Building 20 - Federal Center
Denver 25, Colorado

November 2, 1962

EXTRA COPY
RECEIVED
O. M. E.

800

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: BMEA-2517 (Lead-Zinc)
Contract No. Idm-E413
Defender Mining Company, Partnership
(Blue Eagle claim)
Custer County, Colorado
EXPIRATION OF BMEA ROYALTY

The subject contract's royalty expiration date was September 10, 1962. Today I called Bud Franz, State Mine Inspector, who looked up his records on this property and he informed me that according to their records no work has been done on the property since 1955. His deputy inspector goes by the property at least once every two months and he reports no activity. I have no knowledge of any work being done on this property and I recommend that the files be closed on this contract without a field inspection. It is my belief that the $219.44 in royalty which has been paid during the certification period, is the correct amount of royalty due the Government and that no ore or concentrates have been shipped from the property on which royalty has not been paid the Government.

This property is not along routes we usually take in our inspections of other properties and I doubt if the additional expense of making a final inspection is justified.

Original signed by

Hugh M. Connors

MAY 25 1959
O.M.E.

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, OME Field Team, Region III, Denver, Colorado, pertaining to Contract Idm-[illegible], Docket No. DMEA 2517 (Lead-Zinc) dated September 10, 1952, with

Defender Mining Company, (Partnership)
c/o E. L. Stacy
Silver Cliff, Colorado

for the purpose of determining the amount of royalties due the United States Government on the sale of Lead-Zinc ores and Concentrates produced from the Blue Eagle Claim located in Custer County, Colorado, during the period September 10, 1952, through May 6, 1959.

The status of the project, scope of the review and reasons therefor are stated on page 2.

My review established the total sales of ores and concentrates for this period to be $4,779.10. (See Schedule No. 1 attached.) Royalty due the United States Government at the contract rate of 1½ to 5 percent is $219.44. The royalty paid and the balance due are as follows:

Total Royalty Due	$219.44
Total Royalty Paid	219.44
Balance of Royalty Due	$ 0.00

May 21, 1959

Donald T. Finch
Donald T. Finch
OME Auditor

[illegible] MINING COMPANY, (PARTNERSHIP)

CONTRACT NO. I4s-[illegible] DOCKET NO. [illegible] 2517

STATUS OF THE PROJECT, DESCRIPTION OF REVIEW AND REASONS THEREFOR

The exploration work was completed in April, 1953. A Certificate of Discovery or Development was issued April 17, 1953. A Report of Review in lieu of Final Audit dated April [illegible], 1953, indicates accepted cost of $4,799.64, with Government participation on a 50 percent basis being $2,399.80. Under the terms of the contract royalty is payable on any minerals mined or produced from the land described in Article 2, for a maximum period of 10 years from the date of the contract.

Semi-annual reports of inspection by examining engineers, United States Bureau of Mines, indicate property has been inoperative since 1953.

My review included a tabulation and recomputation of all ore or concentrate settlement sheets in the files of the Executive Officer, GSS Field Team, Region III, for the period September 10, 1958, through May 6, 1959, reconciliation of all royalty paid with GSS Finance Office, Denver, Colorado.

The review was made in lieu of an on-site audit of the producer's accounts for the following reasons:

(a) All reported sales were adequately supported by copies of liquidation settlement sheets.

(b) The examining engineer is of the opinion all sales of production are accounted for.

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

Schedule No. 1

REPUBLIC MINING COMPANY, (PARTNERSHIP)

CONTRACT NO. I4n-M13 | MOCKEY NO. BMRA 2517

SUMMARY OF PRODUCTION, SALES AND ROYALTY
PERIOD SEPTEMBER 10, 1958, THROUGH MAY 6, 1959

Ore Sales to Resurrection Mining Company

Gross Weight, Pounds		247,560	
Less: Moisture Content, Pounds		12,429	
Dry Weight, Pounds		235,131	
Dry Weight, Tons		117.5655	
Gross Value Net of Treatment Charge		$1,729.50	
Allowable Deductions			
Haulage	$ 618.91		
Transportation Tax	18.57		
Assay Fees	18.00		
Sampling	7.50	662.98	
Net Value Subject to Royalty			$1,066.52
Average Value per Ton $9.07			
Average Royalty Percentage 3.17%			

Lead Concentrates sold to American Smelting & Refining Co.

Gross Weight, Pounds		37,460	
Less: Moisture Content, Pounds		2,113	
Dry Weight, Pounds		35,347	
Dry Weight, Tons		17.6735	
Gross Value, Net of Treatment Charge		$2,112.97	
Allowable Deductions			
Haulage	$ 110.70		
Switching Charge	15.57		
Assay Fees	5.00		
Sampling and Umpire Charges	10.00		
Frozen Ore Charges	14.00	155.27	
Net Value Subject to Royalty			$1,957.70
Average Value per Ton $110.77			
Royalty Percentage 5%			

DEFENDER MINING COMPANY, (PARTNERSHIP)

Lead concentrates sold to American Smelting & Refining Co.

Gross Weight, Pounds	62,400	
Less: Moisture Content	3,557	
Dry Weight: Pounds	58,843	
Dry Weight: Tons	29.4215	
Gross Value Net of Treatment	$1,765.88	
Allowable Deductions		
Assay Fees	11.00	
Net Value Subject to Royalty		$1,754.88
Average Value Per Ton $59.65		
Royalty Percentage 5%		

Semi-annual Inspection report indicates estimated ore tonnage in concentrates at 400 tons.

Total Value subject to Royalty	$4,779.10

Mineral Content of Concentrates

	Lead Concentrates	Zinc Concentrates	Total
Gold	Trace	Trace	
Silver	345 Oz.	196.977 Oz.	541.977 Oz.
Lead	1729.29 Lb.	311.13 Lb.	2040.42 Lb.
Zinc	311.13 Lb.	295,088 Lb.	296,201 Lb.

Royalties	Ore	Lead Concentrates	Zinc Concentrates	Total
Royalties Due	$ 33.81	$ 97.89	$ 87.74	$219.44
Royalties Paid	33.81	97.89	87.74	219.44
Balance Due	$ 0.00	$ 0.00	$ 0.00	$ 0.00

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Defender Mining Company, (a Partnership)

Address c/o E. F. Stacy,

Silver Cliff, Colorado

Exploration Contract No. Idm-E 413 Docket No. DMEA 2517

Blue Eagle Claim, Custer County, Colorado

	Check One	
	Yes	No
1. (a) Does the Operator stockpile ore subject to royalty repayment?		x
(b) If so, is segregation and identification procedure adequate?		
2. (a) Does Operator commingle production subject to DMEA royalties with exempt production?		x
(b) If so, do you consider the allocation of the commingled production equitable?		
3. (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?		x
(b) If so, are adequate records maintained on such material to protect the Government's interest?		
4. Do you consider the assay controls in effect are adequate?	x	
5. Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	x	
6. Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA royalties?		
7. Does the Operator buy from or sell to other Operators?		x

8. Comment on any item 2(b) to 6, if answer is No.

Property has been idle for 4½ years. Water is pumped every two weeks.

Date 5/7/59

Carl Belan
Mining Engineer

MAY 26 1959

Memorandum

To: Mr. Donald T. Finch, OME Auditor

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: Docket No. DMEA-2517 (Lead-Zinc)
Defender Mining Company
Contract No. Idm-8413

Your Report of Royalty Review on the above-cited contract is acceptable and normal distribution is authorized.

AMAlley/ama
May 26, 1959

Copy to: Docket
Director's Reading File
CA & A Division

Denver, Colorado

THIS DEPOSIT IS NOT SUBJECT TO CHECK

For credit of 413 Treasury Regional Office, Denver, Colo. 6/26/56
(Name, title, and disbursing or other identification symbol of accountable officer) (Date sent)

deposited with Federal Reserve Bank of Kansas City, Mo. Denver, Colo.
(Name and location of depositary)

for accounts listed below. SCHEDULE NOS.

DEPOSIT NO. 14-23-040-144

$ 165.81

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
144401		165.81

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
224 New Custom House
Denver 2, Colorado

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

6/26/56
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

E-413 Defender Mining 1956 165.81

RECEIVED
JUN 28 1956

DENVER PROGRAM
FEDERAL

JUN 26 PM 12 30

MAIL DEPT.

For Schedule of Collections No. DMA-53-C-65, dated May 13, 1953, giving royalty repayment of $2.49, see E-6.

For Schedule of Collections No. DMA-53-C-50, dated March 25, 1953, giving royalty repayment of $11.61, see E-4.

For Schedule of Collections No. DMA-53-C-44, dated February 26, 1953, giving royalty repayment of $39.53, see E-54.

REPORT
OF REVIEW

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 18 1953

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Defender Mining Company
A partnership consisting of Roy O. Pratt, W. L. Stephenson, W. L. Stephenson Jr., R. S. Baker, all of Enid, Oklahoma, and E. F. Stacy, W. H. Cody, and Garrett Cody, all of Red Cliff, Colo.

pertaining to Exploration Project Contract No. Idm-E413, Docket No. DMEA 2517, covering a project for exploration of Lead and Zinc, for the months of November 8, 1952 to January 22, 1953.

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

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

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

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

Total cost as billed by Contractor	$4,799.60
Exceptions:	None
Total Accepted Cost	$4,799.60

The contract calls for a 50 per cent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Two Thousand three hundred ninety nine and 80/100 Dollars

-$2,399.80-

is considered valid and proper.

Dated: April 28, 1953

T. H. Brading, Auditor

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

MAY 4 1953

Month of 12-8-1-17, 19[illegible] Docket No. DMEA2517 Contract No. IDM-5-413
Operator's Name Defender Mining Company Minerals Lead and zinc
Address Silver Cliff, Colorado - Mailing: Box 669, Enid, Oklahoma
Contract Amount, $4,799.60 Government Participation 50 % Amount, $2,399.80

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	$1,329.12	$1,624.48	$2,953.60			
Raising	959.92	886.08	1,846.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2,289.04	$2,510.56	$4,799.60	2,289.04	2,510.56	4,799.60

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

Date 1-22-1953 *Payee Defender Mining Company

Per Roy Pratt Title Attorney-in-Fact

*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:

$1144.52

Signature [illegible]
(Authorized Certifying Officer)

Date 4/28/53 Vou. No. DMEA 53-129

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. DMEA E413 in accordance with the terms of the contract.

Signature W. R. Lakeburg $1144.52 Title Mining Engineer Date Feb. 5, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: L.D.B.

Signature W. H. King Title Executive Officer Date APR 27 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of 12-8-1-17 195 3 Docket No. DMEA 2517 Contract No. IDR E 413
Operator's Name Defender Mining Company Minerals Lead and zinc
Address Silver Cliff, Colorado - Mailing: Box 669-Enid, Okla.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	foot	1329.12	36	2953.60	80	36.92	80	36.92
Crosscutting								
Raising	foot	959.92	26	1846.00	50	36.92	50	36.92
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2289.04	62	4799.60			TOTAL COSTS AUTHORIZED BY CONTRACT	
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2289.04	62	4799.60			4,799.60	

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 1-22-1953 Operator Defender Mining Company

Per [signature] Title Attorney-in-Fact

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.

GPO 83-38475

224 New Customhouse
Denver 2, Colorado

April 29, 1953.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMEA Docket 2517, Contract Idm-E413 (Lead-Zinc), Defender Mining Company, Custer County, Colorado.

Enclosed are two copies of the Operator's Final Progress Report MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of December 1952, pertaining to DMEA Docket 2517, Contract Idm-E413 (Lead-Zinc), Defender Mining Company, Custer County, Colorado.

Forms were processed for payment in conformance with the Final Audit Report by the Contract Administration and Audit Division dated April 28, 1953.

Government's full contribution amounted to $2,399.80 as allowed by the contract.

Copies of Engineer's Final Report, Geologist's Final Report, and Operator's Final Report will be transmitted at a later date after all data has been assembled in this office.

W. H. KING
W. H. King

Enclosures

cwm

cc: Contract
Chron.
WMTraver

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

224 New Customhouse
Denver 2, Colorado

April 27, 1953.

FINAL

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2517, Contract Idm-B413 (Lead-Zinc), Defender Mining Company, Custer County, Colorado. Operator's Monthly Progress Report for the period December 1952.

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 50 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

This payment constitutes the final claim under the subject contract, and is in conformance with final audit report by the Contract Administration and Audit Division.

Remarks:

Date of Report	January 22, 1953.
Date Received in Field Office	January 20, 1953.
Date Received in Region Office	February 16, 1953.
Date Processed for Payment	April 27, 1953.

Held up pending receipt of Operator's Final Report and completion of final Audit Report.

W. H. King

W. H. King

RDB:cwm

cc: Contract
Secretary to the Oper. Comm. (2)
WMTraver
Chron.

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
February 10, 1953

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 2517, Contract Idm-E413 (lead-zinc), Defender Mining Company, Custer County, Colorado - Progress report for December 1952

Please find enclosed the original and four copies of the subject progress report--forms MF-104 and MF-104A, with narrative--and the original and six copies of M. H. Salsbury's memorandum covering inspection of the underground progress.

The contract is on short form MF-200 (A) and the narrative report is acceptable. Units of work for the month, 36 feet of drifting and 26 feet of raising, are entered correctly on the forms and cost extensions are correct. This month's work completes the contract and recommendation of certification of discovery can be made.

Your attention is called to the fact that Roy O. Pratt signed only the original narrative. The report is assembled without stapling; should the four remaining narratives require signature, they can readily be returned to him for that purpose.

Payment of $1,144.52, or 50 percent of the total $2,289.04 claimed by the contractor, is certified.

W. M. Traver

W. M. Traver

enclosures
WMT/amh
cc: 4
E413
DMEA Chron.

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
February 10, 1953

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: M. H. Salsbury

Subject: DMEA 2517, Contract Idm-2413 (lead-zinc), Defender Mining Company, Custer County, Colorado - Progress report for December 1952

The subject underground progress was inspected January 29, 1953, in company with E. F. Stacy, the mine superintendent, and R. H. Marshman, of the U. S. Geological Survey.

The raise between the 225-foot and 150-foot levels had been completed, a distance of 70 feet. This is 20 feet more than the 50 feet allowed under the contract, of which 24 feet had been claimed previously.

A sublevel had been driven 39 feet southwesterly starting at a point in the raise 42 feet above the floor of the 225-foot level. This is 3 feet more than the 80 feet allowed under the contract, of which 44 feet had been claimed previously. This sublevel started out on the vein but 12 feet west of the raise the vein was lost in the hanging wall and the drift wanders off to the southwest. The vein was located later by crosscutting into the hanging wall at a point 17 feet from the raise.

The crosscut was not included in measuring for contract payment.

During the inspection, data were obtained in cooperation with R. H. Marshman to complete a recommendation for certification and the final report on the project which will be written up when sample returns are received.

At the same time, the advisability of further exploration, under a request for an amendment to the contract, was considered. Denial of the requested amendment will be recommended.

The Resurrection Mining Company's custom mill has been notified to make royalty payments to the Government on ore shipments from the Defender mine, the first of which is due to be loaded February 2, 1953.

The monthly unit totals and costs as entered on forms MF-104 and MF-104A for November are correct.

Payment of $1,144.52, or 50 percent of the $2,289.04 claimed by the Defender Mining Company, is approved. With this payment, the total disbursement by the Government will equal the $2,399.80 allowed under the contract.

M. H. Salsbury
Mining Engineer

MHS/amh

cc: 6
E413
DMEA Chron.

COPY

January 22, 1953

NARRATIVE PROGRESS REPORT

Re: Defender Mining Company
DMRA 2517
Contract IDM-E-413

At the date of our last report we had completed drifting west on the 225 ft. level a distance of 44 ft. and had made 24 ft. in the raise.

We have now completed the raise to 50'7" and an intermediate drift west from that point a distance of 36 feet which completes the work covered by this contract.

At 42 ft. up in the raise we encountered good lead-zinc ore which continued up as far as we have gone. Although it is not covered by the contract we are now extending the raise up to the 150 ft. level to secure air and are still in the ore. The ore removed is being binned for shipment.

In our drifting west on the vein at the intermediate we had good ore for about the last 30 feet. The west breast of the intermediate and the west breast of the 225 ft. level look very good and each showing a vein of ore about 30" wide. At about the same point in both drifts the main vein is turning Southwest and leaving the old mud gouge which continues on west.

An assay on the ore in the bin which was sent to the mill for a settlement sheet shows - Gold .02; Silver 2.40 oz; Lead 7.07%; Zinc 10:15%. The ore we are now encountering appears to be much stronger.

We plan to open one 30' stope and possibly another as soon as we complete the raise to the 150 ft. and have air.

Yours very truly,

THE DEFENDER MINING COMPANY

By:

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.
RECEIVED
JAN 15 1953

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

Month of 11/8 to 12/8 195 52 Docket No. DMEA 2517 Contract No. Ida-E 413
Operator's Name Defender Mining Company Minerals Lead and zinc
Address Silver Cliff, Colo; Mailing Bx 669 Enid, Okla.,
Contract Amount, $ 4799.60 Government Participation: 50 % Amount, $ 2399.80

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	$1,624.48	none	$1,624.48			
Raising	886.08	none	886.08			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2,510.56		$2,510.56	2,510.56		2,510.56

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

Date 12/8/52 *Payee DEFENDER MINING COMPANY

Per Roy Pratt Title Manager in Fact

*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:

$ 1255.28

Signature Alfred H. Olson
(Authorized Certifying Officer)

Date 1-6-53 Vou. No. 53-77

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm E413 in accordance with the terms of the contract.

Signature M. H. Salsbury 1255 28 WM Title Mining Engineer Date Dec. 22, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.D.B.

Signature W. H. King Title Executive Officer Date 12/31/52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-134A
(April 1952)

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

DEPARTMENT OF INTERIOR
Defense Minerals Administration
RECEIVED
JAN 15 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of 11/8-12/8 1952 Docket No. DMEA 2517 Contract No. Idm E 413
Operator's Name Defender Mining Company Minerals Lead and zinc
Address Silver Cliff, Colo.- Mailing Bx 669 Enid, Okla.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	foot	1624.48	44	1624.48	44	36.92	80	36.92
Crosscutting								
Raising	foot	886.08	24	886.08	24	36.92	50	36.92
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2510.56	68	2510.56				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2510.56	68	2510.56				

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 12/8/52 Operator Defender Mining Company

Per Roy Pratt Title Attorney in fact

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

R. DB.

53-77

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

224 New Customhouse
Denver 2, Colorado

December 31, 1952

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2517, Contract Idm-E413 (Lead-Zinc), Defender Mining Company, Custer County, Colorado - Operator's Monthly Progress Report for the period of November 1952

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 50 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	Dec. 8, 1952
Date Received in Colorado Branch Office	Dec. 10, 1952
Date Received in Region IV Office	Dec. 29, 1952
Date Processed for Payment	Dec. 31, 1952

W. H. King

W. H. King

Enclosures

RDB:jp R. DB.
cc Sec. to Oper Committee (2)
WMTraver
Contract
Chron
AHKoschmann (2)

Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
December 24, 1952

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 2517, Contract Idm-R413 (Lead-zinc), Defender Mining Company, Custer County, Colorado - Progress report for November 1952

Please find enclosed the original and four copies of the subject progress report--forms MF-104 and MF-104A, with narrative--and seven copies of M. H. Salsbury's memorandum covering inspection of the underground progress.

The contract is on short form MF-200 (A) and the operator's work was found to conform with its terms and is properly entered on both forms MF-104 and MF-104A.

Payment is approved of $1,255.28, or 50 percent of the total $2,510.56 claimed by the contractor.

W. M. Traver, Jr.

W. M. Traver, Jr.

enclosures

cc 4
AMKoschmann
R413
DMEA Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
December 24, 1952

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: M. K. Salsbury

Subject: DMEA 2517, Contract Idm-R413 (Lead-zinc), Defender Mining Company, Custer County, Colorado - Progress report for November 1952

The subject underground progress was inspected December 19, 1952, in company with E. F. Stacy, the superintendent of the Defender Mining Company.

Using the measuring plug placed in the north wall of the drift at the starting point, the west drift on the 225-foot level had, on December 19, 1952, been driven a total of 44 feet.

This agrees with the contractor's measurement of December 1. The measurement was checked back against the measuring point established by O. M. Harrer, and found to be correct.

A raise being driven on the vein 30 feet from the starting point of the drift, was up 46.3 feet from the back of the drift. This was 22.3 feet more than the amount claimed in November.

The drift work did not disclose any commercial ore. Several small streaks of lead and zinc sulfides were followed but did not open up. At 35 feet, two split veins went into the south wall and were followed by starting a new drift to the southwest. They did not make ore. This work was not counted in the progress claimed in November.

Following are the contractor's samples on the drift work:

Description	Oz./Ton Gold	Percent Lead	Percent Zinc
Grab of muck at 35 feet	2.6 ?	0.8	2.7
Grab muck from 35 to 43 feet	0.9	0.6	1.9
Channel cut across 4-inch streak in southwest split	3.1 ?	8.7	23.3
Four channel cuts across 4 feet, 3 inches in face of west drift at 40 feet	1.5	2.4	3.1

Is this ag?

The raise was also in waste up to 40 feet above the level. Here the material between the foot and hanging wall streaks which had, up to then, shown the only mineralization, began to show sulfide enrichment. At 46 feet in the west end, it had widened to 3.5 feet, including 18 inches of heavy sulfides on the footwall, and 2 feet of low-grade decomposed rhyolite next to a 1-inch streak of sulfides on the hanging wall.

In the east end of the raise there were narrow streaks on both hanging wall and footwall with 4 feet of poorly mineralized rhyolite between.

Two samples were taken in the west end of the raise at 42 feet up. A grab of the raise muck being saved in the ore house was also taken.

At the time of inspection a raise round was being drilled which would bring the total amount of raise to more than the 50 feet allowed under the contract.

The ore showing in the raise appears to be the lower limit of the ore shoot on the 150-foot level, the extension of which is being sought.

Inasmuch as the ore showing will probably be of shipping grade, it is recommended that the 36 feet of drifting still remaining under the contract be expended in drifting west on the vein at approximately the 42-foot level of the raise.

The contractor was informed that this was the only work which would be approved. He was also informed that the ore buyer must be notified to deduct Government royalty on any ore shipped.

The monthly unit totals and costs as entered on forms MF-104 and MF-104A for November are correct.

Payment of $1,255.28, or 50 percent of the $2,510.56 claimed by the Defender Mining Company in November is approved.

for Scott W. Hazen
M. H. Salsbury,
Mining Engineer

MHS/cb

cc 6
AHKoschmann
E413
DMEA Chron

NARRATIVE PROGRESS REPORT

Re; Defender Mining Company
DMEA 2517
Contract #IDM-5 415

We started from the designated starting point November 8, 1952 when the first round of holes were drilled and shot. We are driving a drift 4 x 7 measured inside the timbers and averaged slightly better than four feet per day.

The drift is being driven west along the exposed vein. The vein at the starting point was approximately 5' 10" in width and has varied in width in the distance driven from 5' 10" to 6'. The drift has been properly timbered.

At approximately the 50' point we encountered a cross-fall which apparently split the vein so that one part of it turned southwest and one part continued west. It will require additional drifting to determine whether a part of this vein continues its regular course west.

After properly timbering, a raise measuring 4 x 8' inside was started at approximately a point 70' from the starting point, at the point where the vein apparently split. Milling ore has been encountered throughout the length of the drift. The first round shot in the raise on the vein uncovered about 4' of low grade ore with streaks of apparently high grade ore going into the footwall on the south side. The same condition has existed as far as the work on the raise has progressed to date.

Yours very truly,

DEFENDER MINING COMPANY

By Ray Pratt
Attorney-in-fact

NOV 8 1962

Mr. J. T. Strauhlin
Silver Cliff
Colorado

Re: DMEA-2517 (Rent-Zinc)
Defender Mining Company
Blue Eagle Claim
Custer County, Colorado
Contract Ida-2413

Dear Mr. Strauhlin:

By the terms of the subject Exploration Project Contract and the certification of discovery or development dated April 17, 1953, all minerals mined or produced from September 10, 1952, to September 10, 1962, were subject to the Government's percentage royalty as set forth in the said contract.

This is in reference to the Consent to Lien signed by you on August 8, 1952.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract.

Sincerely yours,

(signed) FRANK E. JOHNSON

ACTING Director

WRGrimsold/mm
11-9-62
cc: Director's Reading File
Region III (2)
CAAA Division
Docket
Code 300

Identical letter sent to Mr. Willard A. Walker and Mr. W. J. Kettle, both of Silver Cliff, Colorado

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

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT UNDER
AN EXPLORATION PROJECT CONTRACT

To: Mr. Roy O. Pratt
Defender Mining Co.
P. O. Box 699
Enid, Oklahoma

Pursuant to the provisions of Exploration Project Contract No. Idm-5413, dated September, 10, 1952, Docket No. DMEA 2517, hereinafter called the "Contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made, has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows: limited drifting and raising on the 225-foot level of the Defender mine have partly exposed small discontinuous lenses of lead-zinc ores, carrying minor amounts of gold and silver, in a fissure vein cutting rhyolite.

Dated APR 1 7 1953

THE UNITED STATES OF AMERICA

By C. Mittendorf
Administrator, Defense Minerals
Exploration Administration

WRGriswold/hmj
(4/14/53)
CC to: Docket
Contract Admin. & Audit Div.
Region IV (2)
Finance Office
Base Metals Division
Russell Forbes, Acting Adm. DMEA
Adm. R. File
Op. Committee
Mr. Hedges, Rm 4604
Mr. Thayer, Rm 5216, GSA Bldg
Mr. F. E. Johnson
Mr. Murkland
Mr. Griswold
Chron.

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

500

APR 17 1953

Mr. Roy O. Pratt
Defender Mining Co.
P. O. Box 699
Enid, Oklahoma

Re: Docket No. [illegible] 2517 (Lead-Zinc)
Defender Mining Co.,
Defender Mine
Custer County, Colorado
Contract No. [illegible]-413

Dear Mr. Pratt:

Transmitted herewith is a "Certificate of Discovery or Development" related to the Contract No. [illegible]-413 on the subject mine.

By the terms of the Exploration Project Contract and of the Certification, all production from the property described in the contract, after September 10, 1952, the date of the contract, is subject to the Government's percentage royalty as set forth in the said contract until such sums as the Government may advance as its participating interest have been repaid or until September 10, 1962.

Payments should be made to Mr. [illegible], Acting Executive Officer, [illegible] Field Team, Region IV, 224 New Customhouse Building, Denver 2, Colorado. Checks should be drawn in favor of the Treasurer of the United States. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward the checks to the Executive Officer.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets, showing quantity and grade of the products sold, the name of the purchaser and the price and charges, certified to be correct by your company..

You are requested to notify Mr. [illegible] of any changes in ownership or production rights that might affect the Government's right to its percentage royalty. Also, if production ceases at any time for an extended period, please notify Mr. [illegible] at six-month intervals that such is the case.

Sincerely yours,

C. O. Mittenderf

Administrator

Enclosure

Russell Forbes, Act. Admin. DMPA
Admin. Reading File
Op. Committee
Mr. Hedges, Rm 4604
Mr. Thayer, Rm 5216, GSA Bldg.
Mr. F. E. Johnson

Mr. W. R. Griswold
Chron.

WRGriswold/hmj
(3/30/53)
CC to: Docket
Cont. Admin. & Audit Div.
Region IV (2)
Base Metals Div.

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

500

APR 1 7 1953

Mr. Russell Forbes, Acting Administrator
Defense Materials Procurement Agency
General Services Administration Building
Washington 25, D. C.

Re: Docket No. [illegible] 2517 (Lead-Zinc)
Defender Mining Co.
Defender Mine
Custer County, Colorado
Contract No. Idm-5413

My dear Mr. Forbes:

Enclosed is one copy each of a "Certification of Discovery or Development" related to Exploration Project Contract No. Idm-5413 and of an interim report by the Field Team.

The contract was dated September 10, 1952, with the Government participating to the extent of 50 per cent in an exploration project estimated to cost $4,799.60. Of such amount $2,510.56 had been expended through November 1952, the Government's share being $1,255.28.

By reason of the contract, the total program of work for the project consisted of 80 feet of drifting and 50 feet of raising. Work of drifting and raising has been completed. Ores were encountered between the 225 foot and the 150 foot levels of the mine.

The discovery may be described as lead-zinc ores containing auxiliary amounts of the precious metals and occurring in a vein exposed so far on two levels, the 150 and 225. The grade of the ore is estimated to be from 8 to 10 per cent lead and from 5 to 6 per cent zinc. Indicated tonnage from work is stated to be 600.

WRGriswold/hmj (4/6/53)

Sincerely yours,

C. O. Mitchell

Administrator

CC to: Docket
Cont. Admin. & Audit Div.
Region IV (2)
Base Metals Division
Adm. R. File
Op. Committee
Enclosure Mr. Hedges, Rm 4604
Mr. Thayer, Rm 5216, GSA Bldg.
Mr. F. E. Johnson
Mr. Griswold
Mr. Murkland
Chron.

Mr Chambers
V. 2496

500

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

April 3, 1953

Memorandum

To: Chief Counsel

From: Chief, Base Metals Division

Subject: Defender Mining Company, Docket No. [illegible]2517, Contract No. Idm-[illegible]13

The subject operator has terminated his project. Formerly he had requested an amendment allowing for additional work of diamond drilling. Such amendment was prepared and sent to the field, but the Operator has recently decided not to do the work and has not signed the amendment.

The original project discovered a small bunch of ore. Mr. [illegible]ing states that 103[illegible] tons have been shipped and $51.14 in royalties paid. It is stated that only 20 tons remain to be shipped, after which ore will be exhausted. Presumably such 20 tons would likely pay another ten dollars or so of royalty.

We do not consider that the total tonnage of 123[illegible] tons is worth a formal certification, but we are not clear as to whether the royalty funds paid can properly be retained by the Government unless certification is made. Would you be kind enough to advise us.

[illegible] Griswold

Attachments

TRGriswold/hmj
4/3/53
CC to: Docket
Adm. R. File
Op. Committee
Mr. Chambers
Base Metals Division
Chron.

Docket No. ~~DMEA 2517 X~~

Commodity ~~Lead-Zinc~~

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration, under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E 413

Date of Contract ~~or Amendment:~~ SEPT. 10 AMN ~~October 3,~~ 1952

Name and Address of Operator:

Defender Mining Co.
Silver Cliff, Colorado

Amount of Government participation ____ $ 2,399.80

Percent of Government participation 50 %

Region: IV State: Colorado

E. R. Talbot
(Name)
for J. L. Chambers
Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. Oct. 3, 1952 13908

MF-200 (A)
(February 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 15 1952

DOCKET NO. [redacted]EA 2517

COMMODITY Lead-Zinc

Idm-E413

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

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this 10th day of September, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Defender Mining Company, a partnership consisting of Roy O. Pratt, W. L. Stephenson, W. L. Stephenson, Jr., R. S. Baker, all of Enid Oklahoma and E. F. Stacy, W. H. Cody and Garrett Cody, all of Silver Cliff, Colorado

hereinafter called the "Operator," as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Colorado, County of Custer, described as follows:[3] BLUE EAGIE - Unpatented Lode Mining Claim recorded in Book 91 Page 455, DEFENDER - Unpatented Lode Mining Claim recorded in Book 91 Page 346, on file in the County Clerk & Recorder's Office, Custer County, Colorado

the Operator represents and undertakes:[4]

[redacted]

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

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within -60- days from the date of this contract shall commence work on a project of exploration for[5] Lead & Zinc

in or upon the described land; and shall bring the project to completion within a period of 5 months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay -50- percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $2,399.80, which is 50 percent of $4,799.60, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

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

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

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

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

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

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

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

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

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

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

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

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

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

ARTICLE 8. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if, in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* .....

Executed in sextuplicate the day and year first above written.

Defender Mining Company
(Operator)

By Roy Pratt
Attorney in Fact

THE UNITED STATES OF AMERICA

By W. H. King
Executive Officer, DMEA
Field Team, Region IV

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

[CORPORATE SEAL]

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

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Colorado, County of Custer, described as follows 1/

Blue Eagle unpatented mining claim recorded in Book 91, page 455, in the Custer County Recorder's office

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

2/ Defender Mining Company, a partnership

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 4150.00, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 8th day of August, 1952.

J. T. Shoshitsky [Seal]

W. J. Kettle [Seal]

Richard A. Nacker [Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

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

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

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

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

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

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Colorado, County of Custer, described as follows:1/

Defender unpatented mining claim recorded in Book 91, page 346, in the Custer County Recorder's office

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WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

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M J Kettle [Seal]

Nellie A Nacker [Seal]

[Seal]

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EXHIBIT "A"

Description of the Work

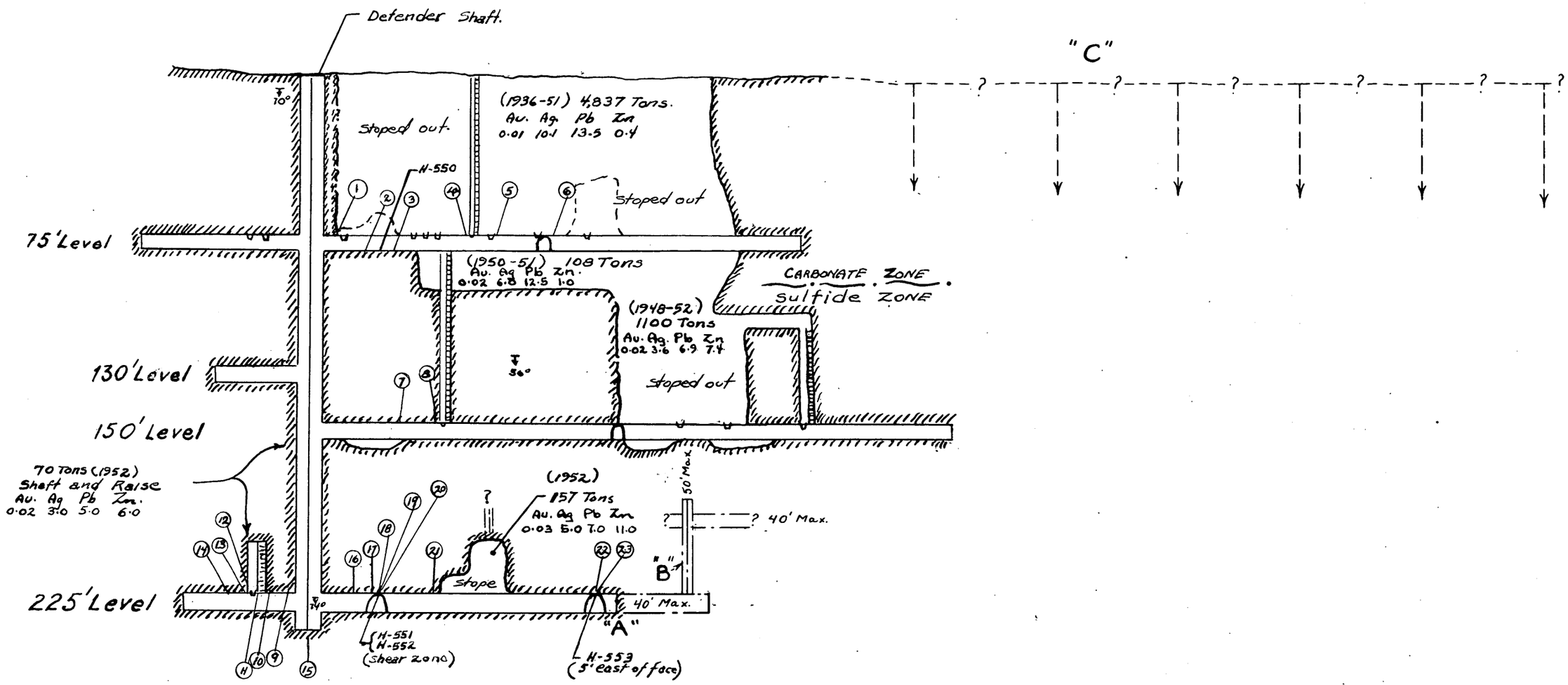
Extend the 225-foot level westerly along the vein a maximum distance of 80 feet. The starting point of the drift is shown at "A" on the attached maps, Figures 3 and 4.

After part or all of the drifting is completed, raises not to exceed a total of 50 feet at locations acceptable to the DMEA representative may be driven. The tentative location of a raise is shown at "B" on the attached Figures 3 and 4.

Part of the footage allocated to drifting may be driven on a sub-level from the raise as indicated at "B" on Figures 3 and 4.

Estimated Costs of the Project

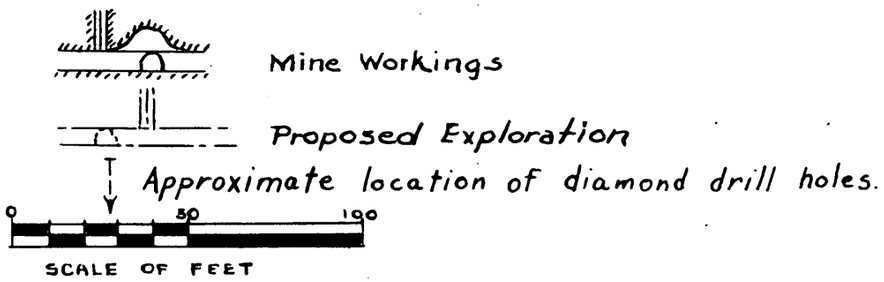
80 feet of drifting at $36.92 per foot	$2953.60
50 feet of raising at $36.92 per foot	1846.00
Total Cost of Project	$4799.60
Government's participation at 50%	$2399.80



SAMPLING DATA:-

No.	Width	Oz/Ton Au	Ag	Percent Pb	Zn	
1	1.5'	-	15.2	8.7	4.0	75' Level.
2	0.5'	-	0.6	4.4	-	
3	2.0'	-	4.8	4.4	-	
4	0.3'	-	3.2	4.6	-	150' Level
5	1.3'	-	0.9	4.6	-	
6	1.0'	-	9.1	20.9	-	
7	0.3'	-	1.6	2.2	5.2	
8	0.3'	-	1.4	2.4	4.6	
9	0.5'	-	1.9	4.7	9.2	
10	1.9'	-	2.8	7.1	6.4	
11	1.7'	-	2.6	10.3	16.6	
12	0.3'	-	1.4	1.6	4.8	
13	0.3'	-	5.9	6.6	6.7	225' Level
14	0.25	-	2.6	6.5	8.0	
15	2.0'	-	2.4	4.6	10.3	
16	1.5'	-	0.9	4.6	3.5	
17	1.5'	-	1.4	1.6	2.8	
18	0.6'	-	1.2	1.4	6.0	In X-C North
19	0.7'	-	1.1	1.8	5.2	
20	0.6'	-	1.1	1.8	5.2	
21	4.0'	-	6.0	13.8	28.0	stope.
22	0.2'	-	4.6	12.0	27.4	stringers in XCN.
23	0.2'	-	14.4	51.2	11.9	
H-550	0.8'	-	3.1	1.55	6.6	Bureau of Mines samples
H-551	0.7'	-	0.8	0.6	1.3	
H-552	1.5'	-	0.8	0.6	1.7	
H-553	0.9'	-	0.5	2.65	3.2	

Sos. 1-23 incl. by Defender Mining Co.



COLORADO BRANCH - MINING DIVISION - REGION IV
BUREAU OF MINES

FIG.3-DIP SECTION LOOKING SOUTH, DEFENDER MINE, DEFENDER MINING CO., CUSTER COUNTY, COLORADO · DMEA-2517

POWER OF ATTORNEY

TO WHOM IT MAY CONCERN:

We, W. L. Stephenson, W. L. Stephenson, Jr., R. J. Baker of Garfield County, Oklahoma, E. F. Stacy, W. H. Cody, and Garrett Cody of Custer County, Colorado, (together with Roy O. Pratt (of Garfield County, Oklahoma) are sole partners doing business under the partnership name of "The Defender Mining Company", and reposing special trust and confidence in said Roy O. Pratt, have made constituted and appointed and by these presents do make, constitute and appoint him our true and lawful attorney for us and in our name, place or stead, and for our sole use and benefit:

To execute all contracts, agreements or other written documents, supplements and amendments thereto with all bureaus, departments or agencies of the United States government involving the conduct and operation of all of the business activities and operations now carried on or to be carried on in the future by said partnership, The Defender Mining Company;

To carry on, manage and superintend and control all of the business activities of said mining company as our attorney shall see fit, empowering him to execute, acknowledge and deliver in usual and customary form conveyances, other instruments in writing with respect to said business, and to execute acknowledge and deliver agreements, contracts, mortgages, leases and assignments of real or personal property owned by said company or with respect to which said company has any right, title or interest whatsoever;

To receive payments of money due us or the said company, and to draw out any moneys or deposit with any bank from time to time, and to apply the same for any purpose, or from time to time to invest and reinvest the same at the discretion of our said attorney, and from time to time to sell, vary and dispose of any such investments;

To demand, sue for compromise, and receive all debts, moneys, securities for money, goods, chattels, or other personal property to which we or the said company are now or may hereafter may become entitled or which is now or may become due, owing or payable to us or to said company from any person or persons whomsoever, and in our name or in the name of said company to give effectual receipts and discharges for the same;

To endorse or negotiate any check, draft, order, promissory note or other negotiable paper payable to us or to the said company and to receive the proceeds therefrom;

To negotiate, prepare, sign our name to, or the name of said company, and file all reports, returns, forms, contracts, agreements required by any city, state, or federal agency, board or department either for taxes or any other purpose;

To act generally as our agent and attorney with respect to all of the matters described above to the end that the property may be properly managed and operated in any way our attorney may see fit without requiring any further act on our part, and no persons or entities dealing with our said attorney shall be under any obligation to see to the application of any money or property delivered to our attorney or to inquire as to the authority for any action taken by our attorney in reference to any of the above matters;

Hereby giving and granting unto our said attorney full power and authority to do, and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises, as fully to all intents and purposes as we could do if personally present, it being expressly understood that our attorney shall have the broadest general power to perform any act incident to the premises, as the specific designation of powers shall not be construed to limit any general grant or grants of power to our attorney, hereby ratifying and confirming all that our said attorney shall lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, we have hereunto set our hands and seal this 13 day of August, A. D. 1924.

[illegible]

[illegible]

R. H. Boyd

E. F. Stacy

W. R. Coder

Garrett Brody

STATE OF OKLAHOMA)
COUNTY OF GARFIELD) ss

I, a notary public in and for said county, in the state aforesaid, do hereby certify that W. L. Stephenson, W. L. Stephenson, Jr., and R. S. Baker, who are personally known to me to be the persons whose names are subscribed to the foregoing Power of Attorney, appeared before me this day in person and acknowledged that they signed, sealed, and delivered the said instrument as their free and voluntary act and deed, for the uses and purposes therein set forth.

Given under my hand and notarial seal this [illegible] day of [illegible], A.D. 1952.

My commission expires: [illegible]

[illegible]
Notary Public

STATE OF COLORADO)
COUNTY OF CUSTER) ss

I, a ~~notary public~~ County Clerk in and for said county, in the state aforesaid, do hereby certify that E. F. Stacy, W. H. Cody, and Garrett Cody, who are personally known to me to be the persons whose names are subscribed to the foregoing Power of Attorney, appeared before me this day in person and acknowledged that they signed, sealed, and delivered the said instrument as their free and voluntary act and deed, for the uses and purposes therein set forth.

Given under my hand and ~~notarial~~ official seal this 7 day of August, A.D. 1952.

~~My commission expires:~~ _____

Stella Bruce
~~Notary Public~~ Co Clerk

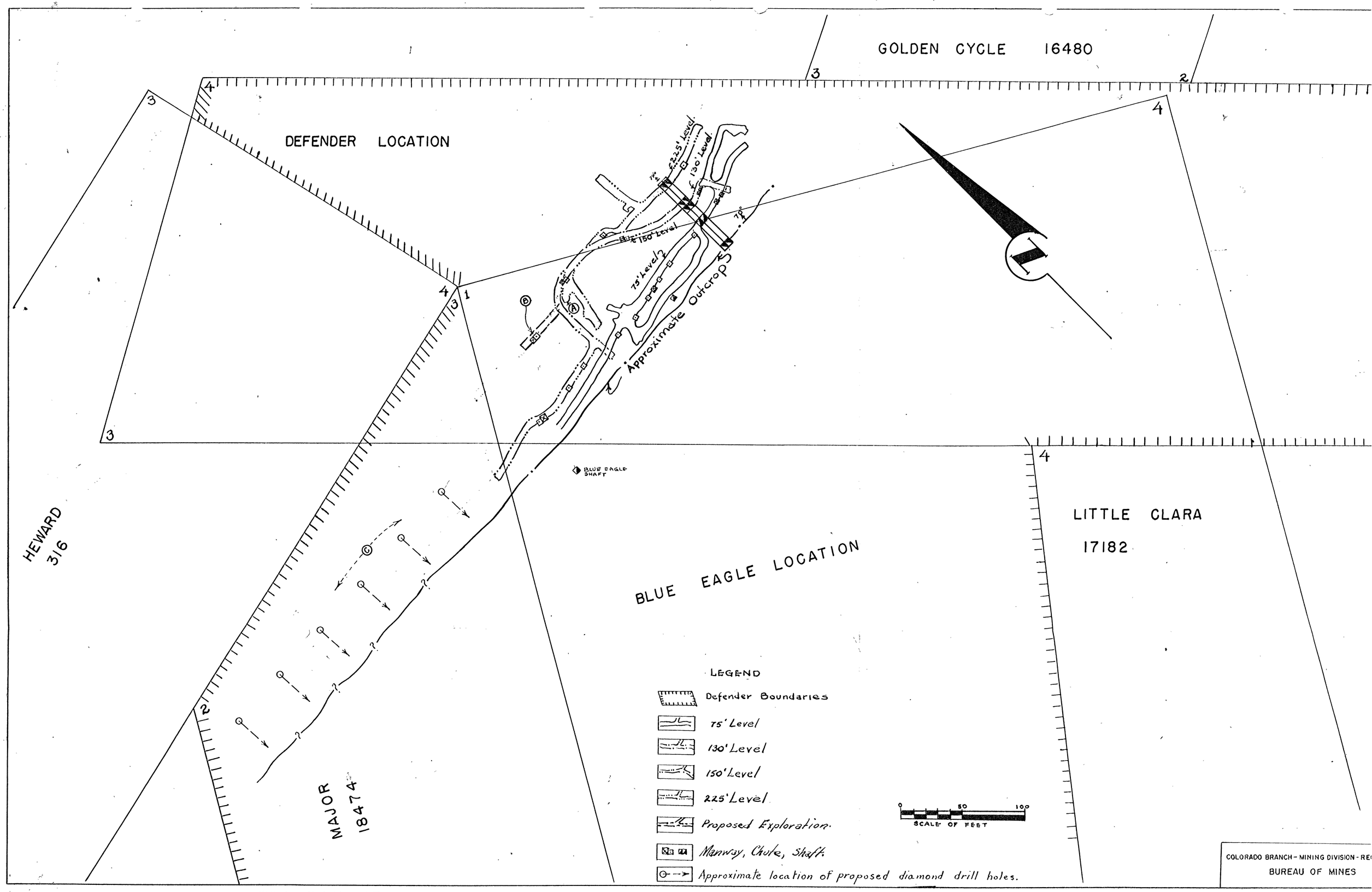


FIG. 4 – CLAIM LIMITS AND WORKINGS, DEFENDER MINE, DEFENDER MINING CO., CUSTER COUNTY, COLORADO, DMEA – 2517