
Employer portion of Federal Insurance Contribution 1.5% of $846.00		$12.69
Schedule E - Compensation Insurance:		
State of Washington - Unemployment Insurance 2.7% of $846.00		$ 22.84
State of Washington - Industrial Insurance and Medical Aid:		
Total hours for 3 reports to date 1728 hours @ .125	$216.00	
Less - Reported by the 2 prior reports	60.80	
Net Industrial Insurance and Medical Aid to Date		155.20
Total Compensation Insurance		$178.04

U. S. BUREAU OF MINES
RECEIVED
NOV 23 1951
ALBANY, OREGON

Standard Form No. 1034a—Rev.
Form approved by
Comptroller General, U. S.
May 26, 1938
(Amended August 15, 1941)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

COPY

D. O. Vou. No. _____
Bu. Vou. No. DMA-28

GENERAL ACCOUNTING OFFICE PREAUDIT
Certified for payment in the sum of $_____
Comptroller General of the United States
By _____

U. S. Dept. of the Interior, Bureau of Mines
(Department, bureau, or establishment)

Voucher prepared at Albany, Oregon 10/18/51
(Give place and date)

THE UNITED STATES, Dr.,

To State Bank of Republic
(Payee)

Address Republic, Washington

Payee's Account No. I-DMA-E12

PAID BY
(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	Articles or Services (Enter description, item number of contract or general supply schedule, and other information deemed necessary) Terms _____% Discount Cash _____ days	Quantity	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		Brought forward from continuation sheet(s)					
	9/1-30/51	Per attached certified form MF-104, dated 10/3/51				1,330	97

Shipped from _____ to _____ Weight _____ Government B/L No. _____ Total 1,330 97

(Payee must NOT use this space)
Differences _____
Account verified; correct for _____
(Signature or initials) _____

Contract No. I-DMA-E12 Date 6/19/51 Req. No. _____ Date _____ Invoice Rec'd _____

MEMORANDUM

ACCOUNTING CLASSIFICATION (for completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n or Proj't Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	1,330.97	1,330.97

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. _____ dated _____, 19____, for $_____ } on Treasurer of the United States in favor of payee named above.
{ Cash, $_____, on _____, 19____, Payee _____ }
(Sign original only)

* 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.
† If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the blank space below "Approved for $_____", and over his official title.

Per _____
Title _____

16—22900a-1

METHOD OF OR ABSENCE OF ADVERTISING

(Section 3709 of the Revised Statutes)

1. After advertising in newspapers.

2. (*a*) After advertising by circular letters sent to _____ dealers.

   (*b*) And by notices posted in public places.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made. The notation on the certificate on the face of the voucher must be "2(*a*)(*b*)" or "2(*a*)", depending on whether or not notices were posted.)

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.

4. Without advertising in accordance with _____

5. Without advertising, it being impracticable to secure competition because of _____

_____

_____

_____

_____

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, Supplement No. 6, General Accounting Office, Aug. 20, 1930.)

U.S. GOVERNMENT PRINTING OFFICE: 1946 O-88934

16—22900-1

MF-104
(August 1951)
April

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E _____

Name of Operator Kelly Camp Tungsten
Docket No. DMA 747
Total Contract Amount $ 24,525.00
Government Participation: 75 % Amount, $ _____
Distribution of Expenditures for Month of September, 1951

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

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

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

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 10 1952

CERTIFICATION

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

Kelly Camp Tungsten
(Name of Company)

By /S/ Chas. J. Weller
(Signature of Authorized Official)

October 3, 1951
(Date)

Business Agent for Aavestrud & Weller, Owners.
(Title)

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

16--64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Fixtures						
2. Operating Equipment:						
(*a*) Purchased[1]						
(*b*) Rented[2]						
(*c*) Furnished by operator						
3. Rehabilitation and Repairs:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Installations						

MONTHLY SUMMARY COST STATEMENT

Distribution of Expenditures for Month of September, 1951

Item	Monthly Total	Totals Previously Reported	Totals to Date
Wages and salaries	$ 874.50	$1,163.64	$2,038.14
Equipment purchase Sched. A.	103.00	1,456.48	1,559.48
Equipment rental Sched. B.	375.00	550.00	925.00
Buildings			
Explosives	267.02		267.02
Repair parts			
Other supplies Sched. C.	92.08	215.50	307.58
Power			
Transportation			
Withholding taxes Sched. D.	13.12	17.45	30.57
Compensation insurance Sched. E.	49.91	65.92	115.83
Other insurance			
Contract work			
Other (specify)			
TOTAL	$1,774.63	$3,468.99	$5,243.62
Totals previously reported		$3,468.99	
Totals to date	$1,774.63	$3,468.99	$5,243.62

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF September, 1951

Type	Number	Man-Shifts	Rate	Total
Miners	1	19	13.50	256.50
Muckers	3	27.75	12.00	333.00
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent	1	19	15.00	285.00
Engineers				
Geologists				
Bookkeeper				
Foreman				
Clerks				
Stenographers				
Other				
TOTAL	5	65.75		$874.50

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(*d*) Fixtures						
4. Labor [3]						
5. Supervision						
6. Supplies						
(*a*) Timber						
(*b*) Explosives						
(*c*) Repair Parts						
(*d*) Other						
7. Power						
8. Transportation						
9. Insurance						
(*a*) Fire						
(*b*) Public Liability						
(*c*) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
Total						
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

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

FOR GOVERNMENT USE ONLY

Checked by _____

Entered by _____

Approved by _____

Amount approved for payment _____

Remarks _____

_____

_____

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF September, 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Pur. & Rental Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting		$ 19.72			$19.72	Ft.	None	None	None	150
Crosscutting										
Raising										
Shafts	$874.50	407.87	$359.10	$63.03	1,704.50	Ft.	32	13	45	150
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify) Headframe		4.39			4.39	One Job	None	Completed	Completed	One Job
Extend Lower Adit		46.02			46.02	Ft.	None	None	None	350
Totals	$874.50	$ 478.00	$359.10	$63.03	$1,774.63		32	13	45	650

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

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

28

KELLY CAMP TUNGSTEN
ROUTE #1, BOX 28-A
REPUBLIC, WASHINGTON

October 3, 1951

U. S. Bureau of Mines
1201 N. Division Street
Spokane 2, Washington

Subject: Progress Report on
September Activities
under Exploration
Contract I-DMA-12,
Kelly Camp Tungsten.

Dear Sirs:

We have had three men working all month full time and two men part time. One full time man was added on September 24th. 19 mo

Most of the work has been shaft sinking, with track laying and ore bins or shaft material, pockets taking some of the labor.

We have laid in a supply of powder, fuse and caps.

The shaft has progressed to a depth of approximately 45 feet.

Some good ore has been cut and the lead at the present time is widening out to about 6 feet. Ou

We were handicapped to some extent by lack of funds as our progress report was returned and we were forced to get assistance from our bank. At the present time no financial assistance from our DMA contract has been received although we have been working on it since July 18th.

Yours truly,

KELLY CAMP TUNGSTEN

BY _____

U. S. BUREAU OF MINES
RECEIVED
OCT 17 1951
ALBANY, OREGON

October 3, 1951

Assignment to State Bank of Republic
Republic, Washington

The State Bank of Republic, a banking corporation under the laws of the State of Washington, is hereby assigned all of the interest of the Kelly Camp Tungsten (Lovestrand & Weller, a partnership) under report dated October 3, 1951 to the United States Department of the Interior-Defense Minerals Administration. Said report showing a due bal. of $1,774.53 less 25% or $1330.97. Said report is the second report submitted under Exploration Project Contract #DM747 for Tungsten, said contract being dated June 19, 1951. Also know as contract #L-DM1- 12.

This assignment is given in consideration of said bank having made a cash advance of $1330.97 receipt of which is hereby acknowledged. This assignment is also given under and in accordance to comply with the Assignment of Claims Act known as Public Law number 30.

Permission to the Kelly Camp Tungsten to make assignments on the above mentioned contract was granted by the Defense Minerals Administration on Aug. 21, 1951 as per letter by W.G. Schroeder.

Kelly Camp Tungsten

Signed Chas. J. Weller
Owner

State of Washington)
)ss
County of Ferry)

Subscribed and sworn to before me on this 3rd day of October 1951.

Notary Public
Republic, Washington

U. S. BUREAU OF MINES
RECEIVED
OCT 1 8 1951
PORTLAND, OREGON

KELLY CAMP TUNGSTEN
ROUTE #1, BOX 23-A
REPUBLIC, WASHINGTON
MONTHLY PROGRESS REPORT FOR SEPTEMBER, 1951

Schedule A - Equipment Purchased:	
Drill tool grinder	$103.00
Schedule B - Equipment Rental:	
Pickup truck - Month of September	$150.00
Compressor - Month of September	200.00
Jackhammer - Month of September	25.00
Total Equipment Rental	$375.00
Schedule C - Other Supplies:	
Gasoline	$23.75
Bucket	25.75
Small tools	42.58
Total Other Supplies	$92.08
Schedule D - Withholding Taxes:	
Employer portion of Federal Insurance Contribution 1.5% of $874.50	$13.12
Schedule E - Compensation Insurance:	
State of Washington - Unemployment Insurance 2.7% of $874.50	$23.61
State of Washington - Industrial Insurance and Medical Aid - 526 hours @ .05	26.30
Total Compensation Insurance	$49.91

Standard Form No. 1034a—Rev.
Form approved by
Comptroller General, U. S.
May 26, 1938
(Amended August 15, 1941)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. _____
Bu. Vou. No. DMA-9

GENERAL ACCOUNTING OFFICE PREAUDIT
Certified for payment in the sum of $_____
Comptroller General of the United States
By _____

U. S. Department of the Interior, Bureau of Mines
(Department, bureau, or establishment)

Voucher prepared at Albany, Oregon 9/27/51
(Give place and date)

THE UNITED STATES, Dr.,

To Kelly Camp Tungsten
(Payee)

Address Route #1, Box 28-A, Republic, Washington
Payee's Account No. I-DMA-E12

PAID BY
(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	Articles or Services (Enter description, item number of contract or general supply schedule, and other information deemed necessary) Terms _____% Discount Cash _____ days	Quantity	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
		Brought forward from continuation sheet(s)					
	7/18 8/31/51	Per attached certified Form MF-104 dated 9/13/51				2,601	74

Shipped from _____ to _____ Weight _____ Government B/L No. _____ Total 2,601 74

(Payee must NOT use this space)
Differences _____
Account verified; correct for 2,601 74
(Signature or initials) _____

Contract No. I-DMA-E-12 Date 7/19/51 Req. No. _____ Date _____ Invoice Rec'd _____

2,601.74

MEMORANDUM

ACCOUNTING CLASSIFICATION (for completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n or Proj't Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior		2,601.74

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. _____ dated _____, 19____, for $_____ } on Treasurer of the United States in favor of payee named above.
{ Cash, $_____, on _____, 19____, Payee _____ }
(Sign original only)

Per _____
Title _____

* When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary", or "Treasurer", as the case may be.
† If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the blank space below "Approved for $_____", and over his official title.

METHOD OF OR ABSENCE OF ADVERTISING

(Section 3709 of the Revised Statutes)

1. After advertising in newspapers.

2. (*a*) After advertising by circular letters sent to _____ dealers.

(*b*) And by notices posted in public places.

(If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made. The notation on the certificate on the face of the voucher must be "2(*a*)(*b*)" or "2(*a*)", depending on whether or not notices were posted.)

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.

4. Without advertising in accordance with _____

5. Without advertising, it being impracticable to secure competition because of _____

_____

_____

_____

_____

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, Supplement No. 6, General Accounting Office, Aug. 20, 1930.)

U.S. GOVERNMENT PRINTING OFFICE: 1946 O-88934

16—22900-1

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

April

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E

Name of Operator Kelly Camp Tungsten
Docket No. DMA 747
Total Contract Amount $24,525.00
Government Participation: 75 % Amount, $
Distribution of Expenditures for Month of August, 1951

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

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

MAR 10 9 00 AM '52
DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.

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

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

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

CERTIFICATION

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

Kelly Camp Tungsten
(Name of Company)

By /s/ Chas. J. Weller
(Signature of Authorized Official)

September 13, 1951
(Date)

Business Agent for
Aavestrud & Weller, Owners
(Title)

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

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Fixtures						
2. Operating Equipment:						
(*a*) Purchased[1]						
(*b*) Rented[2]						
(*c*) Furnished by operator						
3. Rehabilitation and Repairs:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Installations						

MONTHLY SUMMARY COST STATEMENT

Distribution of Expenditures for Month of August, 1951

Item	Monthly Total	Totals Previously Reported	Totals to Date
Wages and salaries	$1,163.64	Ø	$1,163.64
Equipment purchase Sched.A	1,456.48	Ø	1,456.48
Equipment rental Sched.B	550.00	Ø	550.00
Buildings			
Explosives			
Repair parts			
Other supplies Sched.C	215.50	Ø	215.50
Power			
Transportation			
Withholding taxes Sched.D	17.45	Ø	17.45
Compensation insurance Sc.E	65.92	Ø	65.92
Other insurance			
Contract work			
Other (specify)			
TOTAL	$3,468.99	Ø	$3,468.99
Totals previously reported	Ø	Ø	Ø
Totals to date	$3,468.99		$3,468.99

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF August, 1951

Type	Number	Man-Shifts	Rate	Total
Miners	2	19 1/2	$ 13.50	$ 263.25
Muckers	3	33 3/4	12.00	405.00
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent	1	33	15.00	495.00
Engineers				
Geologists				
Bookkeeper				
Foreman				
Clerks				
Stenographers				
Other Payroll caluclation adjustment				.39
TOTAL	6	86.25 ~~53.50~~		$1,163.64

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(*d*) Fixtures						
4. Labor [3]						
5. Supervision						
6. Supplies						
(*a*) Timber						
(*b*) Explosives						
(*c*) Repair Parts						
(*d*) Other						
7. Power						
8. Transportation						
9. Insurance						
(*a*) Fire						
(*b*) Public Liability						
(*c*) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
Total						
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

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

FOR GOVERNMENT USE ONLY

Checked by _____

Entered by _____

Approved by _____

Amount approved for payment _____

Remarks _____

_____

_____

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF AUGUST

(Supply Data Below Applicable Only to Your Operations)

Item	Costs: Wages[1] and salaries	Costs: Pur. & Rental Equipment[2]	Costs: Supplies	Costs: Other[3]	Costs: Total	Progress[4]: Unit	Progress: Units this month	Progress: Units previously reported	Progress: Units to date *	Progress: Units authorized by contract (Exhibit A)
Drifting	$ 202.50	$ 384.24	$ 27.55	$ 14.53	$ 638.82	Ft.	None	None	None	150
Crosscutting										
Raising										
Shafts		640.27			640.27	Ft.	13	None	13	150
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify) Headframe	961.14	85.48	177.95	68.84	1,293.41	One Job	Completed	None	Completed	One Job
Extend Lower Adit		896.49			896.49	Ft.	None	None	None	350
Totals	$1,163.64	$2,006.48	$215.50	$83.37	$3,468.99					

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

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

* See schedule F for proration of Project Costs.

KELLY CAMP TUNGSTEN
BOX 28-A ROUTE 1
REPUBLIC, WASHINGTON

September 13, 1951

U. S. Bureau of Mines
1201 N. Division Street
Spokane 2, Washington

Attention: Mr. M. E. Volin, Member
DMA Field Team

Subject: Progress Report, Contract 1-DMA-12
Kelly Camp Tungsten

Dear Sirs:

We send herewith our progress report covering the period from July 18th to August 31, 1951. Work started the day after our contract was in effect and this is our first report.

Our contract is dated June 19, 1951 but we encountered difficulty with the owners of our leased mining claims over signing the necessary papers in regard to this contract and it was necessary to clear title in our name which required about 30 days.

We have started work sinking the inclined shaft under "Part A " which required some retimbering around the collar and some reshaping for a 5' X 9' shaft. Work has progressed approximately 12 feet on the incline.

13 on 104

We have completed the head frame, run track for dump material, acquired a gasoline hoist, bucket, shave wheel, cable and have this installed at a total cost of approximately half the $2,500.00 allowed for this item.

We have also acquired the Air Drill or Drifter at a few dollars under the $1,000.00 allowed for it.

The compressor, jackhammer and pickup truck are all in use.

Three men are employed full time.

This property is at an elevation of about 4,800 feet and the road to it for the last six miles is constructed with the minimum requirements for a fair weather access. Going in or out with material is a problem which will grow more acute with bad weather.

We will make a further report after September 30th.

Yours truly,

Chas. J. Weller

U. S. BUREAU OF MINES
RECEIVED
SEP 1 9 1951
ALBANY OREGON

W[illegible]K ANALYSIS SHEET - DMEA PROJECT[illegible]

[X] Actual Cost

[ ] Agreed Unit Costs

Analysis as of 12/2/1954
Incl. Voucher for _____

Kelly Camp Tungsten

Docket No. DMA - 747

[illegible]e Washington

Commodity Tungsten

Idm-E No. 12

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	500'	15,000.00			
Raising					
Shafts	150'	7,500.00	57.25'	5,166.87	9,252.93-161.62 ft
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased		4,200.00		682.65	
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.		1,000.00		1,293.41	
Other (Specify)		5,000.00		2,110.00	
Totals		32,700.00		9,252.93	9,252.93

Project was terminated as costs were excessive and little progress was made.

Prepared by TLC

Project DMA 747X - Tungsten, Ole Advestrud + Charles J. Weller,

Kelly Camp Tungsten Mine, Ferry County, Washington

Contract Idm-E/12 : Total contract $32,700.00 (Government participation 75% - $24,525.00)

Scheduled exploration:

I	150-foot inclined shaft	@ $50.00 a foot	$7,500.00		10436.19
	150-foot drift	@ 30.00 " "	4,500.00		6261.69
II	Extend adit 150 feet	@ 30.00 " "	4,500.00	}	14610.84
	200-foot drift	@ 30.00 " "	6,000.00		
			$22,500.00		
	Equipment & headframe		10,200.00	Headframe	1391.48
		Total	$32,700.00		$32,700.00

Date of contract June 19, 1951 Time limit 12 months extended to 12 operating months

	Shaft Advance feet	Shaft Cost	Shaft Cost per foot	Shaft Cost per ft to date	Drifting Advance feet	Drifting Cost	Drifting Cost per foot	Drifting Cost per ft to date	Percentage of Work Completed Shaft	Percentage of Work Completed Drift	Percentage of Time used	Funds used		Headframe
½ July & August	13	$640.27	~~49.25~~	~~49.25~~	—	$1535.31	—	—	8.7	0	12.5	10.6		$1293.41
Sept.	32 45	1704.50	~~53.26~~	~~52.11~~	—	65.74	—	—	30.0	0	20.8	16.0		4.39
Oct.	* 7.5 21	2144.10	285.88	213.76	—	—	—	—	14.0	0	29.2	22.6	Shaft Funds	—
Nov.	7 28	900.39	128.63	192.47	—	—	—	—	18.7	0	37.5	25.3		
May	5 33	309.78	61.96	172.70	—	—	—	—	22.0	0	45.8	26.3	54.6%	

* Note: Mix up some place - all previous shaft costs off. At end of Oct. shaft down 21 feet instead of 52.5 (45+75) reported.

DMA 747 Idm E12

Contract dated June 19, 1951
To start in 30 days
For one year (operating months)
Expires June 19, 1952 (?)(?)(?)

		dated	effective
Amend 1	—	10/4/51	9-1-51
" 2	—	10/27/51	10-22-51
Approval of subcontract	—	11/25/51	———

DMA 747, E 12, Amend. 1, 2

Kelly Comp Tungsten Mine
DMA 747X - Tungsten

Month	Wages	Equipment	Supplies	Other	Total	Total to date
½ July + August	$1,163.64	$2,006.48	$215.50	$83.37	$3,468.99	$3468.99
Sept.	874.50	478.00	359.10	63.03	1774.63	5243.62
Oct.	896.00	725.00	382.37	190.73	2144.10	7387.72
Nov.	273.00	262.50	148.87	216.02	900.39	8288.11
May 6 days	249.78	60.00			309.78	8597.89
June	1080.00	—	81.05	77.62	1238.67	9836.56

Bought drill and hoist, tool grinder,
Shaft 5'x9'

Kelly Comp Tungsten Mine
DMA 747 X- Tungsten

Month	Man shifts: Miners	Man shifts: Muckers	Man shifts: Superintendent	Advance feet	Advance feet / Man shift	Advance feet / shift
July & August	2 19.5	3 33.75	33	6.5*	0.12	? 0.67
Sept.	1 19	3 27.75	19	7.0* 13.5	0.15	0.37
Oct.	2 6	2 21	23	7.5 21	0.28	2.5
Nov.	2 4		15	7 28	1.75	3.5
May	contract	30 oz/ft	6			0.83

*Note: Assumed advance since total at end of Sept was corrected to 13.5 feet instead of the 95 feet reported on MF 114 forms.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 1953

1201 N. Division St.
Spokane 2, Washington
November 5, 1953

400

WSM

Mr. Chas. Weller
Kelly Camp Tungsten
Route 1, Box 28-A
Republic, Washington

Subject: Docket No. DMEA 747 (tungsten)
Kelly Camp Tungsten
Ferry County, Washington
Contract No. Idm-E12

Dear Mr. Weller:

Enclosed is the original map you submitted with your application for exploration aid in connection with the subject docket. Undoubtedly this is the map you requested be returned to you as it has written on it a note by Mr. Ole Aavestrud to that effect.

Sincerely yours,

S. W. Zoldok
Mining Engineer

Enclosure

cc: DMEA, Wash. (2)
USGS (2)

FILE COPY
SURNAME: 95

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

OCT 29 1953

400
Rutledge
Montfort
Selfridge
Stephenson
Weissenborn

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 747 - Tungsten
Kelly Camp Tungsten
Ole Aavestrud & Charles J. Weller
Ferry County, Washington
Contract No. Idm-E12

Dear Mr. Weissenborn:

This will acknowledge your letter of October 19, 1953, requesting that the original claim map be returned to your office for transmittal to the Operator.

This contract was one of the early ones. Consequently all of the original data are now in the files of the Materials Division, Emergency Procurement Service, General Services Administration. Their docket contained no original claim map, but included a map marked for return to applicant when no longer of use. As we believe this may be the map the Operator refers to and as we now have the Field Team's map, Mr. Aavestrud's map is enclosed for return to him.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Enclosure

FARutledge:foc 10-28-53
cc: Docket
Code 400
FT. Reg. 2
Operating Comm.
Admr. Reading File
R. W. Geehan, USBM
T. P. Thayer, USGS
Materials Div., EPS, GSA

APPROVED:

J. H. Hedges (JHB)
Member, Bureau of Mines

T. P. Thayer (JHB)
Member, Geological Survey

R.C.G. 10-29-53

Docket 303

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

October 19, 1953

WSM

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-747 (Tungsten)
Ole Aavestrud & Chas. J. Weller
Kelly Camp Tungsten
Ferry County, Washington
Contract Idm-E12 (Terminated)

Dear Mr. Selfridge:

Reference is made to a letter dated January 16, 1951, from A. E. Weissenborn to Dr. James Boyd, Deputy Administrator, Defense Minerals Administration, forwarding a set of application forms received from Messrs. Aavestrud and Weller.

The Operator has recently requested that we return his original claim map showing the Annex, Kayo, Dutchman, Winner and Georgia claims, which he submitted with the application. As we at that time kept no copy of the application, we can only assume that this map is in the Washington files. We would appreciate it if a check could be made of your files and the original claim map returned to this office for forwarding to the Operator.

Sincerely yours,

Ira Mae Legge
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM (2)

Copy retained 600

400

FILE COPY
SURNAME:

Rutledge
Chatelain
Martin
Pupin
Hoffmeid
Robinson
Hedges
Selfridge

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

MAR 19 1953

Mr. Charles J. Weller
Kelly Camp Tungsten
Republic, Washington

Re: Docket No. DMA 747X - Tungsten
Kelly Camp Tungsten
Ole Aavestrud & Charles J. Weller
Ferry County, Washington
Contract No. Idm-E12

Dear Mr. Weller:

This is with reference to the subject exploration project contract between Kelly Camp Tungsten and the Government.

The final audit of the contract expenditures and the final report of the Field Team have been received and accepted by this Administration. A final report has not been received from the Operator and this obligation is hereby waived because no significant additional data could be expected. Of the total amount of $32,700.00 approved under the contract, the amount of $9,252.93 was expended, 75 percent of which, or $6,939.69, represented the Government's share. There were no unused materials or supplies to be disposed of for the joint account of the Operator and the Government. The Government's equity in all equipment owned jointly by the Operator and the Government has been purchased by the Operator by check payable to the Treasurer of the United States.

The exploration work was not carried out in a satisfactory manner, and the contract was terminated by the Government for this reason, August 13, 1952.

Because the results of the exploration were unfavorable, it is not our intention to make a certification of discovery or development which would create a lien against the subject property. We are, therefore, closing our books and records with respect to this project. Your attention is called, however, to Article 12 of the Contract, which requires the Operator to "keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract."

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

Sincerely yours,

C. O. Mittendorf (for)

Administrator

J. C. 3/19/53

CC: DOCKET
FIELD TEAM, REG. 2
CODE 400
ADMN. READ. FILE
OPER. COMMITTEE
CODE 800 - Mr. Chambers
D. M. LEMMON, USGS
R. W. GEEHAN, USBM

FARutledge/ls
3/12/53

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

March 12, 1953

Memorandum

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Memorandum of Non-Discovery
Docket No. DMA 747X - Tungsten
Kelly Camp Tungsten
Ole Aavestrud and Charles J. Weller
Ferry County, Washington
Exploration Contract No. Idm-E12

This Division hereby concludes that the work done upon the subject property, as described under Stage A of the contract, has resulted in no discovery or development from which commercial production may be made.

A description of the property, the work done, and the results obtained follows:

(1) The property on which the exploration was conducted is composed of the following five claims: Annex, Dutchman, Kayo, Georgia, and Winner. The claims are located in Sec. 9, T. 38 N., R. 32 E., Ferry County, Washington.

(2) The mineral sought was scheelite which occurs in a well-defined garnet band on the eastern side of the area. Minor amounts of scheelite may also be found disseminated throughout portions of the extensive amounts of tactite which has been formed by the metamorphism of the limestone members of the sediments.

(3) A two-stage exploration program was executed which called for construction of a headframe, sinking the 15-foot inclined shaft 150 feet, and driving 150 feet of drift along the strike of the formation from the bottom of the shaft under Stage A. Stage B was set up to extend the lower adit 150 feet and drive 200 feet of drift along favorable structures.

(4) Work under the contract was slow and costs high. Progress in sinking the 57.25-foot inclined shaft averaged 7.6 feet per month. This was for a 6- by 8-foot shaft sunk on a 50° incline and untimbered except for stulls which held the ladder and bucket guides. Costs were as follows: headframe - $1,297.80, and shaft - $7,955.13, or $138.95 per foot.

Because of the unsatisfactory progress and high costs, the contract was terminated by the Government, August 13, 1952.

(5) The project was started in July 1951 and $9,252.93 had been expended when the contract was terminated. The Government's share of $6,939.69 was disbursed. There were no unused materials or supplies to be disposed of for the joint account of the Operator and the Government. The Government's equity in all equipment owned jointly by the Operator and the Government has been purchased by the Operator by check payable to the Treasurer of the United States.

(6) A notice of termination dated August 13, 1952, was mailed to Mr. Weller by the Field Team, August 13, 1952.

W S Martin

W. S. Martin, Acting Chief
Iron and Ferro-Alloys Division

FILE COPY
SURNAME:
800
Chambers

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

MAR 5 1953

BW

Mr. Charles A. Turner
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Contract Idm-812
Docket DMA-747X
Kelly Camp Tungsten

J.C. 3/4/53

Dear Mr. Turner:

Reference is made to your memorandum of February 25, 1953, to which were enclosed three Audit Certificates and two Audit Reports of the above-cited contract.

The Certificate and Report have been examined and approved for appropriate distribution.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/wb
March 4, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

Docket 747

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 9 1953

March 4, 1953

WSM

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMA-747X - Tungsten
Kelly Camp Tungsten
Ole Aavestrud & Charles J. Weller
Ferry County, Washington
Contract No. Idm-E12

Dear Mr. Selfridge:

Reference is made to your letter of March 2, 1953, regarding the subject contract. The Operator has not submitted a final report on contract work. Furthermore, we are of the opinion that if he did submit a report it would be of little value. Therefore, we recommend that the obligation for such a report be waived.

We shall inform our Certifying Officer that a final report will not be requested from the Operator and will advise him to proceed with final payment on invoices. In this respect we wish to inform that the Operator has purchased the machinery in which the Government has an equity and, therefore, it should now be possible to close out the account.

Sincerely,

Thor H. Kiilsgaard

Thor H. Kiilsgaard
Acting Executive Officer
DMEA Field Team, Region II

cc: USBM (2)
Puffett

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

March 4, 1953

Mr. R. J. Hindman
Certifying Officer
DMEA Field Team, Region II
1201 North Division
Spokane, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 13 1953

Re: Docket DMEA-747
Kelly Camp Tungsten
Ferry County, Washington
Contract Idm-E12

Dear Mr. Hindman:

A final report on the Kelly Camp tungsten contract has not been received from the Operator. Inasmuch as this contract was terminated before completion and it is believed that any report from the Operator would be of little value, the obligation for the subject final report is hereby waived.

Sincerely,

Thor H. Kiilsgaard
Acting Executive Officer
DMEA Field Team, Region II

cc: DMEA (2)
USBM (2)
Puffett
R. Hull, Auditor
Contract Administration & Audit. Div.

FILE COPY
SURNAME:

Rutledge
Martin
Selfridge

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

MAR 2 1953

BW

Mr. A. H. Weissenborn, Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMA 747X - Tungsten
Kelly Camp Tungsten
Ole Amvestrud & Charles J. Weller
Ferry County, Washington
Contract No. Idm-M12

Dear Mr. Weissenborn:

Reference is made to the subject contract for which a final Operator's report has not been received. If your office has not received such a report from the Operator, Mr. Weller should be requested to furnish a report as specified in Paragraph 13 of the contract in order that this docket may be closed. However, if in your opinion, the Operator's final report will not add appreciably to our information about the project, we will waive the report if you so recommend.

Sincerely yours,

George C. Selfridge (JB)

Chairman, Operating Committee

Approved:

J. H. Hedges (JB)

Member, Bureau of Mines

T. P. Thayer (JB)

Member, Geological Survey

FARutledge/ls
2/27/53

cc: Docket
Code 400
FT, Reg. 2
Oper. Com.
Adm. Read. File
D. M. Lemmon, USGS
R. W. Geehan, USBM

J.H.
3/2/53

400

IN REPLY REFER TO:

G-MD-CF

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

GCS 12/24/52

December 24, 1952

Memorandum

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 24 1952

To: G. C. Selfridge

From: M. D. Crittenden

Subject: DMEA 747 (tungsten)
Kelly Camp Tungsten
Ferry County, Washington
Contract Idm-E12

I have received the final report prepared by Puffett and Magill, Region II, and concur in their conclusion that the work to date has not revealed either a minable body of ore, or any particular promise of one. Under these circumstances, there is no basis for making a certification.

Max D. Crittenden Jr

M. D. Crittenden

We should consider well before working non-certification

BCL

Do not certify insignificant WO_3 contribution

BCL 1/5/53

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

[redacted]
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 15 1952

December 9, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket DMEA-747 (Tungsten)
Kelly Camp Tungsten
Ferry County, Washington
Contract Idm-E12

Dear Mr. Johnson:

Enclosed are the original and three copies of a final report on the Kelly Camp tungsten property, Contract Idm-E12, prepared by W. P. Puffett, U. S. Geological Survey, and E. A. Magill, U. S. Bureau of Mines.

The examining team recommends that no certification of discovery or development be made as a result of DMEA exploration work and the Field Team concurs.

By DMEA Field Team, Region II

A. E. Weissenborn, Executive Officer
(U. S. Geological Survey)

M. E. Volin, Member
(U. S. Bureau of Mines)

FINAL F.T. RPT.

Enclosure

cc: USBM (2)
Puffett

12-15

Reviewed by
DMEA OPERATING COMMITTEE
12-17-52
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
DEC 11 1952

December 2, 1952

Reviewed by
DMEA OPERATING COMMITTEE
12-17-52
(date)

Memorandum

To: DMEA Field Team, Region II

From: Willard P. Puffett, Geologist, U. S. Geological Survey
E. A. Magill, Engineer, U. S. Bureau of Mines

Subject: Final Report on DMEA Contract Idm-E12
Docket DMEA 747 (Tungsten)
Kelly Camp Tungsten (Aavestrud and Weller)
Ferry County, Washington

OPERATORS

Ole Aavestrud and Charles J. Weller
Republic, Washington

PROPERTY

Kelly Camp Tungsten
Five Mining Claims (Annex, Kayo, Dutchman, Georgia, Winner) in Eureka Mining District, Sec. 9, T. 38 N., R. 32 E., W.M. in the Colville National Forest, Ferry County, Washington.

SUMMARY AND RECOMMENDATIONS

A Defense Mineral Administration Exploration Project contract was awarded the operators on June 19, 1951, under which terms the government would participate up to 75 percent of the total costs of $32,700.00 in a project to explore for tungsten ore. The most important tungsten mineral is scheelite. This contract was terminated August 13, 1952, before the project was completed, as work done to that date indicated the operators were incompetent to conduct the operation and, in the opinion of the Government, had failed to prosecute operations pursuant to terms of the contract. Evidence supporting the contention of the Government was that progress of work, which to the termination date of the contract included only shaft sinking, had been very slow and costs per foot of sinking were prohibitively expensive.

As a result of work which has been completed, scheelite has been exposed in the walls of a shaft which has been sunk on a 50 degree incline an added distance of 57.5 feet, the bottom of the shaft being an inclined distance of 74 feet from the surface. Assay results obtained from sampling the shaft walls show a continuous 25-foot section on the northeast shaft wall having a weighted assay value of 0.50 WO_3 over a width of 4.7 feet. This section, if continuous laterally away from the shaft, would constitute minable ore under present market prices; however, owing to the irregular and pod-like nature of tungsten mineralization in this contact-type of deposit, it has been deemed unfeasible to calculate any tonnage of ore reserves.

It is recommended that no certification of discovery be made for DMEA work done on the Kelly Camp tungsten property. The property might conceivably be developed into a tungsten producer, but to do so it would require more competent supervision and management than it has received by Messrs. Aavestrud and Weller.

DESCRIPTION OF WORK

Work began under terms of the contract during the last week of July 1951. A headframe with ore and waste pocket was erected and a short shaft was cleaned preparatory to further sinking. By November 21, 1951, the shaft had been extended 28 feet on a 50 degree incline, at which time the project was suspended owing to winter weather. Work was resumed in early May 1952, and by July 27, the shaft had been sunk an additional 29.5 feet. No further sinking was done and on August 13, 1952, the contract was terminated.

GEOLOGY

In 1943 S. W. Hobbs of the U. S. Geological Survey wrote a detailed geologic report on the Kelly Camp Tungsten property. The following are excerpts from this report.

"Geology

"Tungsten occurs at this property as scheelite in contact with intrusive granodiorite. The area of outcrop is small, 550 by 400 feet, and only small portions of this area contain significant amounts of scheelite.

"Country rock of the area consists of a series of sandy shales and limestone, probably Paleozoic, which has been intruded by the granitic rock of the Colville batholith. The sandy shales have been metamorphosed to argillites, granulites and fine-grained schists, and the limestones to marble and local bodies of tactite. It is probable that the sediments with which the scheelite is associated represent a large roof pendant in the igneous rock. The intrusive rock which borders the deposit on the north and east is a coarse-grained, locally porphyritic rock

of the composition of quartz monzonite or grandodiorite. The contacts are rarely sharp but include a gradational zone of mixed rock within which it is often difficult to tell where the igneous rock ends and the metamorphic rock begins.

"The structure in the vicinity of the deposit is relatively simple. The sediments strike between N. 15° and N. 60° E. and dip 15° to 40° N. and form an angular re-entrant in the intrusive, being bordered sharply by granodiorite on the north and east. Available evidence indicates that the intrusive contacts are irregular with a general dip to the south and west.

"Ore Deposits

"Scheelite is only locally associated with the rather extensive amounts of tactite which have been formed by the metamorphism of the limestone members of the sediments. The contact metamorphic rock consists of garnet, magnetite, amphibole, small amounts of scheelite and a few other minerals in very minor amounts. Magnetite is locally very abundant. . . . . .
. . . .

"The only other significant scheelite occurrence is in a well-defined garnet band which is exposed on the eastern side of the area. This bed which averages 2½ feet thick is well exposed at the west end in a pit and small inclined shaft. From the shaft it has been uncovered for a distance of about 80 feet to a series of pits at its eastern end. This bed, originally a limey layer, has been altered to tactite containing garnet, magnetite and some scheelite. This bed strikes nearly east-west, but swings to a northeast-southwest strike at its westernmost exposure. It dips 40 to 45 degrees into the granodiorite contact. Scheelite occurs as scattered medium-sized crystals and many very fine grains in the layer where it is exposed in the wall of the shaft at the west end. The shaft is filled to within a few feet of its collar, but the scheelite-bearing zone appears to narrow down the dip."

The above-mentioned shaft was down an inclined distance of 17 feet at the beginning of the contract and has since been extended to a depth of 74 feet by contract work. It was sunk toward the granodiorite contact, a distance estimated at 65 feet. Shaft wall rock is essentially an amphibole-rich skarn in which magnetite and epidote are common. Very fine-grained scheelite is discernible when examined by fluorescent light. The garnet-rich zone referred to by Hobbs is not apparent in the lower portions of the shaft. Although the shaft has gone beyond the estimated position of the granodiorite contact, no granodiorite has been encountered.

A sample taken during the early part of the program assayed high in tin content; consequently, samples taken thereafter were assayed for tin but although they gave measurable tin values the tin mineral has not been determined.

ORE RESERVES

It is difficult, if not impossible, to accurately calculate or even to infer ore reserves in this type of deposit. Samples taken from one area will yield abnormally high tungsten values, whereas samples taken from an adjacent area will be nil even though the deposit continues strong and will, to the casual glance, appear to be ore-bearing. The ore appears to be concentrated in pods and irregular-shaped bodies, the size of which is difficult to infer. Two samples taken from the eastern end of the trench leading east from the DMEA shaft, from near the granodiorite contact, are reported to have assayed 7.62 percent WO_3 and 3.05 percent WO_3, respectively, across 3-foot widths. These assays might indicate an enrichment of the area near the contact; however, other areas near the contact yield low tungsten values, whereas samples high in tungsten content have been taken at some distance from the contact.

Samples taken from the first 20 feet of the shaft have a weighted assay value of 0.12 percent WO_3 (see accompanying assay map of DMEA shaft). The mean width of the vein throughout this distance is 4.2 feet. This block of ground cannot be considered as ore at the present market price of tungsten.

That portion of the shaft extending from 20 feet to 45 feet from the shaft collar has a weighted assay value of 0.50 percent WO_3, the mean width of the vein being 4.7 feet. This block could be considered as ore, that is if the values held for any distance laterally away from the shaft. However, owing to the pod-like and irregular nature of the ore within the vein, it is not considered advisable to project these values for any distance away from the shaft; consequently, no ore reserve tonnage has been calculated for this block.

Samples taken from below the 45-foot point in the shaft have a weighted assay value of 0.021 percent WO_3. This block cannot be considered as ore, although the vein in this area is believed to be approaching the granodiorite contact and could conceivably contain local high-grade tungsten ore pods.

EXPENDITURES

Expenditures under the Kelly Camp Tungsten exploration project contract are as follows:

Contract amount	$32,700.00
Government participation - 75% or	24,525.00
Total sum expended on project through July 1952 (final invoice)	10,479.76*
Government's actual contribution to date (through June 1952 invoice)	7,377.41
Government's contribution yet to be paid*	

Unexpended amount remaining in contract	22,220.24
Government's share of unexpended monies	16,665.18
Purchase cost of equipment to be salvaged	1,909.48

The July invoice (final) in the total amount of $643.20 is being held up pending disposition of equipment and final audit.

*Subject to final audit and equipment disposal.

WORK ACCOMPLISHED

1. Construction of headframe with ore and waste pocket and shed over hoist.

2. Sink 57-1/4 feet of 6 ft. by 8 ft. inclined (50°) shaft, single compartment, untimbered.

DISTRIBUTION OF EXPENDITURES

Construction of headframe

Labor and supervision	$961.14
Operating equipment depreciation	85.48
Operating supplies and materials	177.95
Other	68.84
Total	$1,293.41

Shaft sinking

Labor and supervision	$3,860.50
Explosives	645.17
Operating supplies and materials	363.77
Operating equipment depreciation	2,024.52
Operating equipment purchased	1,909.48
Payroll taxes	382.91
Total	$9,186.35

Total project expenditures $10,479.76

EFFICIENCY OF OPERATIONS

Costs for sinking 57-1/4 feet of shaft, not taking into consideration the operating equipment purchased ($1909.48), amounts to $125.36 per foot. This is for a 6 ft. by 8 ft. shaft sunk on an incline of about 50 degrees; the total depth of the shaft from the south side collar is 74 feet. The shaft is untimbered excepting for stulls which hold the ladder and bucket guides. No special water problem was encountered although it was necessary to pump several

hundred gallons each day. Operations were carried on over an 8-month period, the project being shut down during the winter for 5 months.

Neither Mr. Weller or Mr. Aavestrud have had very much experience in conducting a mining operation. This was obvious from the high costs and the general conduct of the operation.

EQUIPMENT PURCHASED FOR PROJECT

Date Purchased	Serial Number	Description	Total Cost
1951			
July	86171	Hoist, Jaeger, size 1H3, single drum, drum 16" long	$856.25
July	722180	Engine, 4 cyl. Wisconsin VE4, 3x3-1/4 with clutch and gear box (used)	856.25
July	401297	Drill, Atlas, Sweden, H 656W, with pusher leg (new)	600.23
August	2467206	Grinder, Black & Decker, 6" portable, Type 6, 3800 RPM, 115 volts, AC (new)	103.00
October	770469	Pump, Chicago-Pneumatic, No. 7 Sludge, Mdl. A (new)	350.00

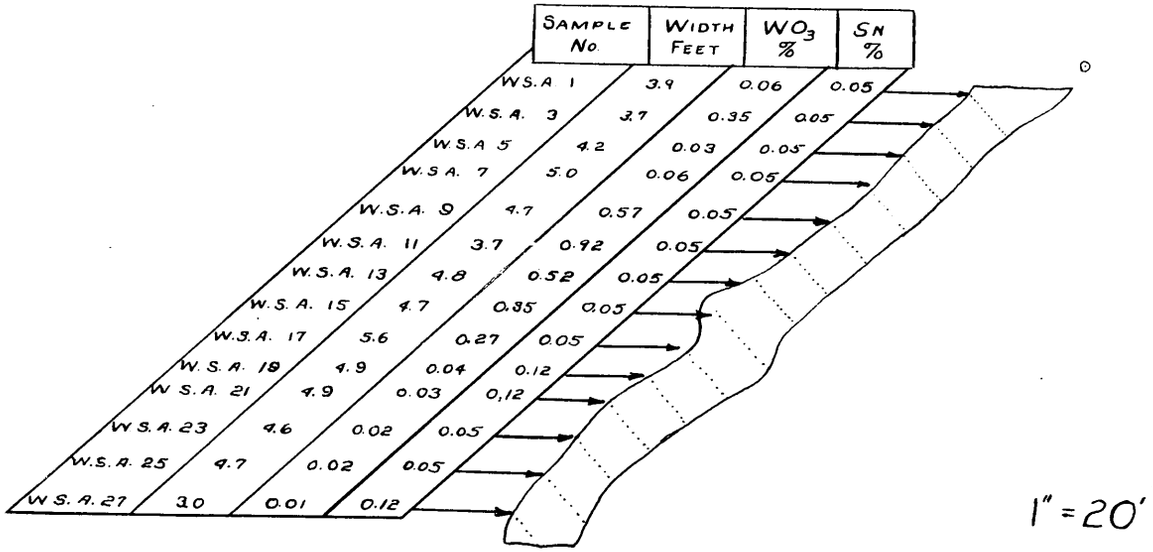
UNEXPENDED SUPPLIES

1000 lbs. Gelex No. 1 powder estimated value $22/100 lbs.	$220.00

The Operator has stated in a letter dated August 25, 1952, that he wished to purchase the Government's equity in the equipment at the OPS ceiling price for such equipment and that he was writing to the OPS to determine the ceiling price. To date we have received no further word from the Operator, although information concerning the disposition of the equipment was requested from the Operator by a letter dated September 24, 1952 from R. M. Hull, DMEA Auditor.

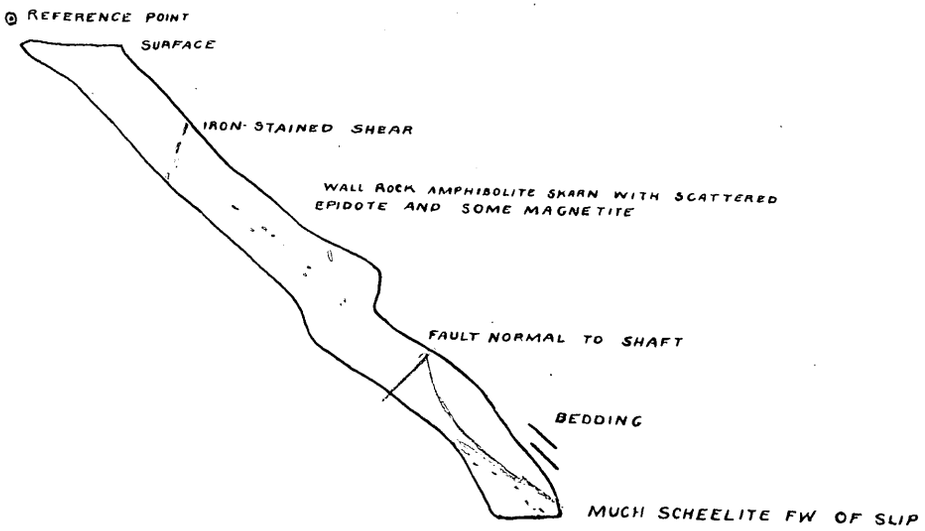
It is recommended that the 20 boxes (1000 lbs.) of Gelex No. 1 powder be given to the Operator inasmuch as it is over two years old and therefore it is against the law to sell it. It is further recommended that the Operator be allowed to purchase the equipment from the project at the OPS ceiling price.

Enclosures (2)
Dist:
Original & 3 - DMEA
U.S.B.M. (2)
U.S.G.S. (S.R.O.)
Docket
Puffett



1" = 20'

SAMPLING DATA - NORTH WALL



VERTICAL SECTION - SOUTHWEST WALL

N. 32° W.

SAMPLED BY U.S.B.M., AUGUST, 1952

Geology and Assay Data of Shaft
Kelly Camp Tungsten, Ferry County, Washington

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
1201 N. Division St.
Spokane 2, Washington
November 18, 1952

Department of the Interior
Defense Minerals Administration
RECEIVED
NOV 21 1952

Mr. Charles J. Weller
Kelly Camp Tungsten
Republic, Washington

Subject: Contract Idm-E12
Docket No. DMEA 747 (tungsten)

Dear Mr. Weller:

On September 24, 1952, I wrote you as follows:

"Please advise us as soon as possible as to the disposition of the equipment itemized in your letter of August 25, 1952. Until such time as this equipment is disposed of, the final invoice, Form MF-104, cannot be processed for payment.

"An audit will be made as soon as all necessary information concerning the disposition of the equipment purchased by you has been submitted to this office."

Please advise us what disposition you have made of the above mentioned equipment. We are anxious to close our files on this project.

Sincerely yours,

Robert M. Hull
DMEA Auditor

cc: DMEA, Wash. (3)
USGS (1)

FILE COPY
SURNAME:

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

Rutledge
Selfridge
Weissenborn

OCT 9 1952

Mr. A. H. Weissenborn
Executive Officer, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMA 747X - Tungsten
Kelly Camp Tungsten
Ole Amvestrud & Charles J. Weller
Ferry County, Washington
Exploration Contract No. Idm-X12

Dear Mr. Weissenborn:

The subject contract was terminated August 13, 1952, by your office for lack of diligence by the Operator. Tungsten mineralization was indicated by the project's exploratory work even though the entire contract was not completed.

Your comments on the issuing of a Certificate of Discovery for this contract will be appreciated. Also, we should like to be advised as to when we may expect the final field team report.

Sincerely yours,

(signed) FRANK E. JOHNSON
(FEJ)

Chairman, Operating Committee

10-9-52

Approved:

J. H. Hedges
(JHH)
Member, Bureau of Mines

T. P. Thayer
(TPT)
Member, Geological Survey

FARutledge'lm
10/8/52

cc: Admn. Reading File
Docket
R. W. Geehan, USBM
D. M. Lemmon, USGS
Field Team Reg. II
Operating Committee
G. C. Selfridge
F. A. Rutledge

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

1201 N. Division St.
Spokane 2, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 6 '52

10/7/52

October 1, 1952

MEMORANDUM

To: DMEA Field Team, Region II

From: W. S. Anderson, Mining Engineer, Bureau of Mines

Subject: Sample assays, Kelly Camp Tungsten, Ferry County, Washington, Contract Idm-E12, Docket No. DMA 747 (Tungsten)

Attached is an assay map of the samples taken in the shaft of the Kelly Camp Tungsten mine as reported in the memorandum of September 9, 1952, to the Field Team.

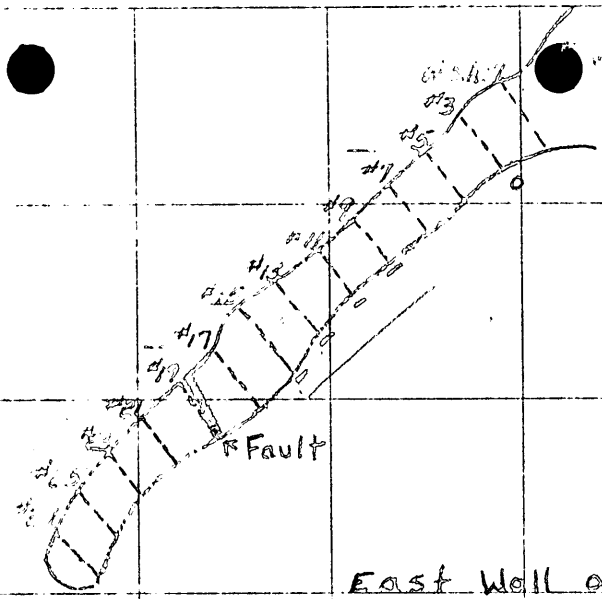
Only the samples from the East wall of the shaft were sent in for analysis with the samples from the West wall being retained for future reference.

W. S. Anderson
W. S. Anderson

Enclosure

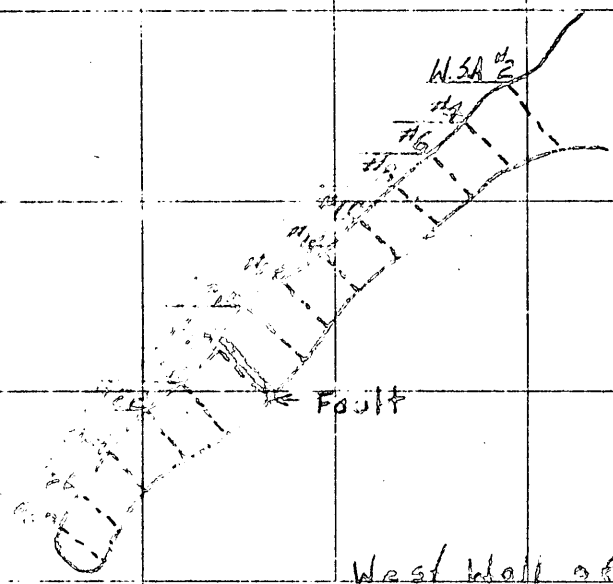
CC: 3-Wash.
2-USGS
DMEA
M/D
WSA

Sample No.	Width	WO_3	Sr.
W.S.A.1	5.1	[illegible]	[illegible]
W.S.A.2	4.1		
W.S.A.3	2.1	[illegible]	[illegible]
W.S.A.4	4.3		
W.S.A.5	4.3	0.05	[illegible]
W.S.A.6	2.5		
W.S.A.7	5.0	[illegible]	[illegible]
W.S.A.8	4.7		
W.S.A.9	2.7	[illegible]	[illegible]
W.S.A.10	3.0		
W.S.A.11	3.1	[illegible]	[illegible]
W.S.A.12	4.5		
W.S.A.13	2.3		
W.S.A.14	[illegible]		
W.S.A.15	[illegible]	[illegible]	[illegible]
W.S.A.16	6.4		
W.S.A.17	[illegible]	[illegible]	[illegible]
W.S.A.18	[illegible]		
W.S.A.19	4.1	[illegible]	[illegible]
W.S.A.20	4.1		
W.S.A.21	2.1	0.12	0.18
W.S.A.22	1.5		
W.S.A.23	3.0	[illegible]	[illegible]
W.S.A.24	4.1		
W.S.A.25	4.7	[illegible]	[illegible]
W.S.A.26	2.0		
W.S.A.27	[illegible]	0.01	[illegible]
W.S.A.28	3.7		



East Wall of Shaft

N 32 W



West Wall of Shaft

Kelly Camp Tungsten
Ferry County Wash.
Idm E12

"ALBANENE" No. 196M K&E CO., N.Y.
REG. U.S. PAT. OFF

Sas

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

1201 N. Division St.
Spokane 2, Wash.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Bureau
SEP 18 1952

September 9, 1952

MEMORANDUM

To: DMEA Field Team, Region II

From: W. S. Anderson, Mining Engineer, Bureau of Mines

Subject: Sampling of Shaft, Kelly Camp Tungsten, Ferry County, Wash., Contract Idm-E12, Docket No. DMA 747 (Tungsten)

The Kelly Camp Tungsten mine was visited on August 26, 27 and 28, 1952, to sample shaft. I was accompanied by George H. Todd who assisted with the sampling.

Mr. Keller and Mr. Aarestrud were contacted to get assistance in pumping out the shaft which had approximately 30 feet of water in it. As the pump had been removed from the shaft and taken to the camp site at the mill, the first afternoon was spent in hauling the pump to the shaft and installing it. The pump was installed and in operation by 11:00 P.M. on the 26th. Pumping was discontinued at 5:30 P.M. on the 27th with two feet of water remaining in the shaft.

Samples were cut at 5 foot intervals on the east and west wall of the shaft. The first samples were cut 10 feet below the M.P. (x moiled in wall) established by Tom Howard 7/26/51.

The walls were examined with a mineral light and scheelite was observed finely disseminated in the tactite for the first 55 feet. At 55 feet below the M.P. a fault cuts the structure and there appears to be a diminishing in the amount of scheelite below this point.

The operators are working in the evening with a sorting light picking out "high grade" from two pits southwest of the shaft. They are hauling this material to their mill for treatment.

All equipment in which the Government has an equity is still on the property.

Mr Aarestrud would like to have a copy of the assays on the samples as soon as they are available.

W. S. Anderson

W. S. Anderson

CC: 3-Wash.
2-USGS
DMEA
M/D
D/F
WSA

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

So. 157 Howard Street
Spokane 4, Washington

DMEA(5)

August 8, 1952

Memorandum

To: A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II

From: Willard P. Puffett, Geologist, U. S. Geological Survey

Subject: Routine examination of progress at Kelly Camp Tungsten Mine, Ferry County, Washington, under DMEA Exploration Contract Idm-E12, Docket DMEA 747 (Tungsten).

A routine examination was made of the Kelly Camp Mine on Sunday, July 27, 1952. I was accompanied in this examination by E. A. Magill, U. S. Bureau of Mines, and Gerald W. Fuller, U. S. Geological Survey. Mr. Weller, of the Kelly Camp organization was at the property and assisted in pumping the shaft, making it available for inspection.

The shaft had been sunk to an inclined depth of 74 feet. This depth represents an advance in the shaft-sinking of 5 to 6 feet since the last inspection on July 10, 1952. Mr. Thayer, the miner working under a labor-contract at the time of the first inspection, had left the property July 18, and had not returned. Mr. Weller stated that he did not know if Mr. Thayer was going to return to work. In Mr. Thayer's absence of course, no further progress in the sinking of the shaft had been made.

The new workings were mapped and two samples were taken from the bottom of the shaft. The rock exposed in the shaft is mainly skarn with considerable quantities of magnetite. Scheelite, as evidenced by examination with a mineralight, occurs scattered through the rock. Fairly strong scheelite evidences were observed near the bottom of the shaft, but assay results of the two samples taken showed nil percentage of WO_3. A check is to be made on these samples to verify the assay results.

There is no positive indication that improvements have been made in the management or progress at Kelly Camp Tungsten since the last visit. Although the property holds sufficient promise geologically to merit further exploration for tungsten minerals, the record of the operators to date is such to negate consideration of further work to be done under their direct supervision.

Willard P. Puffett

cc: DMEA (2)
USBM (2)
USGS(SRO)
Puffett

M. E. Volin

August 1, 1952

E. A. Magill

Progress examination, Kelly Camp Tungsten, Ferry County, Wash.
Contract Idm-E12, Docket No. DMA 747 (tungsten)

An examination was made of the subject property on July 27, 1952, in company with Willard Puffett and Gerald Fuller of the U.S.G.S. Mr. Charles J. Weller, one of the operators was at the property during the visit.

Shaft sinking operations as called for in the DMEA Contract have been shut down since July 18. The shaft is now at a depth of 79 feet. This represents an advance of 58 feet since the beginning of the project and an advance of 30 feet during this year (operations were commenced on May 1). The shaft has been carried down on the structure at an angle of about 50°, it is 6 x 8 in the clear single compartment, the only timber being that necessary to hold the skids for the bucket and the ladder.

Disseminated scheelite could be observed by the use of an ultra-violet light on either wall in the bottom of the shaft. Channel samples was taken across the structure on either wall at the bottom of the shaft.

Efficiency of operations since my last visit to the property on May 24, 1952, has not improved. The operators are still unable to hire anyone who will stay on the job, nor can they get anyone who will take a contract for sinking the shaft at $30 per foot for underground labor only. The operators have also found it extremely difficult in raising the money for their portion of the project. They had hoped at least to partially defray their expenses by milling the ore from shaft sinking, however they have been unable to bring the grade of the concentrates up to a satisfactory percentage from this ore. The best grade which they can appear to get with their present mill setup is around 50% WO_3. The difficulty appears to be in removing the pyrite from the concentrates.

The operators are planning on resuming mining from a number of open pits around the shaft area. At the time of the visit 3 men were working in the mill preparing it for operation.

E. A. Magill

cc: USGS - 2
WASH - 2 ✓
EAM - 1

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 15[illegible] Howard Street
Spokane 4, Washington

July 21, 1952

Memorandum

To: A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II

DMA 747

From: Willard P. Puffett, U. S. Geological Survey

Subject: Routine inspection of progress at Kelly Camp Tungsten Property, Ferry County, Washington under DMEA Exploration Contract, Idm-E12.

A routine inspection was made of the Kelly Camp shaft on Thursday, July 10, 1952. I was accompanied on this inspection by George P. Marinos, Professor of Geology, Athens, Greece.

A map was made of a vertical section through the shaft and three samples were taken in the reported ore zone. The map showing sample locations and assay results of the samples accompanies this report.

At the time of the examination the bottom of the shaft was 72 feet below the measuring mark located by T. Howard of the U. S. B. M. on July 26, 1951. This represents a total advance in sinking the shaft of 51 feet since the initiation of the contract.

The operators were still experiencing difficulty in obtaining labor. Two miners who had been working on a contract basis had quit and sued for a day's pay. Subsequently, one miner had been hired on a contract basis and he was working on the date of the examination. According to Mr. Aavestrud, the new miner was doing satisfactory work.

Inasmuch as the bearing of the shaft is N. 32° W., and the inspection was made during the morning hours, there was too much sunlight in the shaft to effectively examine the walls with the aid of a mineralight for the presence of scheelite. Consequently, using the advice of Mr. Aavestrud as a guide in locating the ore zone, three samples were taken, only one of which obtained promising assay results. The walls of the shaft were very dirty making it impossible to make a detailed map of the rocks exposed.

Willard P. Puffett

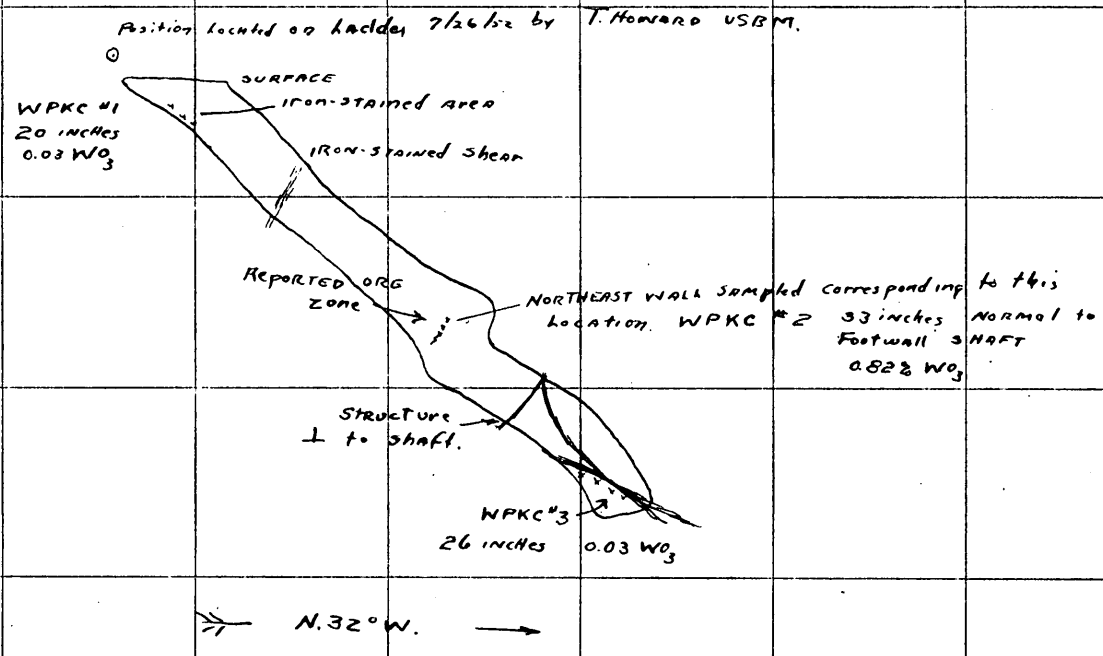
Enclosures
cc: DMEA(2) USBM
USGS(SRO)

Southwest Wall

Kelly Camp Tungsten Shaft

Vertical Section N.32°W

1" = 20'



Tape and Compass W. R. Effiff, USGS

7/10/52

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

GCS 7/28/52

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

WASHINGTON 25, D. C.

So. 157 Howard Street
Spokane 4, Washington

July 17, 1952

Mr. George C. Selfridge
Acting Chairman
Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMA-747X (Tungsten)
Ole Aavestrud & Charles J. Weller
Kelly Camp Tungsten Mine
Ferry County, Washington
Exploration Contract No. Idm-E12

Dear Mr. Selfridge:

This will acknowledge your letter of July 14 re the subject docket, and will also advise you that after another visit to check on progress a letter has been written to the contractor fixing a deadline, beyond which, if he does not show satisfactory evidence that progress will improve in the future, the contract will be cancelled. A letter will be mailed probably today as soon as Mr. Volin and I have signed it.

Sincerely yours,

A E Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM

We have already received copy of letter sent to contractor

JUL 28 1952

Copy retained 400

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

1201 N. Division St.
Spokane 2, Wash.
July 17, 1952

Mr. Charles J. Weller
Kelly Camp Tungsten
Republic, Washington

Subject: Kelly Camp Tungsten, Ferry County, Wash.
Contract I-DMA-E12, Docket No. DMA 747
(tungsten)

Dear Mr. Weller:

In the opinion of the Government the performance of work specified in the subject exploration project contract has been unsatisfactory both as to rate of advance and costs.

A field examination will be made of the project on or about August 1. If by that time progress has not improved to what is considered a satisfactory standard, steps will be taken to terminate the contract as of August 1, 1952.

By Field Team, Region II

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)

R. E. Volin, Member
(U. S. Bureau of Mines)

cc: Mr. Ole Aavestrud
USGS, Spokane
DMLA, Washington (2)

Mail & File

FILE COPY
SURNAME:

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

JEJohnson
Selfridge

JUL 17 1952

Mr. A. E. Weissemborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Kelly Camp, 141)
1466 Addy Mining Company and) (Tungsten)
McLure contracts)
315

Dear Mr. Weissemborn:

This will acknowledge receipt of your covering letter of June 26, 1952, and your enclosed letters with Field Team memoranda replying to our various letters commenting on operations under the Kelly Camp, Addy Mining Company and McLure contracts.

We regret that you have misinterpreted our reasons for sending you copies of the review reports prepared by the Commodity Divisions of DMEA. They are prepared for the information of the Administrator; but we thought they might be helpful to you so sent them for your information and comments. They are not being sent to you for the purpose of criticising the Field Team; but to furnish you with analyses of project operations, indicating both favorable and unfavorable aspects, and showing the progress of operations over a period of time. We believe that you and your staff do not have the time to prepare such analyses, although you may be completely aware of all the aspects of the operations. It was our thought that these review reports would be helpful in correcting any unfavorable features of the projects as well as in avoiding their occurrence in operations under future contracts. We also thought your comments on these reviews would be enlightening to this office.

We realize that your office and the Field Team have been overloaded with work and hope that funds will be made available in this fiscal year so that you can employ additional help. Some projects probably cannot be inspected as frequently as they should until the work-load lightens, or additional help is employed. No doubt, inspections are arranged so that projects which are being operated efficiently and have no problems arising from time to time are not visited as frequently as those that are having difficulties. This office, however, has not been kept as fully aware of project operations as it should be. This can be helped to a great extent, without adding to the work-load, by furnishing us with copies of all inspection reports as soon as they are prepared.

5

DMEA has the responsibility for the Exploration Program and is called upon from time to time to furnish detailed reports and statistics on overall project operations, as well as on individual cases, to Congressional Committees, the Bureau of Budget, General Accounting Office, Defense Materials Procurement Agency, the Secretary's Office, and others. Hence, it must be fully cognizant of project operations in all respects.

We are very glad to know that you were aware of almost all of the points raised in our four letters and have either solved them or are attempting to work out a reasonable solution. We also appreciate receiving your comments thereon. You, no doubt, will agree with us that operations which are being run inefficiently should not be permitted to do so indefinitely, and if the conditions are not corrected within a reasonable period of time, these projects should be terminated. We have written you in reply to your letter of June 27, regarding the Kelly Camp project; but do not believe that your letters on the other projects covered by your letter of June 27, require individual replies.

We hope that you will receive our letters and the review reports, in the spirit, and for the purpose, they are written; that is, not to find fault with your office but to aid the Field Team and this office in the administration of contracts. We have complete confidence in the Field Officers and Field Teams. Our requests for information and review reports should not be interpreted that we lack confidence or do not appreciate the fine work that is being done in the field. By keeping us advised as currently as possible, however, we feel that very little misunderstanding will arise between the Washington office and the Field.

Sincerely yours,

George C. Selfridge (JHB)

ACTING Chairman, Operating Committee

B.N. 7-17-52

APPROVED:

J. H. Hedges (JHB)
Member, Bureau of Mines

T. P. Thayer (JHB)
Member, Geological Survey

FEJohnson/bih 7/15/52
cc to: Mails & Files
Admr's Reading File
Operating committee
Region II
Messrs. Thayer R-5216 GSA Bldg.
Hedges R-4604
Selfridge
FEJohnson

400-110

FILE COPY
SURNAME:

GCSelfridge/FEJohnson/bih
7/11/52

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

Docket
Admin. Reading File
Operating Committee
Region II
Mr. Thayer R-5216 GSA Bldg.
Hedges R-4604
Lemmon USGS
Geehan USBM
Selfridge
FEJohnson

Selfridge

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMA-747X (Tungsten)
Ole Aavestrud & Charles J. Weller
Kelly Camp Tungsten Mine
Ferry County, Washington
Exploration Contract No. Idm-812

Dear Mr. Weissenborn:

We have now reviewed Mr. Magill's memorandum of May 26, 1952, covering his visit to the subject property on May 24, 1952, which we received on June 27, 1952. We have also received your letter of June 27, 1952, concerning the project and attached reports of members of the Field Team.

It is noted that work this spring is proceeding under the same conditions and difficulties of last year. If these conditions continue it is our thought that the contract should be suspended until the Operators have raised their share of the money and have an experienced shaft sinking crew, or have interested a reliable company in the property. Otherwise supervision and overhead will deplete the allotted funds before an appreciable amount of work has been done. As of December 1, 1951, the partners had already spent approximately 25 percent of the allotted funds while sinking only 28 feet.

The last paragraph of your letter of June 27, 1952, misquotes from paragraph 6, of our letter of June 9th. We only requested to be advised concerning inspections of the project and to be furnished copies of Field Team reports on inspections that had been made. There was no intent on our part to make unjust criticism of the Field Team, nor to imply any lack of confidence in them. This situation points up the necessity for keeping this office informed regarding the progress of projects as indicated in the Field Team inspection reports.

We are pleased to note that you have been in close contact with the operation of this project; also that you are fully aware of the unfavorable conditions, and have decided upon the action to take in correcting them.

APPROVED:

J. H. Hedges (JHH)
Member, Bureau of Mines

T. P. Thayer (JHH)
Member, Geological Survey

Sincerely yours,

George C. Selfridge (GCS) 7/14/52
ACTING Chairman, Operating Committee

FILE COPY
SURNAME:

Selfridge.

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

Mr. A. E. Weissenborn, Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMA 747X - Tungsten
Ole Aavestrud & Charles J. Weller
Kelly Camp Tungsten Mine
Ferry County, Washington
Contract No. Idm-X12

Dear Mr. Weissenborn:

We have now reviewed Mr. Nagill's memorandum of May 26 covering his visit to the subject property on May 24, 1952. We note that work this spring is proceeding under the same conditions and difficulties of last year. By this time probably some member of the Field Team has made another visit to the property. If this has been done and conditions were found the same, it is our thought that the contract should be suspended until the Operators have raised their share of the money and have an experience shaft sinking crew, or have interested a reliable company in the property. Otherwise supervision and overhead will deplete the alletted funds before an appreciable amount of work has been done. As of December 1, 1951, the partners had already spent approximately 25 percent of the alletted funds while sinking only 28 feet.

Sincerely yours,

~~George C. Selfridge~~ (GCS)

~~ACTING~~ Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

J. H. Hedges (JHB)

Member, Bureau of Mines

T. P. Thayer (JHB)

Member, Geological Survey

GCSelfridge:ls 7/2/52

Copy to: Docket
Admn. Reading File
G. C. Selfridge
Field Team, Region II
D. M. Lemmon, USGS
R. W. Geehan, USBM
Operating Committee

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

So. 257 Howard Street
Spokane 8, Washington

June 27, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Library
JUL 2 - 1952

Mr. Frank A. Johnson
Chairman, Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Contract DMA-747, Hampsten
The Investrud Mr. Miles J. Walker
Valley Camp Hampsten Mine
Ferry County, Washington
Contract DMA-312

Dear Mr. Johnson:

This is in reply to your letter of June 9 transmitting comments by the Iron and Ferro-Alloy Division concerning the Valley Camp Hampsten project. Mr. W. A. Ingalls has answered most of the points raised in this letter; there are, however, a few comments that I wish to add myself.

We are well aware that after getting off to a good start, work on the project has not been progressing at a satisfactory rate. The difficulty is that the operators are not experienced shaft men and have been unable to hire an experienced man. This has been a source of concern to us and the operators have been warned that they must improve. We are loathe to shut the project down because, although some encouraging results have been obtained, there is nothing conclusive as yet, and any money spent to date would be wasted if we pulled the plug. The project was recessed over the winter with the hope that there would be an improvement in the spring.

The property has recently been sold by an engineer to a reputable and highly competent mining and exploration company and we have been hoping that perhaps this company will take over the property and the contract. We cannot, of course, take any active part in pushing such negotiations. If the negotiations do not materialize, the operator will again be warned and, if he does not demonstrate his ability to make better progress, we will be forced to terminate the contract. This matter has been thoroughly discussed among ourselves and a policy decided upon.

This has been kept instead of any. on act of notes

Yes, that's knowing this why drag it out.

Please be advised in reply to question 6 that during the four months of operation, the property was visited on five different occasions. Also, please note that the project was inspected on November 9 immediately after the October report, containing a discrepancy in shaft measurements, was received. Our field staff, therefore, is more than slightly indignant to have the Iron and Ferro-Alloy Division wonder "Whether or not the Field Team visited this operation during the four months of its activity." This would appear to be an unnecessary slam at our hard-working and conscientious field men and it certainly denotes a complete lack of confidence in the Field Team.

how can we tell when no memos and have found no [illegible] on.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

The only examination memo received in Washington prior to this letter was May 26 memo received June 27, 3 weeks after our arrangement.

September report says 45'.
① The operator reported 13' of shaft sunk in August. The field man reported no sinking by September 14th. See memo Sept. 19. This discrepancy was not caught as operator reported 3 [illegible] feet [illegible] September [illegible] (dated Oct 3) [illegible] Oct 18 says shaft advanced only 24 feet [illegible] 26. Didn't catch difference then. Caught when checking October report against October examination.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
So. 157 Howard Street
Spokane 4, Washington

June 26, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 2 - 1952

Mr. Frank E. Johnson
Chairman, Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Dear Mr. Johnson:

Attached are replies to three letters from the Iron and Ferro-Alloy Division commenting rather critically on the action of the Field Team in administering the Kelly Camp, Addy Mining Company, and McLure exploration contracts. A fourth letter re the Tungsten Mining and Milling Company contract was received today. An answer is in preparation.

I am greatly disturbed because the letters seem to indicate a nearly complete lack of confidence in the Field Team. Such comments as "Will you please advise us whether or not the Field Team visited this operation during the four months of activity" can only be taken as a needless slam at our loyal and overworked field men. Actually the Kelly Camp Tungsten project was visited four times by a Bureau of Mines engineer and once by a Survey geologist, and the Addy mine was inspected on six occasions by a geologist, on four of which he was accompanied by a Bureau of Mines engineer. The Germania mine (Tungsten Mining and Milling Company) has been visited on numerous occasions by both Bureau and Survey personnel. Of the four projects in question, only on the Bear and Float claims (William McLure) have we slipped, as this project was inspected but once by a Bureau engineer and once by a Survey geologist. This is regrettable I confess, but unless we had had more help, I do not know what could have been done about it. We have many other projects besides tungsten (a total of ±95) and I do not know how we can expect more of our field men. More than a few of the inspections, incidentally, were made on week ends and holidays, a practice that because of what I consider to be unjustified criticism, is being discouraged.

I think it fair to say that we were aware of almost all the points raised in the four letters and have either solved them or are attempting to reach a reasonable solution.

I would like to ask a little more appreciation of how small our staff is and of the sheer magnitude of the task that confronts the Field Team in this region (and elsewhere, I presume). I also ask for a little more confidence in our willingness and ability to try to do the job. I also wish to remind you that quite a few man-days have gone into the preparation of the reply to the three letters--at the expense of time that is so urgently needed in the field. We have made mistakes--and so, I may point out, has the Washington staff--but by and large, I think our field crews are doing more than should be expected of them and deserve to be complimented rather than censored. Morale among our field crews has been high; with these letters it has dropped to a dangerous low, and I am much concerned.

Sincerely,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: Dwight Lemmon

Enclosures

1201 N. Division St.
Spokane 2, Wash.
June 23, 1952

MEMORANDUM

To: M. E. Volin, Member, DMEA Field Team, Region II

From: E. A. Magill, Mining Engineer, Bureau of Mines

Subject: Contract Idm-E12, Kelly Camp Tungsten, Ferry County, Wash., Docket 747 (tungsten); Letter, June 9, 1952, from Frank E. Johnson

The following comments are made in connection with questions raised in the captioned letter:

(3) Ore bins mentioned in the September 1951 report are integral with the headframe. These bins are necessary for the disposal of waste taken from the shaft.

OK? see Oct report of parenth. 2 sentence are mentioned in allotment report.

(4) A copy of the Operator's October 1951 report is attached as requested. As the error in reporting the shaft depth was immediately apparent to representatives of the Field Team, a special inspection of operations was made on November 9, 1951. A copy of a memorandum dated November 14, 1951 concerning this special inspection is enclosed.

(6) The operation has been visited by representatives of the Field Team on the following dates:

July 26, 1951 (prior to start of contract operations)
September 14, 1951
October 18, 1951
November 9, 1951
May 24, 1952 – June 27

The 6-foot lead described in Operator's September report refers to disseminated scheelite exposed in the shaft. A grab sample (EAM-152) taken on November 9, 1951 of muck between the 35 and 40 foot shaft interval contained 0.81 percent WO_3.

E. A. Magill

cc: USGS, Spokane
Wash., D.C. (2)

Docket.

400

FILE COPY
SURNAME:

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

Selfridge.

JUN 9 1952

Mr. A. E. Weissenborn
Executive Officer, DMEA Region II
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMA 747 - Tungsten
Ole Aavestrud & Charles J. Weller
Kelly Camp Tungsten Mine
Ferry County, Washington
Contract No. Idm-E12

Dear Mr. Weissenborn:

The Iron and Ferro-Alloy Division recently reviewed the subject docket and noted the following, to which it has added its comments or suggestions:

(1) The partners primarily are not mining people.

(2) The contract provided funds in the amount of $32,700 partly for sinking a 150-foot incline shaft at $50.00 a foot and driving 500 feet of drift at $30.00 a foot. Work was started in mid-July and terminated November 21, 1951, because of winter conditions. During this time a head-frame was erected and only 28 feet of 5' X 9' shaft sunk at a total expenditure of $8,288.11, equivalent to 25.3 percent of the total estimated cost of the project. The expenditure of $8,288.11 less $1,909.48 for new equipment and $1,297.80, the cost of the head-frame, leaves $5,080.83 for the cost of the shaft sinking or $181.46 a foot as a minimum. This is several times the original estimated cost.

(3) In the September report mention is made of building ore bins which were not provided for in the contract. If these were warranted under exploration, then the expenditure should be covered by an amendment.

(4) The July-August report listed 13 feet and the September report 32 feet of advance in the shaft, or a total of 45 feet. In the October report note was made that an error of several feet had accumulated in the shaft advance and that the total of units previously reported should read 13½ feet instead of 45 feet. It is impossible to see how such a large error could be made unintentionally. We do not know if the error was explained

in detail in the October report because we did not receive the narrative part for that month but received two copies for November. Will you please send a copy of the October narrative report to complete the file?

(5) The November report intimates that at least a good part of the slow progress was due to using fuse rather than electric blasting caps. The time to learn this appears excessive for persons who claim to have had, as Mrs. Aavestrud does, several years of mining experience.

In the same report the Operators discuss their difficulty with contracting the shaft but give no reason why they were not willing to contract the labor through employees of the company rather than outside contractors. Because of their labor difficulties, the cost of supervision to date has amounted to 42.8 percent of the total wages. This is excessive.

(6) Review of the contract file shows only one notation dated February 1, 1952, by the Field Team in which mention is made of a good scheelite showing in a 6-foot vein at the bottom of the shaft which was reported by the applicant in his September report. Will you please advise us whether or not the Field Team visited this operation during the four months of its activity? If so, please supply us with copies of the Field Team's reports.

The impression gained from the review of the monthly reports is that the Operators are not competent to manage an exploration project. Seemingly the exploration is warranted based upon the mention of a 6-foot vein carrying scheelite which should have been sampled in September and the assays reported in October, but it does not seem logical to carry on under conditions similar to those of last year. We believe that this matter should be discussed with the partners and some provision made for a more efficient operations. If this is impossible, it is our thought that the contract should then be terminated under Article 3 of the contract.

Sincerely yours,

(signed) FRANK M. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

J. H. Hedges

Member, Bureau of Mines (NB)

D. M. Lemmon

Member, Geological Survey (NB)

Copy to: D. M. Lemmon, USGS
R. W. Geehan, USBM
J. L. Chambers

GCSelfridge:ls 6/5/52

Copy to: Admn. Reading File
Docket
Field Team, Region 2
G. C. Selfridge
Operating Committee

CC 6/9

FILE COPY 400
SURNAME:

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

G. C. Selfridge, Chief, Iron and Ferro-Alloy Division, DMEA

June 2, 1952

F. A. Rutledge

Project progress analysis
Exploration Project Contract No. Idm-E12
Docket No. DMA 747X - Tungsten
Ole Aavestrud and Charles J. Weller
Kelly Camp Tungsten Mine
Ferry County, Washington

q. s. in R. & R.

Costs at the above project have been exorbitant and the work rate exceptionally slow. Progress in sinking the inclined shaft has averaged seven (7) feet a month. From 1 to 2 miners, 2 to 3 muckers, and a superintendent have been carried on the payroll. However, to date the cost of supervision has been 42.8 percent of the total wages:

Month	Labor	Superintendent	
August	$668.64	495.00	
September	589.50	285.00	
October	501.00	345.00	
November	48.00	225.00	
Total	$1,807.14	$1,350.00	$3,157.14

The original contract was written in two stages. The first stage included a 150-foot inclined shaft with a 150-foot drift from the bottom of the shaft. Stage II is to extend the adit 150 feet and 200 feet of additional drifting.

In 4-1/2 months, the shaft has been sunk 28 feet at a cost of $5,389.26 or $192.47 a foot*. The original estimate was $50.00 a foot for shaft work and $30.00 a foot for drifting. Other charges which include construction of a head frame and prorating of equipment purchased to be charged against the drifting bring the total expenditures up to $8,288.11 or 25.3 percent of the total funds.

The rate of advance per shift exclusive of the superintendent's time has averaged 0.60 feet per shift and 0.21 feet per man shift.

* Cost per foot for the month of October was $285.88.

F. A. Rutledge

FARutledge'lm
6/3/52

cc: Docket
F. A. Rutledge

M. E. Volin, Member, DMEA Field Team, Reg. II May 26, 1952

E. A. Magill, mining engineer, Bureau of Mines

Routine progress examination, Kelly Camp Tungsten, Ferry County, Wash., Contract I-DMA-E12, Docket No. DMA 747 (tungsten)

An examination was made of the subject property on May 24, 1952.

The operators commenced work for the 1952 season early in May, but at the time of the visit operations were shut down. This was because two men working on the shaft sinking contract had quit. The operators are attempting to find additional men in order to continue work in the shaft.

The shaft is now at a depth of 54 feet below the USBM mark on the north wall, representing a total advance of 33 feet since the beginning of the contract and an advance of 5 feet this month to date.

In the bottom of the shaft there appears to be a fault cutting across the northwest corner. Its strike is N. 40° E. with a dip of 65° west. The rock below this fault shows no scheelite, whereas that above is estimated to contain 0.5 percent WO_3.

At the time of the visit, Mr. J. E. Gilbert and his assistant were at the property examining it for the Cordero Mining Company of San Francisco. The operators hope to be able to interest this company in taking over and completing the work called for under the exploration contract. The operators are having difficulty in raising their share of the money for the exploration program.

Operations under the exploration contract have not been satisfactory to date, either as to amount of work completed or costs for completion of the work. The work done, however, has exposed a very promising showing of ore.

It is recommended that steps be taken to terminate the contract if the operators are unable to reduce their costs and speed up the work either by their own efforts or through the efforts of someone who might take over the contract. Expenditures on the project last year amounted to $8,288.11; over $5,000 of this amount is directly chargeable to the 28 feet of shaft sinking.

E. A. Magill

Orig. to files
cc: USGS, Spokane
2 cys - Wash.
EAM

A.a.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

So. 157 Howard Street
Spokane 4, Washington

March 4, 1952

MAR 10 1952

Mr. Frank E. Johnson
Chairman, Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Dear Mr. Johnson:

Enclosed in separate envelopes are two copies of the following Operator's Monthly Progress Reports:

Voucher No. 2 thru 31 inclusive, 47, 60, 61, 79, 81, 85 and copies of the voucher only for 105, 109, and 113.

If you let us know which ones are missing in addition to this group, we will be glad to supply them to you.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosures.

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : R. E. Volin DATE: Nov. 14, 1951

FROM : E. A. Magill

SUBJECT: Special examination of Kelly Camp Tungsten Mine, Ferry County, Wash., under Contract I-DMA-F12

A special examination of the Kelly Camp Tungsten Mine was made on November 9, 1951, to check the depth of the shaft which they are sinking under Contract I-DMA-F12.

At the time of the last routine examination on October 18, 1951, the shaft was at a depth of about 45 feet. Exact measurement was impossible due to an estimated 10 feet of muck and water in the bottom. This 45-foot depth, however, represented an advance of only 26 feet since the beginning of the project inasmuch as the shaft was already sunk (at the beginning of the project) to a depth of 21 feet as measured by T. E. howard of the Bureau of Mines on July 26, 1951.

The operators submitted a report for October 1951 which showed a total advance in the shaft as of October 31 of 52-1/2 feet. This depth obviously was not correct, so a visit was made to the property on November 9, 1951, to take check measurements. On that date the shaft measured (from the cross mark chiseled on its north wall by T. E. Howard) 45 feet to the top of the unmucked round in the bottom. From the operators it was learned that this round was the first one shot this month. This round also represents the first round made by two miners on a contract basis ($30 per foot for labor) as provided for in Amendment No. 2 of the contract. The contract miners stated that when they had commenced work (in November) the shaft was 42 feet deep.

The monthly progress report was returned to the operators and they were told to fill it out correctly. The monthly report also showed 47 man shifts plus the superintendent against 7-1/2 feet of shaft sinking in October. Part of this labor had been used in necessary construction of sheds over the compressor and hoist. The operators were told to fill out their report showing the correct disposition of their labor and that a recommendation would be made for an amendment to the contract to cover this labor cost.

The operators were further advised that their costs on the project had been very high for the amount of work done. In the future it is hoped by sinking the shaft on contract to bring these costs down to a more realistic figure.

At present the bottom of the shaft has a very good showing of scheelite. It is estimated that it may run up to 0.5 percent WO_3. A muck sample was taken for check.

Subject: Special examination of Kelly Camp Tungsten Mine, Ferry County, Wash., under Contract I-DMA-E12 11/14/51

It is recommended that an amendment be made to the contract to allow the operators to charge the labor against the sheds.

It is further recommended that a close check be kept both on the operators' reports and their progress under the contract. I believe that the operators thoroughly understand that the Government will not tolerate any errors in measurement or misplacement of wage allocations in the future, whether such mistakes are intentional or not.

cc: USGS, Spokane

E. A. Magill

KELLY CAMP MINERS
ROUTE 1 - BOX 254
REPUBLIC, WASHINGTON

November 12, 1951

Department of the Interior
U. S. Bureau of Mines
1201 North Division Street
Spokane 2, Washington

Re: Contract I-BM-14

Dear Sirs:

We submit herewith our monthly report of progress and expenditures for the month of October, 1951.

We encountered several adverse conditions this month and our progress was slowed up considerable. The unusually rainy weather kept our shaft producing a lot of water which we were not equipped to handle.

What with the rain, near zero temperature, our fuses leaving us with a lot of misfired holes and our miner leaving early in the month, we were considering closing down for the winter unless we could let the job by contract. As of this date we have an amendment to our contract permitting us to let the job to two contractors.

With little headway being made in the shaft the muckers worked part time housing in the compressor and hoist and making things ready for winter.

May we have another amendment to our contract to provide for this work and for the truck driver that hauled the gas and necessary material up to them?

Anticipating the needs for this contract and in view of the likelyhood of our road being closed to loaded trucks at any time now, we ordered enough powder, gas, etc. to carry us through phase 1 of our contract. Considerable time was put in getting prepared for winter work. Most everything has been exposed to the weather up until now. We also bought a sump pump which was provided for in our last amendment. The sum of $250.00 was allowed. By the time we got a pump at $285.00 and added the cost of suction and discharge hose to this together with 2" discharge pipe we were above the $250.00 allowance. We have absorbed this additional cost ourselves.

Yours truly,

KELLY CAMP MINERS

By Chas. L. Weller

U. S. BUREAU OF MINES
RECEIVED
NOV 23 1951
SPOKANE, OREGON

FILE COPY
SURNAME:

410

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

F.L. Knouse
F.E. Johnson

OCT 31 1951

Contract Service Section
General Accounting Office
4th Floor - New GAO Building
Washington 25, D. C.

Re: Docket No. DMA 747
Kelly Camp ~~Tungsten~~
Snoose Mining Company
Exploration Project Contract I-DMA-12

Gentlemen:

There is enclosed the original of Amendment No. 2 dated October 22, 1951, to the captioned Exploration Project Contract which should be attached to the original contract previously sent to you.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director
Production Expansion Division

Enclosure

10/29/51
FLKnouse/meb

cc to: Admr's Reading Files
Reports and Records
Messrs.Mittendorf/Olund
Mr. Knouse
Docket

FILE COPY
SURNAME:

410

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

OCT 31 1951

Contract Service Section
General Accounting Office
4th Floor - New GAO Building
Washington 25, D. C.

Re: Docket No. DMA 247
Kelly Camp Tungsten
Snoose Mining Company
Exploration Project Contract I-DMA-12

Gentlemen:

Enclosed is a copy of Amendment No. 1, effective date September 1, 1951, to the captioned Exploration Project Contract which should be attached to the original contract previously sent to you.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director
Production Expansion Division

Enclosure

10/29/51
FLKnouse/meb

cc to: Admr's Reading Files
Reports and Records
Messrs.Mittendorf/Olund
Mr. Knouse
Docket

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO: M. E. Volin

DATE: ~~August~~ October 29, 1951

FROM: E. A. Magill

SUBJECT: Progress examination of Kelly Camp Tungsten Mine, Ferry County, Wash., under Contract I-DMA-E12.

The Kelly Camp Tungsten mine was visited on October 18, 1951, to inspect progress under approved DMA contract I-DMA-E12.

At the time of the visit there were two men working (including Mr. Aavestrud) on construction of a woodshed for the camp.

Work in the shaft was shut down with 10 feet of water and muck in the bottom. The shaft has reached a depth of about 45 feet, which represents an advance of 24 feet since July 26, 1951.

Since the contract has been in effect the operators have constructed a head frame (partially of native timber) along with a waste and ore pocket. A shed has been constructed over the hoist and air compressor. A small ore bin has been constructed about 35 feet from the head frame to take any ore produced from the exploration work.

Equipment installed includes a Jaeger hoist, friction type, driven by a 4 cyclinder Wisconsin air-cooled gasoline engine. They have a 105 cfm gasoline driven compressor and are using a Swedish jackhammer and jackleg with integral steel; they also have a conventional 55# jackhammer.

The operators have had difficulty with labor in shaft sinking and requested that they be allowed to contract the shaft sinking. They also requested authorization to purchase a pump to handle the seepage water which has been encountered in the shaft.

An amendment (No. 2) to their contract was written which authorized the purchase of a sump pump, cost not to exceed $350, allowance for contract sinking, rates not to exceed like work in the district, and the one year time limit was changed to read twelve operating months.

These changes to the contract should allow the operators to proceed at a satisfactory rate.

Unless the operators are able to find someone to take a contract on the shaft sinking during the winter, undoubtedly the project will be shut down until spring.

E. A. Magill

cc: USGS, Spokane
E.A.M.
Files

OFFICE OF THE ADMINISTRATOR

DEF[redacted]E MINERALS
AD[redacted]STRATION
WASHINGTON, D. C.

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

OCT 26 1 37 PM '51

So. 157 Howard Street
Spokane 4, Washington

Mr. Johnson

DEPARTMENT OF THE INTERIOR
RECEIVED
OCT 2 6 1951
Defense Minerals Administration,
Production Expansion Division.

October 23, 1951

DMA-747

Mr. C. O. Mittendorf, Director
Production Expansion Division
Defense Minerals Administration
Washington 25, D. C.

Re: Kelly Camp Tungsten 1-DMA-12
Snoose Mining Company Idm-E120

Dear Mr. Mittendorf:

Enclosed are three copies each of amendments to the subject contracts. Additional copies have been distributed to the operators, Regional Fiscal Officer, and DMA field office.

Sincerely yours,

A. E. Weissenborn KG

A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosures

C
O
P
Y

DEPARTMENT OF THE INTERIOR
RECEIVED
OCT 25 1951
Defense Minerals Administration,
Production Expansion Division.

UNITED STATES
DEPARTMENT OF THE INTERIOR
Bureau of Mines

1201 N. Division Street
Spokane 2, Wash.

October 19, 1951

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division, Defense Minerals Administration

From: DMA Field Team, Region II

Subject: Contract amendments I-DMA-E18, I-DMA-E12, Idm-E60, I-DMA-E102, and Idm-E160

Enclosed for appropriate distribution are three copies each of the subject contracts. Copies of these amendments have been forwarded to the DMA Fiscal Officer, Region II, and to the companies concerned.

By Field Team, Region II

/s/ A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)

Glen C. Reed /s/

Glenn C. Reed
For: M. E. Volin, Member
(U. S. Bureau of Mines)

CSM

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

No. 157 Howard Street
Spokane 8, Washington

September 14, 1951

Commodity: Tungsten

Memorandum

To: A. E. Wilcomburn, Executive Officer
DMA Field Team, Region II

From: C. H. Prendel, Geologist, U.S.G.S.

Subject: Visit to Kelly Camp property, Ferry County, Washington, DMA docket 7[illegible]

Summary of Field Investigation.

This property was visited on September 14, 1951 in order to determine the applicant's progress in their exploration project. The applicants were granted an exploration loan in July 1951. The mill approximately six miles by road south of the property was also visited. The DMA examiner reports satisfactory progress.

The applicants have completed a head frame and installed a hoist and bucket at the inclined shaft in the northeastern part of the workings. The shaft has been cleaned out to a total depth of 28 feet and sinking will be started when rails can be purchased for a crew loading trenchel over the road adjoining the ore pile. The bearing of the shaft is N. 63° E.

About ten tons of ore has been taken from a pit 40 feet northwest of the shaft and hauled to the mill for test runs. The hardness of the hornblende-rich tactite will necessitate installation of a larger crusher in the mill. The present mill heads contain considerable chalcopyrite and the applicants are now investigating a method of separating this sulfide from the scheelite concentrates. The hornblende-rich tactite which carries most of the chalcopyrite, is now stockpiled at the mill.

The applicants using a 120 cu. ft. compressor report that they will sink the shaft on the ore zone in the adit level provided the zone carries scheelite and is not cut off by granite.

FILE COPY
SURNAME:
140

Koontz
Hofflund
Schroeder

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

AUG 31 1951

a. E. C.

Mr. A. F. Weissenborn
Executive Officer, DMA
Field Team, Region II
So. 157 Howard Street
Spokane 4, Washington

Dear Mr. Weissenborn:

Reference is made to your letter of August 15 with respect to the request for an assignment of moneys payable under the exploration contract of Aaxsmith & Weller operating as the Kelly Camp Tungsten project (DMA-747x).

Consent to the assignment is hereby given, and the enclosed copy of this letter may be furnished to the State Bank of Republic, Washington, as evidence of such consent. In executing this assignment the parties to it should conform with the provisions of the Assignment of Claims Act (31 U.S.C. 203, as amended by Public Law 30, 82nd Cong., 1st Session).

The letter of the State Bank of Republic, transmitted with your letter of August 15, is returned.

Sincerely yours,

not stripped in R. + R

W. C. SCHROEDER

Acting Administrator

Enclosures 2
CJKoontz/bjl
written 8/31/51

Copy to: Administrator's Reading File
C. J. Koontz
J. L. Hofflund
C. O. Mittendorf
Chron.
Pending
Reports & Records Br.

400

FILE COPY
SURNAME:

Blakemore
Mittendorf

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

August 23, 1951

G. L. C.

MEMORANDUM

To: General Counsel
Defense Minerals Administration

From: C. O. Mittendorf, Director
Production Expansion Division

Subject: Docket DMA 747X, Tungsten
Aavestrude & Weller
Republic, Washington

Attached are letters from:

A. E. Weissenborn, August 15, 1951
State Bank of Republic, August 13, 1951

Please prepare an appropriate answer in regard to the advancement of funds by bank to Operator, in anticipation of assignment of Governmental Participation when and as paid to Operator.

Attachments-2

C. O. Mittendorf (JAV)

PBBlakemore/meh
cc to: Reports and Records
Mittendorf, Olund
Blakemore
Docket
(Johnson's project handled by P. B. Blakemore in his absence.)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

So. 157 Howard Street
Spokane 4, Washington

Air Mail

August 15, 1951

Ans. 8/31/51
C. Mittendorf

Mr. C. O. Mittendorf
Production Expansion Division
Defense Minerals Administration
Washington 25, D. C.

Dear Mr. Mittendorf:

I am enclosing a letter from the State Bank of Republic. I do not feel that I am in a position to give the information which they ask. Briefly, Aavestrude & Weller are operating the Kelly Camp Tungsten project, (DMA-747x). They find it necessary to get an advance from the bank. What steps are necessary to obtain authorization to do this under the DMA contract, and who has the power to give this authorization? I would appreciate your advice on this as soon as possible.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosure

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 2 2 1951

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane 4, Washington

August 15, 1951

Mr. Alvin E. Kelly
Executive Vice President
State Bank of Republic
Republic, Washington

Dear Mr. Kelly:

I have your letter of August 13 referring to a possible assignment to cover advance of funds that Messrs. Aavestrude and Weller may require in operating their property under the DMA exploration contract.

I see no reason why Messrs. Aavestrude and Weller should not be able to get assistance from the bank along the lines that you mentioned, and I believe that such an arrangement can be easily worked out. However, I do not believe that I am empowered to grant such authorization. I am forwarding your letter airmail special delivery to the Defense Minerals Administration in Washington and am requesting them to advise me immediately of the steps that must be taken to permit you to give Messrs. Aavestrude and Weller this assistance.

This is the first time that this particular issue has been raised. I suspect that we will have many more inquiries of this nature and I am glad that you have written me this letter so that the matter can be cleared up now.

I have requested an early reply and should have one from [redacted] in a short time so that [redacted] be inconvenienced.

Payment is made by the U.S. Bureau of Mines Fiscal Officer in Albany, Oregon, after the monthly progress report has been approved in this office. Assuming that the monthly progress report (Form MF-104) is properly filled out, the Fiscal Officer should be able to make payment in a relatively short time.

I appreciate your interest in this matter, and will advise you further at the earliest possible moment.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

cc: U.S.B.M., Spokane
C.O. Mittendorf

Mr. Lee

410 FILE COPY
SURNAME:

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

FE Johnson
Mittendorf

July 24, 1951

a.E.C.

Mr. Frank McAtee, Jr.
Contract Service Section
General Accounting Office
4th Floor - New GAO Building
Washington 25, D. C.

Re: Docket No. DMA-747
Ole Aavestrud and Charles J. Weller
Kelly Camp Tungsten Mine
Exploration Project Contract
No. I-DMA-E12

Dear Mr. McAtee:

Enclosed for recording in your office is the original of the executed Exploration Project Contract between the Operator named in the above reference and the Government of the United States.

In lieu of the subordination agreement are attached to the contract copies of Escrow Instructions No. 226 and Consent for Release of Escrow.

Sincerely yours,

C. O. Mittendorf 7/27

C. O. Mittendorf, Director
Production Expansion Division

Enclosure (1)

FEJohnson/ecl

cc to: Admr's. Reading File
Messrs. Mittendorf - Olund
Reports & Records
Holderer
Thayer
A. E. Weissenborn, Reg. II (2)
Miss Terry
Johnson

DMA file

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane 4, Washington

July 16, 1951

Mr. Landon F. Strobel
Executive Secretary
Defense Minerals Administration
Department of Interior
Washington 25, D. C.

Dear Mr. Strobel:

Enclosed is the original and two copies of the completed contract I-DMA-E 12, Kelly Camp Tungsten, Docket DMA-747.

A release from escrow, by Ben Copper, (administrator of the estate of Denny Wood deceased) of a contract to purchase the Kelly Camp Tungsten claims is attached, which places the title of the property in the hands of Charles J. Weller and Ole Aavestrud. The subordination agreement requested for completion of the contract is not now required.

Very truly yours,

Elton A. Youngberg

Elton A. Youngberg
For: A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 20 1951
LANDON F. STROBEL
Executive Secretary

Mittendorf

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane 4, Washington

DMA 747X
Tungsten

July 2, 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 6 - 1951
LANDON F. STROBEL
Executive Secretary

Mr. C. O. Mittendorf
Production Expansion Division
Defense Minerals Administration
Department of Interior
Washington 25, D.C.

Dear Mr. Mittendorf:

I have received the 3 copies of the Kelly Camp tungsten contract with the additional 3 to be signed.

I asked Mr. Weller to come in to see me last week concerning the Subordination Agreement, and at my suggestion he made another attempt to persuade Mr. Ben Cooper, the administrator of the estate which owns the Kelly Camp property, to sign the agreement. Mr. Cooper has refused to do this.

Mr. Weller states that there is about $4,600 still due on the property, and Mr. Cooper has told him that he is anxious to settle the estate and would give a clear title on payment of half the amount due. Mr. Weller believes that he may be able to raise this money and thus obtain clear title. This appears to be the only possible solution.

I am enclosing a copy of a letter I have written him.

Sincerely,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosure

cc: U.S. Bureau of Mines
Spokane, Wash.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane 4, Washington

July 2, 1951

Mr. Charles J. Weller
Coulee City
Washington

Dear Mr. Weller:

I have received the Kelley Camp contract with the following note:

"The copies of the Escrow Instructions enclosed in your letter of June 12, 1951, cannot be used in lieu of the Subordination Agreement, and therefore it will be necessary to obtain these latter documents before disbursement may be made of the Government's share of the cost."

I presume that there has been no change in Mr. Cooper's attitude since our conversation of last week and that it will not be possible for you to obtain the Subordination Agreement. However, if, as we discussed last week, you can obtain full title to the property by payment of the amount still due, the Subordination Agreement would, of course, not be required.

There are some additional copies of the contract still to be signed, which should be signed as soon as possible.

Please let me know what you can work out on the matter. You have 30 days from June 19 to start work on the project.

Sincerely yours,

A. E. Weissenborn
Executive Officer, [illegible]
Field Team, Region II

cc: U.S. Bur. Mines
Spokane, Wn.
C. G. Wittenbert

FILE COPY
SURNAME:

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

June 27, 1951
Air mail

Mr. A. E. Weissenborn
Executive Officer
DMA - Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMA-747 (Tungsten)
Kelly Camp Tungsten
Exploration Project Contract

Dear Mr. Weissenborn:

Reference is made to your letters of June 12 and 20, 1951, concerning the Subordination Agreement for the captioned project.

The copies of the Escrow Instructions enclosed in your letter of June 12, 1951, cannot be used in lieu of the Subordination Agreement, and therefore it will be necessary to obtain these latter documents before disbursement may be made of the Government's share of the cost.

In this connection, we are enclosing an original and five copies of Exploration Project Contract No. I-DMA-E12, dated June 19, 1951, with Exhibits and maps for the captioned project, which has been approved, subject to obtaining copy of the purchase contract covering the property and Mortgagor's Subordination Agreement executed by the Seller of the property.

It will be necessary to have Mr. Weller sign three copies of the contract to conform with the original and two copies previously signed by him, viz.:

Charles J. Weller
Business Agent for
Aavestrud and Weller, Owners

It will also be necessary to have Mr. Ole Aavestrud sign the original and five copies of the contract under the signature and title of Mr. Weller.

When you have obtained the signature on the original and all copies of the contract as mentioned above and have obtained the copy of the purchase contract as well as the Mortgagor's Subordination Agreement, you should return the original and two copies of the contract with attached Exhibits, maps and Subordination Agreement, and the copy of the purchase contract to this office. One copy of the contract and attachment should then be given to the Operator. This will be his authority to proceed with the project. One copy with attachments should be sent to the Finance Officer, Bureau of Mines, for your Region and the other complete copy retained for your files.

The Operator should be requested to notify you when he intends to start work so that you can arrange to visit the property at that time or shortly thereafter.

If you have any questions regarding the foregoing, please do not hesitate to call on me.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

FEJohnson/ecl

cc to: Messrs. Mittendorf - Olund
Strobel
Lyon
Rove
Moon
Johnson
F I L E S

APPROVED:

Chairman, Coordinating Committee

Member, Bureau of Mines

Member, Geological Survey

FILE COPY
SURNAME:

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

June 25, 1951

Memorandum

To: C. O. Mittendorf

From: J. L. Hofflund

Subject: Kelly Camp Tungsten - Exploration Contract
Docket No. DMA-747

This office has reviewed the contract in the above-styled case and finds it in satisfactory form for execution subject to our obtaining a copy of the purchase contract covering the property and a subordination agreement (mortgagor's form) executed by The Seller.

After execution of the contract the effective date should be inserted, but the contract should not be delivered until it is signed by Ole Aavestrud, the partner of Weller, the present signer, in the subject partnership.

Your file on the case is returned herewith.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachments

RRGuthrie:ds
Copies to: L. F. Strobel
J. L. Hofflund
R. R. Guthrie
Chron.
Files

Docket 747

747

WASHINGTON

FERRY COUNTY

February 1, 1952

Kelley Camp Tungsten, Idm-E12, Tungsten

75-25 of $32,700.00

One year.

The work on this exploration includes sinking an inclined shaft 150 feet on a tungsten-bearing vein from which 150 feet of drift will be driven.

The operator has had considerable difficulty in sinking the shaft. Progress has been slow and costs excessive. Work has been stopped until spring. A good showing of scheelite in a 6-foot wide vein is exposed at the bottom of the shaft.

FILE COPY 400
SURNAME:

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

FE Johnson
Mittendorf

DEC 7 - 1951

Mr. A. E. Weissenborn
Executive Officer, Region II
DMEA Field Team
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMA 747 - Tungsten
Ole Aavestrud & Charles J. Weller
Kelly Camp Tungsten Mine
Contract No. I-DMA-E12

Dear Mr. Weissenborn:

This will acknowledge receipt of your letter of November 26, 1951, enclosing the original and two copies of the Field Team approval of subcontract for a portion of the work to be performed under the subject contract. These copies will be attached to the copies of the contracts held in Washington.

In reviewing our files we do not find any copies of the Monthly Progress Reports for this project. As you know, two copies of all Progress Reports should be forwarded to this office after approval.

Sincerely yours,

C. O. Mittendorf (for) 12/7

Acting Administrator
Defense Minerals Exploration
Administration

FEJohnson/meh
12/4/51
cc to: Adm. Reading File
Reports and Records
Mr. Mittendorf
Mr. Johnson
Mr. Selfridge
Region II
Docket

BL

Exhibit D

Total labor cost is included in the price per foot of sinking and drifting.

2 miners $13.50
4 muckers @ $12.00 per day
1 superintendent @ $15.00 per day.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 4 - 1951
LANDON F. STROBEL
Executive Secretary

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

So. 157 Howard Street
Spokane 4, Washington

Air Mail

June 20, 1951

Memorandum

To: Mr. P. R. Bradley, Chairman, Tungsten Commodity Committee, DMA, Washington 25, D. C.

From: A. E. Weissenborn, Executive Officer, DMA, Field Team, Region II

Subject: Kelly Camp Tungsten Project, DMA docket 747.

I am enclosing a copy of a letter from Mr. Ben Cooper, which is self-explanatory. Mr. Cooper claims that because this is a contract sale which is held in escrow in the First National Bank in Spokane he does not believe that it will be necessary for him to sign the Landlord Subordination Agreement. As far as we can determine from reading the contract, which I believe was already sent in to you, there is actually no lien on the property. Title does not pass to the Kelly Camp Tungsten organization until the full amount specified in the contract is paid, but there appears to be no penalty for failure to pay except that the interest must be paid on the unpaid balance. Could we have your opinion in this matter?

A. E. Weissenborn
A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosure

cc: U.S.B.M., Spokane

Defense Minerals Administration
RECEIVED
JUN 22 1951
LANDON F. STROBEL
Executive Secretary

COPY

Reardan, Washington
June 1, 1951

Charles J. Weller
Coulee City,
Washington

Dear Mr. Weller:

I am returning the enclosed papers to you because I don't have the authority to sign them thus involving all the heirs of this estate. Furthermore this does not pertain to us since this is a contract sale and not a lease. Sorry not to be able to help you out on this.

Sincerely yours,

Ben Cooper, Administrator

Defense Minerals Administration

Notice of Applicable for Exploration Assistance

For approval

Docket No. &$&*X 747-x

Commodity Tungsten

Total Amount $33,700.00

Govt. Participation $25,275.00

1. Name and Address of Applicant Kelly Camp Tungsten (Aavestrud and Weller)

Republic, Washington

2. Location of Property Annex, Kayo, Dutchman, Georgia, Winner claims in

Eureka Mining District, sec. 9, T. 38 N., R. 32 E., W M, Colville National

Forest, Ferry County, Washington

3. Mineral or metal Tungsten (scheelite) Is it listed in Section 9 of MO-6?

If not, application will be rejected.

4. Geologic probability of discovery based on data in application (question #10, 17, 18, 20 and 22).

Mines or Survey reports etc., do you rate chances:

a) Good Good for small tonnage

b) Poor

c) None

d) Don't know - need field examination Field examination made.

e) Is there an alternative and favorable project? No
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes
(question 5, 6, 7)

6. If applicant is a lessee, is a copy of the lease attached?

Purchase contract ; not attached .

Does the lease have sufficient time to run to cover a future productive period?

(Question numbers are those of MF-10)

7. Are subordination agreements necessary? Yes

a) WF-201? Yes

b) WF-202 Yes

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(question 14 plus general knowledge of availability)

c) Accessibility (question 12) Yes

d) Water (question 13) Yes

e) Power (question 13) Yes (fuel oil)

Is a field check needed on any of these points? No

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4) Yes

Is a field check needed on this point? No

10. Exhibit A. (questions 21 and 22)

a) Is the project adequately described? Yes

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? Yes

c) Is the proposed work "exploration" under the definition of Section 8, WD-5? Yes

If not, what part of it is? _____

[illegible]

c) [illegible] Yes

[illegible] on page 2 of Procedural Instruction 5-A,

Does the [illegible] Yes. If so, attach a draft.

d) Are the [illegible] Yes

e) Should [illegible] be requested from applicant? No

f) Is a field [illegible] necessary to complete Exhibit A? No -- made exam.

11. Exhibit B (questions [illegible])

a) Is it applicable? Yes

b) If so, are [illegible] Yes If so, attach a draft.

attached

c) Is a field check needed? Made.

12. Exhibit C (questions [illegible], f and g)

a) Is it applicable? Yes

b) Devices and rates? Yes If so, attach a draft.

Draft attached.

c) Are [illegible] Yes. Purchase of 3,500 watt

d) Is a field check needed? electric light plant for $1,000 hardly seems necessary.

13. Exhibit D (questions [illegible])

a) Are [illegible] Yes

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? No

24. Subject to (specify):

a) Legal authorization: No

b) Sufficient bids:

c) Personnel:

d) Funds about valid:

25. In your judgment, can the proposed work be done in the proposed year? Yes

(All explorations must be completed within one year.)

26. If board of [illegible] is [illegible], [illegible] your recommendation.

27. If field examination is needed, do you have any special instructions for the field team and [illegible] to the foregoing questions? The field team, Region II, Spokane examined the property and recommended exploration (attached letter from Weissenborn, May 31, 1951).

It is recommended that the project be approved as laid out, with the exception of the purchase of an electric light plant for $1,000. The project is to be undertaken in 2 stages. The second stage will not be undertaken unless and until the first stage is successfully completed.

The total maximum expenditure authorized then will be $32,700.00, the Government's share of which will be $24,525.00.

Have requested Weissenborn to set MZ-103 made up and set subdivision agreement.

Tom Lyon

Prepared by: Dwight M. Lemmon

Dwight Holderness Deda

P. R. Bondeff

Date June 12, 1951

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane, Washington

May 31, 1951

Mr. L. F. Strobel
Executive Secretary
Defense Minerals Administration
Department of Interior
Washington 25, D. C.

Dear Mr. Strobel:

Enclosed you will find letter recommending consideration for an exploration loan be given to the Kelly Camp Tungsten prospect (DMA No. 747) rather than for a production loan. The original docket material plus completed exploration project contract and geologic maps are attached.

Will you kindly turn this information over to the Tungsten Commodity Committee.

Very truly yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosures

cc: U.S.B.M.-Spokane

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 4 - 1951
LANDON F. STROBEL
Executive Secretary

Not used

Exhibit A

Step 1

Deepen inclined shaft (now about 15 feet deep) at point x on map to 150 feet or less if granite contact is reached at shallower depth. Shaft to follow ore zone. Cost: 150' @ $50--$7,500

Drift from bottom of shaft to NE and E along strike of structure containing the scheelite for a maximum distance of 150 feet or until the granite contact to the east is reached.

This program is to test the downward extension of ore exposed in shallow trenches on the surface.
Cost: 150' @ $30--$4,500

Step 2

Extend lower adit an estimated 150 feet to main granite contact. Drive 200 feet of drift along favorable structures if they are encountered. Cost: 350' @ $30--$10,500

Exhibit B

Headframe for inclined shaft $1,000

Exhibit C

Rented--none

Purchased

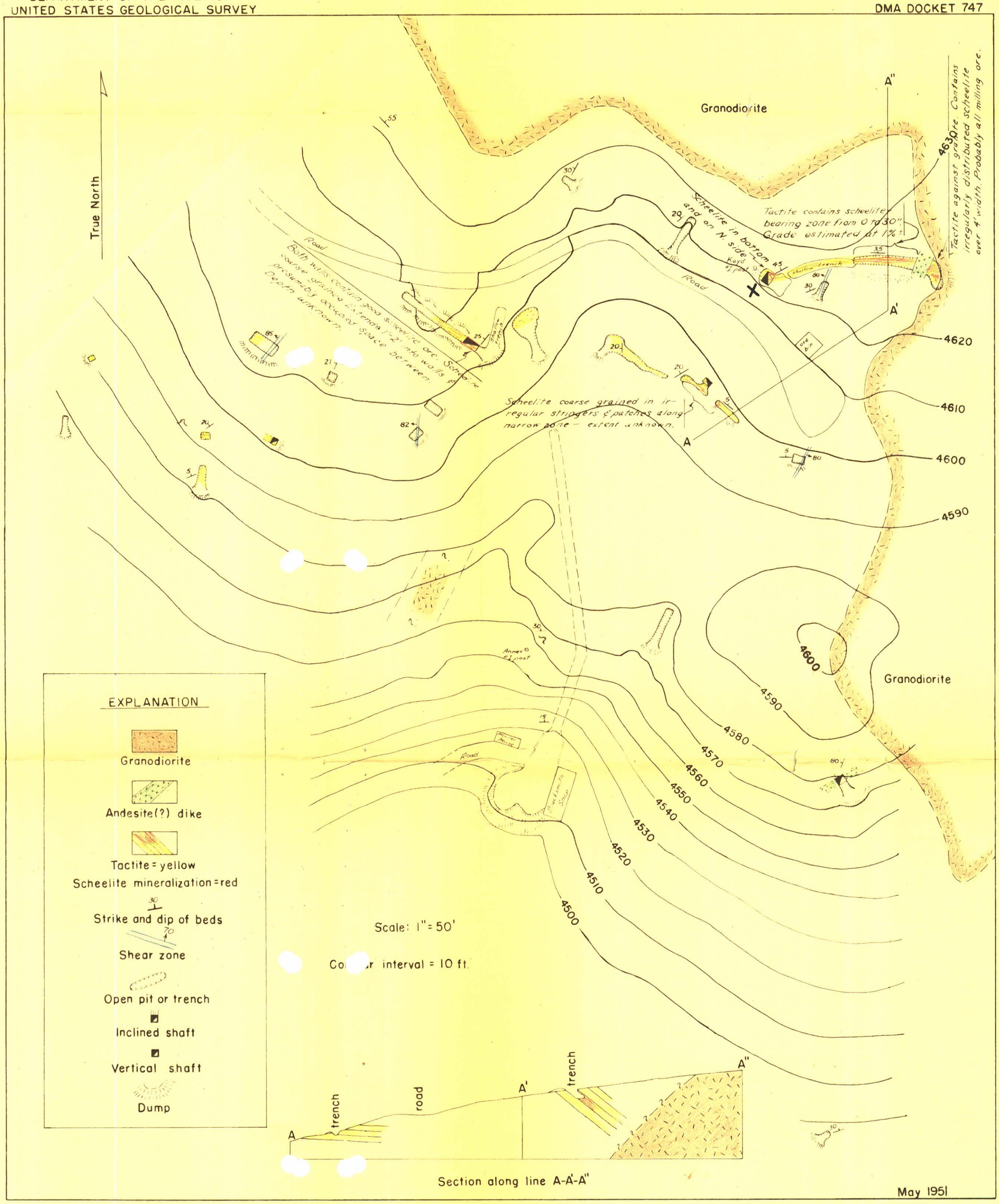
1 air drill or drifter, hose & attachments	$1,000.00
1 hoist and bucket for inclined shaft	2,500.00
1 air receiver	150.00
1 50 gallon water pressure tank	75.00
1 rail bender	75.00
1 3,500 W light plant unit	1,000.00
1 chain saw for timber	400.00

Furnished by operator at fair rental

1 Sullivan portable compressor (110 cu. ft.) $200 per month for 12 months	2,400.00
1 jackhammer (Sullivan 57) @ $25.00 per mo.	300.00
1 pickup truck (Ford, 1950, 3/4 ton) @ $150 per month	1,800.00

DEPARTMENT OF THE INTERIOR
UNITED STATES GEOLOGICAL SURVEY

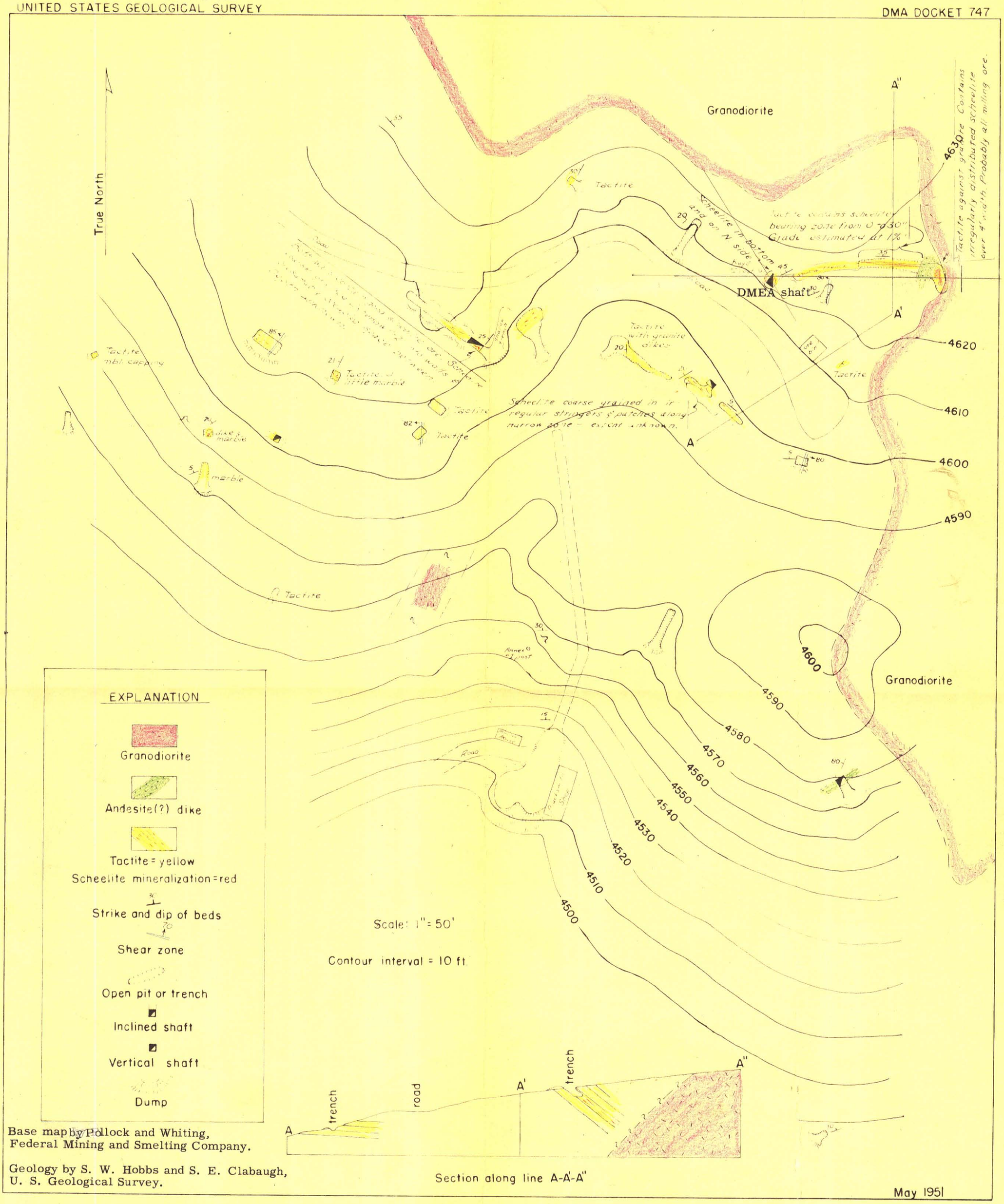
DMA DOCKET 747



KELLY CAMP PROSPECT, FERRY COUNTY, WASHINGTON

DEPARTMENT OF THE INTERIOR
UNITED STATES GEOLOGICAL SURVEY

DMA DOCKET 747



Base map by Pollock and Whiting, Federal Mining and Smelting Company.

Geology by S. W. Hobbs and S. E. Clabaugh, U. S. Geological Survey.

May 1951

KELLY CAMP PROSPECT, FERRY COUNTY, WASHINGTON