UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (~~or cancelled~~) without certification. DMEA No. 2108

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 _____

R.C.G.
Reviewer's Initials

W.B.

7973

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Amedee A. Peugnet

20 North 7th Street

St. Louis 1, Missouri

pertaining to Exploration Project Contract No. Ida-E327, Docket No. DMEA-2108, for the months of June and July, 1952.

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

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

(a) the administrative cost to the Government of an audit would be excessive in relation to value of the contract or the estimated amount of possible disallowances thereunder;
(b) the Monthly Reports were supported by documentary proof of the costs incurred under the contract; and
(c) the major portion ($1,200.00) of the allowable costs covered drilling under sub-contract at footage rates.

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

Total cost as billed by Contractor	$ 1,573.30
Exceptions:	
Surveying costs incurred prior to the date of contract disallowed per Article 6 (c) thereof	81.00
Total Accepted Cost	$ 1,492.30

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 Seven hundred forty-six and 15/00 Dollars

— $ 746.15 —

is considered valid and proper.

October 7, 1952

Auditor

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

Exploration Project Contract Idm-E327
(Docket DMEA-2108)

Amendment #1

Contract Idm-E327 (Docket DMEA-2108), dated May 28, 1952, between the United States of America and Amedee A. Peugnet, et al, is hereby amended as follows:

Stage I, Part 1, Independent Contracts, delete the word "churn".

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "allowable maximum".

Witness the following signatures this 19th day of June, 1952.

United States of America

By David Gallagher
David Gallagher
Executive Officer
Defense Minerals Exploration
Administration

Amedee A. Peugnet
Amedee A. Peugnet, for himself and as attorney in fact for W. Dou Peugnet, Claire A. Peugnet, J. Sarpy Peugnet, William R. Peugnet and Hubert B. Peugnet and as trustee for Jeanne Y. Peugnet

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 23 1952

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

Contract dated April 18, 1952, between Amedee A. Peugnet and O. B. Wardlow & Sons for carrying out certain specified work under the provisions of Exploration Project Contract Docket No. DMEA 2108 between the United States of America and Amedee A. Peugnet is hereby approved.

This approval shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated 'allowable maximum'".

Dated June 3, 1952.

UNITED STATES OF AMERICA

By David Gallagher
Executive Officer - DMEA

MF-200
(June 1951)
(Revised Feb. 1952)

Original

DOCKET NO. DMEA 2108

COMMODITY Lead-Zinc

Idm-E327

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

Government's copy

EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this 28th day of May, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Amedee A. Peugnet, for himself and as attorney in fact for W. Dou Peugnet, Claire A. Peugnet, J. Sarpy Peugnet, William R. Peugnet and Hubert B. Peugnet, and as trustee for Jeanne Y. Peugnet 20 North 7th St., St. Louis 1, Mo. 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 Missouri, County of St.Francois & Ste.Genevieve, described as follows: [3]

See Appendix I attached to and made a part hereof

the Operator represents and undertakes: [4]

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

None

~~(b) That the Operator is a lessee under a valid and subsisting lease of the property, and that the lease 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 30 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 Five 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.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—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 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be [illegible] per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related initial allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

[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*) The Government's payments in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, 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.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred 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 costs incurred 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.

(*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 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. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 50 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $1,800.00, which is 50 percent of $3,600.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final 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.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *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 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 10. *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 11. *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.

ARTICLE 12. *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. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* ----------

Amedee A Peugnet

Executed in sextuplicate the day and year first above written.

Amedee A. Peugnet, for himself and as attorney in fact for W. Dou Peugnet, Claire A. Peugnet, J. Sarpy Peugnet, William R. Peugnet and Hubert B. Peugnet and as trustee for Jeanne Y. Peugnet
(Operator)

By ----------

THE UNITED STATES OF AMERICA

By C O Mitteudorf
Acting Administrator
Defense Minerals Exploratio
Administration

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—66328-1

APPENDIX I

Operator's Property Rights

Partly in St. Francois County and partly in Ste. Genevieve County, State of Missouri. All of the South East 1/4 of Section Seven (7), the South West 1/2 of Section Eight (8); the North West 1/4 of Section Seventeen (17) and the North East 1/4 of Section Eighteen (18), Township Thirty-Five (35) North, Range Seven (7), lying within United States Survey No. 3044: Beginning at a point in the S. W. line of said Survey No. 3044 where the South line of the N. E. 1/4 of Section 18, Township and Range aforesaid intersects the S. W. line of said Survey No. 3044; running thence North 28 degrees west along the South West line of said Survey No. 3044; 62 chains and 94 links to the N. W. Corner of said Survey No. 3044; thence North 62 degrees East along the N. W. line of said Survey No. 3044; 22 chains and 34 links to a point where the N. W. line of Survey No. 3044 is crossed by the dividing line between the County of St. Francois and the County of Ste. Genevieve; thence North 62 degrees East 23 chains and 53 links to the N. W. line of said Survey 3044 intersected by the East line of Section 7, said Township and Range; thence North 62 degrees East 5 chains 54 links to the intersection of said N. W. line of Survey No. 3044 and the South line of the N. W. 1/4 of Section 8, Township and Range aforesaid; thence East 45 chains and 41 links along the South line of the N. W. 1/4 of said Section 8 to the S. E. Corner of said N. W. 1/4 of Section 8; thence South along the East line of the S. W. 1/4 of said Section 8, 40 chains and 50 links to the S. E. Corner of the S. W. 1/4 of said Section 8; thence South at a variation of 8 degrees and 37 minutes East along the East line of the N. W. 1/4 of Section 17, Township and Range aforesaid to the S. E. Corner of said N. W. 1/4 of Section 17; thence West 53 chains and 40 links to the place of beginning, containing by Survey 535.43 acres, except a strip of land 100 feet in width the right of way of the Saline Railway Company, said strip in land containing 8.51 acres more or less.

EXPLORATION PROJECT CONTRACT
AMEDEE A. PEUGNET, et al.
DOCKET NO. DMEA-2108

Exhibit "A"

The exploration project consists of drilling through the Bonneterre dolomite into the LaMotte sandstone at locations approximately 2100 feet apart on the down-dropped side and approximately 1500 feet southwesterly of a north-west striking fault. The primary objective is the determination of mineral possibilities in the Bonneterre dolomite.

The project consists of two stages of churn drilling, with Stage II to be undertaken only if approved by the Government after completion of Stage I.

Approximate location of the drill holes under Stage I are shown on attached property map.

Estimated Costs of the Project
(* indicates allowable maximum)

Stage I

(1) Independent Contracts

A maximum of 600 feet of churn drilling @ $2.00 per foot*	$ 1,200.00*

(2) Labor, Supervision and Consultants

1 - Supervisor @ $17 per day* for a maximum of 20 days	340.00*
1 - Engineer-surveyor, part time	100.00*

(3) Operating Material and Supplies

None

(4) Operating Equipment

None

(5) Rehabilitation and Repairs

None

(6) New Buildings, Improvements, Installations

None

(7) Miscellaneous

The necessary cost of sample bags and analytical work	$ 160.00*

(8) Contingencies

None

Total estimated cost of Stage I	$1,800.00*
Government participation @ 50%	900.00*

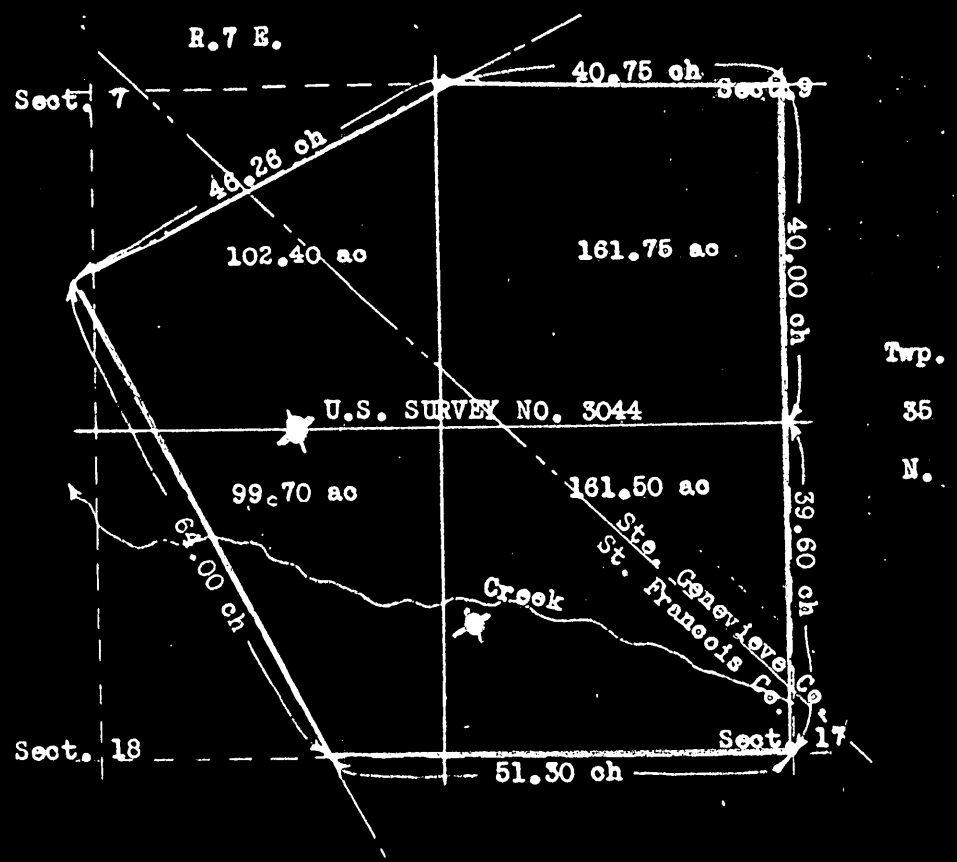
Stage II

The identical estimated costs scheduled for Stage I, including the allowable maximums, also shall be deemed the estimated costs for Stage II, if work under this stage is authorized by the Government, and shall not exceed a total aggregate amount of $1,800.00*

Total estimated costs of project	$3,600.00*
Government participation @ 50%	$1,800.00*

AMEDEE A. PEUGNET, 20 North 7th St., St. Louis 1, Mo.
MF-103 dated Sept. 20, 1951

10 a, part of



SKETCH SHOWING PEUGNET HOLDINGS IN
SECTIONS 7-8-17-18, T. 35 N., R.6 E.
St. Francois & Ste. Genevieve Counties, Missouri.
(Part of U.S. Survey #3044)
(From survey by Chadwell, County Surveyor Ste. Genevieve Co., 1903)

✱ Approximate location of Stage I Drill Holes

POWER OF ATTORNEY

WHEREAS, the undersigned are owners of undivided interests, as tenants in common with others, in the following described properties:

(1) A parcel of ground in Block 27 of the City of St. Louis, Missouri, beginning at the point of intersection of the West line of First Street and the North line of property now or formerly of St. Louis Bridge Co., thence Westwardly along said North line of property now or formerly of St. Louis Bridge Co. 150 feet more or less to an alley, thence Northwardly along the East line of said alley 111 feet 4 inches more or less to a point 37 feet South of the South line of Lucas Avenue, thence Eastwardly and parallel with the South line of Lucas Avenue 150 feet more or less to the West line of First Street, thence Southwardly along said West line of First Street 106 feet 4 inches more or less to the point of beginning. Bounded North partly by property now or formerly of J. C. Hirschbuehler Co., Inc., and partly by property now or formerly of Robert R. Hirschbuehler and wife.

(2) A lot in Block 116 of the City of St. Louis, Missouri, fronting 63 feet 9 inches on the North line of Pine Street by a depth Northwardly of 58 feet 6 inches more or less, to property now or formerly of Abe Schudmak and wife. Bounded on the West by a line 42 feet 6 inches East of the East line of 6th Street.

(3) Lot in Block 116 of the City of St. Louis, Missouri, beginning at the intersection of the North line of Pine Street with the West line of an alley, thence Northwardly along the West line of said alley 58 feet 5-1/4 inches to the South line of property now or formerly of Abe Schudmak and wife, thence Westwardly along the South line of property of said Schudmak 21 feet 5-1/8 inches to the East line of property formerly of Berthold Investment Co., thence Southwardly along the East line of property of said Berthold 58 feet 5-1/2 inches to the North line of Pine Street, thence Eastwardly along the North line of Pine Street 21 feet 5-1/2 inches to the place of beginning.

(4) All that certain lot, piece, or parcel of land with the buildings thereon erected, situate, lying and being in the Ninth Ward of the City and County of New York:

Beginning at a point in the northerly line of Bank Street distant 149 feet 11-1/2 inches westerly from the intersection of the northerly line of Bank Street with the westerly line of Greenwich Avenue; running thence northerly 163 feet and 3/4 of an inch to the southerly line of West Twelfth Street at a point distant 118 feet and 4 inches westerly from the intersection of the southerly line of West Twelfth Street with the westerly line of Greenwich Avenue, which point is opposite the centre of a party wall standing partly upon the premises hereby described, and partly upon the premises adjoining upon the east; running

thence westerly along the southerly line of West Twelfth Street 61 feet 4-1/4 inches to the centre of a party wall standing partly upon the premises hereby described, and partly upon the property adjoining upon the west; running thence southerly through the centre of said party wall, and in continuation thereof, 78 feet and 3/4 of an inch; thence westerly, and parallel with the northerly line of Bank Street 8 feet 2-1/2 inches to a point in a line in continuation of the centre of a party wall standing partly upon the premises No. 13 Bank Street and partly upon No. 15 Bank Street; running thence southerly in a line in continuance of, and through the centre of said party wall, to a point in the northerly line of Bank Street 69 feet and 2 inches westerly from the point of beginning; and thence easterly along the northerly line of Bank Street 69 feet and 2 inches to a point opposite the centre of the party wall standing partly upon No. 9 Bank Street, and partly upon the premises adjoining upon the east, which point is the point or place of beginning, BEING the same premises designated as Nos. 9, 11 and 13 Bank Street, Nos. 240, 242 and 244 West 12th Street, on a map of survey by Francis X. Ford, City Surveyor, dated May 29, 1905, and filed in the Office of the Register of the County of New York, by Villard, Gifford & Cox, attorneys, on the 6th day of June, 1905, and numbered 1100A, TOGETHER with the appurtenances ~~and all the estate and rights of the parties of the first part~~ in and to said premises, with the exception of that part of said property numbered and known as Nos. 240, 242 and 244 West 12th Street which has been heretofore conveyed.

Correction Approved
C.A.P.
W.H.P.
KSP
JAP
RORP

(5) A lot bounded on the South by Broadway 110 feet; on the West by the East boundary line of the Woodruff Lot; on the North by the River St. Lawrence; on the East by the West boundary line of the Rogers lot; such East and West boundary lines of the lot herein are at right angles to Broadway - parallel to each other and of uniform distance from each other of 110 feet. The depth of the lot from Broadway to the River is 372 feet. This lot is one of a Block of 3 lots, lying between Real and Kanady Streets in the village of Cape Vincent, New York, the title to which was at one time vested with other lands in three brothers, Louis D. Peugnet, Hyacinth Peugnet and Theophilus Peugnet, In 1851, March 15th, by deeds recorded in the office of the Clerk of Jefferson County, New York. In April of that year, Book 100, the said lands were divided between the three so that what is now the Woodruff lot went to Hyacinth Peugnet; the Rogers lot to Theophilus Peugnet and this lot to Louis D. Peugnet; and being a middle lot, was made a little wider than each of the two corner lots.

(6) Partly in St. Francois County and partly in Ste. Genevieve County, State of Missouri. All of the South East 1/4 of Section Seven (7), the South West 1/2 of Section Eight (8); the North West 1/4 of Section Seventeen (17) and the North East 1/4 of Section Eighteen (18), Township Thirty-five (35) North, Range Seven (7), lying within United States Survey No. 3044: Beginning at a point in the S. W. line of said Survey No. 3044 where the South line of the N. E. 1/4 of Section 18, Township and Range aforesaid intersects the S. W. line of said Survey No. 3044; running thence North 28 degrees west along the South West line of said survey No. 3044; 62 chains and 94 links to the N. W.

Corner of said Survey No. 3044; thence North 62 degrees East along the N. W. line of said Survey No. 3044; 22 chains and 34 links to a point where the N. W. line of Survey No. 3044 is crossed by the dividing line between the County of St. Francois and the County of Ste. Genevieve; thence North 62 degrees East 23 chains and 53 links to the N. W. line of said Survey 3044 intersected by the East line of Section 7, said Township and Range; thence North 62 degrees East 5 chains 54 links to the intersection of said N. W. line of Survey No. 3044 and the South line of the N. W. 1/4 of Section 8, Township and Range aforesaid; thence East 45 chains and 41 links along the South line of the N. W. 1/4 of said Section 8 to the S. E. Corner of said N. W. 1/4 of Section 8; thence South along the East line of the S. W. 1/4 of said Section 8, 40 chains and 50 links to the S. E. Corner of the S. W. 1/4 of said Section 8; thence South at a variation of 8 degrees and 37 minutes East along the East line of the N. W. 1/4 of Section 17, Township and Range aforesaid to the S. E. Corner of said N. W. 1/4 of Section 17; thence West 53 chains and 40 links to the place of beginning, containing by Survey 535.43 acres, except a strip of land 100 feet in width the right of way of the Saline Railway Company, said strip in land containing 8.51 acres more or less.

(7) In St. Francois County, State of Missouri: All of that part of the N. 1/2 of Section No. Twenty-nine (29), Township Thirty-five (35) North, Range Six (6) East, lying within United States Survey No. 3043 and particularly described as follows: Beginning at a point in the S. E. line of said Survey No. 3043 where the same is intersected by the East line of the S. E. 1/4 of said Section 29; running thence North along the East line of said Section 29; thence continuing Northwardly along the said E. line of said Section 29, 40 chains and 50 links to the N. E. Corner of said Section 29; thence West along the North line of said Sec. 29, 40 chains to the N. W. Corner of said N. E. 1/4 of Sec. 29; thence South 80 chains to the South line of said Section 29, being the S. W. Corner of the S. E. 1/4 of said Section 29; thence East along the South line of said Section 29, 4 chains and 24 links to the S. E. line of said Survey No. 3043; thence North 52 degrees East, along the S. E. line of said Survey No. 3043; 46 chains and 32 links to the place of beginning, containing by survey 266.83 acres in St. Francois County, Missouri.

WHEREAS, for the convenience of the undersigned and in order to obtain efficient and effective management of their respective interests in said properties, the undersigned desire to unite the control of their interests in one person; and

WHEREAS, Amedee A. Feugnet is willing to undertake the management and control of said interests for the undersigned upon the terms, covenants and conditions hereinafter set forth, as evidenced by his signature affixed hereto.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That

the undersigned do hereby make, constitute and appoint said Amedee A. Peugnet, whose signature appears below, our true and lawful agent and attorney, for us and in our name, place and stead to recover and receive all rents, revenues, profits, accounts, income and demands whatsoever, as are now or as shall hereafter become due, owing, payable or otherwise belong to us or any of us from, arising out of, relating to or concerning our respective interests in the properties above described; to have, use and take all lawful ways and means, in our names or otherwise, for the recovery thereof by suit, attachment or otherwise and to compromise and agree for the same and to give releases, receipts and other sufficient discharges for the same; to rent or lease our respective interests in said properties, including the granting of any and all oil, gas and mineral interests, to such persons, firms or corporations and upon such terms and conditions and for such periods as our said agent and attorney-in-fact shall determine; to execute, in our names and as our act and deed, any and all leases, agreements and other instruments of whatever nature as may be necessary or proper under the circumstances; to wreck, repair, improve, furnish, equip or otherwise provide for the buildings or improvements on any of said properties for such purposes and to such extent as our said agent and attorney-in-fact may deem advisable under the circumstances; to cut and sell timber; to farm or cultivate said properties and sell the produce therefrom; to raise livestock thereon and sell the same; to insure the improvements on any of said properties against loss or damage and to generally manage our respective interests in said properties and the improvements situated thereon and to act for us with respect thereto as fully and with the same effect as though we were personally present and acting for ourselves, hereby granting full authority to our said agent and attorney-in-fact to do and perform any and all acts or things with respect to the management of said properties which we could do or perform if personally present and acting in person. We hereby ratify and confirm

all that our said agent and attorney-in-fact may do or cause to be done by virtue of the provisions hereof.

The power and authority herein granted to our said agent and attorney-in-fact with respect to the properties herein described shall extend to and include any additional interests in said properties which we may hereafter acquire.

IN WITNESS WHEREOF, we have hereunto set our hands and seals in the City of St. Louis, Missouri, this 8th day of January, 1951.

W. Dou Peugnet
W. Dou Peugnet

~~Jeanne Y. Peugnet~~

Claire A. Peugnet
Claire A. Peugnet

J. Sarpy Peugnet
J. Sarpy Peugnet

William R. Peugnet
William R. Peugnet

Hubert B. Peugnet, MD
Hubert B. Peugnet

ACCEPTED:

Amedee A. Peugnet
Amedee A. Peugnet

STATE OF MISSOURI }
CITY OF ST. LOUIS } SS

On this 8th day of January, 1951, before me personally appeared W. DOU PEUGNET, ~~JEANNE Y. PEUGNET~~, CLAIRE A. PEUGNET, J. SARPY PEUGNET and HUBERT B. PEUGNET, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the City and State aforesaid, the day and year first above written.

Evelyn R. Price
Notary Public

My term expires May 11, 1951.

STATE OF KANSAS }
} SS
COUNTY OF SEDGWICK }

On this 17th day of January, 1951, before me personally appeared WILLIAM H. PEUGNET, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

R. E. McCutcheon
Notary Public

My term expires 2/16/51, 19__.

as Recorded at
Recorder of City of St. Louis, Mo.
16 Jan. 1951
Book 6999, Page 401.

AMEDEE A. PEUGNET
CONSULTING MINING ENGINEER
20 North 7th Street
St. Louis 1, Mo.

20 September 1951

Dm A-2108

U.S. Department of the Interior,
Defense Minerals Administration,
221 West 3rd Street,
Joplin, Missouri.

Gentlemen:

Please find attached application for Government aid in prospecting for lead in Sections 7-8-17-18, Twp. 35 N., R. 7 E., St. Francois and Ste. Genevieve counties, Missouri.

Application is submitted in quadruplicate, eaxh set consisting of:

1) Form MF-103;
2) 5 attached sheets, to accompany MF-103;
3) Plate I, USGS "Fredericktown Quadrangle" topographic map, to which has been attached a portion of USGS Farmington Quadrangle, with certain additions reffered to in text of application;
4) Plate II, a print showing similarity of structures at Peugnet property and at the Hickory Nut Mines;

In addition , to the above, is submitted one ~~photostatic~~ copy of Powers of Attorney from the other co-owners of the property to the applicant.

Very truly yours,

Amedee A Peugnet

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMA-2108

Date received 9-27-51

Participation

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D. C. SEP 27 PM 61

Amadee A. Peugnet
20 North 7th Street
St. Louis 1, Mo.

Name and address of applicant

Date

FILL IN THIS BLOCK

Date of application September 20, 1951

Estimated cost $1760.00

Mineral or metal LEAD

Percentage of Government participation 50%

Location of mine Parts of Sections 7-8-17-18, Twp 35 N., R. 7 E., St. Francois and Ste. Genevieve Counties, Missouri

Date of filing MF-100 None

DMA Docket Number, if available 2108

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation? Individual

*2. If a partnership, state names and addresses of partners. See attached sheet

*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders. Inapplicable

*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project. See attached sheet

*5. Are you the owner or the lessee of the property? Owner

6. If owner, state what claims, liens, or encumbrances, if any, are against the property. None

7. If lessee, attach a copy of the lease and state if it is in good standing. Inapplicable

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement. Inapplicable

9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)? $1000.00 (Sufficient under Section 9)

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property. See attached sheet

(*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted. Same as 10(a)

NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any. None

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads. See attached sheet

*13. State source and quantity of water available for operations and its sufficiency at all seasons. See attached sheet State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work. None

15. State in detail how the ore could be shipped and how and where milled. See attached sheet

*16. History:

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations. Not applicable

(*b*) State briefly the known history and production of adjoining and neighboring properties. See attached sheet

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations. See attached sheet

*17. Production:

(*a*) If mine is in production, furnish the following information: Inapplicable

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.) Inapplicable

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions. None

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted? Lead

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it. See attached sheet

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data. See attached sheet

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each. See attached sheet

(*b*) Supervisors, by numbers and positions, with salaries of each. See attached sheet

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings. None

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings. None

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each. See attached sheet

(*f*) Cost of rental for equipment which the operator proposes to rent. See attached sheet

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work. None

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each. See attached sheet

(*i*) Cost of power, water, utilities, and any other items not provided for above. None

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent. See attached sheet

CERTIFICATION

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

(Name of company)

By Andrew A Peugnet
(Signature of authorized official)

(Date)

Owner
~~(Title)~~

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

Amedee A. Peugnet, 20 North Seventh St., St. Louis 1, Mo.

2. This property is owned by the applicant and five of his brothers and sisters as co-owners; property was acquired by inheritance, having come into the family as a land grant. Applicant has long been manager for the various properties, including this one, held by his brothers and sisters through inheritance; for this purpose he has been constituted attorney in fact, (see the inclosed photostatic copy of latest unlimited powers of attorney).

4. Applicant is a professional mining engineer, Missouri License No. E-3556; a graduate of Missouri School of Mines & Metallurgy, Rolla, Mo., 1927, B.S. in Mining, who has following mining since then. Experience has included 3 years with U. S. Smelting, Refining & Mining Co., Fairbanks, Alaska, prospecting, exploration and development work, examinations and drilling; Resident Manager & Engineer for a very extensive diamond drilling program, Manganese Ore Co., Las Vegas, Nevada; Chief Engineer, Standard Tungsten Co., Santa Barbara, Calif., exploration and development; private examinations.

10. (a) That certain tract of land situated partly in St. Francois County and partly in Ste. Genevieve County described as follows, to-wit: All of the Southeast 1/4 of Section 8; the Northwest 1/4 of Section Seventeen (17) and the Northeast 1/4 of Section Eighteen (18), Township 35 N, Range 7 East, lying within United States Survey #3044; beginning at a point in the Southwest line of said Survey #3044 where the South line of the Northeast 1/4 of Section 18, township and range aforesaid intersects the said southwest line of said Survey #3044; running thence North 28° West along the Southwest line of said survey #3044, 62 chains and 94 links to the Northwest corner of the said Survey #3044; thence North 62° East along the Northwest line of said Survey #3044, 22 chains and 34 links to a point where the said Northwest line of said Survey #3044 is crossed by the dividing line between the County of St. Francois and the County of Ste. Genevieve; thence North 62° East 23 chains and 53 links to the Northwest line of said Survey #3044 intersected by the East line of Section 7, said township and range; thence North 62° East 5 chains and 54 links to the intersection of said Northwest line of Survey #3044 and the South line of the Northwest 1/4 of Section 8, township and range aforesaid; thence East 35 chains and 41 links along the South line of the Northwest 1/4 of said Section 8 to the Southeast corner of the said Northwest 1/4 of Section 8; thence South along the East line of the Southwest 1/4 of said Section 8, 40 chains and 50 links to the SE corner of the Southwest 1/4 of said Section 8; thence South at a variation of 8 degrees and 37 minutes East along the East line of the Northwest 1/4 of Section 17, township and range aforesaid, to the Southeast corner of the Northwest 1/4 of Section 17; thence West 53 chains and 40 links to the place of beginning, containing by survey 535.43/100 acres.

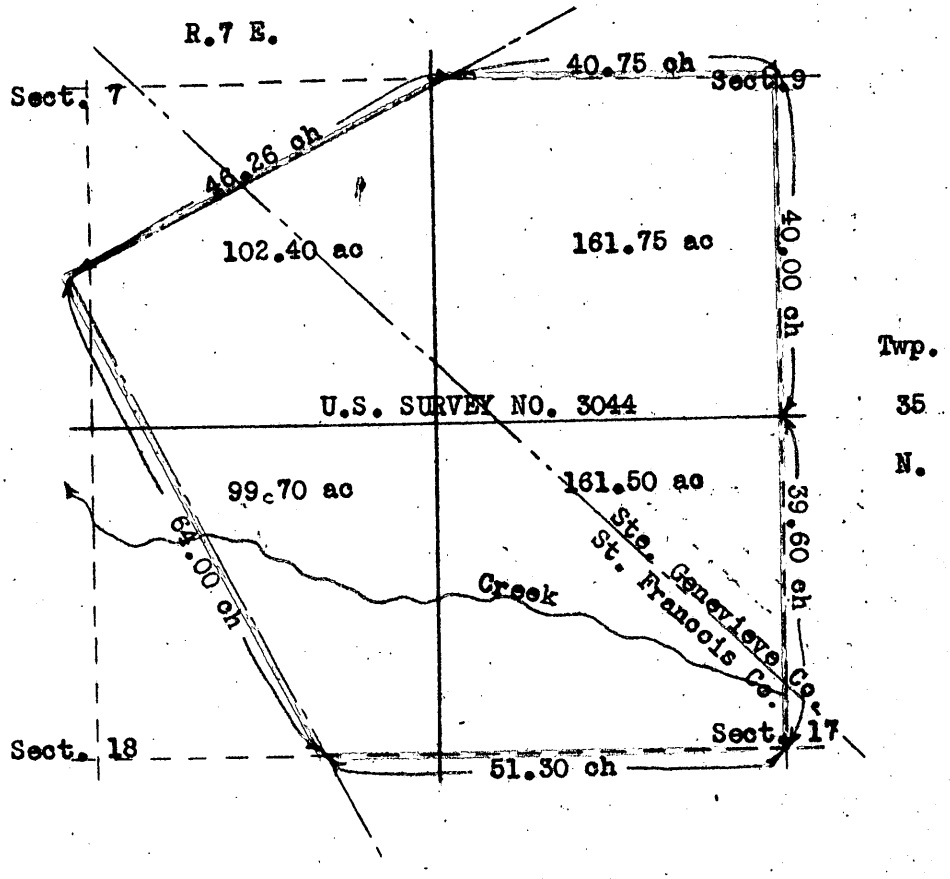
The tract lies on rather flat ground, having a minimum elevation of about 900 ft. MSL and a maximum of about 1000 ft. It is well covered with second growth hickory and oak, the oak being large enough for mining props and to some extent for railroad ties. The tract is drained by a creek, and its tributary, which is a tributary of Back Creek. The aforementioned county road lies along, or within, the southwesterly line of the property, from this road the entire tract is crossed by a crude automobile trail giving access to the farm of A. L. Hohen, whose farms adjoin on the east.

10. (b) Same as 10 (a).

SEE PLAT ON PAGE FOLLOWING

AMEDEE A. PEUGNET, 20 North 7th St., St. Louis 1, Mo.
MF-103 dated Sept. 20, 1951

10 a, part of



SKETCH SHOWING PEUGNET HOLDINGS IN
SECTIONS 7-8-17-18, T. 35 N., R.6 E.
St. Francois & Ste. Genevieve Counties, Missouri.
(Part of U.S. Survey #3044)
(From survey by Chadwell, County Surveyor Ste. Genevieve Co., 1903)

Amedee A. Peugnet, 20 North Seventh St., St. Louis 1, Mo.

12. See Plate I.

The property lies two and one-half miles north of Libertyville over a county maintained all-weather gravel road, which gives easy access to the tract, but which should be improved if used for a continuous heavy trucking project.

Libertyville is a hamlet one mile north of U.S. Highway 61 over an excellent county maintained gravel road which intersects U.S. 61 nine miles south of Farmington, Mo., and ten miles north of Fredericktown, Mo., which is served by a branch of the Missouri-Pacific Railroad.

The property thus lies less than fourteen miles north of ~~Farmington~~ FREDERICKTOWN an important lead mining center. Of this distance, not more than two and one-half miles of road would require improvement should the property become a producing mine.

The Missouri-Pacific Railroad at Fredericktown, or near Mine La Motte, about four miles closer, provides an excellent rail shipping point.

13. There are no large streams at hand to furnish a constant water supply for milling purposes, it being approximately 5½ miles distant to the St. Francois River. The La Motte sandstone, however, is one of the most dependable aquifers, and it is believed that little trouble would be encountered in developing sufficient water to supply a mill. Near Avon, 2½ miles to the east of the property, there are some flowing wells, and in general the attitude of the strata is such as to permit surface waters to enter the beds through the outcrops.

For the purposes of this project, adequate water is available from the main creek and its tributaries which flow across the property and drain an area of six or eight square miles.

15. The lead ores of this district are very amenable to flotation, and numerous large concentrating mills are operating at Fredericktown, Flat River, Bonneterre, etc. Ore from this property could be truck hauled and milled at either Fredericktown plant of St. Louis Smelting & Refining Co., which handles about 700 tons per day, or at the nearby Mine La Motte mill, operated under the management of the St. Joseph Lead Co., which is presently milling 1800-2000 tons per day.

16 b. See attached USGS topographic sheet. The closest commercial production of lead was at the Avon Mines, about 2½ miles west of the property. Mr. A. Smith, whose farm adjoins the property on the northwest, stated to the applicant on Sept. 3, 1951 that "block lead" has been found in the creeks flowing through the property, and that his father, who owns the farm adjoining on the west, had encountered "block lead" when sinking a well on his property. On Aug. 7, 1951 Mr. E. T. Conrad, who has 1500 acres adjoining the property on the south, told the applicant that the St. Joseph Lead Co. had drilled his land, had told him that they found "good copper", but would not talk about lead. The property lies about seven miles northeast of the known Lead Belt. Applicant was told by Mr. Geo. Detring, RR #1, Farmington, Mo., in August 1951, that his father-in-law had drilled sections 20-21 "and east" about 25 years ago, lead was found but amount is unknown to Mr. Detring. At least two drill holes resulted in artesian wells.

Amedee A. Peugnet, 20 North Seventh St., St. Louis 1, Mo.

16 c. The applicant employed Mr. Louis P. Pressler, E.M., Consulting Mining Engineer, of Rivermines, Mo., a former geologist for St. Joseph Lead Co., to give an opinion on this property. In a letter to the applicant dated April 30, 1951, he says: "The 535 acre tract in Sections 7-8-17-18, Twp. 35 N., R 7 E, St. Francois and Ste Genevieve Counties, lies between two faults on the down side and should be fairly broken up area, but it is such a long distance from the Simms Mt. fault mineralizers, as to preclude any possibility of finding lead ore. I would not recommend any drilling here."

21. This project proposes to sink two diamond drill holes into the La Motte sandstone, which underlies the Bonne Terre dolomite (exposed at the surfact). The La Motte sandstone is considered by some to be the channel for the solutions which deposited lead in the Bonne Terre. The estimated depth of these holes is 300 feet, each, a total of 600 feet for the project. It is proposed to locate these holes approximately as shown on the attached topographic sheet.

22. Geologic basis for the project.
Note: This property lies at the northeast corner of the FREDERICKTOWN Quadrangle, of which a detailed geologic study has been made by Stewart & Aid, 1943, of the Missouri Geological Survey. The Missouri Geological Survey has made available to the applicant certain of the data from this study, including a preliminary geologic map of the area. Inasmuch as this study, Investigation No. 9, has not yet been published, applicant was enjoined from making public use of this material. Applicant has, however, been assured by the Missouri Geological Survey that it will be glad to make this data available to the Federal agency investigating this application, and that it will cooperate fully in discussion of this application. For this reason, the applicant has not felt at liberty to include in this application data, such as location of faults, etc., which would otherwise be properly included in such an application.

1) The property subject of this application lies between the Avon Mines, a former small producer 2½ miles east and the known Missouri Lead Belt, six or seven miles to the southwest. There are eleven mines or prospects west of this property which lie within the Fredericktown Quadrangle, (circled on Plate I for easy reference); there are twenty or more producing mines or prospects to the south and southwest, (also circled). Lead has been found in the creeks on the property and in a well on the farm adjoining on the west. In "Geology of Ste. Genevieve County, Missouri", by Weller and St. Clair, Volume XXII, Second Series, Missouri Bureau of Geology & Mines, pp 347,348, there is mention of several occurrences of lead to the north and east of the property, in addition to the Avon Mines. All these occurrences are more distant from the Simms Mt. fault mineralizer than is the subject property. Therefore, either they are not too far distant to be mineralized by it, or there is another source of mineralization, thus subject property cannot be ruled out by reason of its distance from the Simms Mt. fault mineralizer.

2) The property lies in a well broken up fault block, providing favorable conditions for concentration of mineralization.

3) In "Geologic Relationships of the Ore Deposits in the Fredericktown Area, Missouri", by Jack A. James, 1949, Missouri Geological Survey & Water Resources, Report of Investigation No. 8, pp 18-22, it is shown that structure may to a large extent control the deposition of lead in this area; and, referring to "Total Intensity Aeromagnetic Map of Fredericktown, Missouri, Quadrangle", US Geological Survey in cooperation with Missouri Geological Survey, 19491 (see Plate II), there is a marked structural similarity between the area around this property and that around the Hickory Nut Mines, about 2 miles west of Fredericktown.

Amadee A. Peugnet, 20 North Seventh St., St. Louis 1, Mo.

4) The ore-bearing formation of the Lead Belt, the Lower Bonne Terre, is exposed over most of the property; about 800 feet northeast of the St. Francois-Ste Genevieve County line, and completely across the property, a fault has dropped the Lower Bonne Terre so that the La Motte sandstone outcrops over the portion of the property northeast of it. The fact that the usually barren formations above the Lower Bonne Terre have been eroded away will lessen the cost of both exploration and development of ore found.

Summary

The subject property is adjacent to the known Lead Belt.
The property lies between the Avon Mines, 2½ miles east, and a discovery less than a mile to the west.
Structural conditions around the property are similar to those at a known producing area.
The probability of mineralization is reasonable.
Known faulting suggests local rock conditions are favorable for concentration of mineralization.
The Lower Bonne Terre, usual host rock in the Lead Belt, is exposed at the surfact.
Any existing ore would be at a shallow depth, making for cheaper exploration and Mining.
Topographic and other features are favorable for a mining operation, should discovery of sufficient ore be made.

23. (a) Labor: Drilling to be done by contract driller, at a stipulated cost of $1.60 per foot, everything included and furnished.

(b)	Supervisors: One experienced mining engineer, in charge of operation. Salary $30.00 per day		$400.00
(c)	None		
(d)	None		
(e)	None		
(f)	$1.60 per ft., estimated depth 300 feet each, for two holes		960.00
(g)	None		
(h)	Core boxes, sample bags,	$100.00	
	Assaying	200.00	
	Surveying, (lay-out)	100.00	
		$400.00	400.00
			$1760.00

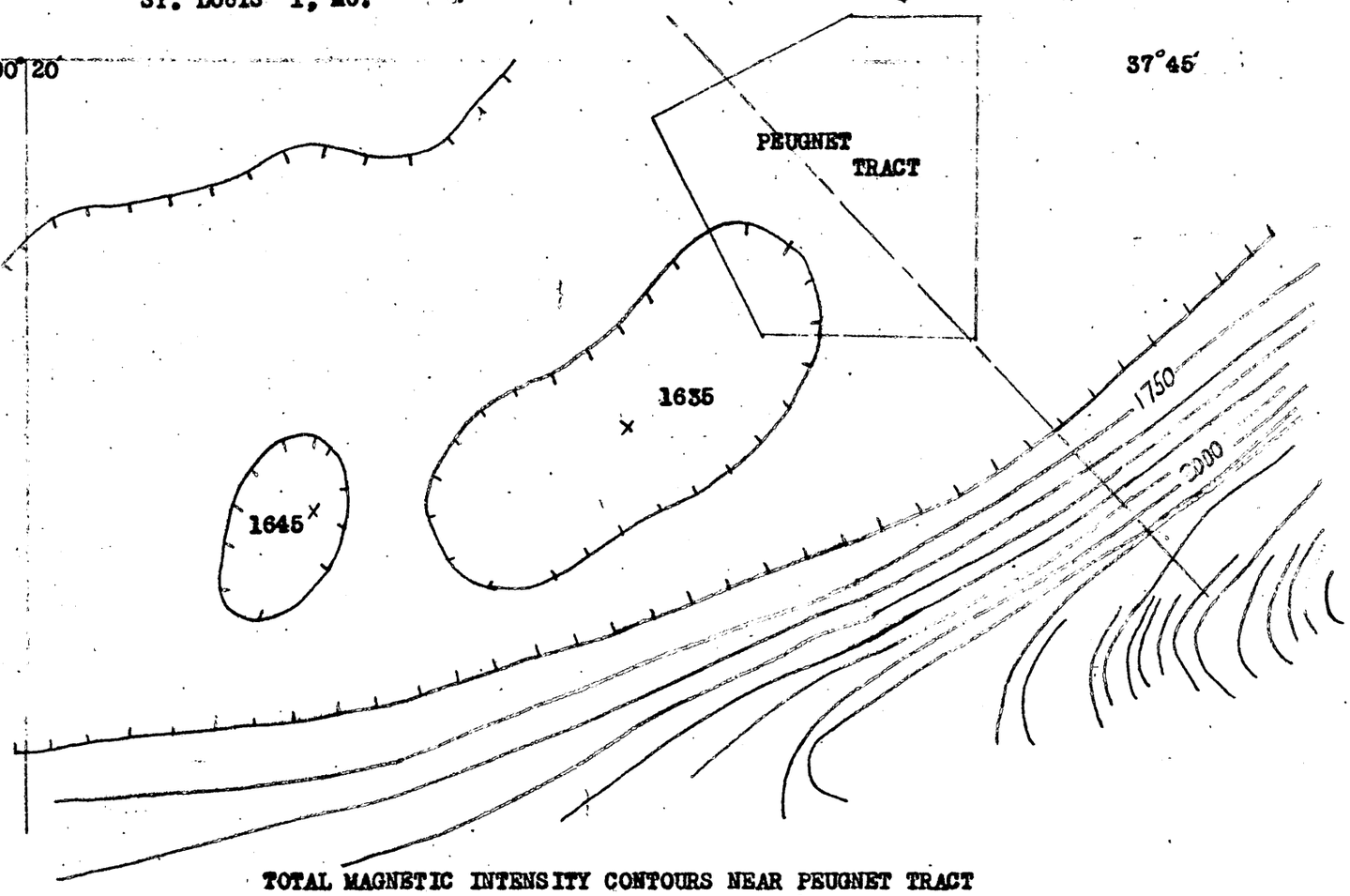
24. Two diamond drill holes, estimated depth 300 feet each, @ 8 days per hole plus an allowance of ten days for moving, weather, stuck rods, etc.
Total for project 26 days. (ONE MONTH).

16 26 30 78 0

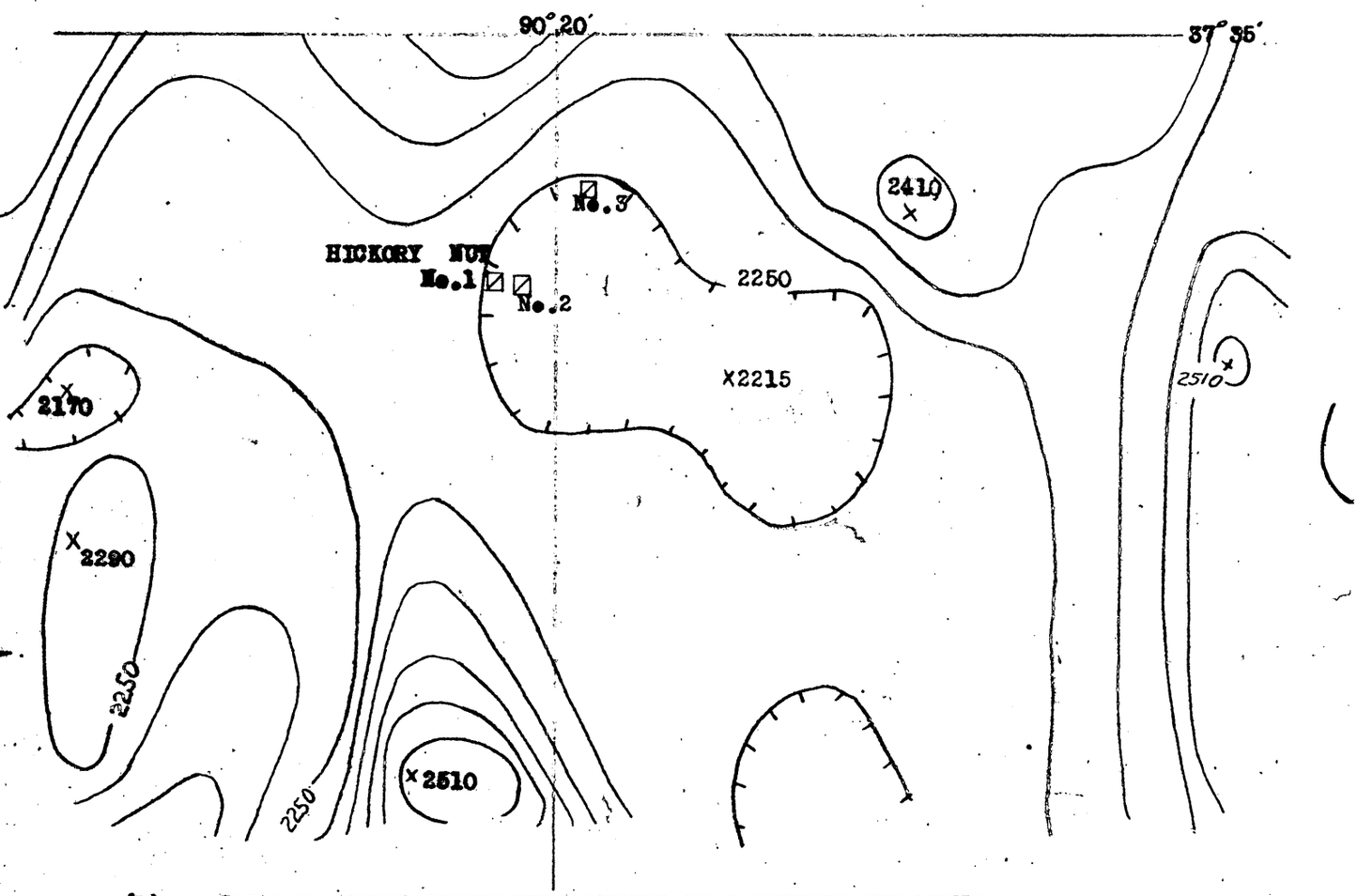
16 30 48 0

AMEDEE A. PEUGNET
20 NORTH 7th St.,
ST. LOUIS 1, MO.

To accompany MF-103 dated Sept. 20, 1951.



TOTAL MAGNETIC INTENSITY CONTOURS NEAR PEUGNET TRACT



(B) TOTAL MAGNETIC INTENSITY CONTOURS NEAR HICKORY NUT MINES
(About two miles west of Fredericktown)

TRACING FROM "TOTAL INTENSITY AEROMAGNETIC MAP OF FREDERICKTOWN QUADRANGLE, MISSOURI"
United States Geological Survey in cooperation with Missouri Geological Survey, 1949
CONTOUR INTERVAL 50 Gammas

0 ½ 1 2 3 miles

SHOWING SIMILARITY OF STRUCTURE AROUND HICKORY NUT MINES
AND STRUCTURE AROUND PEUGNET PROPERTY,

PLATE II

Joplin Globe

A GREAT DISTRICT'S GREATEST NEWSPAPER

Published every morning except Monday by the Joplin Globe Publishing Company, 117 East Fourth street, Joplin, Missouri, and entered as second class matter at the post office at Joplin, Missouri, under the act of March 3, 1879.

ALFRED HARRISON ROGERS
President 1910-1920

TELEPHONE: CALL 348 FOR ANY DEPARTMENT
THE KATZ AGENCY, INC., NATIONAL REPRESENTATIVE

Member of the Audit Bureau of Circulations
MEMBER OF THE ASSOCIATED PRESS

The Associated Press is entitled exclusively to the use for publication of all the local news printed in this newspaper, as well as all AP news dispatches.

Subscription rates. By mail in first and second postal zones, $7.00 per year, morning and Sunday; beyond second zone, $10.00 per year. By carrier, 25 cents per week.

THE GLOBE AND NEWS HERALD CIRCULATION

State of Missouri, County of Jasper, ss:

Harold J. Leggett, Circulation Manager of the Joplin Globe Publishing Company, does solemnly swear that the average paid circulation of the Joplin Globe and News Herald during the month of August, 1951, was: Daily 43,232; Sunday Globe, 34,429.

HAROLD J. LEGGETT, Circulation Manager.

Subscribed and sworn to before me this 8th day of September, 1951.

(Seal) RUTH CLARE TEUTSCH, Notary Public.

My commission expires March 5, 1954.

TUESDAY, SEPTEMBER 25, 1951.

Poverty Is Extravagant.

In discussing the urgent financial problem faced by St. Louis, Mayor Darst of that city, in the course of argument for a proposed graduated earnings tax, recently called attention to some vital facts regarding municipal financing. He said:

"It is extravagant to be poor. More and more this year the truth of this phrase has been impressed upon me by the measures we have been forced to take in trying to live within our income.

"Every housewife knows it is cheaper to buy tomatoes by the case instead of by the can. Multiply the economy of wise purchasing in a single household by the needs of St. Louis institutions, and the extravagance of being poor becomes disturbing.

"The city has been forced to defer essential repairs to city institutions, streets and sewers because the money for this purpose has not been available. The longer such repairs are delayed, the more expensive they become. The same situation results when municipal services are curtailed. One example is the Health Division. We have been forced to delay needed expansion of municipal health services because funds simply are not available . . . If, as a result, a serious epidemic strikes St. Louis, again it will be extremely extravagant to be poor.

"The greatest single need of the city today is a permanent solution of its recurring financial crisis . . . Property taxes are now carrying as much of the load as can be reasonably expected . . . To increase property levies will not only add an unjust burden upon property owners, but will accentuate the shift of population and industry outside the city limits."

Incidentally, Louisville apparently has solved its financial problem by a pay roll license tax of 1 per cent on the incomes of all persons employed in Louisville. The Missouri constitution, however, precludes any such tax in this state, and St. Louis is trying to get the legislature to authorize it to assess a graduated earnings tax.

Tri-State District Looks to Mr. Young.

It is to be hoped inter-agency disagreement in Washington over the best method to increase the supply of critical short nonferrous metals, including lead and zinc, for the defense effort, can be satisfactorily adjusted, and soon.

The interior department is reported to favor increasing the ceiling price of scarce metals, believing that to do so would increase imports and also stimulate domestic output. The office of Price Stabilization (OPS) is opposed, contending that to divert too much metal from world markets to the United States would hinder the defense buildup of America's allies, and at the same time would not materially increased domestic production.

Tri-State mining men concede it is a knotty problem. They think it requires a realistic approach, stripped of any political or purely mercenary objectives. With Howard I. Young, one of the nation's foremost mining men, on the scene as the newly appointed deputy administrator of Defense Materials Procurement Administration (DMPA), they are encouraged in the hope that a proper solution will be found.

Young is a native of this district and knows its problems. As head of American Zinc, Lead and Smelting Company, he has had wide experience in production, smelting and marketing problems. No better qualified man could have been found in the United States.

Tri-State mining men regard the metal price freeze of the last year as discriminatory in a period of mounting production costs. They think it is especially harmful to a mining field which must rely principally on marginal ores even though it still has millions of tons of recoverable zinc and lead.

Some operators suggest a two-way attack on the problem. Instead of removing ceiling prices entirely, they would increase the zinc metal price from the present 17½ cents a pound to, say, 21½ cents a pound, which would send the price of zinc concentrates up to around $145 a ton from the present $115 price, Joplin market. It also would increase imports, they believe.

Then, to stimulate domestic production further, they favor restoration of the World War II premium price payments under careful controls. This, they believe, would stabilize the market and encourage new venture capital thereby saving for the national economy much valuable marginal ores badly needed at this time.

The metals problem still is under serious study in Washington. Administrator Jess Larson of the DMPA, the agency to which Young has been named as deputy administrator, said in a recent statement that the problem is not going to be solved overnight; that it will require patience, diligence, technical skill and co-operation.

Meanwhile, production in this district lags. Operators are hopeful a satisfactory solution will not be delayed too long, lest much of the district's skilled labor force be lost and production problems grow more difficult. In any event they trust that DMPA will not turn out to be the flop that the Defense Minerals Administration (DMA) has been thus far for this field.

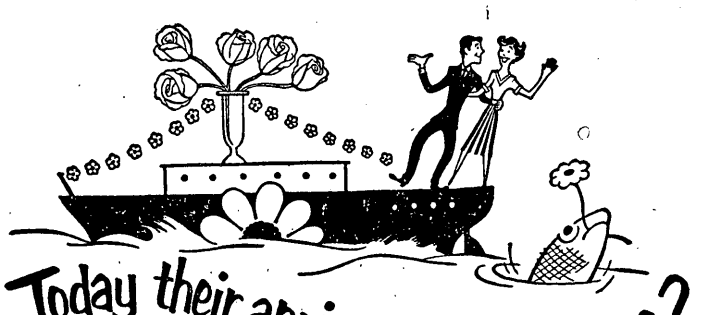
Miller Pallbearers.

Pallbearers at funeral services his afternoon for Mrs. Harry S. Miller, 83 years old, who died Saturday, will be P. W. Inger, A. S. Ross, C. O. Messenger, C. N. Gearhart, Clarence J. Warden and Hadley Tatum.

Pure... as money can buy!

St. Joseph ASPIRIN

100 TABLET BOTTLE ONLY 49¢



Today their anniversary—or yours?

FLORISTS' TELEGRAPH DELIVERY — Send Flowers Worldwide — INTERFLORA

Have you forgotten a special twosome on their very special day? It's still not too late to say "Happy Anniversary"...

Say it with Flowers-By-Wire

The F.T.D. Florist in your community is a local businessman, anxious to serve you well.

The familiar Mercury Emblem identifies the right shops.

LORISTS' TELEGRAPH DELIVERY ASSOCIATION, Headquarters: Detroit, Michigan

-THE-YARD

man's wonderful warm woolens, su- y to a smartly outfitted YOU. Lush rnish inspiration for your smartest e fine fabrics in our beautiful new

"LANKENAU'S" WORSTED-TYPE RAYON SUITING

This ever-popular crease-resisting fabric has the look and feel of fine all-wool worsted gabardine. A very popular weave for suits, skirts, and casual wear. Solid shades of purple, green, brown, grey, black, navy, and red. Plaids that will match these colors listed. 54 inches wide.

$1.98 *Yard*

"THEME SONG" RAYON DRESS CREPE

Here is that wonderful new crepe that has taken the fashion world by storm. Beautiful surface interest, woven for elegant wearing. Drapes wonderfully. Available in the season's most wanted colors . . . rust, black, green, grey, red and brown. 39 inches wide.

$1.98 *Yard*

RED A

cos- feta. and new vide.

WASHABLE RAYON BLOUSE CREPE

So many charming colors that will blend or contrast your suits or skirts . . . aqua, lavendar, purple, dusty rose, pink, copen blue, brown, navy, yellow and black. Every yard washable. 39 inches wide.

$1.09 *Yard*

FLOOR

It Yourself!

is Most Luxurious of ORDUROYS AYDENE" by St. George

ery other corduroy n. Raydene is differ- ne is washable (saves lls!), doesn't mar, is u l, stays beautiful. h Rayon, it's so bulk- ft, so supple, you'll draping it in every- casuals to formals!

RAYDENE fabrics

$2.69 *Yard*

OWN PARKING LOT, 622 JOPLIN

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

Budget Bureau No. 42-R1036.3.
Approval expires 12-31-54.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 27 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June & July, 1952 Docket No. DMEA-2108 Contract No. Idm-E327
Operator's Name AMEDEE A. PEUGNET Minerals LEAD
Address 20 North Seventh St., St. Louis 1, Mo.
Contract Amount, $ 3,600.00 Government Participation: 50 % Amount, $ 1,800.00

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:						
Drilling	$1,200.00	NONE	$1,200.00			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	289.00	NONE	289.00			
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						
Surveying	81.00	None	81.00			
Core box material	3.30	None	3.30			
(8) Contingencies (specify):						
TOTALS	$1,573.30	NONE	$1,573.30			

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

Date 8/11/52 *Payee Amedee A Peugnet

Per _____ Title OWNER

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

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

(Instructions on reverse)

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

$ 746 15

Signature _____
(Authorized Certifying Officer)

Date _____ Vou. No. DMEA 6-46

(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 5327 in accordance with the terms of the contract.

Signature Edwin T. Perkins Title Mining Engineer Date Aug. 25-1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature David Gallagher Title Exec Off Date Aug 25, 1952

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 27 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June & July 1952 Docket No. DMEA-2108 Contract No. Idm-E527
Operator's Name AMEDEE A. PEUGNET Minerals LEAD
Address 20 North Seventh St., St. Louis 1, Mo.

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								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	Feet	$1,573.30	600	$1,573.30	600	2.62	600	$3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$1,573.30	600	$1,573.30				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1,573.30	600	$1,573.30				$1,800.00

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 8/11/52 Operator Amedee A Peugnet

Per Title Owner

REMARKS: Actually drilled 686 ft. at a total cost of 1745.30. Contract limits drilling to 600 ft.

→ 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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 27 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June & July 1952 Docket No. DMEA -2108 Contract No. Idm-E327

Operator's Name AMEDEE A. PEUGNET Minerals LEAD

Address 20 North Seventh St., St. Louis 1, Mo.

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								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	Foot	$1,573.30	600	$1,573.30	600	2.62	600	$3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$1,573.30	600	$1,573.30				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1,573.30	600	$1,573.30				$1,800.00

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 8/11/52 Operator Amedee A Peugnet

Per Title Owner

REMARKS: Actually drilled 686 ft. at a total cost of 1745.30. Contract limits drilling to 600 ft.

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U. S. GOVERNMENT PRINTING OFFICE 205676

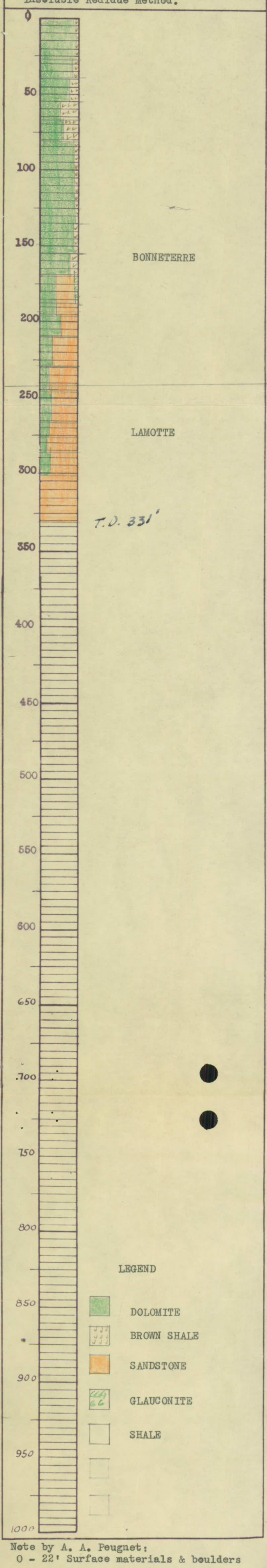
Oper's Final Report

Contract DM[illegible] Idm-E327
Docket # DM[illegible] 2108
Amedee A. Pe[illegible]

A. A. PEUGNET	ST. LOUIS, MO.
Mo. Survey # 11915	OWNER A. A. Peugnet, 20 N. 7th St., St. Louis, Mo.
COUNTY	PROPERTY / WELL 1
T. 35 N. R. 6. E.	DRILLER O.B.Wardlaw & Sons
	DATE July 13, 1952
	ELEVATION 961' / PRODUCTION for LEAD
	SAMPLES STUDIED Lewis Martin, July 8, 1952

REMARKS Mineral Test

Cores split and taken to Missouri Geological Survey for logging by Insoluble Redidue Method.



Note by A. A. Peugnet:
0 - 22' Surface materials & boulders

Driller: Bob Germany, Marion, Ky.
Helper : Carl Hahn, Knoblick, Mo.

Certified a true copy

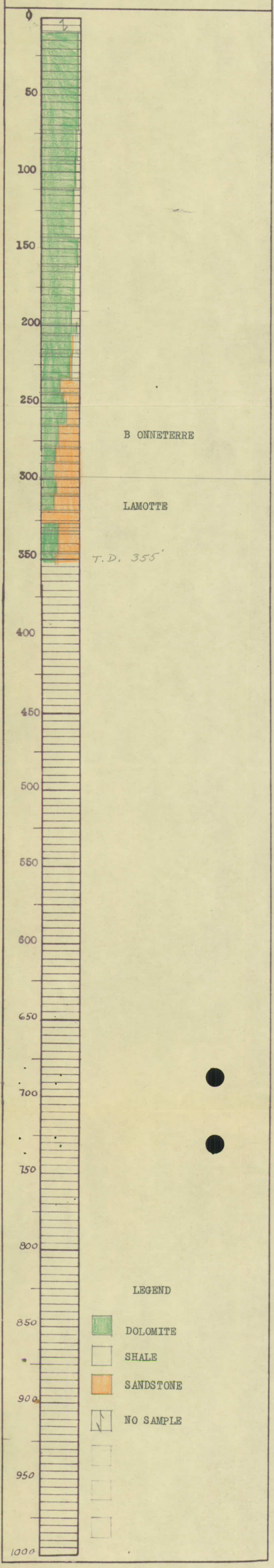
Amedee A Peugnet

Contract DMA - Idm-E327
Docket # DMEA 2108
Amedee A. Peugnet

A. A. PEUGNET		ST. LOUIS, MO.
Mo. Survey # 11935	OWNER A.A.Peugnet 20 N. 7th St., St. Louis, Mo.	
COUNTY St. Francois, Mo.	PROPERTY	WELL 2
T. 35 N. R. 6 E.	DRILLER O.B.WARDLAW & SONS	
	DATE July 2, 1952	
	ELEVATION 935'	PRODUCTION For LEAD
	SAMPLES STUDIED S. Marinkovic, July 18,1952	

REMARKS Mineral Test, CONFIDENTIAL

Cores split and taken to Missouri Geological Survey for logging



Certified to be a true copy

Amedee A Peugnet

Driller: Bob Germany, Marion, Ky.
Helper : Karl Hahn

12 1952

AMEDEE A. PEUGNET
CONSULTING MINING ENGINEER
20 North Seventh St.
St. Louis 1, Mo.

August 11, 1952

Mr. David Gallagher, Executive Officer,
DMA Field Team, Region VI,
Joplin, Missouri.

Re: Contract Idm-E327
Docket DMEA- 2108
Amedee A. Peugnet.

Dear Mr. Gallagher:-

Reference contract is now completed, and the following is the narrative covering the project.

Hole No. 1. Located in the S.E. quarter of Sect. 7, T.35 N.,R.7 E., in St. Francois County, Missouri, (see attached sketch). Work on Contract Idm-E159 was completed on June 10, 1952 and dismantleing for the move to Hole No. 1 of subject Contract began immediately. The drilling contractor hired an extra man and June 11, 12, and 13 were spent cutting a long road through dense woods, moving, laying water-line, setting up pump etc. in an effort to beat the severe droughth. However, by the 12th, the creeks had dried up completely. Preliminary work was completed on the 13th and a dam built on the nearby creek to impound water from the first rain. The driller returned to Kentucky and I to my home. The first rain, June 22nd, took out the dam due to failure of the contractor to provide debris pro--tection on his overflow pipes. Wardlaw & Sons, the drilling contractor, decided to haul the necessary drilling water from the Little St. Francis River, about three miles distant. I returned to the job on June 26th. It was found necessary to impr--ove our access road to carry the heavy load of water hauling. This was done, and drilling started on June 28th, on which day 55 ft. were drilled. The hole was bottomed at 331 ft. on July 3rd. A copy of the log prepared by the Missouri Geological Survey is attached. No lead was cored, but at about 280 ft. return water indicated galena for several feet; however, no galena was cored although 9'-8" of core were recovered from this 9'-10" run; this occured in the LaMotte Sand, which was entered at about 237ft. No other indication of lead was encountered.

Hole No. 2. Road building, sump digging, moving and setting-up were completed by July 8th. on which date 19ft. were drilled: 9' of surface, (BX Stand Pipe), and 10 ' dense gray dolomite, (19' of AX casing set). This hole cut the usual dolomite and shale to a depth of 204 feet, where a trace of sand was found; no appreciable amount of sand being cut above a depth of 235 ft., this in spite of the fact that sand amounting to 50% or more was encountered in Hole No. 1 at a depth of 168 ft. although Hole No. 1 has a surface elevation 26 ft. above that of this hole. On July 17th drilling was stopped at a depth of 318 ft. and the cores were taken to the Missouri Geological Survey, at Rolla, Missouri, for examination because the top of the Lamotte had been placed at a depth of 242 in Hole No. 1. It was decided that probably the Lamotte had not been cut to any depth, if indeed it had been cut. Drilling was resumed the following morning and the hole bottomed at 355 ft. See attached logs. The top of the Lamotte sandstone has been placed at 299 ft. but, with the exception of 8 ft of pure sand, even below the Lamotte the rock consists of about 40% dolomite, therefore this hole has not been carried deep enough to exclude lead from it before a true sand of any real depth occurs. A comparison of the logs indicates a structue of at least 83 ft. It was not possible to run the Insoluble Residue tests on the cores until a short time ago as the current strike of truck carriers had made it impossible for the Survey to secure sulphuric acid.

The attached MF-104, and certified documents, cover this complete contract. This subject contract is in two stages, the first of which is now completed, and the second of which will be dropped.

Amedee A. Peugnet
20 North 7th St.
St. Louis 1, Mo.

Mr. David Gallagher, Executive Officer, DMA Field Team, Region VI.

I believe all the items included are self-evident. Contract allows the surveying costs, supervision at $17/day, which amounts to 17 days @ $17/d, or $289.00. Both surveying and core box allowance, as well as analytical work, are much in excess of the amount actually used. The one-half payment to the contract driller is in accordance with the contract with him. No items have been included which are not allowed by Idm-E327, and the total allowed, $1,800. is in excess of the costs listed.

Sincerely yours,

Amedee A Peugnet

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code

PROJECT SUMMARY REPORT

By: J. W. Alt August 7, 1958

1. Docket No. DMEA-2108 (Lead-Zinc)
Contract No. Idm-E327
Property: None stated
St. Francois & Ste. Genevieve Counties, Missouri

Operator: Amedee A. Peugnet
20 North 7th St.
St. Louis 1, Missouri

Operator's Property Rights: Owner

2. Contract dated May 28, 1952. To complete - 5 months.

Work Authorized

The exploration project consists of drilling through the Bonneterre dolomite into the LaMotte sandstone at locations 2,100 feet apart.

Estimated Costs of the Project
(* Indicates allowable maximum)

STAGE I

(1)	Independent Contracts	
	A maximum of 600 feet of churn drilling @ $2.00/ft.*	$1,200.00*
(2)	Labor, Supervision, and Consultants	
	1 supervisor @ $17/day* for a maximum of 20 days	340.00*
	1 engineer-surveyor, part time	100.00*
(7)	Miscellaneous	
	The necessary cost of sample bags and analytical work	160.00*
	Total Estimated Cost of Stage I	$1,800.00*

8623

STAGE II

The identical estimated costs scheduled for Stage I, including the allowable maximums, also be deemed the estimated costs for Stage II $1,800.00*

Total Estimated Costs of Project	$3,600.00
Government Participation @ 50%	$1,800.00

Amendments

No. 1 Dated June 19, 1952.

Stage I, Part 1, Independent Contracts; delete the word "churn".

Work Completed

Diamond drilling, 600 feet $1,492.30

Operator actually drilled 686 feet in two holes but contract limits drilling to 600 feet.

Drilling was started on June 28, 1952 and the second hole was finished on July 17, 1952.

3. Report of Review dated October 7, 1952.

Total cost as billed by Contractor	$1,573.30
Surveying cost incurred prior to the date of contract disallowed	81.00
Total Accepted Cost	$1,492.30
Government Participation @ 50%	$ 746.15

Operator's final report dated August 11, 1952.
Field Team final report dated - none received.

4. Certification date: No Certification made as there was no discovery of ore.

5. Comments

The operation was carried out efficiently, in a workmanlike manner, and in accordance with the terms of the contract.

As no ore has been found by drilling the two holes of Stage I, the Operator expressed to the Field Team the desire to terminate at the end of Stage I. The Field Team agreed that two additional holes were not justified by the results of the first two holes of Stage I.

Additional exploration on this property with Government assistance does not appear to be warranted.

J. W. Alt

J. W. Alt

JWAlt/ss 7/29/58
Copy to: Docket
Chron.

☒ Audited

☐ Certified

WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of 12/13/54.
Incl. Voucher for July 1952.

☑ Actual Cost,
~~Agreed~~ allowable maximum Unit Costs

Name Amedee A. Peugnet

Docket No. DMEA-2108

State Missouri

Commodity Lead-zinc.

Idm-E No. 327

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting					
Raising					
Shafts					
Winzes					
Drilling (Specify) ~~Left Open.~~	1200'	$3,400.00	Diamond 600' Drilling	$1,492.30	$1,492.30
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify) Supervision etc.		1,200.00			
Totals		$3,600.00		$1,492.30	$1,492.30

Note: Work on contract was divided into 2 stages @ $1800.00 each. Stage I only was completed and Stage II was dropped.

Prepared by W. P. Hagen Chief

71626

UNITED STATES
DEPARTMENT OF THE INTERIOR 500
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

January 20, 1955

Memorandum

To: Chief, Contract Administration & Audit Division

From: Chief, Base Metals Division

Subject: Contracts for which no closing letters will be prepared.

The following is a list of contracts for which no closing letters will be prepared, due to the fact that they are cases which have been either terminated or completed before December 1952. This cut-off date was established in accordance with instructions contained in the Administrator's memorandum to Division Chiefs, dated February 18, 1953.

Docket No.	Contract No.	Operator
1145	E- 11	Dodgeville Mining Company
344	20	Ike W. Kunisto
1118	45	Bostman and Bagwell Mining Company
789	71	Erickson and Baer
32	75	Lee S. Heller
1654	85	The Goldfield Consolidated Mines Co.
1425	128	Pittsburg Silver Mining Company
1397	158	American, Zinc, Lead & Smelting
1132	166	Albert Dance and Jewell Dance
2108	327	Amadee A. Peugnet
2333	341	Carr Mining Company, Inc.

W. R. Griswold
W. R. Griswold

WRG/er

Copy to: Docket (11)
Base Metals (11)
Chron.

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

500

Mr. Clinton C. Knox, Executive Officer
DMEA Field Team, Region VI
[illegible] Bldg
Joplin, Missouri

Re: Pending final Field Team reports

Dear Mr. Knox:

We note that no final field team reports have been received for the projects listed below, though they have been concluded for a considerable period of time. When convenient, will you let us have such reports so that the dockets may be closed.

Docket No. [illegible]-1119, Bootman & Boswell, Contract No. Idm-[illegible]45
Docket No. [illegible]-1130, American Zinc, Lead & Smelting Company, Contract No. Idm-[illegible]52
Docket No. [illegible]-2077, Amedee A. Fournet, Contract No. Idm-[illegible]154
Docket No. [illegible]-[illegible], Amedee A. Fournet, Contract No. Idm-[illegible]27

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Concur:

J. H. Hedges

Member, Bureau of Mines

D. M. Larrabee

Member, Geological Survey

WRCriswold/bjl (4/7/54)

Copy to: Docket (4)
Admr. R. File
Op. Committee
Base Metals (4)
Mr. Kinkel
Mr. Bishop
Chron.

R.C.H.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
Joplin, Missouri
November 3, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 5 1952

Mr. A. A. Peugnet
20 North 7th Street
St. Louis 1, Missouri

Re: Contract No. Idm-F327
Docket No. DMEA-2108
Amedee A. Peugnet

Dear Mr. Peugnet:

I have your letter of October 31, 1952regarding the $81.00 for surveying for which you were not reimbursed.

This $81.00 item was queried by the Contract Administration and Audit Division on the grounds that the survey work was done in early May and was paid for by you on May 8, whereas the contract was dated May 28, 1952 and specifies in part in Article 10 "No .... 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."

On October 8, 1952 I wrote a long letter to J. L. Chambers, Chief of the Contract Administration and Audit Division of DMEA, reviewing the entire history, correspondence, and documentation of contract Idm-F327, and reaching the conclusion that morally the Government owed you for the surveying, but that legally it did not. And I recommended that a legal way around be found to pay you the money.

Personally, I feel that your entire conduct of the exploration was exemplary and efficient, and that throughout you acted in good faith. The delays that resulted in the contract being dated May 28 were, in my opinion, not your fault. However, there appears to be a legal point here that cannot be surmounted.

In a letter to me dated October 14, 1952 Mr. Chambers says, "I am in agreement with you that unfortunate circumstances have worked a hardship on Mr. Peugnet, whereby there appears to be no legal way in which we could pay the cost of surveying the project."

Under date of October 7, 1952 Mr. Chambers issued a "Report of Review" of the financial aspects of the contract disallowing the $81.00 for surveying, and authorizing the payment of $746.15.

You say you have received the check for $746.15 and ask if you should cash it. I would say definitely yes, cash it. I doubt if anything could be accomplished to alter the ruling in this case, because I believe I have already made as strong and factual a plea in your behalf as could be made. However, you have the right to appeal this ruling, and if you care to do so, you should probably present the matter first to Mr. C. O. Nittendorf, Administrator of DMEA.

I'm sorry to say that I have no information that might be helpful to you regarding an iron deposit -- have you contacted Ed Clark on this?

Best personal regards,

David Gallagher, Executive Officer
DMEA Field Team, Region VI

/jd

cc: J. L. Chambers
Operating Committee

FILE COPY
SURNAME:
800

Chambers

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

OCT 14 1952

Mr. David Gallagher
Executive Officer
DMEA Field Team, Region VI
221 West 3rd Street
Joplin, Missouri

Re: Docket DMA-2108X
Contract Idm-E327
Amedee A. Peugnet

Dear Mr. Gallagher:

Reference is made to your letter of October 8, 1952, in regard to the above cited contract.

I am in agreement with you that unfortunate circumstances have worked a hardship on Mr. Peugnet, whereby there appears to be no legal way in which we could pay the cost of surveying the project. If Mr. Peugnet had requested an amendment to the contract prior to his starting the project, doubtless such an amendment would have been issued. I do not believe, however, that we can now amend the contract after its completion to include something which was specifically excluded in the body of the contract.

Sincerely yours,

(Signed) J. L. Chambers

J.H. 10-14-52

Jay L. Chambers, Chief
Contract Administration and
Audit Division

JLChambers/wb
October 13, 1952

Copy to: Docket
Admr. Reading File
Operating Committee
Mr. Keller
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Joplin, Missouri
October 8, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 10 1952

Mr. J. L. Chambers, Chief
Contract Administration and
Audit Division
Defense Minerals Exploration
Administration
Washington 25, D. C.

Re: Docket DMA-2108X
Contract Idm-E327
Amedee A. Peugnet

Dear Mr. Chambers:

In response to your oral request of October 2, 1952 I have studied the problem of $81.00 for surveying on the subject project. Following is a chronological summary of the pertinent facts.

This project is, in a way, inseperable from Peugnet's other and similar project, Docket DMA-2037X, Idm-E159. Below I shall for convenience refer to E-159 as the first project (or contract), and the subject one (E-327) as the second project (or contract).

Sept. 4, 1951 First project application received in Washington.

Sept. 25, 1951 Knox transmitted second project application to Washington with memo condemning both projects and raising query regarding $100 for surveying on second project.

Oct. 1, 1951 First contract sent to me by Washington, dated Sept. 25, 1951.

Oct. 24, 1951 Memo from me to Mittendorf transmitting first contract (signed by Peugnet) but recommending it be cancelled as not worthwhile.

Oct. 26, 1951 Memo from me to Washington opposing second project also.

Oct. 29, 1951 Same opinion from me to Mittendorf repeated.

Nov. 8, 1951 Frank Johnson to me, approved by Coord. Comm. overruling our objections and, in effect, ordering us to get on with first project.

FROM THIS DATE ON IT WAS CLEAR TO ME THAT WASHINGTON WANTED THE FIRST CONTRACT.

Jan. 7, 1952 McKnight memo opposing my opinion and recommending approval.

Jan. 15, 1952 Mittendorf to me saying McKnight approves and Mittendorf recommends I propose two stage second project to Peugnet.

Jan. 15, 1952 Coord. Comm. to me saying same, and in part "It is believed that the supervision and surveying listed and previously pointed out by Mr. Clinton Knox in memorandum of September 25th, will be allowable on the understanding that the amounts include all expense of preparation of all reports required...."

FROM THIS DATE ON IT WAS CLEAR TO ME THAT WASHINGTON WANTED THE SECOND CONTRACT.

Jan. 23, 1952 I conferred with Peugnet at Fredericktown, Mo., proposed two stage second project but he demurred on grounds that he lacked authority to commit funds of the estate.

FROM THIS DATE ON IT WAS CLEAR TO PEUGNET THAT WASHINGTON WANTED THE SECOND CONTRACT.

Feb. 8, 1952 Moulds to Peugnet recommending two stage project and stating in part, "we have.... tentatively approved .... project ...."

Feb. 25, 1952 Moulds to Peugnet saying stage II not mandatory and definite starting date needed before contract can be approved.

Mar. 7, 1952 Peugnet to Moulds accepting two stage proposal and promising starting date info soon.

Apr. 16, 1952 Field Team approval of drilling subcontract for first contract.

Apr. 18, 1952 Peugnet to Moulds have drilling subcontract (to start April 20) for both first and second projects at $2 per foot. Projects should be consecutive and starting date as late as July 2 "or sooner" should be allowed for second contract to provide for possible delay in finishing first contract. Hopes the $100 for surveying will be approved.

FROM THIS DATE ON PEUGNET READY TO PERFORM SECOND CONTRACT.

Apr. 20, 1952 Work commenced on first contract.

May 1, 1952 Peugnet sent to me for approval the drilling subcontract for second project identical to that for first project except for location.

May 3-8, 1952 SURVEYING PROBLEM DISCUSSED BELOW.

May 15, 1952 I visited the first project and Peugnet informed me second contract not yet received but first contract nearly completed, asked me to stir up Washington. Showed me on map proposed locations of the two holes for second contract but did not mention that surveying then had already been done.

May 19, 1952 I phoned Moulds and he said contract Idm-E327 was being reviewed by Legal Section.

May 26, 1952 Peugnet phoned Knox second contract not yet received but first project will finish next week.

May 28, 1952 Op. Com. transmitted second contract to me dated May 28, 1952 with request operator sign, and covering letter states in part ".... drawing of the contract was delayed due to inability to find a driller." The contract allows $100 for surveying.

WASHINGTON HAD BEEN INFORMED ON APRIL 18th THAT A DRILLING SUBCONTRACT HAD BEEN ARRANGED.

June 3, 1952 I submitted contract to Peugnet for signature and enclosed approval of drilling subcontract for second project contingent on his signing the second contract.

June 5, 1952 Peugnet returned signed second contract to me and pointed out error of "churn drilling".

PREVIOUS CORRESPONDENCE MAKES IT ADEQUATELY CLEAR THAT THE JOB WAS DIAMOND DRILLING, NOT CHURN DRILLING.

June 9, 1952 Amend. #1 transmitted deleting "churn".

June 10, 1952 Starting date of work on second project according to Peugnet's verbal statement to me when I visited second project on July 15, 1952. Drilling on the first contract was completed on June 10 and the move to the first hole of the second contract commenced that same day.

July 15, 1952 I visited the project.

July 18, 1952 Drilling finished on second hole of second project.

This record brings out the following points clearly:

(1) The intent to award the second contract was well-known to everyone long before the contract was signed.

(2) The similarity and interrelationship of the two projects was well understood for a long time by everyone, but two contracts were required because two separated tracts of land were involved.

(3) It was well known and advisible that the two jobs be done consecutively and without interruption.

(4) Washington was advised adequately in advance that the second contract should be processed expeditiously and the delay was not Peugnet's fault.

(5) Surveying the holes is consistent with good engineering practice and to do so had Washington approval as indicated by stipulating in the contract $100 for surveying.

It is certainly better engineering practice to survey the hole locations in advance of drilling rather than afterward.

A paid receipt accompanying the first and final MF-104 of the second contract indicates that on May 3, 1952 the two hole locations of the second contract were surveyed at a cost of $81.00 and that amount was paid by Peugnet on May 8, 1952. However, the contract is dated May 28, 1952 and states in part in Article 10 "No .... 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."

My conclusions are that: (1) morally, the Government owes Peugnet $81.00, but (2) legally we do not owe him $81.00.

My recommendation is that a way be found and executed to pay Peugnet the $81.00. Throughout the entirety of both contracts, in my opinion, Mr. Peugnet has acted in good faith and has conducted the work commendably, in workmanlike fashion, and in accordance with good engineering practices.

Sincerely yours,

David Gallagher

David Gallagher
Executive Officer
DMEA Field Team, Region VI

/jd

cc: Operating Committee (1)
J. L. Chambers (orig. & 1)

FILE COPY
SURNAME:

800

Talbert

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

OCT 8 1952

Mr. Ray C. Jonas
DMEA Finance Officer
Bureau of Mines
514 Barfield Building
Amarillo, Texas

Re: Docket No. DMEA-2108
Contract No. I6s-5327
Anodes A. Peugnet

Dear Mr. Jonas:

In accordance with the request contained in your letter of September 18, 1952, the MF-104 for June and July, 1952, for the referenced project has been reviewed.

As a result of my review and a discussion with Mr. Gallagher during my recent visit to Joplin, I have issued a Report of Review.

Your file and the original and one copy of the Report of Review are enclosed. One copy of the Report of Review is being forwarded to Mr. Gallagher with a copy of this letter.

Your cooperation in this matter is appreciated.

Sincerely yours,

(Signed) J. L. Chambers 10-8-52

Jay L. Chambers, Chief
Contract Administration and
Audit Division

Enclosure

EDTalbert/wb
October 7, 1952

Copy To: Mails & Files
Admr. Reading File
Mr. Gallagher
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION VI

OFFICE OF
REGIONAL DIRECTOR

ROOM 814 BARFIELD BUILDING
AMARILLO, TEXAS

September 18, 1952

DEPARTMENT OF THE INTERIOR
Defense
SEP 22 1952

Mr. Jay L. Chambers, Chief
Contract Administration and
Audit Division
Defense Minerals Exploration
Administration
Washington 25, D. C.

Re: Exploration Project
Contract Idm-E327
Docket No. DMEA-2108
Amedee A. Peugnet

Dear Mr. Chambers:

We are returning herewith for an audit report or a report of review, the final report from Mr. Peugnet in connection with the reference contract.

The second paragraph of DMEA Circular No. 19, Supplement No. 3, dated June 16, 1952, reads in part as follows: "a determination has been made that all final payments will be covered by either an audit certificate (an audit report) or a report of review issued by a representative of the Contract Administration and Audit Division".

I have checked over the reference report and you may appreciate my giving you a few comments in connection with my findings on the report. First, the report is a carbon copy, which to me is no small item of carelessness; two, the invoice of Walther and Vandergriff, in the amount of $81.00, for surveying as claimed on the report is dated May 3, 1952, and was paid by Mr. Peugnet on May 8, 1952, while the contract is dated May 28, 1952, which automatically eliminates this amount from the report; three, core box material was purchased in the amount of $3.30. We might ~~could~~ possibly strain a point and consider this as analytical materials or analytical work; four, I do not like the method of reporting the amount for supervision as used by Mr. Peugnet. An invoice from Mr. Peugnet, or a statement that he actually did the work, would be much more to my liking.

I am offering my comments as listed above for what they may be worth to your staff, and I would appreciate receiving the audit certificate or the report of review from your office.

Yours very truly,

Ray C. Jonas

Ray C. Jonas, Chief
Budget and Finance Branch
Region VI

Attachment

FILE COPY
SURNAME:

800
Chambers

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

SEP 11 1952

Mr. Ray C. Jonas
DMEA Finance Officer
Bureau of Mines
514 Barfield Building
Amarillo, Texas

Re: Exploration Project
Contract Idm-2327
Docket No. DMEA-2106
Amedee A. Peugnet

Dear Mr. Jonas:

Reference is made to your letter of September 4, 1952, addressed to me, attention Mr. E. D. Talbert, in regard to the above contract. Mr. Talbert is on an audit trip in Vermont and will not return until the latter part of September.

I have this day also received a letter from Mr. Gallagher a copy of which I am enclosing for your information, transmitting documents to support Mr. Peugnet's MF-104. Mr. Gallagher's letter is self-explanatory. I am sending you the documents which Mr. Gallagher forwarded to me.

Sincerely yours,

D.N.
9-11-52

(Signed) J. L. Chambers
Jay L. Chambers, Chief
Contract Administration and
Audit Division

Enclosure

JLChambers/wb
September 10, 1952

Copy to: Mails & Files
Admr. Reading File
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Joplin, Missouri
September 8,1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 10 1952

Mr. J. L. Chambers, Chief
Contract Administration and
Audit Division
Defense Minerals Exploration
Administration
Washington 25, D. C.

Re: Docket No. DMEA -2108
Contract Idm-E327
Amedee A. Peugnet

Dear Mr. Chambers:

A carbon copy of a letter to you from Mr. Ray C. Jonas dated September 4, 1952 regarding the subject contract states in part: "This report as submitted to you is in the exact form in which we received it without any documentation whatsoever."

The documentation accompanying Mr. Peugnet's form MF-104 was, by mistake, filed with our copy instead of being attached to the copy sent to Mr. Jonas.

All of the documentation is transmitted to you herewith. It is believed by us to be complete, correct, and adequate, and was the basis for our approving the report by affixing our signatures.

Sincerely yours,

David Gallagher

David Gallagher
Executive Officer
DMEA Field Team, Region VI

DG/jd
cc: Ray C. Jonas

DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION VI

OFFICE OF
REGIONAL DIRECTOR

ROOM 814 BARFIELD BUILDING
AMARILLO, TEXAS

September 4, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 8 1952

Mr. J. Chambers
Defense Mineral Administration
Washington 25, D. C.

Attention: Mr. E. D. Talbert

Dear Sir:

We are transmitting herewith for your review, and report if you find the voucher in acceptable order, Form MF-104, "Operator's Monthly Report and Voucher" as submitted by Amedee A. Peugnet in connection with contract Idm-E327.

This report is being submitted to you, inasmuch as it is indicated there will be no further work in connection with this project, and this is the final report on this contract.

We had some discussion in connection with Peugnet's reports when Mr. Talbert was in Amarillo and Joplin, but there was a semblance of documentation with the prior reports. This report as submitted to you is in the exact form in which we received it without any documentation whatsoever.

Any help that you can give us in connection with this report will be appreciated.

Ray C. Jonas

Attachment
cc: David Gallagher

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

Joplin, Missouri
August 25, 1952

Mr. Amedee A. Peugnet
20 North 7th Street
St. Louis 1, Missouri

Re: Docket No. DMEA-2108
Contract Idm-E327
Amedee A. Peugnet

Dear Mr. Peugnet:

Your monthly report of exploration on Forms MF-104 and MF-104A for June and July, 1952 has been approved by this office. On this date the original has been forwarded to the Regional Finance office, U. S. Bureau of Mines, Amarillo, Texas.

Sincerely yours,

David Gallagher
Executive Officer
DMEA Field Team, Region VI

/jd

cc: Operating Committee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 26 1952

STATES ... TERIOR
... OF ... MINISTRATION
...NGTON, D. C.

DOCKET COPY
... 1 6 1952

xxxxxx
xxxxx Missouri
Jopli... 14, 1952

Re: Docket DMEA-2108
Contract Idm-E327
Amedee A. Peugnet, Lead

Amedee A. Peugnet
20 North 7th Street
St. Louis 1, Mis...

Dear Mr. Peugnet:

... August 11, 1952 has been examined and ... for revision for the following reasons.

... MF-104 under item(3) would not pass ... initialled by you.

... pecifies under Exhibit A, stage I, item(1):
...he ...of 600 feet of churn drilling
... r foot* $1,200.00*
a $2...

... rred item and therefore an allowable maximum. This is ... laims reimbursement for $1,372.00 for 686 feet @ $2.0... Your M... der the terms of the contract we are forced to disal... excess over $1,200.00, or $172.00.

We recogni... at we could perhaps speed up payment by simply disallowing th... unt, but as the MF-104's have to be returned anyway for you... tials against the erasures, it seems advisable to recommend ... ou retype the MF-104's and submit a new set, claiming only $1,200 for drilling in accordance with the terms of the contr... A blank set of MF-104's is enclosed for your use.

The Fi... ... does not have the authority to revise upward any starred ... (allowable maximum). However, at their discretion, Washington ... do so. You, of course, have the right to take up with the Washin... office, the matter of the $172.00 that we must disallow. They woul... e fair consideration to your request that the contract be amended ... to reimburse you in accordance with the full amount drilled. They may ... ever, wish to adhere to the original terms of the contract, especia... less you give convincing reasons for drilling 68 feet deeper than sp... ed originally.

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

DOCKET COPY

xxxxxxxxxxxxxxx
Joplin, Missouri
August 14, 1952

Mr. Amedee A. Peugnet
20 North 7th Street
St. Louis 1, Missouri

Re: Docket DMEA-2108
Contract Idm-E327
Amedee A. Peugnet, Lead

Dear Mr. Peugnet:

Your MF-104 report dated August 11, 1952 has been examined and we are returning it to you for revision for the following reasons.

(1) The erasures on MF-104 under item(3) would not pass without being initialled by you.

(2) The contract specifies under Exhibit A, stage I, item(1):
"A maximum of 600 feet of churn drilling
@ $2.00 per foot* $1,200.00*

This is a starred item and therefore an allowable maximum. Your MF-104 claims reimbursement for $1,372.00 for 686 feet @ $2.00. Under the terms of the contract we are forced to disallow the excess over $1,200.00, or $172.00.

We recognize that we could perhaps speed up payment by simply disallowing this amount, but as the MF-104's have to be returned anyway for your initials against the erasures, it seems advisable to recommend that you retype the MF-104's and submit a new set, claiming only the $1,200 for drilling in accordance with the terms of the contract. A Blank set of MF-104's is enclosed for your use.

The Field Team does not have the authority to revise upward any starred item (allowable maximum). However, at their discretion, Washington can do so. You, of course, have the right to take up with the Washington office, the matter of the $172.00 that we must disallow. They would give fair consideration to your request that the contract be amended so as to reimburse you in accordance with the full amount drilled. They may, however, wish to adhere to the original terms of the contract, especially unless you give convincing reasons for drilling 68 feet deeper than specified originally.

We are of the opinion that your MF-104 and documentation attached is correct in all other respects.

We had a letter dated July 31, 1952 from Ray C. Jonas saying that he had certified your previous voucher for payment. Probably by now you have received the check.

Sincerely yours,

David Gallagher
Executive Officer
DMEA Field Team, Region VI

/jd
cc: Operating Committee

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Joplin, Missouri
July 17, 1952

Re: Docket DMEA-2108
Contract Idm-E327
Amedee A. Peugnet

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 18 1952

Memo

To: C. O. Mittendorf

From: David Gallagher

Subject: Report of visit July 15, 1952

The first hole of this two-hole contract had been completed and the second hole was expected to be complete in a day or two after the visit.

The first (northern) hole had encountered the top of the LaMotte at 237 feet and had bottomed at 331 feet. No ore was found but at 278 feet the return water had run black with supposed galena for a few moments. However, on pulling this run it was found that the core contained no galena, although a few inches of core had been lost that may have represented a small pod of galena.

At the start of work on the morning of July 15, 1952 the second hole was down to 198.7 feet and had not yet reached the LaMotte. It was expected to reach the LaMotte on July 15 or 16 and would thereby be completed. No ore had been encountered so far.

Schedule of the operation:

June 10: commenced cutting road and moving in.
June 28: started drilling first hole.
July 3: finished first hole and started move.
July 8: started drilling second hole
July 15-16(est.) finish second hole.

About two weeks was lost due to the protracted regional drought that ultimately lead to the necessity of hauling 400-500 gallons of water a day from a source 3 miles away.

The contract is set up as a two-stage affair. First stage: Two holes. Second stage: Two additional holes if justified by the results of the first stage. As no ore has been found Mr. Peugnet expressed to me the desire to terminate at the end of the first stage. I agree that two additional holes are not justified by the results of the first two holes.

File
MK

I am convinced that every aspect of the operation has been carried on efficiently, in a workmanlike manner, and in accordance with the terms of the contract.

David Gallagher

David Gallagher
Executive Officer
DMEA Field Team, Region VI

/jd

Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Joplin, Missouri
July 3, 1952

Re: Docket DMEA-2108
Contract Idm-E327 (Lead)
Amedee A. Peugnet

Memo:

To: Operating Committee, DMEA

From: David Gallagher, Executive Field Team, Region VI

Subject: Justification for Amendment #1

This contract is tantimount to a continuation of Peugnet's first contract (Idm-E159) and the same driller is doing the work under a continuation of the same subcontract.

The drill is a diamond drill.

Exhibit A of Contract Idm-E327, stage I, item(1) specifies "churn drilling."

As this is deemed by the Field Team to be a mistake, Amendment #1 was issued deleting the word "churn" so that the contract merely specifies drilling, without limitation of the method or machinery to be used.

David Gallagher

David Gallagher

/jd
cc: Ray C. Jonas

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 7 - 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Joplin, Missouri
June 19, 1952

Operating Committee
Defense Minerals Exploration
Administration
U. S. Department of Interior
Washington 25, D. C.

Re: Docket No. DMEA 2108
Contract No. Idm-E327
Amedee A. Peugnet

Dear Sirs:

Forwarded herewith are the original and three copies of subject contract with attachments of approval of drilling contract, and amendment No. 1, for distribution by your office.

One copy has been retained by the operator and one copy has been retained for our file.

Sincerely yours,

David Gallagher

David Gallagher
Executive Officer
DMEA Field Team, Region VI

/jd
Encs.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 23 1952

500
FILE COPY
SURNAME:

Moulds
Lyons
Bishop

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

Mr. David Gallagher
Executive Officer, Region VI
DMEA Field Team
221 West 3rd Street
Joplin, Missouri

Re: Docket No. DMEA 2108
Amedee A. Peugnet

Dear Mr. Gallagher:

We are enclosing the original and five copies of the above contract, signed by this office for the Government, together with Exhibit "A" (2 pages) and 2 maps.

This project has been set up in two stages with the second stage to be approved only upon completion of the first stage in event that results indicate further drilling as warranted. The project has previously been discussed with you and Mr. Peugnet and drawing of the contract was delayed due to inability to find a driller.

If the contract and the provisions are satisfactory to you, kindly present to the applicant for approval and signature, and when completed distribute in the usual manner. In event the contract is not satisfactory, return all copies with your recommendation concerning any necessary modification.

Sincerely yours,

(signed) FRANK E. JOHNSON (JHB)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Enclosures - 6
APPROVED:

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

D. M. Lemmon (JHB)
Member, Geological Survey

DEMoulds/mef/hmj 5-22-52
CC to: Adm. Reading File
Operating Committee
Docket File Copy
Region VI
Mr. Bishop
Mr. McKnight
Mr. Moulds

P.S. It will be necessary to insert in the contract in the space provided under Article 3 the number of days from the date of the contract in which work shall commence.

FILE COPY
SURNAME:

Retn

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

May 21, 1952

Memorandum

To: Acting Administrator
Through: D. E. Moulds

From: Chief Counsel

Subject: Amedee A. Peugnet, Docket No. 2108

There is attached, in satisfactory legal form for execution, a contract covering the subject project, subject to the attachment of the property map to those copies of the contract for which maps are not in the file.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

Attachments 7

HCRubin/em
Copy to: Mails and Files
J. L. Hofflund
H. C. Rubin
chron.

AMEDEE A. PEUGNET
CONSULTING MINING ENGINEER
20 North Seventh St.
St. Louis 1, Mo.

April 18, 1952.

Mr. D. E. Moulds, Chief,
U.S. Defense Minerals Administration,
Washington 25, D.C.

Re: Docket No. 2108 DEMA

Dear Mr. Moulds:-

In your letter of February 25th, 1952, re reference above, you request information as to additional work, cost per foot of drilling, and starting date before further consideration is given the project.

I have secured a driller to do both this project and Contract Idm-E159, which is to commence April 20th. This contract has been approved by District VI office. The price is $2.00 per foot. The drilling company, O.B. Wardlaw & Sons, has agreed to drill the Docket 2108 on the same terms, $2.00 per foot.

It is my wish, and that of the contractor, to move from Idm-E159 directly to this work on No. 2108, therefore, I am submitting to District VI office a driller's contract calling for work to commence June 2, 1952, or sooner. If 2108 is approved, I think it would be wise to allow as late as July 1st, for date of starting in order to allow some latitude in case difficulty is encountered in completion of Idm-E159.

I believe this completes the information you asked.

My letter of March 7th answers the other questions, I believe.

I hope that the item: Surveying, ----$100.00 can be approved for this project. Even with the low allowance of $17.00/day for engineering and supervision, the cost of transportation, board and lodging etc. makes it cheaper to contract this small amount of surveying.

With thanks for your interest in this project,

Sincerely yours,

Amedee A. Peugnet

Amedee A. Peugnet

AMEDEE A. PEUGNET
CONSULTING MINING ENGINEER
20 North 7th Street,
St. Louis 1, Mo.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 10 1952

7 March 1952.

Re: Docket No. DEMA 2108

United States Department of the Interior,
Mr. D.E. Moulds, Chief Base Metals Division,
Defense Minerals Exploration Administration.

Dear Mr. Moulds:-

Thank you for your letter of February 25th 1952 which I received today on my return to St. Louis. I greatly appreciate your clear summation of the points involved.

Your clear statement, in paragraph four, that additional drilling to be provided for in Stage 2 of the contract will not be mandatory on my part more than relieves any hesitation I had as to the adviseability of including Stage 2 in the contract. It appears to me that, under these conditions, such a Stage 2 will be beneficial to both parties.

Will you please, therefore, incorporate such a Stage 2 into any contract drawn concerning the above-subject.

In regard to the starting date and cost per foot of this project, I have recently contacted two contract drillers, formerly unknown to me, and hope in the very near future to be able to give you a firm date and cost figure.

Thank you for your trouble in this matter.

Sincerely yours,

Amedee A. Peugnet

Amedee A. Peugnet

FILE COPY
SURNAME:

Mold

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

FEB 25 1952

Mr. Amedee A. Peugnet
20 North Seventh Street
St. Louis 1, Missouri

Re: Docket No. DMEA 2108

Dear Mr. Peugnet:

With reference to your letter of February 12, 1952 and the subject docket.

We appear to be in agreement with the engineering necessity for checking the proposed holes in event that favorable indications of structure or mineralization are discovered. We also believe that a contract should cover exploration in such a way as to permit substantiated evaluation of the results, either proving or disproving the area, by the Government and the Operator for future information.

It is noted that you do not care to commit the funds of the estate for additional drilling if such drilling is mandatory upon favorable core recovery from the initial drilling. You also indicate there would be little difficulty in arranging for other interests to continue the exploration. In this respect, we desire to place the project on a two-stage basis so that in event favorable indications are discovered, which you desire to check by additional drilling and the results warrant additional expenditure in the estimation of the Government, the additional work can be continued on Government participation without another contract. The second stage proposed is thus entirely to your advantage in event you want to do the additional work. The only function of the Government, in relation to Stage 2, will be to decide if additional work is warranted and if so, to approve the Government's participation in the costs of any additional work done.

We have attempted to show, by the above, that additional drilling will not be mandatory and that such work will be approved, at your request, only if prior results warrant. The additional work in our estimation will permit, if you desire, an integrated program under one contract.

In regard to the starting date of work under this docket, we will have to have a reasonable assurance that work can be started within a definite period of time before a contract can be drawn. To do otherwise would necessitate amendments such as were required on your other project.

We will await your reply as to the additional work, cost per foot of drilling, and starting date before further consideration is given to your project.

Sincerely yours,

D. E. Moulds meh

D. E. Moulds, Chief
Base Metals Division
Defense Minerals Exploration
Administration

P.N.
2-25-52

DEMoulds/meh
2/25/52
cc to: Adm. R. File
Docket File Copy ✓
Mr. Moulds
Mr. Bishop
Mr. McKnight
Region VI (2)

AMEDEE A. PEUGNET
CONSULTING MINING ENGINEER
20 North Seventh St.
St. Louis 1, Mo.

FEB 20 1952

12 February 1952.

United States Department of
the Interior,
Washington 25, D.C.

Re: Docket No. 2108

Attention: Mr. D. E. Moulds, Acting Chief, Base Metals Division.

Dear Mr. Moulds:-

Thank you for your letter of Feb. 8th referring to the above.

I am in complete agreement with the thought expressed in the first paragraph of your letter, and concur in the thoyght that should one, or both holes encounter favorable mineralization additional drill--ing would be beneficial.

In regard to paragraph two of your letter: From an engineering viewpoint I would have liked to have made the original application to cover a minimum of four holes.

The facts governing the case from my viewpoint are that I have to take one position as an engineer and another as manager of the estate owning the property involved. Therefore, in regard to paragraphs two and three of your letter my position is that since I have no assurance that the estate will have funds to finance drilling beyond the proposed two holes, I cannot comit it to such an expenditure before such funds become available, if they do become available.

Therefore, I do not believe it is adviseable to incorporate Stage 2 unless it is done in such a manner as to give us the priviledge of drilling additional holes, without making such drilling mandatory after completion of Stage 1 - assumung that favorable cores are obtained. Furthermore, should the two holes proposed, or even one, encounter favorable results there would be little difficulty in arranging for other interests to continue the exploration.

I have discussed this matter with Mr. Gallagher of the Regional Office.

In regard to the last paragraph of your letter: It is now not possible to give a firm starting date because all of the contract diamond drillers of the district are engaged at present. Respecting the the over-all cost of drilling: $1.60 per foot is no longer applicable as prices have increased materially since then.

Sincerely yours,

Amedee A Peugnet

FILE COPY
SURNAME:

Moulds

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

FEB 8 1952

Mr. Amedee A. Peugnet
20 North 7th Street
St. Louis 1, Missouri

Re: Docket No. 2108

Dear Mr. Peugnet:

With reference to your application for exploring the Peugnet Tract situated in Sections 7, 8, 17 and 18, T.35N., R.7E., St. Francois and Ste. Genevieve Counties by two diamond-drill holes, our review indicates that the two proposed holes will be approximately 2100 feet apart and 300 feet deep. It is our opinion that such widely spaced holes to explore for structure or mineralization would not present conclusive evidence of a discovery. In event that one hole encountered favorable structure or mineralization, it is our belief that additional drilling to check such results would be beneficial to all concerned.

We have, in view of the above thinking, tentatively approved a project consisting of two stages with the two drill holes initially proposed as Stagell. In event either of these holes encountered favorable structure or mineralization, Stage 2 would be approved and consist of two additional holes aggregating 600 feet, drilled at locations satisfactory to the Government and to check the favorable data. If both holes proved unfavorable, of course, Stage 2 would not be approved and the project terminated.

As stated, we believe that Stage 2 will be beneficial and, by incorporating the additional drilling into the contract, the starting of Stage 2 will be dependent only on the Field approval of the justification by results of Stage 1.

We believe this matter has been discussed with Mr. Gallagher of the Regional Office. We will, however, appreciate your comment on the additional stage with the resultant increase in expense involved.

In view of the September date of your application, we will also appreciate information as to the possible starting date of this contract and if the $1.60 per foot overall cost of drilling is still applicable.

Sincerely yours,

D. E. Moulds meh D.H. 2-8-52

D. E. Moulds, Acting Chief
Base Metals Division
Defense Minerals Exploration
Administration

DEMoulds/meh
2/5/52
cc to: Adm. R. File
Docket File Copy
Mr. Moulds
Mr. Bishop
Mr. McKnight
Region VI

FILE COPY
SURNAME:

Moulds

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

FEB 8 1952

Mr. David Gallagher
Executive Officer, Region VI
DMEA Field Team
221 West 3rd Street
Joplin, Missouri

Re: Docket No. DMA 2108
Amedee A. Peugnet - Lead

Dear Mr. Gallagher:

With reference to your letter of January 28, Minutes No. 17 of the Operating Committee refers only to a copy of memorandum by Mr. E. T. McKnight and the letter relative to the two stage project. The application had previously been reviewed by your office and transmitted to the Coordinating Committee with your memorandum of October 26, 1951.

We presume you received the memorandum by Mr. McKnight which accompanied our letter to you of January 15, 1952.

Sincerely yours,

C. O. Mittendorf (for) J.N. 2-8-52

ACTING Chairman, Operating Committee
Defense Minerals Exploration
Administration

APPROVED:

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

L. P. Thayer (for)
Member, Geological Survey

DEMoulds/meh
2/5/52
cc to: Adm. R. File
Docket File Copy
Mr. Moulds
Mr. Bishop
Mr. McKnight
Region VI

Mr. [illegible]

In Of. Comm. minutes #17 your referral to the field is listed. It says nothing about sending the docket so I don't know where he got that presumption.

Betty

Here is docket from our files.

Dear,

As I recall only a letter requesting information was sent to Gallagher on Docket 2108.

JEJ

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 1/31/52

REFERRED TO:

1. [redacted]
2. Mr. Moulds, Rm. 2616
3.
4.

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	..... Your information
..... Initials	
..... Mailing	
..... Previous correspondence	

REMARKS: As I recall only a letter was sent to the Field. This is a case Mr. Moulds referred.

Check (X) before the items needing attention.

Berry
Initials of sender.

GPO 16—63815-1

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

January 28, 1952

Memorandum

To: DMEA Operating Committee

From: David Gallagher

Subject: DMA -- 2108, Lead, Amedee A. Peugnet

Minutes No. 17 of the Operating Committee suggests that above docket has been referred to the Field Team Region VI, Joplin. The docket has not been received in this office, and if sent a check might be instituted to determine whether or not it has been lost in the mail.

A letter was received, however, requesting that this office take under advisement the possibility of discussing with Mr. Peugnet revising his application into a two-stage exploration program: Stage I, the two holes requested; Stage II, a little additional drilling in the event that one of the first two holes encountered ore.

This suggestion was discussed with Mr. Peugnet on the night of January 23. Mr. Peugnet stated that the money involved belongs to a family estate, of which he is Trustee, and that it would be impossible for him to agree to the proposed revision because without consultation with others involved he could not guarantee the additional funds that would be necessary. Mr. Peugnet felt that in the event that ore was found by one of the first two holes involved in the original application, it might then be appropriate to consider a new application for additional drilling.

David Gallagher

David Gallagher

DG/lh

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 30 1952

FILE COPY
SURNAME:

Mail to

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

JAN 15 1952

Mr. David Gallagher
Executive Officer, Region VI
DMEA Field Team
221 West 3rd Street
Joplin, Missouri

Re: Docket No. DMEA 2108
Amadee A. Peugnet

Dear Mr. Gallagher:

The exploration project application of Mr. Amadee A. Peugnet has been reviewed by Mr. E. T. McKnight in cognizance of the points presented in your memorandum to the DMA Coordinating Committee under date of October 26, 1951.

Mr. McKnight's memorandum to the Operating Committee under date of January 7, 1952 discussing the project and recommending approval unless unfavorable factors, such as unrealistic costs, or impossible drilling conditions exist, has the concurrence of the Operating Committee. A copy of this memorandum is enclosed for your information and files.

It is suggested for your consideration and recommendation that the applicant be requested to present a two stage project as follows:

Stage I: The presently proposed two holes aggregating 600 feet of diamond drilling.

Stage II: In event favorable structure or mineralization is shown in either of the above holes in the estimation of the Government, two additional holes aggregating 600 feet in depth may be drilled at locations satisfactory to the Government and to check previous data.

The estimated costs for Stage II will, of course, be in addition to the costs now presented in the application.

It is also suggested that the applicant be requested to confirm the estimated $1.60 per foot inclusive cost.

It is believed that the supervision and surveying listed and previously pointed out by Mr. Clinton Knox in memorandum of September 25th, will be allowable on the understanding that the amounts include all expense of preparation of all reports required and in a form and content satisfactory to the Government.

Your comments will be appreciated at your earliest convenience.

Sincerely yours,

(signed) FRANK E. JOHNSON (fw)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

S.N.
1-15-52

Enclosure-1

APPROVED:

_____
Member, Bureau of Mines

_____
Member, Geological Survey

DEMoulds/meh
1/11/52
cc to: Adm. R. File
Docket File Copy
Mr. Moulds
Mr. Bishop
Mr. McKnight
Region VI

D.a.

FILE COPY
SURNAME:

Moulds

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

110

JAN 15 1952

Amadee A. Peugnet
20 North 7th Street
St. Louis 1, Missouri

Re: Docket No. DMA-2108

Gentlemen:

Your application for assistance in exploring the Fredericktown Quadrangle property in St. Francois and St. Genevieve counties, Missouri, Docket No. DMEA-2108, has been reviewed by the Base Metals Division of the Defense Minerals Exploration Administration and has been referred to Mr. David Gallagher, Executive Officer, DMEA Field Team, Region VI, 221 West 3rd Street, Joplin, Missouri, for a field examination.

The Regional office will contact you at the earliest opportunity in regard to your project.

Sincerely yours,

C. O. Mittendorf (for) J.H. 1-15-52

Acting Administrator
Defense Minerals Exploration
Administration

COMittendorf/hb

Copy to: Adm. Reading File
C. O. Mittendorf
DMEA Mails and Files
Mr. Moulds
Mr. Bishop
Mr. McKnight
Region VI
Docket

1-11-52

Mr. David Gallagher
Executive Officer, Region VI
DMEA Field Team
221 West 3rd Street
Joplin, Missouri

Re: Docket No. DMEA 2108
Amadee A. Peugnet

Dear Mr. Gallagher:

The exploration project application of Mr. Amadee A. Peugnet has been reviewed by Mr. E. T. McKnight in cognizance of the points presented in your memorandum to the DMA Coordinating Committee under date of October 26, 1951.

Mr. McKnight's memorandum to the Operating Committee under date of January 7, 1952 discussing the project and recommending approval unless unfavorable factors, such as unrealistic costs, or impossible drilling conditions exist, has the concurrence of the Operating Committee. A copy of this memorandum is enclosed for your information and files.

It is suggested for your consideration and recommendation that the applicant be requested to present a two stage project as follows:

Stage I: The presently proposed two holes aggregating 600 feet of diamond drilling.

Stage II: In event favorable structure or mineralization is shown in either of the above holes in the estimation of the Government, two additional holes aggregating 600 feet in depth may be drilled at locations satisfactory to the Government and to check previous data.

The estimated costs for Stage II will, of course, be in addition to the costs now presented in the application.

It is also suggested that the applicant be requested to confirm the estimated $1.60 per foot inclusive cost.

It is believed that the supervision and surveying listed and previously pointed out by Mr. Clinton Knox in memorandum of September 25th, will be allowable on the understanding that the amounts include all expense of preparation of all reports required and in a form and content satisfactory to the Government.

Your comments will be appreciated at your earliest convenience.

Sincerely yours,

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Enclosure-1

APPROVED:

_____
Member, Bureau of Mines

_____
Member, Geological Survey

DEMoulds/meh
1/11/52
cc to: Adm. R. File
Docket File Copy
Mr. Moulds
Mr. Bishop
Mr. McKnight
Region VI

MR. MOULDS:

The Operating Committee concurred with Mr. McKnight's recommendation of approval.

They suggested that a letter be sent to Mr. Gallagher, Region VI, pointing out that the Operating Committee did concur in Mr. McKnight's recommendation; also that a copy of Mr. McKnight's recommendation be send to Mr. Gallagher.

Hazel Berry
1/10/52

FILE COPY
Surname:

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

McKnight
Bishop

January 7, 1952

Memorandum

Re: DMA-2108
Amedee A. Peugnet
SE Missouri Lead district
Exploration loan $1760
Lead

To: Operating Committee

From: Mr. E. T. McKnight

Subject: Field team report on subject docket

In Southeast Missouri and in the Tri-State District, the relation of ore deposits to recognizable geologic factors is not nearly so evident as in most other mining districts. Mineral deposition has been widespread and most closely related to underground water movement along wide zones of jointing that may be limited to certain stratigraphic horizons. Such zones have commonly produced little recognizable effect on the surface. Practically all discoveries made to date have been either from recognition and further investigation of mineral in surface exposures, from accidental discovery in wells, or from purposeful wildcat drilling in broad areas that are known to be mineralized. The one geologic principle that has been of great value has been the recognition that certain stratigraphic horizons are far more favorable than others. In regions of essentially flat-lying beds, such as prevail in Southeast Missouri, the favorable horizons may outcrop over broad areas or may be buried at shallow depths over equally broad areas. The problem then becomes one of finding the zones where the ore horizon was favorably jointed, leached and later invaded by the mineral bearing solutions. Such zones are commonly several hundred feet wide.

The applicant's proposal is to drill two diamond drill holes approximately 2100 feet apart, each hole to be about 1500 feet from a pronounced NW fault that drops the Bonneterre dolomite against the Lamotte sandstone. The holes will be on the down-dropped side, so that the exploration, to a depth of 300 feet, will be in the lower part of the Bonneterre which is the main producing horizon of the district. Although the mineralization in SE Missouri is not intimately related to faults, the district is cut by several large faults in NW and NE patterns, and the smaller fractures in the mining areas follow these same patterns. The lead bearing formations show much evidence of leaching and condensation, and it appears probable that the subsidiary fracturing related to the major faults had much to do with preparing the dolomite for the mineral depositing solutions. Hence the applicant's proposed exploration a short distance from a fault should be in a relatively favorable structural location in addition to being

favored by its stratigraphic position. The chief uncertainty is whether mineralizing solutions have gained access to the area. Applicant cites some evidence of the occurrence of small amounts of lead on his own and adjacent properties and has also unduly stressed the occurrence of commercial ore in areas from 2½ miles to several miles away.

On the whole, the area that the applicant proposes to prospect could be ranked among the better of possible tracts for wildcat exploration. The St. Joseph Lead Company, whose record in discovering lead ore in SE Missouri has been good, is reported by the applicant to have drilled the adjacent property to the south. I doubt if they had any more favorable geologic evidence than that presented by the applicant.

The docket was referred to the field chiefly for expense appraisal but also to have field team appraised of this project. They had taken strong exception to approval, without their knowledge or concurrence, of an earlier similar application from this same applicant.

The field team has recommended that this application be denied on the following grounds:

1. A project predicated on drilling two holes 2100 feet apart to explore a tract of land 535 acres in extent is not a worthwhile exploration project.

2. There is no reason to expect that the proposed exploration would be any more successful than the previous big company drilling in this same general area.

3. The applicant's justification for his project in citing the presence of mines 6 and 9 miles away is far fetched and lacks any conviction.

I do not believe that the field team presents valid reasons for a denial.

1. In a drilling project, the units are individual holes. If a discovery is made, it is made in one of the holes. It may be extended by drilling other holes, whose locations may have been decided in the original plan, or may, on the other hand, have been influenced by what has been found in the discovery hole. The more holes that are set up in an initial drilling plan, the better are the chances that a discovery will be made, though not in direct proportion. In deposits of

of the type sought in Southeast Missouri, it is impossible to predict in advance just which hole is most likely to make a discovery. Hence I believe that 2 holes in a 535 acre tract have just as good a chance of making a discovery as any 2 of, say, 200 holes that might be proposed for an initial exploration on the same tract. The project would have only 1/100 the chance of a 200 hole project, but also it would cost only 1/100 as much. The first 2 holes are better bets than the last 2 holes of a 200 hole project, if nothing has been found up to that stage.

I think the field team is confusing exploration with development, and is mistakenly assuming that the Government cannot be repaid unless a definable tonnage capable of repaying the Government loan is found by the proposed project. Obviously 2 holes would have little value in blocking out ore unless they are bolstered by other holes. But one hole can make a discovery, and if this is certified by the field team within 6 months after completion of the project, the whole acreage involved in the project becomes liable for repayment of the loan.

From the standpoint of national welfare, a single hole in a 535 acre tract that has cut a good grade of ore is far more significant if there are no other holes on the tract than if it is surrounded by 199 blank holes. If either of Mr. Peuguet's 2 holes cut ore, I believe it is safe to assume that other holes will be financed by someone, and the Government would have as good a chance of getting its money back within 10 years as under the circumstance where a 200 hole project was outlined in the first place.

2. The argument that extensive drilling on an adjacent tract should eliminate the Peuguet land as an exploration possibility is not valid. The Federal Jarrett tract of about 70 acres in the Tri-State district was drilled by 3 companies. The first 2 projects were failures, whereas the third drilled out a valuable ore body interstitial to the earlier drilling. In this case, unsuccessful drilling on the same tract did not rule out the discovery of ore. Mr. Peuguet's 2 holes are better bets than the last 2 holes drilled by the big company on the adjacent tract.

3. The third objection to the proposal, that ore 6 and 9 miles away is no argument for ore on the applicant's tract, is valid. However, this obviously weak argument of the applicant does not invalidate the relatively favorable stratigraphic and structural setup, which are as good as conditions commonly deemed sufficient to justify an exploration on Mississippi Valley type ore deposits.

Although this project has much less chance of success than other exploration projects in which occurrence of ore can be related to determinable geologic features, it represents a typical Mississippi Valley type of exploration - initial exploration as contrasted with a more favorable type of "exploration" that consists in drilling out from a known ore occurrence. I believe that, unless there are some such unfavorable factors as unrealistic costs or impossible drilling conditions - which hardly seem likely because the applicant is a registered mining engineer - this application should be approved.

Edwin T. McKnight

Edwin T. McKnight
Geologist

ETMcKnight:emp
Copies to: Geol. Div. Files 4240
Br. files 4208
Directors r. files 4214
Br. r. files 4214
E. T. McKnight
O. M. Bishop 3423 Interior

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Joplin, Missouri

Reviewed by
DMEA OPERATING COMMITTEE

October 26, 1951

1-9-52
(date)

To: DMA Coordinating Committee

Through: Olaf N. Rove

From: David Gallagher

Subject: Docket No. DMA-2108, Lead - Amedee A. Peugnet, 20 North 7th Street, St. Louis 1, Missouri.

Subject application is returned herewith for the following reasons:

1. We do not feel that a project predicated on drilling two holes approximately 2,100 feet apart to explore a tract of land 535 acres in extent is a worthwhile exploration project.

As pointed out in the letter of September 25 from Clinton C. Knox, transmitting this application to Washington, we doubt that this program would enable "the Government, within six months thereafter to certify to the Operator, particularly describing and delineating the estimate of the discovery".

2. It is our understanding that some big company drilling has been done in the general area, but not within the specific tract, without finding ore. We see no reason to believe that the drilling proposed by Mr. Peugnet would be any more successful.

3. Mr. Peugnet endeavors to support this proposal by pointing out that many successful mines lie to the south and to the west. Inspection of the maps submitted by Mr. Peugnet, and enclosed with the application herewith returned, shows that the mines to the south are nine miles away, and the nearest of the mines to the west is six miles away. We do not believe that the presence of mines nine miles away and six miles away indicate convincingly that this specific tract of 535 acres is a likely place in which to find ore.

This application bears a close resemblance to Mr. Peugnet's previous application (Docket No. DMA-2037X), as a result of which he was awarded Contract Idm-E159 without prior consultation with us and

ON-SITE EXAM.

without our concurrence.

Contract Idm-E159 calls for exploring a 266-acre tract by only two drill holes.

Under date of October 24, 1951 I wrote a letter to Mr. Mittendorf voicing my objection to a contract for two holes to explore 266 acres.

This letter can be construed as my objection to a contract to explore 535 acres by only two holes.

Sincerely yours,

David Gallagher

David Gallagher

DG/lh

FILE COPY
SURNAME:

350

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

Newcomb (ETM)
McKnight
Gallagher
Bishop
Von
Moon
Gage

OCT 9 1951

Re: DMA-2108

a.g.c.

Mr. Amadee A. Peugnet
20 North 7th Street
St. Louis 1, Missouri

Dear Mr. Peugnet:

Your application for an exploration loan on property located in St. Francois and Ste. Genevieve Counties, Missouri, has been reviewed by the Lead-Zinc Branch of the Defense Minerals Administration.

Further information is required in order to fully appraise your application. For this reason, we are forwarding your application to Mr. David Gallagher, Executive Officer, DMA Field Team, 221 West 3d Street, Joplin, Missouri.

Very truly yours,

SIGNED
Tom Lyon, Director
Supply Division

JF 10/9

ELNewcomb:emp
G 10-4-51

Copies to: Mr. David Gallagher Region VI (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
O. M. Bishop
Directors r. files 4214 GSA
Br. r. files 4214 GSA
Administrators r. file
DMA docket files

McKnight
Billings
Bishop

OCT 9 1951

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

Mr. David Gallagher
Executive Officer, DMA Field Team
Region VI
221 W. 3d Street
Joplin, Missouri

Dear Sir:

We attach "Review of Application for Exploration Assistance" on:

Docket No. 2108

Commodity Lead

Applicant Amadee A. Peugnet, 20 North 7th Street
St. Louis 1, Missouri

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review."

Very truly yours,

Chairman
Coordinating Committee

For Bureau of Mines

For Geological Survey

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. 2108

Commodity Lead

Total Amount $1760

Govt. Participation 50% $880

1. Name and Address of Applicant Amadee A. Peugnet, 20 North 7th Street St. Louis 1, Missouri

2. Location of Property Secs. 7-8-17-18, TWP 35 N., R 7 E., St. Francois and Ste. Genevieve Counties, Missouri

3. Mineral or metal Lead Is it listed in Section 9 of MO-5?

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good

b) Poor

c) None

d) Don't know—needs field examination X

e) Is there an alternative and favorable project? (If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes, owner (question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached?

Does the lease have sufficient time to run to cover a future productive period?

*question numbers are those of MF-103

7. Are subordination agreements necessary? No

a) MF-201? _____

b) MF-202 _____

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

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, MO-5? Yes

If not, what part of it is? _____

_____

_____

_____

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? Yes

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? See #23, on MF-103 If so, attach a draft.

e) Are the cost estimates reasonable? Yes, see 17

f) Should more information be requested from applicant? Yes

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)*

a) Is it applicable? No

b) If so, are sufficient data furnished?_____ If so, attach a draft.

c) Is a field check needed? No

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes

b) Sufficient data? Yes If so, attach a draft. See 23 (f)

c) Are rents and charges reasonable? Yes, see 17

d) Is a field check needed? Yes

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? 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? No

e) Is a field check needed? Yes, see 17

14. Exhibit E (question 23-c)*

a) Is it applicable? No

b) Sufficient data?

c) Reasonable?

d) Field check needed? No

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? Supervisor's salary is too high, and surveying costs should be absorved in his salary. I question whether drilling can be done at $1.60 per foot. Please note Missouri publications mentioned in answer to question No. 22 - MF-103.

Reviewed by: E. L. Newcomb GS

Date 10-4-51

INT.-DUP. SEC., WASH., D.C. 99009

Mr. Amadee A. Peugnet
20 North 7th Street
St. Louis 1, Missouri

Subject: DMA-2108
Re: Exploration Project
Fredericktown Quadrangle

My dear Mr. Peugnet:

This will acknowledge receipt of your application dated September 20, 1951 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMA-2108 and referred to the Lead-zinc Br.

Kindly refer to DMA-2108 in any future correspondence relating to your application.

Sincerely yours,

Robert E. Adams

Robert E. Adams, Chief
Reports and Records Unit

2463

SEP 28 1951

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D. C.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
SEP 27 1 27 PM '51
~~WASHINGTON 25, D.C.~~
Joplin, Missouri

September 25, 1951

Dmc A-2108

To: DMA Coordinating Committee
Washington, D. C.

From: Clinton C. Knox, Acting for David Gallagher,
Executive, DMA Field Team, Region VI.

Subject: Amedee A. Peugnet, DMA Exploration, September 20, 1951.

Transmitted herewith are all 4 copies of another MF-103 application received here today from Amedee A. Peugnet, 20 North 7th Street, St. Louis 1, Missouri. A similar application from him, on his neighboring property, was transmitted to you through this office some 3 weeks ago.

I am taking the liberty of making the following few preliminary comments based only on my limited field knowledge of that area relative to those and other such applications:

1. Only 2 drill holes on a 535-acre tract would hardly constitute even an initial Phase I of such an exploration, and I doubt would enable "the Government, within 6 months thereafter to certify to the Operator, particularly describing and delimiting the estimate of the discovery or development", as per article 14 in contract form MF-100.

2. I doubt that any diamond driller would undertake such a small contract at a price as low as $1.60 per foot.

3. I do not believe "one experienced mining engineer" at $30 per day will be needed sitting on the rig every day during the project -- at least he should be required to do the surveying and mapping, so that the $100 set up for that item would not be necessary.

4. More alarming, is the fallacy of spotting the proposed 2 drill hole locations on the basis of the aeromagnetic map alone. Recently in connection with Dr. Duckworth's St. Clair, Missouri application (Docket No. 1717X), an almost parallel-appearing case, now under field consideration here, I've again had occasion to match the available maps of ore deposits, geological structure and lithology, aeromagnetics, detailed close-grid magnetic surveys on the ground and any other geology and geophysics which have been employed by many private concerns and the State

Geological Survey in Missouri. It appears to me that the anomalies on the aeromagnetic map are very generalized and that many little anomalous details identified with ore deposits and geology were skipped entirely by the aeromagnetic method. When structural geologic features are virtually hidden as in such areas, I believe the policy should be to require the concurrence of 2 geophysical surveying methods to pinpoint the proposed drill hole locations, much as the National Lead Company at Fredericktown (Contract Idm-E24) claim to be doing. I understand, however, that anomalies from electrical resistivity would probably 'fade away' before reaching the depths under consideration at the Dr. Duckworth property.

I want to be the first to agree that I am not qualified to make such comments on geology, geophysics or exploration, but there appears to be an increasingly desperate need for those tools in present-day mining explorations and those tools must be made as reliable as possible. Wouldn't it be practical to match up a gravimetric survey with the aeromagnetic map on the Duckworth, for instance, and an electrical resistivity survey on the Peugnet properties? Otherwise spotting of proposed drill holes on the above-mentioned 3 properties, as well as on many others such as the Shelton (Contract Idm-1088X), is merely a 'long shot in the dark'.

With all the combined know-how and technical knowledge available from American engineers, geologists, geophysicists and miners, I cannot believe that the DMA has to start 'grasping for straws' yet. If DMA gets a chance to establish itself here as a responsible exploration agency instead of a political grab-bag, I believe I see signs that some more really worthwhile projects will begin to be presented by actual mining people.

An editorial from this mornings local paper is attached which again points out, as I know you have understood all along, some of the many difficulties that David Gallagher has faced here.

The greatest thorn in our side, as you have heard many times, is the Landlords Subordination Agreement. One possible solution to that would be to require that the operator only submit on his exploration application, Form MF-103, the usually small tract of land that he proposes to drill on the project instead of all his hundreds of acres of leases. For example, in the application of Tom King (Docket 1908X), he only ask for a $13,000 project which probably wouldn't much more than do the preliminary exploratory drilling on 20 acres, for which the landlord might have been more inclined to sign the subordination agreement rather than jeopardize the entire farm. We even tried a revised Form MF-202 which should be more acceptable in most cases in this region, a copy of which, along with Tom King's letter of transmittal, is also attached herewith for your study and comment.

Clinton C. Knox

Clinton C. Knox

PLATE I

To accompany MF-103 dated 9/20/51

Amedee A. Peugnet,
20 North 7th St., St. Louis 1, Mo.

- Peugnet Property in this Application.
- Mines & Prospects
- Other Mines & Prospects
- Hearsay Prospects (See Text)
- Proposed Diamond Drill Holes
- Faults

Mapped, edited, and published by the Geological Survey

Control by USGS and USC&GS

Culture and drainage in part compiled from aerial photographs taken 1935

Topography by plane-table methods 1937

Culture revised 1947

Polyconic projection. 1927 North American datum

10,000 foot grid based on Missouri coordinate system east zone

TRUE NORTH
MAGNETIC NORTH
5½°
APPROXIMATE MEAN DECLINATION, 1947

Scale 1:62500

1 ½ 0 1 2 3 4 Miles

1000 500 0 1000 2000 3000 4000 5000 6000 7000 Yards

1000 0 3000 6000 9000 12000 15000 18000 Feet

1 .5 0 1 2 3 4 5 Kilometers

Contour interval 20 feet

Datum is mean sea level

THIS MAP COMPLIES WITH NATIONAL MAP ACCURACY STANDARDS

FOR SALE BY U. S. GEOLOGICAL SURVEY, WASHINGTON 25, D. C.

ROAD CLASSIFICATION

HARD-SURFACE ALL WEATHER ROADS		DRY WEATHER ROADS
Heavy-duty	4 LANE 6 LANE	Improved dirt
Medium-duty	4 LANE 6 LANE	Unimproved dirt
Loose-surface graded or narrow hard-surface		

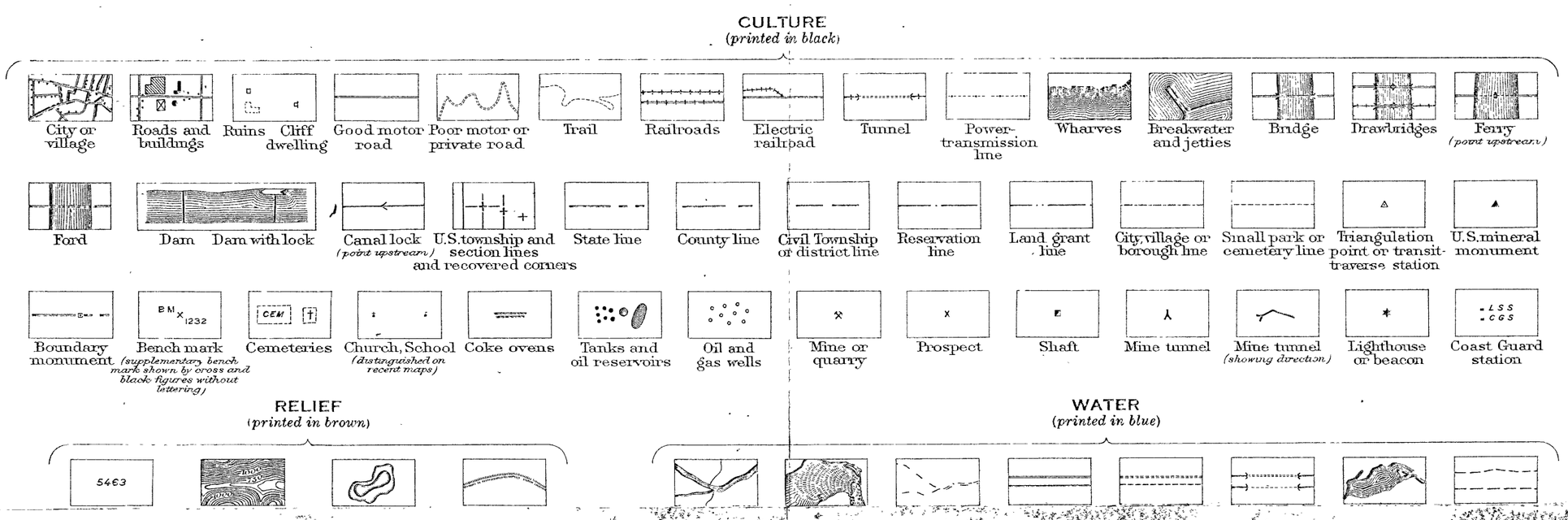
U. S. Route — State Route

FREDERICKTOWN, MO.

N3730-W9015/15

PRINTED 1950

STANDARD SYMBOLS



THE TOPOGRAPHIC MAPS OF THE UNITED STATES

The United States Geological Survey is making a series of standard topographic maps to cover the United States. This work has been in progress since 1882, and the published maps cover more than 47 percent of the country, exclusive of outlying possessions.

The maps are published on sheets that measure about 16½ by 20 inches. Under the general plan adopted the country is divided into quadrangles bounded by parallels of latitude and meridians of longitude. These quadrangles are mapped on different scales, the scale selected for each map being that which is best adapted to general use in the development of the country, and consequently, though the standard maps are of nearly uniform size, the areas that they represent are of different sizes. On the lower margin of each map are printed graphic scales showing distances in feet, meters, miles, and kilometers. In addition, the scale of the map is shown by a fraction expressing a fixed ratio between linear measurements on the map and corresponding distances on the ground. For example, the scale $\frac{1}{62,500}$ means that 1 unit on the map (such as 1 inch, 1 foot, or 1 meter) represents 62,500 of the same units on the earth's surface.

Although some areas are surveyed and some maps are compiled and published on special scales for special purposes, the standard topographic surveys and the resulting maps have for many years been of three types, differentiated as follows:

1. Surveys of areas in which there are problems of great public importance—relating, for example, to mineral development, irrigation, or reclamation of swamp areas—are made with sufficient detail to be used in the publication of maps on a scale of $\frac{1}{31,680}$ (1 inch = one-half mile) or $\frac{1}{24,000}$ (1 inch = 2,000 feet), with a contour interval of 1 to 100 feet, according to the relief of the particular area mapped.

2. Surveys of areas in which there are problems of average public importance, such as most of the basin of the Mississippi and its tributaries, are made with sufficient detail to be used in the publication of maps on a scale of $\frac{1}{62,500}$ (1 inch = nearly 1 mile), with a contour interval of 10 to 100 feet.

3. Surveys of areas in which the problems are of minor public importance, such as much of the mountain or desert region of Arizona or New Mexico, and the high mountain area of the northwest, are made with sufficient detail to be used in the publication of maps on a scale of $\frac{1}{125,000}$ (1 inch = nearly 2 miles) or $\frac{1}{250,000}$ (1 inch = nearly 4 miles), with a contour interval of 20 to 250 feet.

The aerial camera is now being used in mapping. From the information recorded on the photographs, planimetric maps, which show only drainage and culture, have been made for some areas in the United States. By the use of stereoscopic plotting apparatus, aerial photographs are utilized also in the making of the regular topographic maps, which show relief as well as drainage and culture.

A topographic survey of Alaska has been in progress since 1898, and nearly 44 percent of its area has now been mapped. About 15 percent of the Territory has been covered by maps on a scale of $\frac{1}{500,000}$ (1 inch = nearly 8 miles). For most of the remainder of the area surveyed the maps published are on a scale of $\frac{1}{250,000}$ (1 inch = nearly 4 miles). For some areas of particular economic importance, covering about 4,300 square miles, the maps published are on a scale of $\frac{1}{62,500}$ (1 inch = nearly 1 mile) or larger. In addition to the area covered by topographic maps, about 11,300 square miles of southeastern Alaska has been covered by planimetric maps on scales of $\frac{1}{125,000}$ and $\frac{1}{250,000}$.

The Hawaiian Islands have been surveyed, and the resulting maps are published on a scale of $\frac{1}{62,500}$.

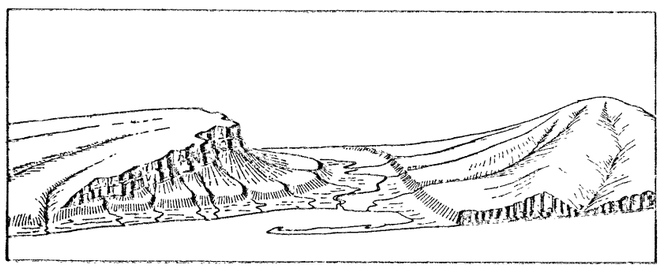
A survey of Puerto Rico is now in progress. The scale of the published maps is $\frac{1}{30,000}$.

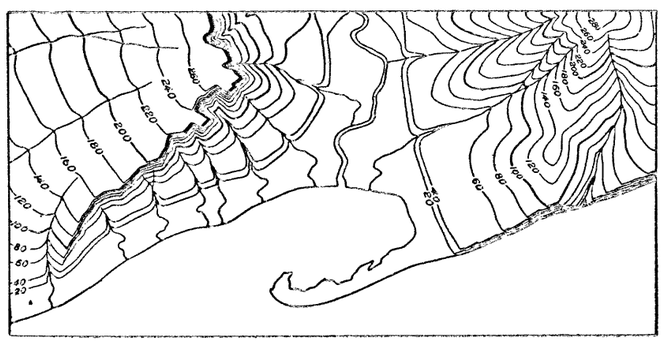
The features shown on topographic maps may be arranged in three groups—(1) water, including seas, lakes, rivers, canals, swamps, and other bodies of water; (2) relief, including mountains, hills, valleys, and other features of the land surface; (3) culture (works of man), such as towns, cities, roads, railroads, and boundaries. The symbols used to represent these features are shown and explained below. Variations appear on some earlier maps, and additional features are represented on some special maps.

All the water features are represented in blue, the smaller streams and canals by single blue lines and the larger streams by double lines. The larger streams, lakes, and the sea are accentuated by blue water lining or blue tint. Intermittent streams—those whose beds are dry for a large part of the year—are shown by lines of blue dots and dashes.

Relief is shown by contour lines in brown, which on a few maps are supplemented by shading showing the effect of light thrown from the northwest across the area represented, for the purpose of giving the appearance of relief and thus aiding in the interpretation of the contour lines. A contour line represents an imaginary line on the ground (a contour) every part of which is at the same altitude above sea level. Such a line could be drawn at any altitude, but in practice only the contours at certain regular intervals of altitude are shown. The datum or zero of altitude of the Geological Survey maps is mean sea level. The 20-foot contour would be the shore line if the sea should rise 20 feet above mean sea level. Contour lines show the shape of the hills, mountains, and valleys, as well as their altitude. Successive contour lines that are far apart on the map indicate a gentle slope, lines that are close together indicate a steep slope, and lines that run together indicate a cliff.

The manner in which contour lines express altitude, form, and grade is shown in the figure below.





The sketch represents a river valley that lies between two hills. In the foreground is the sea, with a bay that is partly enclosed by a hooked sand bar. On each side of the valley is a terrace into which small streams have cut narrow gullies. The hill on the right has a rounded summit and gently sloping spurs separated by ravines. The spurs are truncated at their lower ends by a sea cliff. The hill at the left terminates abruptly at the valley in a steep scarp, from which it slopes gradually away and forms an inclined tableland that is traversed by a few shallow gullies. On the map each of these features is represented, directly beneath its position in the sketch, by contour lines.

The contour interval, or the vertical distance in feet between one contour and the next, is stated at the bottom of each map. This interval differs according to the topography of the area mapped: in a flat country it may be as small as 1 foot; in a mountainous region it may be as great as 250 feet. In order that the contours may be read more easily certain contour lines, every fourth or fifth, are made heavier than the others and are accompanied by figures showing altitude. The heights of many points—such as road intersections, summits, surfaces of lakes, and benchmarks—are also given on the map in figures, which show altitudes to the nearest foot only. More precise figures for the altitudes of benchmarks are given in the Geological Survey's bulletins on spirit leveling. The geodetic coordinates of triangulation and transit-traverse stations are also published in bulletins.

Lettering and the works of man are shown in black. Boundaries, such as those of a State, county, city, land grant, township, or reservation, are shown by continuous or broken lines of different kinds and weights. Public roads suitable for motor travel the greater part of the year are shown by solid double lines; poor public roads and private roads by dashed double lines; trails by dashed single lines. Additional public road classification if available is shown by red overprint.

Each quadrangle is designated by the name of a city, town, or prominent natural feature within it, and on the margins of the map are printed the names of adjoining quadrangles of which maps have been published. More than 4,100 quadrangles in the United States have been surveyed, and maps of them similar to the one on the other side of this sheet have been published.

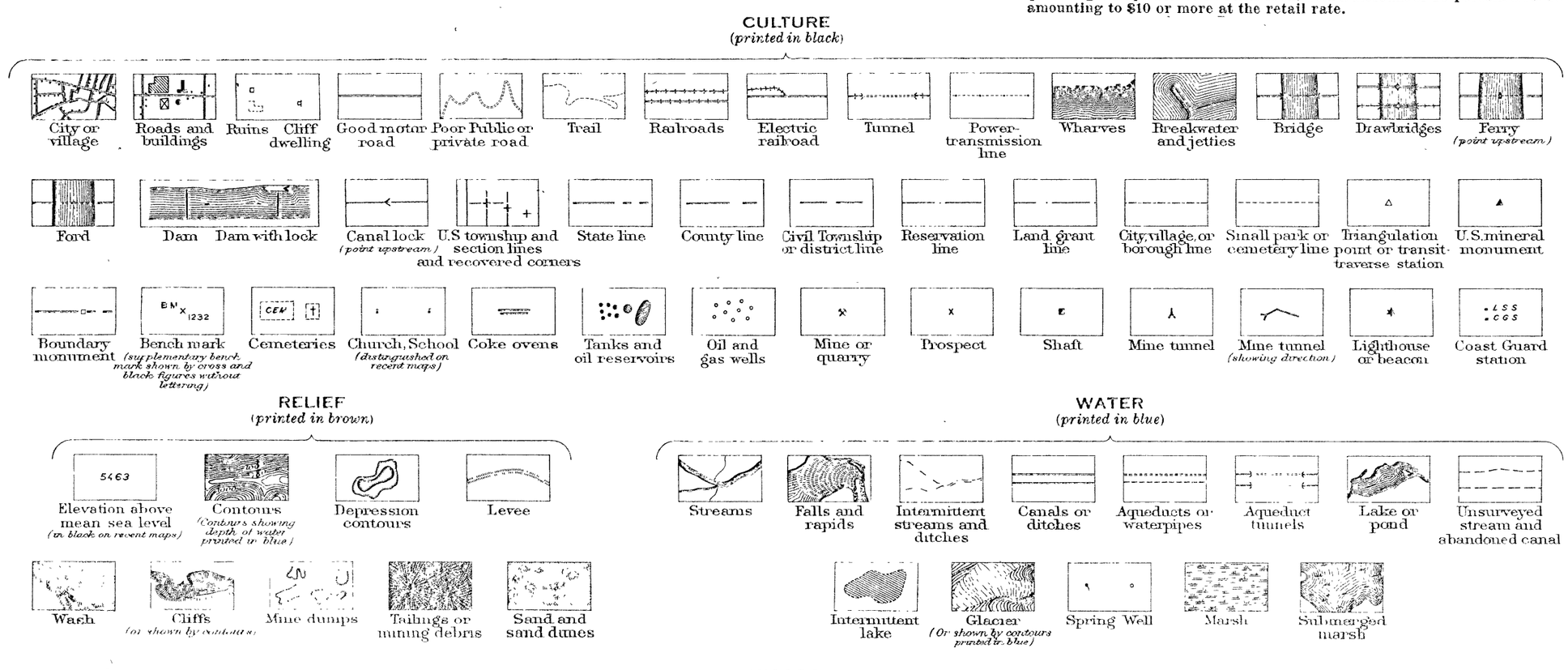
Geologic maps of some of the areas shown on the topographic maps have been published in the form of folios. Each folio includes maps showing the topography, geology, underground structure, and mineral deposits of the area mapped, and several pages of descriptive text. The text explains the maps and describes the topographic and geologic features of the country and its mineral products. Two hundred twenty-five folios have been published.

Index maps of each State and of Alaska and Hawaii showing the areas covered by topographic maps and geologic folios published by the United States Geological Survey may be obtained free. Copies of the standard topographic maps may be obtained for 10 cents each; some special maps are sold at different prices. A discount of 40 percent is allowed on an order amounting to $5 or more at the retail price. The discount is allowed on an order for maps alone, either of one kind or in any assortment, or for maps together with geologic folios. The geologic folios are sold for 25 cents or more each, the price depending on the size of the folio. A circular describing the folios will be sent on request.

Applications for maps or folios should be accompanied by cash, draft, or money order (not postage stamps) and should be addressed to

THE DIRECTOR,
United States Geological Survey,
Washington, D. C.

November 1937.

STANDARD SYMBOLS

NOTE:—Effective on and after October 1, 1946, the price of standard topographic quadrangle maps will be 20 cents each, with a discount of 20 percent on orders amounting to $10 or more at the retail rate.