KEARNS-TRIBUNE CORPORATION
KEARNS BUILDING
SALT LAKE CITY, UTAH

June 25, 1962

U. S. Department of the Interior
Office of Minerals Exploration
Washington, D. C.

Re: DMEA-1949 (Lead Zinc)
G. W. Snyder and G. W. Snyder, Jr.
Lucky Strike Mine
Lander County, Nevada
Contract Adm. E322

Attn: Frank E. Johnson, Acting Director

Gentlemen:

This is in reply to your letter of June 18, 1962 with reference to the above property.

According to our records we entered into a lease with G. W. Snyder and G. W. Snyder, Jr. on the Lucky Strike Claims, Lander County, Nevada under date of March 20, 1952. According to its terms, this lease terminated on March 19, 1956.

During the period of this lease and since its termination to date, our records show no production from this property whatever. At the present time it is not under lease to anyone and no production from it is anticipated in the foreseeable future. However, we note what you say with reference to the Government's royalty interest until May 23, 1963, and should any ore be taken from the property before that date we will get in touch with you.

Yours very truly,

George F. Egan
Secretary Treasurer

JUN 1 8 1962

Mr. George W. Snyder
Mr. George W. Snyder, Jr.
518 Felt Building
Salt Lake City, Utah

Re: DMEA-1949 (Lead-Zinc)
G. W. Snyder and G. W. Snyder, Jr.
Lucky Strike Mine
Lander County, Nevada
Contract Idm-8322

Gentlemen:

We have received the Form 63 request for information in which you state "This lease expired about 1956." We must point out that the expiration of a lease in no way relieved you of your royalty obligations under the contract. Under the Termination Agreement of the contract, dated May 4, 1955, you remain as surety for all royalties on production for a period of eleven years from the date of the contract or until the total net amount contributed by the Government is fully repaid.

Sincerely yours,

signed) FRANK E. JOHNSON

ACTING Director

WRGriswold/gla 6-12-62
Rewritten: WRGriswold/gla 6-13-62
Rewritten: GCSelfridge/gla 6-15-62
cc to: Director's Reading File
Contract Division
Region II (2) w/1 cy Form 63, dated 6/8/62
Code 500

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E322, Docket DMEA-1949 (lead-zinc), dated May 23, 1952, with

George W. Snyder and George W. Snyder, Jr.
518 Felt Building
Salt Lake City 1, Utah

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Lucky Strike Mine located in Lander County, Nevada, during the period January 1, 1959, through September 22, 1960.

In accordance with a May 4, 1955, Termination Agreement and Annex II of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 11 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated April 6, 1956, indicated accepted costs under the exploration contract amounting to $18,862.72 with the Government's contribution on a 50 percent basis being $9,431.36.

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

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which also found no sales subject to the Government's royalty through December 31, 1958. The royalty account as of December 31, 1958, was:

Total Royalty Payable	$ -0-
Total Royalty Paid	-0-
Balance of Royalty Due	$ -0-

As of September 22, 1960, the royalty account of this project was found to be:

Total Royalty Payable	$ -0-
Total Royalty Paid	-0-
Balance of Royalty Due	$ -0-

March 5, 1962

E. D. Talbert, OME Auditor

Idm-E322 George W. Snyder and George W. Snyder, Jr. DMEA-1949

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

The Termination Agreement specifically deletes the so-called "abandonment" provision from this contract, waives the certification of discovery or development, and obligates the Operator, as principal if the producer or as surety if not the producer, to pay the Government's royalty on mineral production from the land under the contract. The land consists of the Lucky Strike, Lucky Strike No. 1, Lucky Strike No. 2, Lucky Strike No. 3, and Lucky Strike No. 4 claims located in the Battle Mountain Mining District.

At the time the contract was executed, the Operators were in possession by virtue of a four-year lease and option to purchase granted by the Kearns Corporation, 1017 Kearns Building, Salt Lake City 1, Utah, on March 20, 1952. On the same date the Operators entered into a Management Agreement with the United Minerals Corporation, for which George W. Snyder, Jr., was president. The agreement provided, among other things, for the conveyance to United Minerals Corporation of an undivided one-half interest in the property upon exercise of the purchase option. The Government waived the usual requirement for an Owner's Consent to Lien.

Exploration work under the contract was performed by United Minerals Corporation concurrently with other development work and the installation of a jig milling plant. All underground work, however, ceased on December 16, 1952, when the pumps were pulled. Due to financial difficulties, the Operator made no attempt to resume work and the Termination Agreement was executed on May 4, 1955.

The only ore production during the exploration period came from stopes developed prior to the date of the contract. Royalty was neither offered by the Operator nor demanded by the Government, apparently on the theory that it was the intent to exclude such known stoping areas from the land under the contract. The contract, however, did not provide for such exclusions.

Examinations of the property through December 31, 1958, found no activity subsequent to the cessation of work in 1952. In a September 22, 1960, reply to an inquiry on MME Form 63, George W. Snyder, Jr., indicated no production "since 1959", but that the lease or ownership status of the property was "Unknown -- Lease terminated some time ago".

George W. Snyder, Jr., as president of United Minerals Corporation, defaulted on a $1,500.00 note which he executed in 1957 in partial

settlement in compromise of an indebtedness for overpayment by the Government under Contract Idm-E18, Docket DMA-81, United Minerals Corporation. The United States Attorney at Salt Lake City considered the debt uncollectible.

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

(1) The files indicate that the property under the contract has been inactive since December 1952;

(2) No production deemed subject to the Government's royalty has occurred since the date of the contract; and

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES EXPLORATION

[illegible]

[illegible]

Memorandum

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

From: Acting Field Office [illegible] OME Region II

Subject: DMEA-1949 (Lead-[illegible])
George W. [illegible] [illegible] W. [illegible], Jr.
Lucky Strike Mine
Lander County, [illegible]
Contract Ida-B[illegible]

Enclosed herewith is the original of a Report of Royalty Review covering the subject contract.

This office concurs in the facts as stated in the Report of Royalty Review.

Paul V. Fillo

Copy to: Contract Administration and Audit Division
OME, Washington, D. C.
OME Files

Memorandum

To: Acting Field Officer, Region II

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

Subject: DMEA-1949 (Lead-Zinc)
George W. Snyder and George W. Snyder, Jr.
Lucky Strike Mine
Lander County, Nevada
Contract Idm-8322

The original and one copy of a Report of Royalty Review covering the subject contract are enclosed. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington 25, D. C.; and
(b) One copy for your files.

This Report of Royalty Review is made for record purposes only; therefore, no copy for the Operator is provided.

As evidence of your concurrence, a copy of your memorandum transmitting the original report to the Fiscal Section should be furnished this Division. If for any reason you do not concur, both copies of the report should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 3-5-62

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

OCT 1 3 1961

Memorandum

To: Fiscal Section
Division of Administrative Services
Office of the Secretary

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

Subject: DMA-81 (Lead-Zinc)
United Minerals Corporation
Homestake Mine
Blaine County, Idaho
Contract Idm-E18
and
DMEA-1949 (Lead-Zinc)
G. W. Snyder & G. W. Snyder, Jr.
Lucky Strike Mine
Lander County, Nevada
Contract Idm-E322

The Department of Justice has advised that our claim for $3,272.07 overpayment on the first of the subject contracts has been closed as uncollectible after partial offset by application of the $746.99 balance due the Operator under the second of the subject contracts.

Please make the necessary adjustment on your accounts to reflect an additional payment of $746.99 under contract Idm-E322 and a refund of the same amount under contract Idm-E18.

An Obligation Document increasing the obligation on contract Idm-E18 ~~E322~~ by $2,525.08 is being prepared. Both Operator's accounts will then be balanced.

EDTalbert/ama
October 13, 1961

Copy to: Docket
Director's Reading File
CA & A Division - Idm-E322
Acting Field Officer, Region I (2)
Acting Field Officer, Region II (2)
Miss Curtin

Mr. George Meyer
DMEA Auditor
420 Custom House
555 Battery Street
San Francisco 11, California

Re: Docket No. DMEA-1949
Contract No. Ida-[illegible]
Snyder & Snyder

Dear Mr. Meyer:

The balance due the referenced Operator of $746.99, as stated in your letter of February 4, 1958, must continue to be withheld from payment.

The matter of the Government's claim under contract Ida-[illegible], docket DMEA-81, United Minerals Corporation, and the possible effect of the balance due under the referenced contract was referred to the Attorney General of the United States on June 20, 1956. Copies of recent correspondence between the Assistant Attorney General and the U. S. Attorney at Salt Lake City indicate a possibility that the sum of $746.99 may be applied, with the Operator's consent, as a reduction of the claim under contract Ida-[illegible].

As Mr. Ricker has been furnished copies of these letters, it is suggested that you review his file during your next visit to Reno.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

EDTalbert/wb
February 10, 1958

Copy to: Docket
Admr. Reading File
Mr. Ricker, Region II
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
420 Custom House
555 Battery Street
San Francisco, California

DMEA
RECEIVED FEB 10 1958
DATE | CODE
2/10 | C | 220
800

February 6, 1958

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

Re: Idm-E322, DMEA-1949
Snyder & Snyder
Lucky Strike Mine

Dear Mr. Chambers:

Reference is made to your letter dated April 4, 1956 in connection with withholding payment of $746.99 due subject Operators pending negotiations for settlement of indebtedness due the Government from United Minerals Corporation, Homestake Mine, Contract Idm-E18, Docket No. DMEA-18 in Region I, Northwest District.

Would you please let me know what the present status is in connection with the settlement of this case, and what the prospects are to close our files on subject contract in Region II.

Sincerely yours,

George Mavor

George Mavor
Auditor

Copy to: S. Ricker

JAN 31 1958

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

Re: Docket No. DMTA-81 (Lead-Zinc)
United Minerals Corporation
Hecla Mine
Blaine County, Idaho
Contract No. Idm-E15
and
Docket No. DMTA-1949 (Lead-Zinc)
G. W. Snyder & G. W. Snyder, Jr.
Lucky Strike Mine
Lander County, Nevada
Contract No. Idm-E322

Dear Mr. Weissenborn:

There are enclosed for your information and files two copies of a letter dated January 16, 1958, from the Assistant Attorney General of the Department of Justice, to A. Pratt Kesler, Esq., United States Attorney at Salt Lake City, Utah, in regard to our claims on the above-cited projects.

Sincerely yours,

s/George C. Selfridge

Chairman, Operating Committee

APPROVED:

s/O. M. Bishop
Member, Bureau of Mines

s/Leon H. Reinhardt
Member, Geological Survey

Enclosure

Copy to: Dockets DMTA-81, DMTA-1949
Admr. Reading File
Operating Committee
Mr. Rieker, Region II (2)
Mr. Chambers

JLChambers/kb
January 29, 1958

UNITED STATES DEPARTMENT OF JUSTICE

WASHINGTON, D. C.

rrw

Address Reply to the
Division Indicated
and Refer to Initials and Number

GCDPLC
77-77-214

January 16, 1958

A. Pratt Kesler, Esq.
United States Attorney
Salt Lake City, Utah

Re: United Minerals Corporation; Department of the Interior Claim for Refund of payments advanced under Contract No. Idm-E18, Docket No. DMEA-81 - $3,272.07

Dear Mr. Kesler:

Reference is made to your memorandum of December 3, 1957, with enclosure, relative to the above-captioned claim.

We cannot agree to a proposal which, by its terms, may result in no recovery by the Government except the amount of $747 due the debtor. Accordingly, it is suggested that you file suit for recovery of the overpayment, either for the full amount of the claim, or if the debtor is willing to have the sum of $747 now due it applied in reduction of the claim, for the reduced amount. Upon recovery of judgment consideration can be given to what further action should be taken.

Yours very truly,

GEORGE COCHRAN DOUB
Assistant Attorney General
Civil Division

By:

George F. Foley
Chief, Government Claims Section

cc: Department of Interior
Washington 25, D. C.

Attention: Solicitor

NOV 21 1957

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

Re: Docket No. DMEA-81 (Lead-Zinc)
United Minerals Corporation
Yellowstone Mine
Blaine County, Idaho
Contract No. Ida-E18
and
Docket No. DMEA-1949 (Lead-Zinc)
G. W. Snyder & G. W. Snyder, Jr.
Lucky Strike Mine
Lander County, Nevada
Contract No. Ida-E322

Dear Mr. Weissenborn:

There are enclosed for your information and files two copies of a letter dated November 15, 1957, from the Assistant Attorney General of the Department of Justice, to A. Pratt Keeler, Esq., United States Attorney at Salt Lake City, Utah, in regard to our claims on the above-cited projects.

Sincerely yours,

s/ George C. Selfridge

Chairman, Operating Committee

APPROVED:

s/ Frank D. Lanke
Member, Bureau of Mines

s/ Thos. A. Nickerson
Member, Geological Survey

Enclosure

JTChambers/wb
November 20, 1957

Copy to: Dockets DMEA-81, DMEA-1949
Admr. Reading File
Operating Committee
Mr. Picker, Region II (2)
Mr. Grimwold (2)
Mr. Chambers

INTERIOR [illegible]

[illegible]

[illegible]

ak

GOD:PLC
77-77-214

A. Pratt Kesler, Esq.
United States Attorney
Salt Lake City 1, Utah

Re: United Minerals Corporation; Department of the Interior claim for refund of payments advanced under Contract No. Idm-E18, Docket No. IMEA-81 - $3,272.07.

Dear Mr. Kesler:

This will acknowledge the receipt of your letter of October 29, 1957, with enclosure, relative to the debtor's proposal to compromise the above-captioned claim by waiving any sums due under Contract No. Idm-E322 (apparently the sum of $747.00, see Department of the Interior's letter of January 7, 1957) and by furnishing an unsecured note for $1500.00, apparently to be paid out of corporate assets remaining after payment of all other corporate obligations.

This proposal is less attractive than the previous proposal because there is no assurance of any payment being made on the note. However, in view of the report on the financial condition of the company given to you by the Internal Revenue Service and by the Utah State Tax Commission, we would give serious consideration to a cash offer of $1500 plus relinquishment of any claim to the funds due under Contract No. Idm-E322.

Please advise the debtor of our views and let us have a further report.

Yours very truly,

GEORGE COCHRAN DOUB
Assistant Attorney General
Civil Division

By:
George F. Foley
Chief, Government Claims Section

cc: Department of the Interior
Washington 25, D. C.
Attention: Solicitor

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files and records of the OME Field Team, Region II, pertaining to Contract No. Idm-E322, Docket No. DMEA-1949X (Lead-Zinc), dated May 23, 1952, including Amendment Nos. 1 to 5, inclusive, with

George W. Snyder and George W. Snyder, Jr.
518 Felt Building
Salt Lake City 1, Utah

for the purpose of determining the amount of royalties due the U. S. Government on sales of lead and zinc ores from property known as the Lucky Strike Mine located in Lander County, Nevada during the period May 23, 1952 to December 31, 1958.

A pseudo certification of discovery or development was incorporated under Item 6 of Termination Agreement dated May 4, 1955, and accordingly royalty is payable on all production from the land described in Article 2 of the contract, for a maximum period of 11 years from the date of the contract as stipulated in Annex II of the Termination Agreement. A Report of Review in lieu of final cost audit dated April 6, 1956 indicated acceptable costs under the exploration contract amounted to $18,862.72 with the Government's contribution on a 50 percent basis, being $9,431.36.

No royalties have been paid to date in connection with this contract.

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

(a) According to the Field Team's Semi-Annual Report of Certified Projects for the period July 1, 1958 to December 31, 1958, there was no production during the period covered by this review. The mine is inactive and no work has been performed since termination of DMEA contract, and no mining equipment remains on the property.

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

May 26, 1959

George Mavor

George Mavor, OME Auditor

JUN 1 1959

Memorandum

To: Mr. George Mavor, OME Auditor

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

Subject: Docket No. DMEA-1949 (Lead-Zinc)
George W. Snyder and George W. Snyder, Jr.
Contract No. Idm-E322

The reference to contract number and county in the Washington copies of your recently submitted Report of Royalty Review on the subject contract have been corrected to "E322" and "Lander".

After these corrections have been made on the regional copies distribution is authorized.

EDTalbert/ama
June 1, 1959

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

RECEIVED
APR 1 1956

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

George W. Snyder and George W. Snyder, Jr.
518 Felt Building
Salt Lake City, Utah

pertaining to Exploration Project Contract No. Idm-2322, Docket No. DMEA-1949, including Amendment Nos. 1, 2, 3, 4 and 5, and a Termination Agreement dated May 4, 1955, for the months of May 1952, to November 1952, inclusive, covering a project for the exploration of lead and zinc on property, known as the Lucky Strike Mine located in Lander County, Nevada.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, 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 a final audit of the Operator's accounts and records for the following reasons:

(a) all of the accepted costs ($19,827.51), excepting a subsequent credit for the disposition of project property were covered by an Interim Audit Report and Certificate issued by this auditor on March 10, 1954; and
(b) by letter dated October 18, 1955, the Executive Officer advised the Operator that the amount of $482.39 would be considered as settlement of the Government's 50% equity in project property.

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

Total cost as billed by Contractor	$17,368.72
Add: Net additional allowance by prior audit	2,458.79
Total Accepted Cost	19,827.51
Less: Salvage value of project property	964.79
Total Accepted Cost	$18,862.72

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Nine thousand four hundred thirty-one and 36/100 Dollars

$9,431.36

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

George Maver

April 6, 1956 George Maver, Auditor

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

Mr. George Mayer
DMEA Auditor
420 Custom House
555 Battery Street
San Francisco 11, California

APR 9 1956

Re: Ida-2322, DMEA-1949
Snyder & Snyder
Lucky Strike Mine

Dear Mr. Mayer:

Receipt is acknowledged of your letter dated April 5, 1956, with reference to my letter of November 22, 1955, wherein it was stated that I would advise you of the Associate Solicitor's opinion on the crediting of funds due the Operator under contract Ida-2322 against the indebtedness of the United Minerals Corporation under Region I, Northwest District, contract Ida-218.

The pertinent portion of the Associate Solicitor's decision under date of December 1, 1955, follows:

"Whenever a person having a claim against the Government is also indebted to the Government, it is required that the Government's claim be set off against the indebtedness. See 28 Comp. Gen. 543,546 (1949). In the application of this rule, it is contemplated that the same person be both the debtor and the creditor. 14 Op. Atty. Gen. 412 (1874).

"A corporation is an entity distinct from the shareholders or officers thereof, with exceptions that are not applicable here. In this regard, from the facts before us, it appears that the individuals who constitute the operator under Docket No. DMEA-1949, although also officers and directors and nonexclusive stockholders in the Corporation, are a separate legal person from said corporation. Accordingly, the question asked in your memorandum must be answered in the negative. (Compare memorandum from this office to the Administrator dated July 18, 1955, re the question of computation of royalties in connection with N.I.A. Mines, Docket No. DMEA-2688.)

"As a practical matter, however, there would not be any objection to attempting to have the Snyders voluntarily authorize the desired set off."

On the basis of the last paragraph quoted above, the Operating Committee decided that the balance due the partnership under Idm-2322 should continue to be withheld pending negotiations with the corporation for settlement of the indebtedness under Idm-215. The Executive Officer of the DMEA Field Team, Region II, was so advised by letter dated December 7, 1955.

Please accept my apology for failing to keep you advised in this matter.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

EDTalbert/wb
April 9, 1956

Copy to: Docket
Admr. Reading File
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
420 Custom House
555 Battery Street
San Francisco, California

RECEIVED
APR 9 - 1956

April 5, 1956

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

Re: Idm-E322, DMEA-1949
Snyder & Snyder
Lucky Strike Mine

Idm-E302, DMEA-1948
United Minerals Corp.
Rip Van Winkle Mine

Dear Mr. Chambers:

Reference is made to my letter dated November 15, 1955, and your reply dated November 22, 1955, in connection with settlement of subject contracts, and the possibility of transferring monies due the operators by Region II to Region I, Northwest District, in order to reduce the indebtedness to the Government by United Minerals Corporation, Homestake Mine, Contract Idm-E18, DMEA-81.

In your letter dated November 22, 1955, you stated that you had referred the matter to the Associate Solicitor's office for his opinion, and that you would write me again, after receiving his opinion.

Please let me know if any decision has been made.

Sincerely yours,

George Mavor

George Mavor
Auditor

Copy to: S. Ricker

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

APR 4 1956

Mr. George Hover
DMEA Auditor
420 Custom House
555 Battery Street
San Francisco 11, California

Re: Idm-8302, DMEA-1948
United Minerals Corporation
and
Idm-8322, DMEA-1949
George W. Snyder and
George W. Snyder, Jr.

Dear Mr. Hover:

Enclosed are the originals and six copies each of Reports of Review in lieu of final audits for the referenced projects.

This Division has prepared these Reports of Review in order that the obligation records on these terminated contracts may be closed and the unobligated balances of the project accounts released. If you concur with these reports, please affix your signature and distribute the copies in the usual manner, including the return to this Division of three signed copies of each report.

In making the regional distribution you should advise both the Executive Officer and the Finance Officer that, although a balance of $746.99 is due the Operator under contract Idm-8322, docket DMEA-1949, Snyder & Snyder, payment should be withheld in accordance with the DMEA Operating Committee's letter to the Executive Officer under date of December 7, 1955.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosures

EDTalbert/wb
April 3, 1956

Copy to: Docket (2)
Mr. Chambers
Admr. Reading File

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

DEC - 1 1955

Memorandum

To: Administrator, DMEA

From: Associate Solicitor, Division of Mineral Resources

Subject: George W. Snyder and George W. Snyder, Jr., DMEA-1949
United Minerals Corporation, DMEA-1948
United Minerals Corporation, DMA-81

In a memorandum received here November 22 you requested our opinion as to whether any balances due George W. Snyder and George W. Snyder, Jr., as individuals under their contract identified above, could be set off by the Government against the indebtedness by United Minerals Corporation, a Nevada corporation (the "Corporation"), under the corporation's two contracts identified above.

It appears that Docket No. DMEA-1949 originally was assigned to an application by the Corporation, but the contract was executed with the Snyders instead, because the interests in the project land appeared to be held by them (see Chief Counsel's letter dated March 26, 1952, to the Corporation). From an examination of the application submitted in connection with Docket No. DMEA-1948 by the Corporation, it does not appear that the Snyders were, at the time of the application, the sole stockholders of the Corporation, but rather were, at that time, officers, directors, and two of the five largest stockholders. We have no information that these circumstances have changed.

Whenever a person having a claim against the Government is also indebted to the Government, it is required that the Government's claim be set off against the indebtedness. See 28 Comp. Gen. 543,546 (1949). In the application of this rule, it is contemplated that the same person be both the debtor and the creditor. 14 Op. Atty. Gen. 412 (1874).

A corporation is an entity distinct from the shareholders or officers thereof, with exceptions that are not applicable here. In this regard, from the facts before us, it appears that the individuals who constitute the operator under Docket No. DMEA-1949, although also officers and directors and nonexclusive stockholders in the Corporation, are a separate legal person from said corporation.

Accordingly, the question asked in your memorandum must be answered in the negative. (Compare memorandum from this office to the Administrator dated July 18, 1955, re the question of computation of royalties in connection with M.I.A. Mines, Docket No. DMEA-2688.)

As a practical matter, however, there would not be any objection to attempting to have the Snyders voluntarily authorize the desired set off.

Robert P. Dwyer

Robert P. Dwyer

800

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

Mr. George Hover
DMEA Auditor
420 Custom House
555 Battery Street
San Francisco 11, California

Re: Idm-5322, DMEA-1949
Snyder & Snyder
Lucky Strike Mine

Idm-5302, DMEA-1948
United Minerals Corpl
Rip Van Winkle Mine

Dear George:

Reference is made to your letter of November 15, 1955, in regard to the above-referenced contracts.

It is my opinion that money can be withheld from Snyder & Snyder and applied against the other two contracts of the United Minerals Corporation. In order to be on the safe side, however, I have referred the matter to the Associate Solicitor's office. As soon as I get his opinion I will write you again.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/wb
November 22, 1955

Copy to: Docket
Admr. Reading File
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
420 Custom House
555 Battery Street
San Francisco, California

RECEIVED
NOV 17 1955

November 15, 1955

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

Re: Idm-E322, DMEA-1949
Snyder & Snyder
Lucky Strike Mine
Idm-E302-DMEA-1948
United Minerals Corp
Rip Van Winkle Mine

Dear Mr. Chambers:

Reference is made to your letter dated November 8, 1955, in connection with settlement of subject contracts, and the possibility of transferring monies due the operators by Region II to Region I, Northwest District, in order to reduce the indebtedness to the Government by United Minerals Corporation, Homestake Mine, Contract Idm-E18, DMEA-81.

In my letter dated November 3, 1955, to Mr. A. E. Weissenborn, I advised him that Region II, still owed the operators $1,677.60 before deducting salvage, and could be used to reduce any indebtedness due the Government in Region I, Northwest District. In this connection, I am attaching hereto copies of letters dated November 9, 1955, from Mr. A. E. Weissenborn addressed to United Minerals Corporation, Salt Lake City, Utah and George C. Selfridge, Operating Committee, in connection with the amount of $6,152.83, due Region I, Northwest District, by United Minerals Corporation, Homestake Mine. You will note in letter to George C. Selfridge, that Mr. Weissenborn recommends that the amount of $1,195.21 due the operators by Region II, should be transferred to Region I, Northwest District in order to reduce the amount of $6,152.83 due from United Minerals Corporation. At this point it should be noted that the amount of $1,195.21, subject to transfer from Region II, to Region I, Northwest District, as referred to in Mr. Weissenborn's letter, was only an estimate and this amount will no doubt be reduced to $747.00 as discussed hereunder.

Prior to correspondence listed above, Mr. S. Ricker through negotiation with the operators, had arrived at a settlement of Region II, contracts as follows:

	Snyder & Snyder Lucky Strike Mine E-322, DMEA-1949	United Minerals Corporation Rip Van Winkle Mines E-302, DMEA-1948	Total
Amount Due Operator			
50% Gov't Participation	$1,229.39	$ 448.21	$1,677.60
Less Salvage due Gov't	482.39	448.21	930.60
Balance Due Operator	$ 747.00	-0-	$ 747.00

Under date of October 18, 1955, Mr. Ricker wrote George W. Snyder Jr., listing the following materials and equipment and salvage values.

Item	Cost	Salvage Value	
Vintube	$140.80	50%	$70.40
Wine Rope	100.10	50%	50.05
Suction Hose	125.44	50%	62.72
Ells, Nipples, Bushings etc.	193.74	50%	96.87
Air Hoist	400.00	75%	300.00
2 Rock Drills	513.00	75%	384.75
			$964.79
Government Participation 50%			$482.39

In letter dated November 2, 1955, from George W. Snyder, Jr., the salvage value of $482.39 was accepted, together with the amount of $747.00 due the operator.

Under date of August 16, 1955, Mr. S. Ricker advised the United Minerals Corporation that unless a bid was received on jointly owned equipment by September 3, 1955, the amount of $448.21 due operator would be used to satisfy the Government's equity and consider that sum, as a full and final settlement. As the operator did not acknowledge Mr. Ricker's letter, the sum of $448.21, has been applied in full, as settlement of Government's equity in equipment. A review of materials and equipment as set forth in Audit Report dated March 10, 1954, would indicate a possible salvage of materials and equipment as follows:

	Cost
Truck	$ 169.65
250' Air Hose	135.00
Mine Signals & Switches	111.40
1 Set Batteries for Trammer	842.00
1 Transformer	103.40
Total Cost	$1,361.45
Amount applied as salvage for Government Equity	$ 448.21 = 33%

As the operator did not make a bid, I presume the above amount of $448.21 will have to be considered as final, in line with Mr. Ricker's decision.

Again referring to the amount due operator under both contracts as follows:

	Snyder & Snyder Lucky Strike Mine E-322, DMEA-1949	United Minerals Corporation Rip Van Winkle Mine E-302, DMEA-1948	Total
Amount Due Operator			
50% Gov't Participation	$1,229.39	$ 448.21	$1,677.60
Less Salvage due Gov't	482.39	448.21	930.60
Balance Due Operator	$ 747.00	-0-	$ 747.00

I assume that the above salvage value of $930.60 will have to be considered as a reduction in the cost of both contracts in Region II, and that only the sum of $747.00 will be considered as available for transfer from Region II, to Region I, Northwest District.

After reviewing the contents of this letter, please let me have your comments, also advise if it is now possible to close these two contracts in Region II, with a Report of Review for each contract.

Sincerely yours,

George Mavor

George Mavor
Auditor

cc: S. Ricker
A. E. Weissenborn

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

RECEIVED
NOV 17 1955

1201 N. Division St.
Spokane 2, Washington
November 9, 1955

Certified Mail
Return Receipt Requested

Mr. George W. Snyder, Jr., President
United Minerals Corporation
Felt Building
Salt Lake City 1, Utah

Re: Docket No. DMEA-81 (lead-zinc)
Homestake Mine
Blaine County, Idaho
Contract No. Idm-E18

Dear Mr. Snyder:

On September 8, 1955 we sent you a copy of a final audit report on Contract No. Idm-E18, and we requested reimbursement in the amount of $6,152.83, which was in accordance with the findings of the audit.

In answer to your letter of September 19, protesting the audit findings, our October 10 letter again reminded you that $6,152.83 is due the Government from United Minerals Corporation. We also said that we would be glad to receive a statement from your auditors concerning the audit findings. To date we have not had an answer to our letter.

If this matter is not satisfactorily resolved by December 9, 1955, we shall refer it to our Washington, D. C. office for appropriate action.

By Field Team, Region I, NW District

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

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: DMEA (3)
USGS (2)
USBM (AD)
Turner
Mavor

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

RECEIVED
NOV 17 1955

1201 N. Division St.
Spokane 2, Washington
November 9, 1955

AIR MAIL

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

Re: Docket No. DMEA-81 (lead-zinc)
United Minerals Corporation
Homestake Mine
Blaine County, Idaho
Contract No. Idm-E18

Dear Mr. Selfridge:

Enclosed are copies of a letter dated November 3 from Mr. George Mavor, DMEA Auditor, informing us that money owing the Operator under Docket No. DMEA-1949, Contract No. Idm-E222, and Docket No. DMA-1948, Contract No. Idm-E302 in Region II could be used to reduce the Operator's indebtedness to the Government in Region II. Mr. Mavor estimates that settlement due the Operator in Region II amounts to $1,195.21, whereas the Operator owes the Government $6,152.83 in Region I.

We recommend that the amount owed the Operator in Region II be used to reduce the amount owed by him in Region I.

By Field Team, Region I, NW District

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

Wing G. Agnew, Member
U. S. Bureau of Mines

cc: USGS (2)
USBM (AD)
Turner
Mavor

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

NOV 18 1955

Memorandum

To: Mr. Robert P. Dugur, Associate Solicitor,
Division of Mineral Resources

From: Administrator

Subject: Docket No. DMEA-1949 (Lead-Zinc), G. W. Snyder & G. W. Snyder, Jr., Rocky Starlite Mine, Lander County, Nevada, Contract Ida-8322;

Docket No. DMEA-1946 (Lead-Zinc), United Minerals Corporation Rip Van Winkle Mine, Elko County, Nevada, Contract Ida-8308; and

Docket No. DMEA-81 (Lead-Zinc), United Minerals Reserve Corp., Homestake Mine, Blaine County, Idaho, Contract Ida-835

There is a small balance due the Operator, Snyder & Snyder, under project DMEA-1949, Ida-8322. There are definite or accurate due the United States on the other two projects, namely, United Minerals Corporation, DMEA-1946, Ida-8308, and United Minerals Reserve Corporation, DMEA-81, Ida-835. The first two projects are in Region II and the third project is in Region III.

I am sending you the DMEA docket files on these three projects with the request that you give me your opinion on whether or not any balances due the Operator on the first project, that is, DMEA-1949, Ida-8322, can be applied to the definite or the accurate due the United States Government from the other two projects.

You will note that under project DMEA-1949, Ida-8322, the first applicant was the United Minerals Reserve Corporation which is the Operator of the other two projects. (Same officers and stock holders as United Minerals Corporation.) This Corporation is also the guarantor of royalties on the first project. It appears that the application of the United Minerals Reserve Corporation for project DMEA-1949, Ida-8322 was eventually changed to Snyder & Snyder.

JLChambers/wb
November 18, 1955

Administrator

Copy to: Docket (3)
Admr. Reading File
Mr. Grimwold
Mr. Chambers

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

Mr. George Naver
DMEA Auditor
420 Custom House
555 Battery Street
San Francisco 11, California

Dear George:

I have just received a copy of your letter dated November 3, 1955, to Mr. A. E. Weissenborn, and note that the contracts in your region cited in your letter still have equipment to be disposed of. I assume that no settlement will be made with the operators until the equipment accounts have been liquidated.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/wb
November 8, 1955

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

C
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Y

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

420 Custom House
555 Battery Street
San Francisco 11, Calif.

November 3, 1955

Mr. A. E. Weissenborn, Executive Officer
Defense Minerals Exploration Administration
South 157 Howard Street
Spokane 4, Washington

RE: Idm. E18- DMEA-81
United Minerals Corp.
Homestake Mine
Blaine County, Idaho

Dear Mr. Weissenborn:

I am in receipt of teletype message dated November 2, 1955, from Mr. Jay L. Chambers, wherein he advises me to contact you in connection with final settlement of subject operator's contract, with the thought in mind that funds still due the operator in Region II, could be applied against any sums due the Government by the operator in Region I, Northwest District.

The status of two contracts showing the amounts due the operator in Region II, are as follows:

	Due Operator
Geo. W. Snyder & Geo. W. Snyder, Jr. Luckey Strike Mine, Lander County, Nevada Contract No. Idm. E322, Docket No. DMEA-1949 (Lead-Zinc) Contract terminated May 4, 1955 Amount Due Operator	$1,229.39
United Minerals Corporation Rip Van Winkle Mine, Elko County, Nevada Contract No. Idm. E302, Docket No. DMA-1948 (Lead-Zinc) Contract terminated June 3, 1955 Amount Due Operator	448.21
Due Operator-Before Salvage	$1,677.60

Mr. S. Ricker, Executive Officer, Region II, is presently trying to obtain salvage bids on both contracts, and the operator has been advised that if no bids are received within a reasonable time, the Government will make a final determination of salvage value in order to close the contracts. It now looks as if Government action will have to be taken and based upon available figures there is an estimated settlement due operator amounting to $1,195.21 which could be used to

reduce any amounts due Region I, Northwest District. However, the entire amount of $1,677.60 due the operator before salvage, could be withheld if necessary, and applied against amounts due the Government by the operator, in Region I, Northwest District.

Please let us know what action Region II, should take before making any settlement with the operator.

Sincerely yours,

/s/ George Mavor
George Mavor
Auditor

Copy to: Jay L. Chambers
S. Ricker

C
O
P
Y

Contract Admin. & Audit Div.

Defense Minerals Exploration Admin.

14X4401(01) Revolving Fund,
Defense Production Act, Interior (Allocate
Working Fund to the Office of Secretary)

TELETYPE

NOV - 2 1955

Mr. George Mayer
DMEA Auditor
420 Custom House
555 Battery Street
San Francisco 11, California

Reurlet October 28 to Rieker on E322. Check with Weissenborn before paying George W. Snyder, Jr.

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/wb
November 2, 1955

Copy to: Docket
Admr. Reading File
Mr. Chambers

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

RECEIVED
OCT 31 1955

420 Custom House
555 Battery Street
San Francisco, California

October 28, 1955

Mr. S. Ricker, Executive Officer
Defense Minerals Exploration Administration
1605 Evans Avenue
Reno, Nevada

Re: Idm-E322, DMEA-1949
Lucky Strike Mine

Dear Mr. Ricker:

Reference is made to your letter dated October 18, 1955, addressed to George W. Snyder, Jr., in connection with disposal of property and final settlement of subject contract.

Based on salvage values of equipment and materials set forth in your letter, the estimated amount due operator would be $747.00 and accounted for as follows:

	Cost	50% Gov't Participation
Cost to 11/30/52	$19,827.51	$9,913.76
Less: Estimated Salvage	964.79	482.39
Net cost to 11/30/52	$18,862.72	$9,431.37
Amt. Paid to 11/30/52		8,684.37
Balance Due Operator (Estimated)		$ 747.00

In your letter to George W. Snyder, Jr., you indicated the balance due him as $132.30, the correct amount is $747.00

Sincerely yours,

"(SIGNED) GEORGE MAVOR"

George Mavor
Auditor

cc: Jay L. Chambers

DEFENSE MINERALS EXPLORATION ADMINISTRATION

CONTRACT ADMINISTRATION AND AUDIT DIVISION

INTERIM AUDIT CERTIFICATE

I have examined the records and transactions of:

George W. Snyder and George W. Snyder, Jr.
- Individuals -
518 Felt Building
Salt Lake City, Utah

Pertaining to Exploration Project Contract No. Idm-322, Docket No. DMEA-1949X, including Amendments No. 1, 2 3, 4, and 5, for the period May 23, 1952 to November 30, 1952, covering a project of exploration for lead and zinc, located in Lander County, Nevada, and commonly known as the Lucky Strike Mine.

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

The audit disclosed the following facts in regard to the amount to be paid the contractor.

Total cost as billed by contractor		$17,368.72
Exceptions (See Audit Report for details)		
During this audit	$ 132.00	
Additional allowances	2,590.79	2,458.79
Total accepted cost		$19,827.51

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Nine Thousand Nine Hundred Thirteen and 76/100 Dollars,

** $9,913.76 **

is valid and proper.

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

George Mavor
George Mavor
Auditor

March 10, 1954

I INTRODUCTION

During the period November 9 to 11, 1953 an interim audit (covering operations for the period August 1, 1952 to November 30, 1952) was made of the records and accounts pertaining to Exploration Project Contract No. Idm-E322, Docket No. DMEA-1949X, including Amendments No. 1, 2 and 3 with:

George W. Snyder and George W. Snyder, Jr.
- Individuals -
518 Felt Building
Salt Lake City, Utah

covering a project for the exploration of lead and zinc, located in Lander County, Nevada, and commonly known as the Lucky Strike Mine.

The accounting records under this contract are located in the contractor's office at 518 Felt Building, Salt Lake City, Utah. However, Glen A. Gardner, Certified Public Accountant, who was engaged to prepare Form MF-104, Operator's Monthly Report and Voucher, has all of the work sheets, pertaining to the contract in his possession and files, located in the Farmers & Merchants Bank Building, Provo, Utah.

During the course of the audit, Mr. George W. Snyder, Jr., was present, and also Mr. Glen A. Gardner, Accountant, who were consulted as required. Their cooperation and assistance greatly facilitated the audit.

II GENERAL INFORMATION ON RECORDS

The accountability of this contract is maintained in the books and records of the United Minerals Corporation, who are financing the entire cost of the project, and this corporation also has a DMEA Contract No. E-302, Docket No. 1948. The books and records were well maintained and the costs chargeable to the George W. Snyder and George W. Snyder, Jr., DMEA contract were identified as "Lucky Strike Mine" and the costs chargeable to United Minerals Corporation DMEA contract were identified as "Rip Van Winkle Mine".

The source documents covering the costs of this project are recorded on monthly work sheets, which form the basis for preparation of the monthly MF-104 reports. Therefore, this audit involved in general a check of the source documents against the monthly work sheets. The source documents are on file in the operator's office in Salt Lake City, Utah, whereas the monthly work sheets are prepared and retained by Glen A. Gardner, Public Accountant, Provo, Utah.

Due to legal technicalities the operator deemed it necessary to execute the following management agreement transfer:

"THIS AGREEMENT made and entered into in duplicate as of the 20th day of March 1952, by and between George W. Snyder and George W. Snyder, Jr., parties of the first part, and United Minerals Corporation, a Corporation of the State of Nevada, party of the second part,

W I T N E S S E T H :

Parties of the first part hereby retain the party of the second part to keep and perform all of the terms and conditions and to perform all acts necessary or incident to the development and operation of said property, including but not limited to, supervision of mining operations, etc."

The above agreement was necessary as the owners of the property would only deal with George W. Snyder and George W. Snyder, Jr., and not the United Minerals Corporation. In turn this property was turned over to United Minerals by the Snyder's, and this same agreement is on file with DMEA contract, in Washington, D. C.

All payrolls and vendors' invoices are paid by the United Minerals Corporation and the checks are drawn on the Walker Bank and Trust Company, Salt Lake City, Utah.

III SCOPE OF AUDIT AND FINDINGS

The first interim audit was made for the period May 23, 1952 to July 31, 1952 and audit report issued September 22, 1952. This second interim audit covers the period August 1, 1952 to November 30, 1952 and the combined results of both interim audits are discussed in this report.

The audit consisted of a complete analysis of all expenditures in order to ascertain the accuracy, propriety and validity of the costs as shown in the "Totals to Date" column of Form MF-104, Operator's Monthly Report and Voucher, for the month of November 1952. The extent of the audit and findings under each of the "Items of Cost" follow:

(2) Labor and Supervision $9,537.35

The payroll records for the period May 23, 1952 to November 30, 1952 were examined and the payroll charges under this category comprised the following:

Labor		
Claimed	$6,311.41	
Add'l Labor allowed	1,319.00	$7,630.41
Supervision		1,291.94
Technical Services		615.00
Total		$9,537.35

The additional labor allowed, in amount of $1,319.00 listed above, represents labor not previously claimed by operator, and explained under Section IV Conclusions and Recommendations of this report.

All labor, supervision and technical services for the period May 1952 to November 1952, were verified to the rates and salaries specified in the contract and found to be in order. The labor charges in amount of $7,630.41 represented wages paid at hourly rates and unit contract rates. The hourly rates paid, did not exceed the rates specified in contract, and a unit contract rate of $35.00 per foot for drifting was paid to a 2-man team and 3-man team during July and August 1952. There were no formal written agreements on unit contract rates, however, Amendment No. 1 of the contract, allowed unit contract rates to be paid.

The supervision salary of $1,291.94 covered payment to Glenn Johnson, Supervisor, at the rate of $400.00 per month, and did not exceed the maximum of $400.00 per month allowed in contract. The technical services in amount of $615.00 covered salary paid at the rate of $140.00 per month to Murray Godbe III, Engineer, and did not exceed the "allowable maximum" of $200.00 per month allowed in contract. Part of the $200.00 per month "allowable maximum" is for office work, which is discussed in this report under Item (7) Miscellaneous.

Individual time cards were maintained by the mine foreman, which showed the classification, hours worked and rate of pay. The foreman prepared a semi-monthly time report from the daily time cards, and forwarded the time cards and time reports to the Salt Lake City office. This data was the source in preparing payroll register and payroll checks. During the course of the audit an examination was made of cancelled payroll checks.

(3) Operating Materials and Supplies $6,324.32

A complete analysis was made of invoices charged to this category, which included the verification of footings and extensions, together with examination of cancelled bank checks. The project did not maintain any stores account and all purchases were charged direct.

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

	Charged	Add'l Costs Allowed	Not Allowable	Allowable
Timber	$3,129.84	$	$	$3,129.84
Explosives	282.00			282.00
Pipe	38.85			38.85
Other Supplies	2,874.89	98.74	100.00	2,873.63
Totals	$6,325.58	$98.74	$100.00	$6,324.32

The additional costs of $98.74 included in above summary, are costs not previously claimed by operator, and explained under Section IV Conclusions and Recommendations of this report.

The disallowance of $100.00 represents an error of $100.00 on the November 1952 MF 104. Other Supplies reported as $271.76, should have been $171.76.

Other supplies aggregating $2,873.63 was made up of the following items:

Gasoline & Lub. Oil	$	1,479.75
Ells, Nipples, Bushings, Bolts		193.74
Hammers, Saws, Ax Handles		76.05
Oxygen and Acetylene		36.13
Vent Tubing & Couplings		140.80
275 ft. Wire Rope		100.10
4-15' Sections 2" Suction Hose		125.44
Drill Steel		182.86
Hauling Material		73.13
Miscellaneous Material		465.63
Total Other Supplies	$	2,873.63

(4) Operating Equipment $1,681.00

All charges for operating equipment were checked against monthly work sheets, invoices, cancelled bank checks, and items specified in the contract.

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

	Charged	Not Allowable	Allowable
Purchased Equipment	$ 913.00		$ 913.00
Depreciation	800.00	$32.00	768.00
Totals	$1,713.00	$32.00	$1,681.00

The following purchased equipment items, were made in accordance with contract terms, and did not exceed the "allowable maximum" of $2,250.00.

	Contract Estimate	Purchased Cost
1 Air Hoist	$1,150.00	$ 400.00
2 Rock Drills	1,100.00	513.00
Totals	$2,250.00	$ 913.00

The depreciation charge was based on a rate of 1/60 per month on the following items:

	Equipment Value	Monthly Depreciation
2 Compressors, Gasoline Driven	$3,800.00	$ 63.37
2 Sinking Pumps	2,000.00	33.37
1 Pickup Truck	1,875.00	31.26
Totals	$7,675.00	$128.00

The contract allowed depreciation for 6 months at $128.00 per month, and the "allowable maximum" was $768.00. The operator charged depreciation for the period May 23, 1952 to October 31, 1952, or a total of $800.00, which exceeded the "allowable maximum" by $32.00. This excess depreciation of $32.00 has been disallowed.

(5) Initial Rehabilitation and Repairs -0-

An examination was made of charges by the operator to this category, which comprised the following items:

Labor	$149.63
Supervision	13.89
Technical Services	35.00
Office Work	15.00
Depreciation	32.00
Subtotal	$245.52
Add: P/R Taxes & Comp. Ins.	27.60
Total per MF-104	$273.12

The above costs represent rehabilitation and repairs to wings at the inception of operations, and the costs have been redistributed to the proper cost items in this report. The amount of $245.52 is covered by Amendment No. 5 of the contract, however, the payroll taxes and compensation insurance costs of $27.60 were not included in the amendment as these items were considered direct payroll and insurance costs.

(7) Miscellaneous $2,284.84

All charges under this category, were checked against monthly work sheets, invoices, cancelled bank checks, and other supporting data pertaining to payroll taxes and compensation insurance.

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

	Charged	Add'l Costs Allowed	Allowable
Repairs to Equipment	$ 445.76		$ 445.76
Payroll Taxes	82.32	$ 365.31	447.63
Compensation Insurance	173.71	807.74	981.45
Office Work	410.00		410.00
Totals	$1,111.79	$1,173.05	$2,284.84

The additional costs allowed, listed above for payroll taxes $365.31 and compensation insurance $807.74, are costs not previously claimed by operator and explained under Section IV Conclusions and Recommendations of this report.

The repairs to equipment charges of $445.76 covered repairs to the following equipment:

Pump	$152.82
Truck	125.30
Compressor	47.40
Jack Hammer	50.45
Hoist	9.79
Power Plant-Generator	60.00
Total	$445.76

The charges for payroll taxes and compensation insurance were verified at the rates used by the operator, which were as follows:

Payroll Taxes		
Federal Old Age Benefit	1.5%	
Federal Unemployment	.3%	
Nevada Unemployment	2.7%	4.5%
Compensation Insurance Rate		11.0%

The payrolls used in computing the payroll taxes and compensation insurance are as follows:

Payrolls	Rate	P/R Tax	Comp. Insur.
$9,947.35	4.5%	$447.63	
8,922.35	11.0%		$981.45

When computing compensation insurance, the operator did not include the salaries paid to Murray Godbe III, Engineer and Margaret Diehl, Secretary, hence the difference of $1,025.00 in the above payrolls, and the method used by the operator was also used in computing the additional costs allowed by this audit.

The charge of $410.00 for office work, represented salary paid to Margaret Diehl, Secretary, at the rate of $60.00 per month and was allowable under Item (2) of the contract. Engineering and Office Work, which had a maximum monthly allowance of $200.00 per month for 6 months, or a total of $1,200.00. The charges against this "allowable maximum" was as follows:

M. Godbe III, Engineer	Item (2)	$580.00
M. Diehl, Secretary	Item (7)	410.00
Total		$990.00

The above amount of $990.00 is less than the "allowable maximum" of $1,200.00 allowed under Item (2) of the contract.

IV CONCLUSIONS AND RECOMMENDATIONS

This audit has disclosed that all costs as charged to this project, including the additional costs allowed and itemized under items (2) Labor and Supervision, (3) Materials and Supplies and (7) Miscellaneous, with the exception of the disallowances itemized under items (3) Materials and Supplies and (7) Miscellaneous of the preceding section of this report, are reasonable and proper under the terms of the contract.

The audit also disclosed that status as of November 30, 1952, of "allowable maximums" under this contract was as follows:

Item	Maximums	Total Cost	Balance
Labor & Supervision (incl. insurance, taxes & office work)	$15,216.00	$11,376.43	$3,839.57
Material & Supplies (incl. repairs to equipment)	7,560.00	6,770.08	789.92
Purchased Equipment	2,250.00	913.00	1,337.00
Depreciation	768.00	768.00	-0-
Rehabilitation & Repairs	2,000.00	-0-	2,000.00
Totals	$27,794.00	$19,827.51	$7,966.49

The operator failed to claim the following costs principally due to "allowable maximums" being in effect when preparing Form MF-104, Operator's Monthly Report and Voucher during the period July 1952 to November 1952.

		Labor	Mat'l & Supplies	P/R Taxes	Comp. Ins.	Total
July	1952	$ 760.75	$	$ 148.35	$ 340.64	$1,249.74
Aug.	1952	558.25		139.24	318.36	1,015.85
Sept.	1952		78.79	20.09	35.36	134.24
Oct.	1952		19.95	35.72	70.83	126.50
Nov.	1952			21.91	42.55	64.46
Totals		$1,319.00	$ 98.74	$ 365.31	$ 807.74	$2,590.79

Amendment No. 1 dated October 29, 1952 was retroactive to May 23, 1952 and relieved the operator of monthly "allowable maximums", therefore, the total costs not claimed aggregating $2,590.79 has been accepted as additional allowable costs, and the adjustments made are shown under each item of cost, in the preceding section of this report. A further analysis of the costs not claimed is summarized as follows:

Labor, P/R Taxes and Comp. Insur.

		Actual Cost	Allowable Maximums	Excess & Other Not Claimed
July	1952	$3,785.74	$2,536.00	$1,249.74
Aug.	1952	3,551.85	2,536.00	1,015.85
Materials & Supplies				
Sept.	1952	1,338.79	1,260.00	78.79
Oct.	1952	1,279.95	1,260.00	19.95
Total Excess not claimed				$2,364.33

Add: Other costs not claimed

P/R Taxes, Sept. Oct. Nov. 1952	$ 77.72		
Comp. Insur. " " " 1952	148.74	226.46	
Total Costs not claimed			$2,590.79

Amendment No. 4 of the Contract dated December 30, 1953, allows the project work to be recessed from November 30, 1952 to May 15, 1954, and extends completion date to December 23, 1954.

The status of costs and payments under this contract upon completion of audit, for the period ending November 30, 1952, was as follows:

Total accepted costs	to	11/30/52	$19,827.51
Government participation at 50%			9,913.76
Paid by Finance Office	to	11/30/52	8,684.37
Amount due Operator		11/30/52	1,229.39

The operator will be advised to submit supplemental forms MF-104, to cover the additional amount of $1,229.39 due under the terms of the contract.

The adjustment between Items of Costs, as shown on the November 1952 MF-104, the additional costs allowed, and the recommended disallowances, and approved amounts are summarized as follows:

	Nov. MF-104	Distribution Corrected	Add'l Costs Allowed by Audit	Disallowed by Audit	Allowed by Audit
(2) Labor and Supervision					
Labor	$ 6,161.78	$ 6,311.41	$1,319.00	$	$ 7,630.41
Supervision	1,278.05	1,291.94			1,291.94
Technical Services	975.00	615.00			615.00
(3) Operating Materials & Supplies					
Timber	3,129.84	3,129.84			3,129.84
Explosives	422.80	282.00			282.00
Pipe	132.44	38.85			38.85
Other Supplies	2,640.50	2,874.89	98.74	100.00	2,873.63
(4) Operating Equipment					
Purchase	913.00	913.00			913.00
Depreciation	768.00	800.00		32.00	768.00
(5) Initial Rehabilitation & Repairs	273.12				
(7) Miscellaneous					
Repairs to Equipment	445.76	445.76			445.76
Payroll Taxes	228.43	82.32	365.31		447.63
Liability Insurance		173.71	807.74		981.45
Office Work		410.00			410.00
Totals	$17,368.72	$17,368.72	$2,590.79	$132.00	$19,827.51

At the conclusion of the audit, the findings were discussed with George W. Snyder, Jr., and Glen A. Gardner, accountant.

George Mavor

George Mavor
Auditor

March 10, 1954

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

MAR 2 4 1954

Mavor
r
Building
Street
sco 2, California

Re: Idm-E3C2, DMEA-1948
United Minerals Corporation
and
Idm-E322, DMEA-1949X
George W. Snyder and George
W. Snyder, Jr.

Dear Mr. Mavor:

Reference is made to your letter of March 20, 1954, transmitting your audits for the above-cited contracts. The Audit Certificates and Reports are in order and may be distributed in the regular manner.

In regard to additional funds due the Companies as a result of your audit, I advise that these amounts not be paid until the operators submit their first months report on their resumption of work, or until final settlement is made in case the projects are not continued.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/wb
March 24, 1954

Copy to: Docket (2)
Admr. Reading File
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

WASHINGTON 25, D. C.
1012 Flood Building
870 Market Street
San Francisco 2, California

March 20, 1954

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

Re: Idm-E302, DMEA-1948
United Minerals Corporation
and
Idm-E322, DMEA-1949X
George W. Snyder and George W. Snyder, Jr.

Dear Mr. Chambers:

Attached hereto you will find three copies of Audit Certificate and two copies of Audit Report for United Minerals Corporation, and three copies of Audit Certificate and two copies of Audit Reort for George W. Snyder and George W, Snyder, Jr. both covering subject contracts.

These reports have been prepared in line with discussions with Mr. E. D. Talbert, during his visit to San Francisco.

Both contracts have an additional amount due as follows:

E-302 United Minerals Corporation $896.41
E-322 Geo. W. Snyder & Geo. W. Snyder, Jr. $2,458.79

After I receive approval of these reports, a copy of same will be forwarded to the operator, with a request that a supplemental MF-104 be prepared and submitted to San Francisco office for the additional amounts due. After the MF-104's are received it is questionable whither they should be paid, in view of the fact that operations [redacted] the later part of 1952 and amendments have now been prepared to continue operations May 1954. Should payment be held in abeyance until operations start and we receive the first MF-104 for the continuance of the exploration work. In the event that the contracts are not continued there is also the question of disposition of salvagable property.

Sincerely yours

George Mavor

George Mavor
Auditor

FEB 5 1954

Mr. George Mayer
DMEA Auditor
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Idm-E302, DMEA-1948
United Minerals Corporation
Elko County, Nevada

and

Idm-E322, DMEA-1949X
George W. Snyder and
George W. Snyder, Jr.
Lander County, Nevada

Dear Mr. Mayer:

Returned herewith for further revision are the copies of your Interim Audit Reports and Certificates covering the referenced Exploration Project Contracts.

Under both of these contracts the Operators are due additional, and heretofore unclaimed, amounts for costs in excess of certain contractual "allowable maximums", which have been rescinded by amendment of the contract. In my letter of January 6, 1954, I suggested "that the Operators be advised to submit supplemental forms MF-104 and that your Audit Reports and Audit Certificates be revised to include the allowance of such acceptable costs as may be claimed."

It was my intention that you withhold final preparation of the Audit Reports and Certificates until the Operators had submitted the supplemental claims and that the amounts of such claims be included in the "Total cost as billed by contractor". Our audits are based on the amounts claimed by the Operators and there is the possibility that their claims in the case may cause you to change the amounts which you have determined to be allowable.

With reference to contract Idm-E302 my letter of January 6, 1954, also advised that your Audit Report erroneously included underground rehabilitation under item (5) Initial Rehabilitation and Repairs and that "This title should include only the rehabilitation of the buildings (itemized by the three items of boarding house, cook house and compressor-tool house)". My letter further stated that most of the material costs aggregating $701.32 appeared to be applicable to the rehabilitation of the buildings.

In your revised Audit Report, however, you have transferred all of the material costs to item (3) Operating Supplies & Materials.

Since the contract specifies an "allowable maximum" for item (5) it is an audit requirement that you determine the reasonable amount applicable to this item. Several of the items (for example, paint and paint mix, mattresses, sheets and blankets, and linoleum) are definitely identifiable as being applicable to the buildings rather than underground rehabilitation. Some of the other items, which apparently are included in your revised Audit Report under item (3) as Miscellaneous Mat'l. Items, also probably were used either in whole or part for the rehabilitation of the buildings. A determination as to these items should be made with the assistance of the engineer who examined the project.

Under item (3) Operating Materials & Supplies you have included "1 Transformer $103.40". This item properly should be included under item (4) Operating Equipment Purchased, unless it was a part of the rehabilitation of the compressor building, in which case it should be included under item (5) Initial Rehabilitation & Repairs. The engineer should be able to advise you on this item also.

On page 8 of the revised Audit Report you indicate a status of the "allowable maximums", which apparently is based on the Operator's form MF-104A rather than an audit determination. If the amounts listed have been verified and determined by audit to be acceptable, then it would seem that the Operator's records must indicate the basis for distribution of the items of cost to the several "allowable maximums". This being the case the amount of $1,892.00 shown for "Rehabilitation & Reprs. Bldgs." is not compatible with the total of $1,535.90 allowed under item (5) Initial Rehabilitation & Repairs. Likewise, this status of "allowable maximums" indicates the amount of $3,542.00 as being expended for "Underground Rehabilitation", whereas under item (2) Labor & Supervision you have shown a segregation of labor which indicates no costs for underground rehabilitation. Possibly your sub-title of "Maintenance" should be "Underground Rehabilitation".

With reference both to item (5) Initial Rehabilitation & Repairs and the statement on the "allowable maximums" you indicate in justification for your audit actions that they were agreed to by the Executive Officer. This is insufficient justification. All audits must be made in accordance with the terms of the applicable contracts, including exhibits, as amended. An Executive Officer's agreement to variations in the requirements of the contract is not acceptable for audit purposes, unless such agreement is formalized by amendment of the contract, and amendments to "allowable maximums" must be made or approved by the Washington office. Of course, the Executive Officer's and the examining engineer's advice should be solicited (1) in developing proper methods of prorating costs, (2) in ascertaining the reasonableness and necessity of the items and quantities for the performance of the exploration work, (3) for final determination as to what are direct costs, in accordance with Q. and

A. 1 of DMEA Circular 19, Supplement 1, and (4) in regard to other matters affecting the audits and which are the responsibility of the Field Team, as listed in Section 7 of Operating Committee Memorandum No. 11.

With reference to Idg-E322 my letter of January 6, 1954 requested that page 6 of the Audit Report "be revised to explain what items of Rehabilitation and Repair work were performed." Your revised Audit Report states merely that "The charges aggregating $245.52 were applicable to rehabilitation and repairs to buildings", without identifying the items (i. e., compressor building, dwellings, or boarding house). The propriety of these charges under category (5) Initial Rehabilitation & Repairs appeared to be questionable, since no materials were included but $32.00 for depreciation had been included. In most building rehabilitation work materials of some sort are required, whereas it is seldom that depreciation of equipment would be involved.

Accordingly a further review of the files on this contract was made. It was found that the charges listed in your Audit Report for this item are identical to those listed on the first MF-104 (for May, 1952) as:

Labor	$149.63
Supervision	13.89
Technical Services	50.00
Depreciation	32.00
Total	$245.52

and subsequently brought forward on the next MF-104 (for June, 1952) in the "Totals Previously Reported" column as (5) Initial Rehabilitation & Repairs. However, the Operator's narrative for May indicates that the rehabilitation and repair work consisted of retimbering, pumping and conditioning of the winze. Furthermore, a memorandum dated July 15, 1952 addressed to A. C. Johnson, Chief of the Mining Division, by L. F. Muller, the examining engineer, stated that the rehabilitation work covered by the May 1952 MF-104 "consisted of shaft timber repair, pumping and building pump setup while the only rehabilitation allowed is for building construction" and further that "an amendment of the contract to sanction the above subcontracting and rehabilitation should be considered immediately."

It is apparent, therefore, that these costs are not a proper charge to item (5) Initial Rehabilitation & Repairs, but are properly classifiable under the other categories of costs, i. e., (2) Labor & Supervision, (3) Operating Materials & Supplies, and (4) Operating Equipment Depreciation. Furthermore, since the Description of Work under the Exhibit "A" of the contract did not authorize rehabilitation of the winze, your allowance of these costs should be contingent upon the Executive Officer's amendment of the contract to provide this additional work.

On page 8 of the Audit Report the title of the first two items in the status of "allowable maximums" should be changed to read as follows:

Labor & Supervision (incl. insurance, taxes & office work)
Materials & Supplies (incl. repairs to equipment)

This will enable a more ready reconciliation of the "allowable maximums" with your cost distribution, which appears to be correct except for the rehabilitation and repair costs.

In conclusion it is suggested that (1) the Operators under both of these contracts be requested to submit supplemental forms MF-104, (2) the Executive Officer and examining engineers be consulted relative to the several determinations that must be made, (3) the Executive Officer be requested to amend contract Ida-8322 to authorize the winze rehabilitation, (4) the revised Audit Report be drafted in the rough, but that (5) final preparation of the Audit Report be withheld pending a visit by either Mr. Talbert or myself.

It is planned for either Mr. Talbert or myself to visit each of our auditors during the latter part of this month. The purpose of the visits will be to assist the auditors in some of their problems relative to contract interpretation, audit procedures and report preparation. I will let you know within the next week or so of the date of this contemplated visit.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosures

EDTalbert/wb
February 5, 1954

Copy to: Docket (2)
Admr. Reading File
Mr. Chambers

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

JAN 6 1954

Mr. George Mayor
DMEA Auditor
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Idm-[illegible]302, [illegible]-1948
United Minerals Corporation
and
Idm-[illegible]222, [illegible]A-1949X
George W. Snyder and
George W. Snyder, Jr.

Dear Mr. Mayor:

The Interim Audit Reports and Certificates covering the referenced Exploration Project Contracts are returned herewith for revision as indicated below.

It is noted that under both contracts the Operators have inquired as to whether they may file supplemental forms MF-104 for certain costs heretofore unclaimed, but which your audits have disclosed as being valid and proper. Accordingly it is suggested that the Operators be advised to submit supplemental forms MF-104 and that your Audit Reports and Audit Certificates be revised to include the allowance of such additional acceptable costs as may be claimed.

With reference to the Audit Report covering United Minerals contract Idm-[illegible]302, the following additional revisions appear to be required:

(a) On page 5, under the title of Initial Rehabilitation & Repairs you have included underground rehabilitation costs. This title should include only the rehabilitation of the buildings (itemized by the three items of boarding house, cook house and compressor-tool house). The costs of the underground rehabilitation, which is an exploratory work item, should be transferred to the proper items of Labor & Supervision, Operating Materials & Supplies, etc.

(b) On page 6, you indicate that costs aggregating $701.32 have been distributed between buildings and underground work on a direct labor basis. Since most of the listed items appear to apply to the buildings, such distribution does not appear to be equitable. Distribution on an actual use basis appears to be feasible. Also an explanation of the mileage charges is required.

(c) On page 8, the statement of the status of "allowable maximums" does not list the proper items. This statement should include all "allowable maximums" specified in the contract, as amended, except for the allowable maximum rates (such as monthly rates for supervision and depreciation) which are discussed in the previous portions of the Audit Report. The properly reportable "allowable maximums" costs (per pages 3 and 4 of Exhibit "A") are:

Operating Equipment Purchased	$ 2,020.00
Rehabilitation & Repairs:	
Boarding house	580.00
Cook house	700.00
Compressor-tool house	612.00
Underground Rehabilitation	3,542.00
Sinking Winze	14,168.00
Drifting & Crosscutting	31,878.00
Total	$53,500.00

Your statement lists total "allowable maximums" for Labor & Supervision, Materials & Supplies, and Depreciation; however, the original contract specified only monthly maximums for these items (and Amendment No. 1 removed these monthly maximums for both Labor & Supervision and Materials & Supplies). Your statement also summarized the Rehabilitation and Repairs; however Art. 6(a) (5) of the contract specifies that the items thereunder are "allowable maximums"

The Audit Report covering Snyder & Snyder contract Idm-E322 is acceptable, but is being returned for revision as suggested in the second paragraph of this letter. It is suggested also that page 6 be revised to explain what items of Rehabilitation and Repair work were performed.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb
January 6, 1954

Copy to: Docket (2)
Admr. Reading File
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
1012 Flood Building
870 Market Street
San Francisco 2, California

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1953

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

Re: Idm-E302, DMEA-1948
United Minerals Corp.
and
Idm-E322, DMEA-1949X
George W. Snyder and
George W. Snyder Jr.

Dear Mr. Chambers:

Attached hereto are 3 copies of Audit Certificate and 2 copies of Audit Report for E302, United Minerals Corporation, also 3 copies of Audit Certificate and 2 copies of Audit Report for E322, George W. Snyder and George W, Snyder Jr.

The following condition exists after completing audit of both contracts:

	MF-104's Overpaid	Costs Unclaimed by Operator
E-302, United Minerals Corp. Audit period 4/21/52 to 10/31/52	$153.39	$1,548.41
E-322, Geo. W. Snyder & Geo. W. Snyder Jr. Audit period 5/23/52 to 11/30/52	66.01	2,590.79

The above amounts are discussed and accounted for, in Audit Reports. Mr. Glen A. Gardner, Accountant for both operators, wanted to know if MF-104's could be filed for the unclaimed costs. I told him he would have to wait until the Audit Reports were reviewed in Washington.

Your advice on this problem will be appreciated.

Sincerely yours

George Mavor

George Mavor
Auditor

Enclosures:

February 14, 1953

Mr. H. C. Miller, Executive Officer
Defense Minerals Exploration Administration
Region III - U. S. Department of the Interior
1012 Flood Building
820 Market Street
San Francisco, California

Re: (Lead-Zinc) Contract Idm-E-322
Lucky Strike Mine
PROGRESS REPORT - January, 1953

Dear Mr. Miller:

The following brief report of relative data is herewith submitted regarding Exploration Contract No. Idm-E-322, and covers the period of January 1-31, 1953.

The subject property remained closed during the month of January. At the present time the company does not plan reopening the mine until they are assured of constant good weather.

We hope this information is sufficient for your requirements and meets with your approval.

Respectfully submitted,

UNITED MINERALS CORPORATION

M. C. Godbe III - Engineering Dept.

MCG/md

Form MF 101 (Rev. Apr. 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 21 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 7-R1036.3
Approval expires 6-30-53.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1952 Docket No. DMEA 1949 E Contract No. Idm E 322
Operator's Name George W. Snyder and George W. Snyder, Jr. Minerals Lead & Zinc
Address 518 Felt Building, Salt Lake City, Utah
Contract Amount, $ 27,794.00 Government Participation: 50% Amount, $ 13,897.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	286.79	5,874.99	6,161.78			
Supervision	100.00	1,178.05	1,278.05			
Technical Services	100.00	875.00	975.00			
(3) Operating Mat'ls. and Supplies:						
Timber		3,129.84	3,129.84			
Explosives	140.80	282.00	422.80			
Pipe		132.44	132.44			
Track						
Other Supplies	271.76	2,368.74	2,640.50			
(4) Operating Equipment:						
Rental						
Purchase		913.00	913.00			
Depreciation	128.00	640.00	768.00			
(5) Initial Rehabilitation and Repairs		273.12	273.12			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	115.72	330.04	445.76			
Sampling and Analysis						
Payroll Taxes		228.43	228.43			
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,143.07	16,225.65	17,368.72			

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

Date 12-15-52 *Payee George W. Snyder and George W. Snyder, Jr.

Per Glen C. Gardner Title Auditor

*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:

$571.54

Signature _____ (Authorized Certifying Officer)

Date JAN 13 1953 Vou. No. SF Dm EA-31

(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. [illegible] in accordance with the terms of the contract.

Signature A. C. Johnson Title [illegible] Date [illegible]

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title [illegible] Date [illegible]

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 21 1953

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

Month of November 1952 Docket No. DMEA 1949 E Contract No. Idm E 322
Operator's Name George W. Snyder and George W. Snyder, Jr. Minerals Lead & Zinc
Address 518 Felt Building, Salt Lake City, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	ft.	1,143.07	9	6,727.33	109	61.72		
Crosscutting								
Raising								
Shafts								
Winzes	ft.			9,455.27	105	90.05		
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1,143.07		16,182.60				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				913.00				2,250.00
Initial Rehabilitation and Repairs				273.12				2,000.00
New Buildings, Improvements, etc.								
TOTAL COSTS		1,143.07		17,368.72				

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

Date 12-15-52 Operator George W. Snyder and George W. Snyder, Jr.
Per Glen G. Gardner Title Auditor

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
1983 DEC 29 AM 8:1
SAN FRANCISCO, CALIFORNIA

GPO 83-38475

December 11, 1952

Mr. H. G. Miller, Executive Officer
DMEA Field Team, Region III
U.S. Department of the Interior
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket DMEA-1949K
(Lead-Zinc) Contract Idm-2322
Lucky Strike Mine
PROGRESS REPORT - NOVEMBER, 1952

Dear Mr. Miller:

The following brief report of progress and other relative data is herewith submitted regarding Contract Idm-2322, and covers the period November 1-30, 1952.

Work on the 200 north level consisted of nine feet of advance in a northerly direction. Character of mineralization has not changed appreciably and strength of the structure remains about the same. A short exploration raise was begun just back of the present face to determine whether or not the 200 north level is at the bottom of a trough. It seems improbable to the company that mineralization as intense as was witnessed on the Arctic level some 84 feet vertically above the 200 north level could be so thoroughly dissipated in such a short distance.

Work in this raise has been done on company account. The vein in the raise has in the last few feet of advance shown a definite widening out and the calcite ratio is now quite high. If results tend to show the lack of a commercial grade ore, short crosscuts into the hanging and footwall of the Dunham vein will be put out to check the possibility of the mineralization being present along parallel fissures similar to those which have been developed to the south in the bypass area.

Weather conditions at the subject property have been rather severe for the month of November, several snow storms and accompanying cold weather has made working conditions far from favorable.

We trust this information is sufficient for your requirements and meets with your approval.

Respectfully Submitted,

UNITED MINERALS CORPORATION

W. C. Godbe III - Engineering Department

WCG/md

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

Budget Bureau No.
Approval expires

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 15 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1952 Docket No. DMEA 1949 S Contract No. Idm E 322
Operator's Name George M. Snyder & George M. Snyder, Jr. Minerals Lead & Zinc
Address 518 Felt Building, Salt Lake City, Utah
Contract Amount, $ 27,794.00 Government Participation: 50 % Amount, $ 13,897.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	493.88	5,381.11	5,874.99			
Supervision	150.00	1,028.05	1,178.05			
Technical Services	150.00	725.00	875.00			
(3) Operating Mat'ls. and Supplies:						
Timber	246.35	2,883.49	3,129.84			
Explosives	282.00		282.00			
Pipe		132.44	132.44			
Track						
Other Supplies	603.63	1,765.06	2,368.74			
(4) Operating Equipment:						
Rental						
Purchase		913.00	913.00			
Depreciation	128.00	512.00	640.00			
(5) Initial Rehabilitation and Repairs		273.12	273.12			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	127.97	202.07	330.04			
Sampling and Analysis						
Payroll Taxes		228.43	228.43			
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2,181.83	14,043.77	16,225.65			

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

Date 11-15-52 *Payee George M. Snyder & George M. Snyder, Jr.

Per Glen G. Gardner Title Auditor

*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:

$1090.94

Signature A. J. Romer
Authorized Certifying Officer
(Authorized Certifying Officer)

Date DEC 3 1952 Vou. No. SF-Dm Ca-28

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Id-1322 in accordance with the terms of the contract.

Signature R. C. Johnson Title Chief, Mining Div. Region III Date Nov. 19, 1952.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. C. Miller Title Executive Officer DMEA Field Team Region III Date Nov. 24, 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.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No.
Approval expires 6-

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 16 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1952 Docket No. DMEA 1949 E Contract No. [illegible]
Operator's Name George W. Snyder & George W. Snyder, Jr. Minerals Lead & Zinc
Address 518 Felt Building, Salt Lake City, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	ft.	2,181.88	25	5,584.26	100	55.84		
Crosscutting								
Raising								
Shafts								
Winzes	ft.			9,455.27	105	90.05		
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2,181.88		15,039.53				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				913.00				2,250.00
Initial Rehabilitation and Repairs				273.12				2,000.00
New Buildings, Improvements, etc.								
TOTAL COSTS		2,181.88		16,225.65				

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 11-15-52 Operator George W. Snyder & George W. Snyder, Jr.
Per Glen A. Gardner Title Auditor

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

November 13, 1952

Mr. H. C. Miller, Regional Director,
Defense Minerals Exploration Administration
U.S. Department of the Interior
1012 Flood Building
San Francisco, California

Refer to: Contract Idm-E-322
PROGRESS REPORT - OCTOBER, 1952

Dear Mr. Miller:

The following brief report of progress and other relative data is herewith submitted regarding Contract No. Idm-E-322, and covers the period October 1-31, 1952.

Work on the 200 north level consisted of twenty five (25) feet of advance in a northerly direction along the main Dunham vein. Geologic indications during the month have been in the most part not as promising as was previously expected. The structure is strong, but mineralization has been rather erratic and weak. It is planned to put out short crosscuts into the foot and hanging wall sides of the drift in order to determine if a more intense mineralization is present along these walls.

Development work in the by pass area to the south has shown the presence of parallel veins along the main Dunham structure. The proposed 200 north crosscuts should determine whether or not this parallel structure exists along the northerly extension of the Dunham vein.

We trust that this information is sufficient for your requirements and meets with your approval.

Respectfully submitted,

UNITED MINERALS CORPORATION

M. C. Godbe III - Engineering Dept.

MCG/md

Form ME 204 (Rev.)
(April 1952)

Budget Bureau No. 41-R1036.3
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 28 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1952 Docket No. DMEA 1949 E Contract No. E 322
Operator's Name George V. Snyder and George V. Snyder, Jr. Minerals Lead - Zinc
Address 513 Felt Building, Salt Lake City, Utah
Contract Amount, $ 27,794.00 Government Participation: 50 % Amount, $ 13,897.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	221.49	5,159.62	5,381.11			
Supervision	100.00	928.05	1,028.05			
Technical Services	125.00	600.00	725.00			
(3) Operating Mat'ls. and Supplies:						
Timber	1,049.83	1,833.66	2,883.49			
Explosives						
Pipe		132.44	132.44			
Track						
Other Supplies	169.85	1,596.21	1,765.06			
(4) Operating Equipment:						
Rental						
Purchase		913.00	913.00			
Depreciation	128.00	384.00	512.00			
(5) Initial Rehabilitation and Repairs		273.12	273.12			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	41.32	160.75	202.07			
Sampling and Analysis						
Payroll Taxes		228.43	228.43			
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,834.49	12,209.28	14,043.77			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 10/15/52 *Payee George V. Snyder & George V. Snyder, Jr.
Per Shirley Gardner Title Auditor

*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:
$ 917.25
Signature A. J. Renner
Authorized Certifying Officer
(Authorized Certifying Officer)
Date OCT 24 1952 Vou. No. SF-DMEA-23
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. [illegible]322 in accordance with the terms of the contract.

Signature R. C. Johnson Title Chief, Mining Div. Date Oct. 22, 1952.
A. C. Johnson Region III

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer DMEA Field Team Date [illegible], 1952
S. Clark for S. S. Miller Region III

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MT-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 2 6 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1952 Docket No. DMEA 1949 E Contract No. IDS 322

Operator's Name George W. Snyder and George W. Snyder, Jr. Minerals Lead - Zinc

Address 518 Felt Building, Salt Lake City, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	ft.	1,834.49	12	3,402.38	75			
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	ft.			9,455.27	105	90.05		
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1,834.49		12,857.65				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				913.00				2,250.00
Initial Rehabilitation and Repairs				273.12				2,000.00
New Buildings, Improvements, etc.								
TOTAL COSTS		1,834.49		14,043.77				

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

REMARKS:

Date 10/15/52 Operator George W. Snyder & George W. Snyder, Jr.

Per Glenn Gardner Title Auditor

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

October 15, 1952

Mr. H. C. Miller, Regional Director
Defense Minerals Exploration Administration
U. S. Department of the Interior
1012 Flood Building
San Francisco, California

Refer to: Contract Idm-2-322
PROGRESS REPORT - SEPTEMBER, 1952

Dear Mr. Miller:

The following brief report of progress and other relative data is herewith submitted regarding Exploration Contract No. Idm-2-322, and covers the period September 1-30, 1952.

Work in the 200 North area consisted of 12 feet of advance. The main Dunham structure at present has gained in strength and width considerably. The vein at the face is massive calcite containing minor amounts of pyrite, sphalerite, chalcopyrite, and galena. At the present time the vein exceeds the width of the face. Work in the 200 north level has been temporarily suspended in order to get all surface installations prepared for winter. Snow sheds and covers have been constructed at both tunnel portals. An accelerated work program has been started to complete the jig mill install all water lines and construct collecting tanks before inclement weather sets in. A new road down Trout Creek has been roughed in to cut out the bad summit which causes delays on the ore haul during the bad weather.

As usual only that portion of the work applicable to the contract has been changed.

We trust this information is sufficient for your requirements and meets with your approval.

Respectfully submitted,

UNITED MINERALS CORPORATION

M. C. Godbe III - Engineering Dept.

MCG3rd/md

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

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

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

Month of August, 1952 Docket No. DMEA 1949S Contract No. B 322
Operator's Name George W. Snyder & George W. Snyder, Jr. Minerals Lead - Zinc
Address 518 Felt Building - Salt Lake City, Utah
Contract Amount, $27,794.00 Government Participation: 50 % Amount, $13,897.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1,936.00	3,223.62	5,159.62			
Supervision	100.00	528.05	928.05			
Technical Services	200.00	400.00	600.00			
(3) Operating Mat'ls. and Supplies:						
Timber	215.04	1,618.62	1,833.66			
Explosives						
Pipe		132.44	132.44			
Track						
Others	940.02	656.19	1,596.21			
(4) Operating Equipment:						
Rental						
Purchase		913.00	913.00			
Depreciation	128.00	256.00	384.00			
(5) Initial Rehabilitation and Repairs	27.60*	245.52	273.12			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	78.00	82.75	160.75			
Sampling and Analysis						
Payroll Taxes		228.43	228.43			
Liability Insurance						
(8) Contingencies (specify):	*To pickup payroll taxes omitted for month of May. See May payroll summary sheet. Add to initial rehabilitation and repairs.					
TOTALS	3,924.66	8,284.62	12,209.28			

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

Date 9/15/52 *Payee George W. Snyder & George W. Snyder, Jr.

Per [signature] Title Auditor

*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:

$1962.33

Signature [signature]
(Authorized Certifying Officer)

AUTHORIZED CERTIFYING OFFICER

Date 10/1/52 Vou. No. 5F-0-4 Date 16

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature A. C. Johnson Title Chief, Unit IV Date October 10, 1952.

A. C. Johnson Region III

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. Miller Title Executive Officer Date Sept. 2?, 1952

W. C. Miller Region III

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 195 2 Docket No. DMEA 1969B Contract No. Idm 5 322
Operator's Name George W. Snyder & George W. Snyder, Jr. Minerals Lead-Zinc
Address 518 Felt Building - Salt Lake City, Utah

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		1,567.89	63	1,567.89	63	24.89		
Crosscutting								
Raising								
Shafts								
Winzes		2,329.17	27	9,455.27	105	90.05		
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		3,897.06	90	11,023.16				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				913.00				2,250.00
Initial Rehabilitation and Repairs		27.60		273.12				2,000.00
New Buildings, Improvements, etc.								
TOTAL COSTS		3,924.66		12,209.28				

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 9/15/52 Operator George W. Snyder & George W. Snyder, Jr.
Per Glen C. Gardner Title Auditor

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

September 10, 1952
Salt Lake City, Utah

Mr. H. C. Miller, Regional Director
Defense Minerals Exploration Administration
U. S. Department of the Interior
1012 Flood Building
San Francisco, California

Refer to: Contract Idm-2-322
PROGRESS REPORT - AUGUST, 1952

Dear Mr. Miller:

The following brief report of progress and other relative data is herewith submitted regarding Exploration Contract No. Idm-2-322 and covers period August 1-31, 1952.

Work in the winze during the month consisted of 27 feet of advance. The continued presence of favorable geologic factors, (intense mineralization and strength of structure)made it advisable to start drifting at this level. As was expected, at this level (200 North drift), the apparent northerly rake of the ore bodies still persists. Further work in the Electric Winze area consisted of shooting out a skip pocket at the 200 north station area and drifting in a northerly direction along the vein some 63 feet. The 200 north level has a vertical depth of 20 feet below Arctic level and is well below the zone of oxidization. A good grade of milling ore has been exposed in the last few feet of advance.

The company has been proceeding with further development work on the Artic level with the view in mind of keeping all broken ore stored underground. A jig milling plant is now being installed at the head of the Dunham Shaft to handle all ores except high grade. All mill ore mined from the 200 north level, will be hoisted to the runaround drift at the Artic level. From this point it will be trammed and stored in underground bins in the Dunham shaft, as will ores produced from other levels of the mine. As milling requirements demand ores will be hoisted out of the Dunham storage area direct to the mill feed circuit. By this method of keeping as much of the operation underground as possible the company will be better able to combat natural elements during the winter months, and insure a more equitable work schedule during inclement weather.

As usual only that portion of the work applicable to the contract has been charged.

We trust this information is sufficient for your requirements and meets with your approval.

Respectfully submitted,

UNITED MINERALS CORPORATION

M. C. Godbe III - Engineering Department

MCG/md

Form MF-[illegible]4 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 5-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 195[illegible]2 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name George H. Snyder & George H. Snyder, Jr. Minerals Lead - Zinc
Address 516 Felt Building, Salt Lake City, Utah
Contract Amount, $ 27,774.00 Government Participation: 50 % Amount, $ 13,877.00

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						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1,956.00	1,267.62	3,223.62			
Supervision	400.00	122.05	522.05			
Technical Services	200.00	230.00	430.00			
(3) Operating Mat'ls. and Supplies:						
Timber	872.13	738.44	1,610.62			
Explosives						
Pipe	92.59	33.85	126.44			
Track						
Other	266.12	300.06	566.19			
(4) Operating Equipment:						
Rental						
Purchase		93.00	93.00			
Depreciation	120.00	130.00	250.00			
(5) Initial Rehabilitation and Repairs		245.32	245.32			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		82.75	82.75			
Sampling and Analysis						
Payroll Taxes		220.43	220.43			
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	3,906.84	4,317.72	8,224.56			

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

Date September 4, 1952 Payee George H. Snyder & George H. Snyder, Jr.

Per Glen C. Gardner Title Auditor

*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:

$ 1961.45

Signature [illegible]
(Authorized Certifying Officer)
AUTHORIZED CERTIFYING OFFICER

Date 10/1/52 Vou. No. SF-DMEA-16

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature A. C. Johnson Title Chief, Mining Div. Reg. VIII Date Sept. 9, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. E. Miller Title ~~DMEA Field Team~~ Executive Officer Region VII Date Sept. 15, 1952

H. C. Miller

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 M[illegible]04A
(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 Exploration
[illegible]

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1952 Docket No. DMEA [illegible] Contract No. [illegible] 322
Operator's Name George H. Snyder & George H. Snyder, Jr. Minerals Lead - Zinc
Address 518 Walt Building, Salt Lake City, Utah

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts				7216.10				
Winzes	Foot	2,[illegible].00	59	~~6,[illegible].62~~	78	10[illegible]	130	
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		2,[illegible].00		7216.10 ~~6,[illegible].62~~				Total Costs Authorized by Contract
Operating Equipment Purchased				913.00				2,250.00
Initial Rehabilitation and Repairs				2[illegible].52				2,000.00
New Buildings, Improvements, etc.								
Total Costs		2,[illegible].00		8284.62 ~~9,[illegible]~~				

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 September 2, 1952 Operator George H. Snyder & George H. Snyder, Jr.

Per Glen C. Gardner Title Editor

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

August 13, 1952

Mr. H. C. Miller, Regional Director
Defense Minerals Exploration Administration
U.S. Department of the Interior
1012 Flood Building
San Francisco, California

Re: Contract Idm-E 322
PROGRESS REPORT - July, 1952

Dear Mr. Miller:

The following brief report of progress and other relative data is herewith submitted regarding Exploration Contract No. Idm-E 322 and covers period July 1-31, 1952.

Work in the winze during the month consisted of 59 feet of advance. Timber was carried down with the winze as per the Nevada State Mine Inspector's suggestion. The substantial footage advance was effected by putting the shaftmen on a footage incentive bonus deal, however, only that portion of costs which are applicable to the contract have been charged.

Presence of mineralization in the winze has become increasingly more intense in the last few feet of advance. If conditions prevail or better shows are encountered within the next 25 or 30 feet of downward extension on the structure, it is the companies present plan to begin a drift to the north to investigate the area. A level at this point in the winze will give an approximate vertical distance of 85 feet below the Arctic level.

Enclosed as covering material please find section and plan of Electric Winze area showing advance for the month.

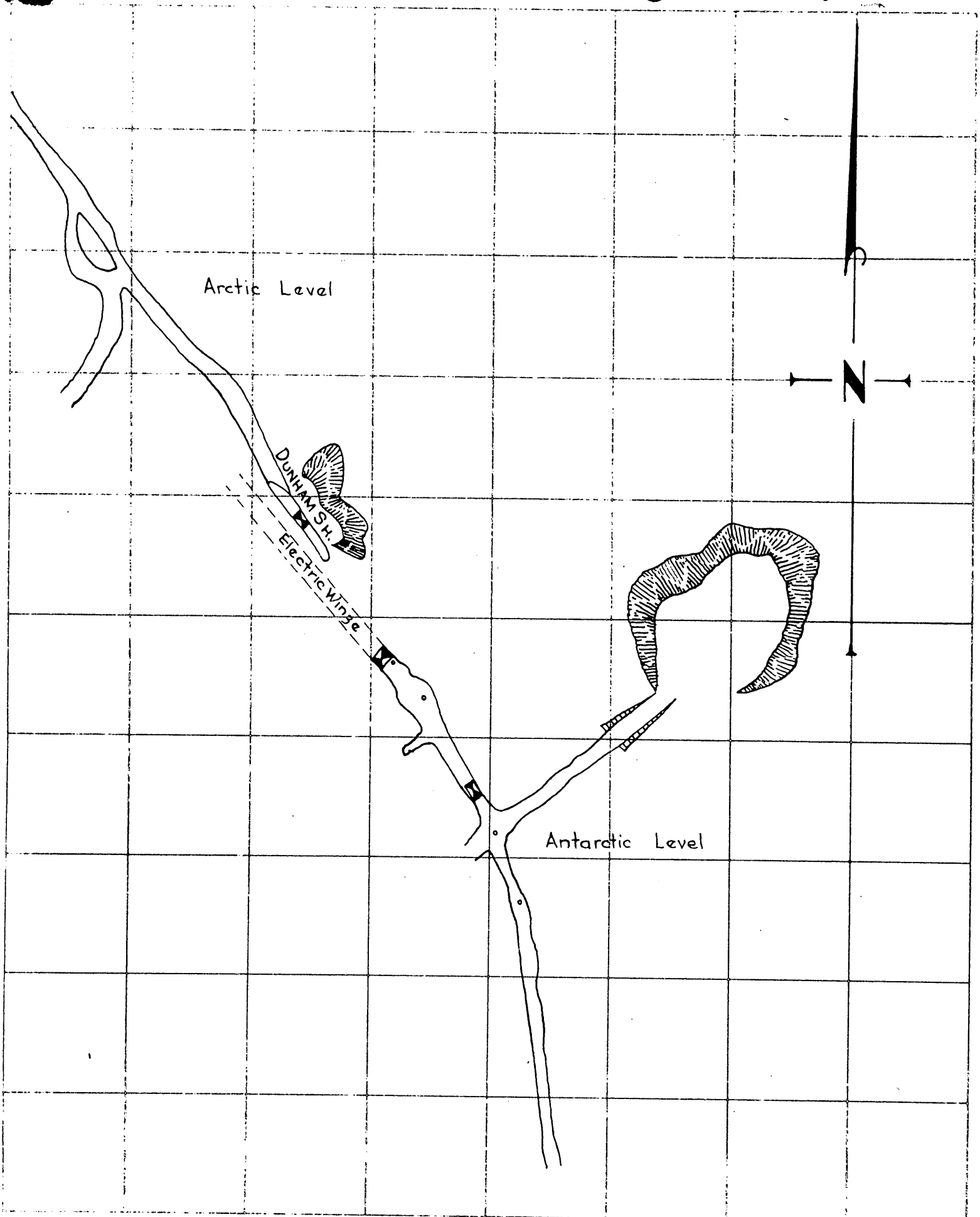
We trust this information is sufficient for your requirements and meets with your approval.

Respectfully submitted,

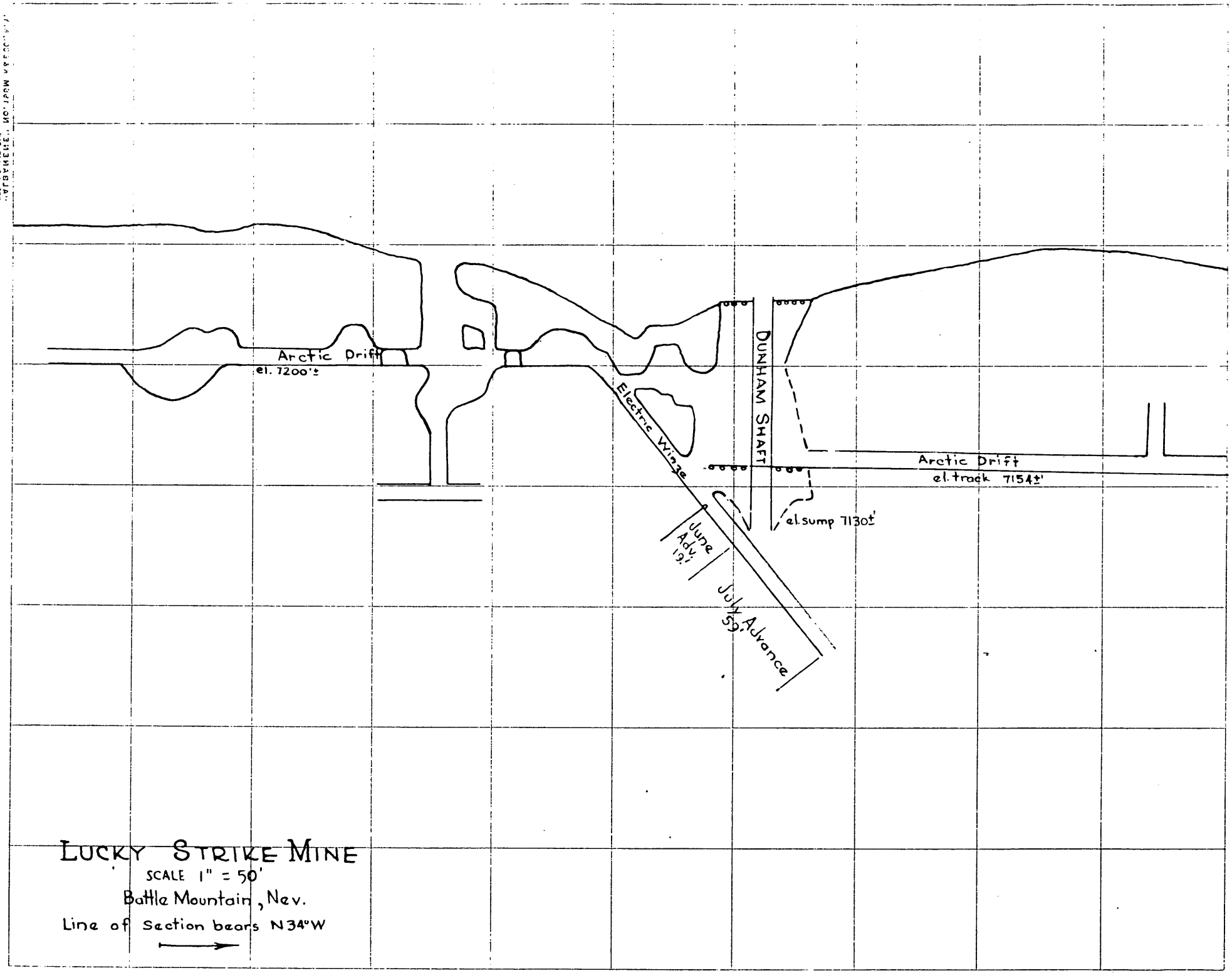
UNITED MINERALS CORPORATION

M. C. Godbe III - Engineering Dept.

MCG/md



MINE LUCKY STRIKE MINE, LOCATION BATTLE MTN., NEV., LEVEL COMP. PLAN
GEOLOGY BY _____ SURVEY M.C. GODBE III SCALE 1" = 50' DATE JULY 31, '52


Arctic Drift
el. 7200'±
Electric Winze
Dunham Shaft
Arctic Drift
el. track 7154±'
el. sump 7130±'
June Adv. 19'
July 59' Advance
LUCKY STRIKE MINE
SCALE 1" = 50'
Battle Mountain, Nev.
Line of Section bears N34°W

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT 3 1952

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

AUDIT CERTIFICATE

I have examined the records and transactions of:

George W. Snyder and George W. Snyder, Jr. - Individuals

518 Felt Building

Salt Lake City, Utah

pertaining to Exploration Project Contract Idm-X322 Docket No. DMEA-1949X for the period of May 23, 1952 to July 31, 1952.

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

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

Total Cost as Billed by Contractor	$8,284.62
Exceptions	None
Total Accepted Cost	$8,284.62

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the Contractor by the Government in the amount of Four Thousand One Hundred Forty Two and 31/100 Dollars

- $4,142.31

is valid and proper.

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

September 22, 1952

"(SIGNED) GEORGE MAYOR"
Auditor

George W. Snyder and George W. Snyder, Jr. - Individuals
Exploration Project
Contract No. E-322

I INTRODUCTION

An audit was made September 12, 1952, of Defense Minerals Exploration Contract No. E-322, George W. Snyder and George W. Snyder, Jr. - Individuals. The records pertaining to this contract are in the office of George W. Snyder and George W. Snyder, Jr. - Individuals at Salt Lake City, Utah. The audit covered the period of May 23, 1952 through July 31, 1952. The accountant, Glenn C. Gardner and Engineer, Murray Godbe III were present and consulted when necessary.

II EXTENT AND SCOPE OF AUDIT

1. Labor

The payrolls and supporting data for the period of May 23, 1952 through July 31, 1952, were examined and computed for accuracy. The mine foreman reports daily the time of the various workers on an individual time card. These time cards show the work classification, location, hours worked and rate of pay. The foreman prepares a semi-monthly time report from the daily time cards and forwards the time cards and semi-monthly time report to Salt Lake City. The accountant at Salt Lake City verifies the time cards and time report and enters the hours worked daily for each employee in the payroll register. This register contains all the information relating to the payroll, showing name, classification, rate of pay, overtime pay, number of exemptions for withholding tax, other deductions, net amount paid and check number.

The rates of pay together with supervision, engineering and office salaries were those set forth in the contract. No salaries were paid to George W. Snyder or George W. Snyder, Jr.

2. Supplies

The invoices covering the purchase of supplies were examined and the items contained thereon extended and the invoices footed, then compared with the amounts on the cancelled checks. Due to the limited amount of purchases all supplies are charged direct to operations. The supplies purchased at Battle Mountain, Nevada, are signed for by Olen Johnson, Foreman and a few items shipped from Salt Lake City on purchase order authority. At the end of each month the accountant summarizes all purchases and makes a distribution to conform with Form MF-104.

3. Equipment Purchased

During the month of June 1952, an Atlas Rock Drill was purchased for $513.00 and a Bacon Single Drum Reversible Air Hoist for $400.00 making the total cost for purchased equipment $913.00 which was within the limits specified in Exhibit A item 4 of the contract.

4. Equipment Furnished

The charges for depreciation on equipment furnished by the Operator were checked against the amounts allowable under the terms of the contract.

III FINDINGS

The records maintained by George W. Snyder and George W. Snyder, Jr. were in good condition and adequate. The payrolls and supporting data are filed by months and the employee's semi-monthly time report is attached to copy of payroll voucher check. The purchase invoices are attached to copy of voucher check and filed under vendor's name. The cancelled bank checks are reconciled with bank statement and filed away by months.

There were no exceptions taken by the DMRA Finance Officer and no exceptions were developed during course of audit.

IV RECOMMENDATIONS

The audit certificate, prefacing this report, reflects the amount of the costs properly chargeable to this project through July 31, 1952.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 3 1952

1012 Flood Building
San Francisco 2, California

October 1, 1952

Mr. Jay L. Chambers, Chief
Contract Administration & Audit
Division
Defense Minerals Exploration Adm.
Interior Building
Washington 25, D. C.

Re: Docket No. DMEA-1949X
Contract No. Idm-E322
George W. Snyder and George
W. Snyder, Jr.-Individuals
Salt Lake City, Utah

Dear Mr. Chambers:

An audit has been made of subject contractor's records for the period May 23, 1952 through July 31, 1952, and you will find attached hereto two (2) copies of Audit Report and three (3) copies of Audit Certificate for further distribution by your office.

It was observed during the course of the audit that all payroll records together with invoices charged to contract are made out in the name of United Minerals Corporation. The Forms MF-104 and MF-104a are made out in the name of George W. Snyder and George W. Snyder, Jr.; however, the payroll summary and invoices attached to Form MF-104 are all made out in the name of United Minerals Corporation. I questioned this irregularity and I was informed that due to legal technicalities the owners of the mining property would not deal with United Minerals Corporation and would only deal with George W. Snyder and George W. Snyder, Jr., and that it was necessary to enter into an agreement dated March 20, 1952 between George W. Snyder and George W. Snyder, Jr., and United Minerals Corporation whereby the mining property was turned over to United Minerals Corporation. Attached hereto is copy of memorandum dated September 16, 1952 which explains the terms of the agreement and I understand a copy of the agreement is on file with contract in Washington, D. C. I did not mention this agreement in my audit report as I thought it would be better to mention it only in my letter to you.

During the month of July 1952, the contractor's payroll amounted to $3,296.75; however, the contractor only claimed the maximum amount of $2,536.00, as allowed under the terms of the contract as set forth in Exhibit "A", Item 2. In addition, the contractor did not claim payroll taxes in amount of $488.99. The excess payroll was due to contracting with three (3) miners to

sink the winze at $35.00 per foot. The amount paid the miners on a footage basis was converted to hours worked and included in payroll summary as follows:

Name	Classification	O.T.	S.T.	Total	Rate	Wages
Adkins, Ray	Miner	103	120	223	$1.875	$418.12
Cook, Howell F.	"	232	248	480	1.875	900.00
Sprainhower, Delbert H.	"	232	248	480	1.875	900.00

You will note that the straight time hours is computed at 8 hours per day for 31 days and the balance of the footage money is shown as overtime hours.

I did not mention the above payroll transactions in my audit report for the reason that the contractor did not claim more than the maximum allowed in contract and at same time the contractor has requested an amendment to contract to cover the "out-of-pocket" payroll expenditures.

Trusting the above exclusions from my audit report meet with your approval,

Sincerely yours,

"(S[illegible]), [illegible]"

Auditor

September 16, 1952

Memorandum to: George Mavor

Re: Contract No. Idm-E-322

Due to legal technicalities it was deemed necessary to execute the following management agreement transfer:

"THIS AGREEMENT made and entered into in duplicate as of the 20th day of March, 1952, by and between George W. Snyder and George W. Snyder, Jr., parties of the first part, and United Minerals Corporation, a corporation of the State of Nevada, party of the second part, WITNESSETH:

Parties of the first part hereby retain the party of the second part to keep and perform all of the terms and conditions and to perform all acts necessary or incident to the development and operation of said property, including but not limited to, supervision of mining operations, etc."

This above agreement was necessary as the owners of the property would only deal with George W. Snyder and George W. Snyder, Jr., and not with United Minerals Corporation. In turn, this property was turned over to United Minerals by the Snyder's and this same agreement is on file with contract in Washington, D.C.

Margaret Diehl

C
O
P
Y

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

AUG 26 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of JUL, 195[illegible] Docket No. DMEA 1247 S Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address 23 [illegible]
Contract Amount, $ 27,774.00 Government Participation: 70 % Amount, $ 19,677.00

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						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:	1,277.62		1,277.62			
Labor	123.05		123.05			
Supervision	200.00		200.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:	710.44		710.44			
Timber						
Explosives	38.05		38.05			
Pipe						
Track [illegible]	369.00		369.00			
(4) Operating Equipment:						
Rental	913.00		913.00			
Purchase	138.00		138.00			
Depreciation		245.52	245.52			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:	82.75		82.75			
Repairs to Equipment						
Sampling and Analysis	229.43		229.43			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	4,110.23	245.52	4,355.75			

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

Date 8/1/52 *Payee George [illegible] Cypher, Jr.

Per Glenn Gardner Title Editor

*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:

$ 2,058.10

Lloyd L. Nervell
Authorized Certifying Officer

Signature (Authorized Certifying Officer)

Date AUG 21 1952 Vou. No. SF-DMEA-9

(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. [illegible] in accordance with the terms of the contract.

Signature [illegible] Johnson Title [illegible] Date August 11, 1952.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Miller Title [illegible] Date [illegible]

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)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of JUNE 195 2 Docket No. DMEA 1949 Contract No. Idm 8 322
Operator's Name [illegible] Minerals [illegible]
Address [illegible]

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes	feet	3,203.20	19	3,203.20	19	168.59	130	
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		3,203.20	19	3,203.20				Total Costs Authorized by Contract
Operating Equipment Purchased		913.00		913.00				2,250.00
Initial Rehabilitation and Repairs				245.52				2,000.00
New Buildings, Improvements, etc.								
Total Costs		4,116.20		4,361.72				

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 6/1/52 Operator George W. Snyder and George W. Snyder, Jr.

Per [signature] Title Bookkeeper

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

Remarks:

(Instructions on reverse)

(For Government use only)

AUG 12 [illegible]

AUG 26 1952
RECEIVED
DOCKET MANAGEMENT ADMINISTRATION

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

July 15, 1952

Mr. H. C. Miller, Regional Director
Defense Minerals Exploration Administration
U.S. Department of the Interior
1012 Flood Building
San Francisco, California

Re: Contract Idm-E 322
PROGRESS REPORT June, 1952

Dear Mr. Miller:

The following brief report of progress and other relative data is herewith submitted regarding Exploration Contract No. Idm-E 322 and covers the period of June 1-30, 1952.

Work in the winze during the month consisted of additional timbering of the back in areas where it was deemed necessary and preparing a skip pocket and chute to more efficiently handle the muck. A total of nineteen feet of advance was made from the zero point under the government participation contract. This zero point is at seventy six (76) feet below the upper tunnel track level and is marked by a track spike in the timber. Conditions in the winze are such that at present it is possible to get a round in and out per shift worked, and evidence points to the fact that substantial advance will be made during the month of July.

Costs have been rather heavy for June, but it has been the policy of the company to buy timber and supplies in advance of actual month to month needs, thus saving considerable expense on cost, freight, and time. While this item seems high for the month, the overall supply cost will remain well within the alloted amount. All work was accomplished without undue difficulty and costs have been held to a minimum.

We trust this information is sufficient for your requirements and meets with your approval.

Respectfully submitted,

UNITED MINERALS CORPORATION

M. C. Godbe III - Engineering Dept.

MCG/md

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1952 Docket No. DMEA 1949X Contract No. Idm-E322
Operator's Name George W. Snyder & George W. Snyder, Jr. Minerals Lead-Zinc
Address 518 Felt Building, Salt Lake City, Utah
Contract Amount, $13,897.00 Government Participation: 50 % Amount, $ 7,794.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	149.63		149.63			
Supervision	13.89		13.89			
Technical Services	50.00		50.00			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation	32.00		32.00			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	245.52		245.52			

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

Date 6/14/52 *Payee UNITED MINERALS CORPORATION

Per George Snyder Title Secy

*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:

$ 122.76

Lloyd L. Maxwell
Authorized Certifying Officer

Signature
(Authorized Certifying Officer)

Date JUL 22 1952 Vou. No. DF DMEA-2

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 10-1322 in accordance with the terms of the contract.

Signature A. C. Johnson Title Chief, Mining Div. Region III Date June 23, 1952.

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature H. C. Miller Title Executive Officer DMEA Field Team Region III Date July 28, 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

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1952 Docket No. DMEA 1949X Contract No. Idm-E322
Operator's Name George W. Snyder & George W. Snyder, Jr. Minerals Lead-Zinc
Address 518 Felt Building, Salt Lake City, Utah

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								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs		245.52		245.52				2,000.00
New Buildings, Improvements, etc.								
TOTAL COSTS		245.52		245.52				2,000.00

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 6/14/52 Operator UNITED MINERALS CORPORATION

Per Geo. Snyder Title Secy

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

REMARKS:

(Instructions on reverse)

(For Government use only)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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AUG 4 1952

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

Aa

June 14, 1952

Mr. H. C. Miller
Regional Director
Defense Minerals Exploration Administration
Department of the Interior
1012 Flood Building
San Francisco 2, Calif.

Refer to contract Idm-E322
Progress Report May 23-31, 1952

Dear Mr. Miller:

The following brief report of progress and other relative data is herewith submitted regarding Exploration Contract, No. Idm-E322, and covers the period of May 23-31, 1952.

On May 23 of this month rehabilitation and preparation work under the contract was begun. Some retimbering was done in the winze to make working conditions as safe as possible for the men. Pumping of the winze was performed and a setup to allow the pump to be carried down with the footage advance in the winze.

All work was accomplished without undue difficulty and costs have been kept to a minimum.

We trust this information is sufficient for your requirements and meets with your approval.

Respectfully submitted,

UNITED MINERALS CORPORATION

M. C. Godbe III, Engineering Dept.

MCGIII/wm

A. C. Johnson, Chief, Mining Div., Reg. III July 15, 1952

L. F. Muller, Mining Division, Region III

Lucky Strike Mine - Contract Idm-E322

The Lucky Strike mine of United Minerals Corporation was visited on July 11, 1952 by an engineer of the Bureau of Mines in connection with contract Idm-E322.

As stated in the contract, work is to consist of sinking an additional 130 feet on the winze, and drifting and crosscutting 300 feet from the depth reached by the shaft. The contract was approved on May 23, 1952, and at that time the shaft had reached a depth of 78.8 feet, according to the operators. From this point, shaft work had progressed 41.6 feet on contract at the time of examination. Average daily progress for the 41.5 feet has been 2.5 feet.

Minor amounts of sphalerite were observed in the shaft bottom at the depth reached.

Murray Godbe is in charge of geology and engineering, Glenn Johnson is superintendent, and Ed Lauritzen is forman on the project. The labor is detailed on the contract as:

2	miners	@	$15/day
1	hoistman	@	$15/day
1	cager-topman	@	$15/day
2	trammers	@	$14/day
1	supervisor	@	$400/month
Engineering and office work		@	$200/month

However, shaft work is subcontracted to two miners and 1 hoistman-trammer at the total rate of $35.00 per feet with a $16/day minimum guarantee per man. Supervision is divided between Johnson and Lauritzen. The two trammers and one cager-topman are not employed at present. According to Godbe, these men will be added when the drifting-crosscutting work commences or as the need arises in the shaft work.

The operating equipment to be purchased, 1 tugger hoist and 2 drills, has not been obtained to date.

The initial rehabilitation and repairs reported on the May MF-104, MF-104a forms (April 1952) for the amount of $245.52 was erroneously distributed on the MF-104 form. This was called to the attention of Godbe, who in turn is to advise Guy Snyder, secretary, of the need for a correct June reporting. Aside from bookkeeping error, the rehabilitation item is also faulty from the standpoint of close adherance to contract.

This work consisted of shaft timber repair, pumping and building pump setup while the only rehabilitation allowed is for building construction.

Some building rehabilitation has commenced and will be reported on the June MF-104.

An amendment of the contract to sanction the above subcontracting and rehabilitation should be considered immediately.

L. F. Muller

L. F. Muller

JUN 27 1963

Mr. George F. Egan
Secretary-Treasurer
Kennecott-Tribune Corporation
Kennecott Building
Salt Lake City, Utah

Re: DMEA-1949 (Lead-Zinc)
G. W. Snyder and G. W. Snyder, Jr.
Lucky Strike Mine
Lander County, Nevada
Contract Ldz-8382

Dear Mr. Egan:

Thank you for returning the completed MSK Form 63's mailed to you on June 12, 1963.

By the terms of the subject Exploration Project Contract and the royalty agreement in Paragraph 6 of the Termination Agreement, dated May 4, 1955, all minerals mined or produced from May 23, 1952, to May 23, 1963, were subject to the Government's percentage royalty as set forth in said contract.

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

Sincerely yours,

Director

Mizerritzer/mm
6/25/63
cc: Director's Reading File
√CAAA Division
Region II (2) with copy of Form 63 dated 6/12/63
Docket
Code 300

Governme[illegible]s Copy

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TERMINATION AGREEMENT

It is agreed this 4th day of May, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and George W. Snyder and George W. Snyder, Jr., hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E322, Docket No. DMEA-1949, dated May 23, 1952, as amended, hereinafter called the "Contract," that:

1. Effective May 23, 1952, Annex I attached to Amendment No. 4 is cancelled, and Annex II, attached hereto and made a part hereof, is substituted for Article 9 of the Contract form.

2. Effective May 23, 1952, that part of the second sentence in Article 10 of the Contract form beginning with the word "Provided" is deleted.

3. Effective December 1, 1952, the Contract and all obligations of the parties thereunder shall be and are hereby terminated, except as otherwise expressly provided in this agreement.

4. The Government shall contribute to allowable costs incurred prior to December 1, 1952; and shall contribute to allowable costs incurred or to be incurred beginning with said effective date in performing winding-up and settlement actions provided for in the Contract, including (a) the preservation and disposal of property to the cost of which the Government has contributed, and (b) the making and rendering of reports and accounts.

5. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including (a) the disposal of any fixtures, facilities, buildings, equipment, or other items to the cost of which the Government has contributed; and (b) the rendering of the final report and final account.

6. The total net amount contributed by the Government shall be repayable in the form of a percentage royalty on any minerals mined or produced from the land described in

Article 2 of the Contract, payable in the manner provided in Annex II to this agreement, for a period of eleven years from the date of the Contract or until the total net amount contributed by the Government without interest is fully repaid; and a certification of discovery or development is hereby waived.

7. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
ACTING Administrator, Defense Minerals
Exploration Administration

GEORGE W. SNYDER AND GEORGE W. SNYDER, JR.

By George W. Snyder

By George W. Snyder Jr.

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ANNEX II

The following provisions are in lieu of Article 9 :

Repayment by Operator.--a. Certification.--If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Royalty on production.--The Operator, as principal, if the Operator is the producer, or as surety, if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land*, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, for a period of ten years‡from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

c. Basis for computation.--The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight paid by the buyer to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the

* The word "land" refers to the land described in Article 2 of the Contract.

‡ The period "eleven years" is substituted for the period "ten years.

Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the raw ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

d. Unsold production.--If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

e. Percentages of royalty.--The percentages of the Government's royalty shall be as follows:

> One and one-half ($1\frac{1}{2}$) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half ($\frac{1}{2}$) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.
>
> (For instance: the royalty on an amount of five dollars ($5.00) per ton, would be one and one-half ($1\frac{1}{2}$) percent; on an amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) percent.)

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f. Lien for payment.--To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

g. Notice to purchasers.--The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

h. No obligation to produce.--Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

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

Government Copy

GEORGE W. SNYDER AND GEORGE W. SNYDER, JR.
LUCKY STRIKE MINE
EXPLORATION PROJECT CONTRACT IDM-E322
DOCKET NO. DMA-1949X

AMENDMENT NO. 5

It is agreed this 4th day of March, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and George W. Snyder and George W. Snyder, Jr., that Exploration Project Contract No. Idm-E322, Docket No. DMA-1949X, dated May 23, 1952, as amended, is further amended, effective May 23, 1952, as follows:

Whereas, in Exhibit "A", Description of the Work, it is stated, "This project consists of sinking an existing inclined winze an additional 130 feet," it was determined before the work started that some minor rehabilitation of the existing winze was necessary before the winze could be extended. Such work was not specifically allowed by the contract.

Therefore, by this amendment, the rehabilitation of the existing winze at a cost of $245.52 is allowed and the cost of the rehabilitation is to be deducted from the funds allowed for sinking the 130-foot extension winze, drifting and crosscutting.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the amount of any item designated as "allowable maximum."

Executed in sextuplicate the day and year first above written.

UNITED STATES OF AMERICA

By H. C. Miller
H. C. Miller, Executive Officer
DMEA Field Team, Region III

GEORGE W. SNYDER & GEORGE W. SNYDER, JR.

By George W. Snyder
George W. Snyder Jr.

AMENDMENT NO. 5

Docket No. DMA-1949X

Mineral Lead-Zinc

Exploration Project Contract Idm-E322

Date of Contract May 23, 1952

Date of Amendment March 4, 1954

Operator George W. Snyder and George W. Snyder, Jr. (Lucky Strike Mine)

JUSTIFICATION

The contract did not provide for some minor rehabilitation of the existing winze, which under the contract was to be extended an additional 130 feet. The cost for rehabilitating the existing winze amounted to $245.52. As the rehabilitation work was necessary, Amendment No. 5 was prepared to permit reimbursement for the cost of the work. Funds needed for the rehabilitation work are to come from the funds allotted by the contract for sinking the winze, drifting and crosscutting.

H. C. Miller, Executive Officer
DMEA Field Team, Region III

Government's Copy

EXPLORATION PROJECT CONTRACT
GEORGE W. SNYDER AND GEORGE W. SNYDER, JR.
DOCKET NO. DMEA-1949

AMENDMENT NO. 4

It is agreed this 30th day of December, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and George W. Snyder and George W. Snyder, Jr., that Exploration Project Contract No. Idm-E322, Docket No. DMEA-1949, dated May 23, 1952, as amended, is further amended, effective December 1, 1952, as follows:

1. During the period from December 1, 1952, to not later than May 15, 1954, the project work shall be recessed; the Government shall not contribute to any costs of operation or maintenance incurred by the Operator; and the Operator shall save the Government harmless from any and all claims, and preserve and protect the project work and any property in which the Government has an interest.

2. It is of the essence of the contract that the Operator resume work by May 15, 1954, and thereafter continuously prosecute the work to completion. If the Operator should fail to resume the work by May 15, 1954, or if the Operator should resume work by that date but should fail to continuously prosecute the work to completion, then the Government may, at its option, in addition to its other rights under the contract, by written notice to the Operator within 60 days after either default, terminate the work under the contract.

3. Annex I, attached hereto, is substituted for Article 9 of the Contract.

4. In Article 10 the period "11 years" is substituted for the period "10 years."

5. In Article 3 of the contract, as amended, delete the completion date "June 23, 1953," and substitute the date "December 23, 1954."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the amount of any item designated as "allowable maximum."

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C F Mitchell
Administrator, Defense
Minerals Exploration
Administration

George W. Snyder
GEORGE W. SNYDER

George W. Snyder Jr.
GEORGE W. SNYDER, JR.

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
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ANNEX I

The following provisions are in lieu of Article 9:

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten* years (or other period fixed by this contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts, plus one-half ($\frac{1}{2}$) per cent 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) per cent 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 ($1\frac{1}{2}$) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) per cent.)

c. Definitions.--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.

d. Lien for Payment.--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.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--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.

*The period "eleven years" is substituted for the period "ten years."

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JAN 15 1954

AMENDMENT NO. 4

Docket No. DMEA-1949 Mineral Lead-Zinc

Exploration Project Contract Idm-E322

Date of Contract May 23, 1952

Date of Amendment December 30, 1953

Operator George W. Snyder & George W. Snyder, Jr., Lucky Strike Mine

JUSTIFICATION

Due to the depressed lead-zinc market during 1953, Operator was unable to finance exploration work under the contract. As it appeared that finances would be available early in 1954, operator requested a recess and extension of completion date. This amendment approves a recess to May 15, 1954, and extends completion date to December 23, 1954.

H. C. Miller, Executive Officer
DMEA Field Team, Region III

Government's Copy

GEORGE W. SNYDER AND GEORGE W. SNYDER, Jr.
LUCKY STRIKE MINE
CONTRACT Idr-7522
DOCKET NO. DMEA-1949

AMENDMENT NO. 3

Article 3 of the Defense Minerals Exploration Project Contract Idr-7522, dated May 23, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and George W. Snyder and George W. Snyder, Jr., individuals, and Amendment No. 2 thereto dated November 24, 1952, are hereby amended, effective February 23, 1953, as follows:

A recess of work for four (4) months to June 23, 1953, with a like extension of time of four (4) months for completion of the work, provided Government makes no contribution to costs under the contract during period of recess, is granted.

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."

Dated April 1, 1953.

UNITED STATES OF AMERICA

By W. C. Miller
W. C. Miller, Executive Officer
DMEA Field Team, Region III

GEORGE W. SNYDER AND GEORGE W. SNYDER, Jr.

By George W. Snyder Jr.
George W. Snyder

AMENDMENT NO. 3

Docket No. 1949X

Mineral Lead-Zinc

Exploration Project Contract Idm-E322

Date of Contract May 23, 1952

Date of Amendment April 1, 1953

Operator George W. Snyder and George W. Snyder, Jr.

JUSTIFICATION

Work under this contract as amended November 24, 1952, was recessed during the past winter due to severe climatic conditions and available miners were put to work in an upper tunnel on company account. Completion of work in the upper tunnel is desired by the Operator along lines recommended by Government engineers. Information gained as a result of the work in the upper tunnel will prove helpful when work under the contract is resumed. Accordingly, the Operator is granted a 4-months' recess from Feb. 23, 1953, with a 4-months' extension of time for completion of the work, provided Government makes no contribution to costs under the contract during the recess period.

H. C. Miller, Executive Officer
DMEA Field Team, Region III

GEORGE W. SNYDER AND GEORGE W. SNYDER, JR.
CONTRACT Idm--E322
DOCKET DMEA-1949X

AMENDMENT NO. 2

Article 3 of the Defense Minerals Exploration Project Contract Idm-E322, dated May 23, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and George W. Snyder and George W. Snyder, Jr., individuals, is hereby amended by extending the time for completion of the project an additional three (3) months; the duration of the original contract was for six (6) months.

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."

Dated November 24, 1952.

UNITED STATES OF AMERICA

By H. C. Miller
H. C. Miller, Executive Officer,
DMEA Field Team, Region III

GEORGE W. SNYDER AND GEORGE W. SNYDER, JR.

By George W. Snyder

AMENDMENT NO. 2

Docket No. DMEA-1949X

Mineral Lead-Zinc

Exploration Project Contract Idm-E322

Date of Contract May 23, 1952

Date of Amendment Nov. 24, 1952

Operator George W. Snyder and George W. Snyder, Jr.

JUSTIFICATION

Operator has requested a 6-months' extension of the completion date due to unforeseen delays in carrying out the work under the contract. As work under the contract has not been too satisfactory as far as progress is concerned, and because the operator has only approximately 25 feet to complete in the winze and an indefinite amount of drifting and crosscutting to explore the fissure vein, our inspection engineer is of the opinion that not a 6-months' but a 3-months' extension is justified. Accordingly, this amendment extends the completion date three (3) months.

H. C. Miller
Executive Officer, DMEA Field Team
Region III

Government copy

GEORGE W. SNYDER AND GEORGE W. SNYDER, JR.
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-1949
CONTRACT Idm-E322

AMENDMENT NO. 1

WHEREAS, it is desired that Operator proceed with the work at a faster rate than 22 days of work per month, which rate formed the basis of the original estimate of costs of the project;

NOW THEREFORE, it is agreed between the United States of America and George W. Snyder and George W. Snyder, Jr., that Exhibit "A" of Contract No. Idm-E322, Docket No. DMEA-1949, is amended, effective May 23, 1952, as follows:

1. Category (2) Labor, Supervision, Consultants, is amended to read as follows:

   (2) Labor, Supervision, Consultants 1/ 2/

   6 - Miners, trammers, hoistmen, carpenters, mechanics @ $15.00/day, each

   1 - Supervisor @ $400.00 per month*
   Engineering and office work @ $200.00/month*
   Total for 6 months $15,216.00*

1/ The estimated costs stated under this category include insurance and taxes. Labor rates are subject to overtime increase, and subject to change to conform to rates for like labor in the region where the project is located.

2/ Labor for sinking, drifting and crosscutting may be paid at unit contract rates not exceeding the rates generally paid for like work in the region where the project is located.

2. Category (3) Operating Materials and Supplies, is amended by deleting the asterisk following the total per month.

* Indicates allowable maximum

3. Category (5) Rehabilitation and Repairs, is amended by deleting the asterisk following each item, but not from the total following the items.

This amendment is not to be construed as increasing the estimated total cost of the contract, the total amount which the Government may pay, or the percentage of the costs which the Government may pay under the provisions of Article 8 of the contract.

Dated October 29, , 1952.

THE UNITED STATES OF AMERICA

By C. Mitteendorf
Administrator, Defense Minerals
Exploration Administration

GEORGE W. SNYDER and GEORGE W. SNYDER, JR.

George W. Snyder

By George W. Snyder Jr.

AMENDMENT NO. 1

Docket No. DMEA-1949X Mineral Lead-Zinc

Exploration Project Contract Idm-E 322

Date of Contract May 23, 1952

Date of Amendment October 29, 1952

Operator George W. Snyder and George W. Snyder, Jr.
Lucky Strike Mine, Lander County, Nevada

JUSTIFICATION

This amendment was prepared at the request of the Operator to authorize him to carry out the terms of his contract with greater flexibility.

H. C. Miller, Executive Officer
DMEA Field Team, Region III

C
O
P
Y

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

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, California

July 29, 1952

Mr. George W. Snyder, Jr.
Felt Building
Salt Lake City 1, Utah

Re: Docket DMEA 1949X (Lead-Zinc)
Exploration Project Contract Idm-E322
Lucky Strike Mine, Lander County,
Nevada

Dear Mr. Snyder:

In your July 8 letter you requested this office to give early consideration to your final amended application of April 15, 1952 in the amount of $124,332.52.

The matter was referred to the Washington Office of the Defense Minerals Exploration Administration and I have been advised to inform you that it will be necessary for you to furnish fully substantiated data such as will enable the Government to properly consider the greatly increased proposed cost over that allowed by Contract Idm-E322.

Upon receipt of the requested information, we will decide if a field examination will be required in order to revaluate the project before submitting our recommendations to the Washington Office.

Sincerely yours,

/s/ H. C. Miller

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Docket No. 1949

Commodity Lead-Zinc

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 322

Date of Contract ~~amendment~~ May 23, 1952

Name and Address of Operator:

George W. Snyder & George W. Snyder, Jr.
518 Felt Building
Salt Lake City, Utah

Amount of Government participation ____ $ 13,897.00

Percent of Government participation 50 %

Region: II State: Nevada

Note: Please release 88,155.64. Contract terminated

E. N. Talbert
(Name)

for J. L. Chambers, Chief
Contract Administration and
Audit Division

4/23/56 (Title)

Date Delivered to Bureau of Mines, Washington.

54458

Docket No. 1949

Commodity Lead-Zinc

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 322

Date of Contract ~~Amendment~~ May 23, 1952

Name and Address of Operator:
George W. Snyder and George W. Snyder, Jr.
516 Felt Building
Salt Lake City, Utah

Amount of Government participation $13,897.00

Percent of Government participation 50 %

Region: III State: Nevada

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

(Title)

Date Delivered to Bureau of Mines, Washington. May 23, 1952 13908

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

DOCKET NO. DMEA 1949X

COMMODITY Lead-Zinc

Idm-E322
GOVERNMENT'S COPY

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

EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this 23rd 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]

George W. Snyder and George W. Snyder, Jr. - Individuals
518 Felt Building
Salt Lake City, Utah

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 Nevada, County of Lander, described as follows: [3] Lucky Strike, Lucky Strike No. 1, Lucky Strike No. 2, Lucky Strike No. 3 and Lucky Strike No. 4, described in Survey No. 3475, embracing a portion of Township 32 N.R. 43 E. M. D. M. amounting to 103.29 acres more or less.

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 lienholder is attached:~~

(*b*) That the Operator is a lessee, in possession and entitled to possession, ~~and the Owner's Consent to 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 thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] lead and zinc

in or upon the described land; and shall bring the project to completion within a period of six (6) 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 paid 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 $13,897.00, which is 50 percent of $27,794.00, 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.* ______________________

____

____

____

Executed in sextuplicate the day and year first above written.

George W. Snyder and George W. Snyder, Jr.

By George W. Snyder George W. Snyder Jr.

By ______________________

THE UNITED STATES OF AMERICA

By C O Mittendorf

Acting Administrator
Defense Minerals Exploration 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]

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
1952 JUN 4 AM 11
SAN FRANCISCO, CALIFORNIA

EXPLORATION PROJECT CONTRACT
GEORGE W. SNYDER AND GEORGE W. SNYDER, JR.
LUCKY STRIKE MINE, NEVADA
DOCKET NO. DMEA-1949X

EXHIBIT "A"

Description of the Work

This project consists of sinking an existing incline winze an additional 130 feet. This winze now extends from the north face of the "upper level" of the "South Workings" to the bottom of the main "Dunham Shaft". The purpose of this work is to allow exploratory drifting and crosscutting at the greater depth. Drifting is to be undertaken in both a northerly and southerly direction with exploratory crosscuts run at such intervals and in such direction as may be determined by favorable showings. The total aggregate length of drifting and crosscutting shall not exceed 300 feet. The direction, location, and length of the drifts and crosscuts are to be mutually agreed upon by the Government and the Operator.

Some repairs and additions are to be made to existing buildings.

Attached hereto are the following maps:

(A) U. S. Minerals Survey Plot Number 3475 showing the mining claims which comprise the project property.

(B) A plan and longitudinal section of the mine workings and the proposed work.

Estimated Costs of the Project
(*Indicates allowable maximum)

Detail Costs

(1) Independent Contracts

None

(2) Labor, Supervision, Consultants 1/ 2/
(Estimated costs per month)
2 - Miners @ $15.00/day for 22 working days $ 660.00

1/ The costs stated under this category include insurance and taxes.

2/ Labor rates are subject to overtime increase.

1 - Hoistman @ $15.00/day for 22 working days	$ 330.00	
1 - Cager-top man @ $15.00/day for 22 working days	330.00	
2 - Trammers @ $14.00/day for 22 working days	616.00	
1 - Supervisor @ $400.00/mo.*	400.00*	
Engineering and office work @ $200.00/mo.*	200.00*	
Total per month	$2,536.00*	
Total for 6 months		$15,216.00*

(3) Operating Materials and Supplies
(Estimated costs per month)

Powder, fuse caps and carbide	$ 300.00	
Gasoline and lubricants	260.00	
Maintenance and repair	300.00	
Pipe-steel, timber and miscellaneous items	400.00	
Total per month	$1,260.00*	
Total for 6 months		7,560.00*

(4) Operating Equipment

To be purchased:

1 - Air tugger hoist	$1,150.00	
2 - Rock drills - jackhammers	1,100.00	2,250.00*

To be furnished by Operator

	Value	Depreciation Allowance per Month
2 - Compressors, gasoline driven	$3,800.00	$ 63.37*
2 - Sinking pumps	2,000.00	33.37*

	Value	Depreciation Allowance per Month	
1 - Truck, pickup	$1,875.00	$ 31.26*	
Total per month	$7,675.00	$128.00*	
Total for six months			$ 768.00*

(5) Rehabilitation and Repairs

These costs include labor and materials:

Compressor building	$600.00*	
Dwellings	700.00*	
Boarding house	700.00*	
Total for project		2,000.00*

(6) New Buildings, Improvements, Installations

None

(7) Miscellaneous

None

(8) Contingencies

None

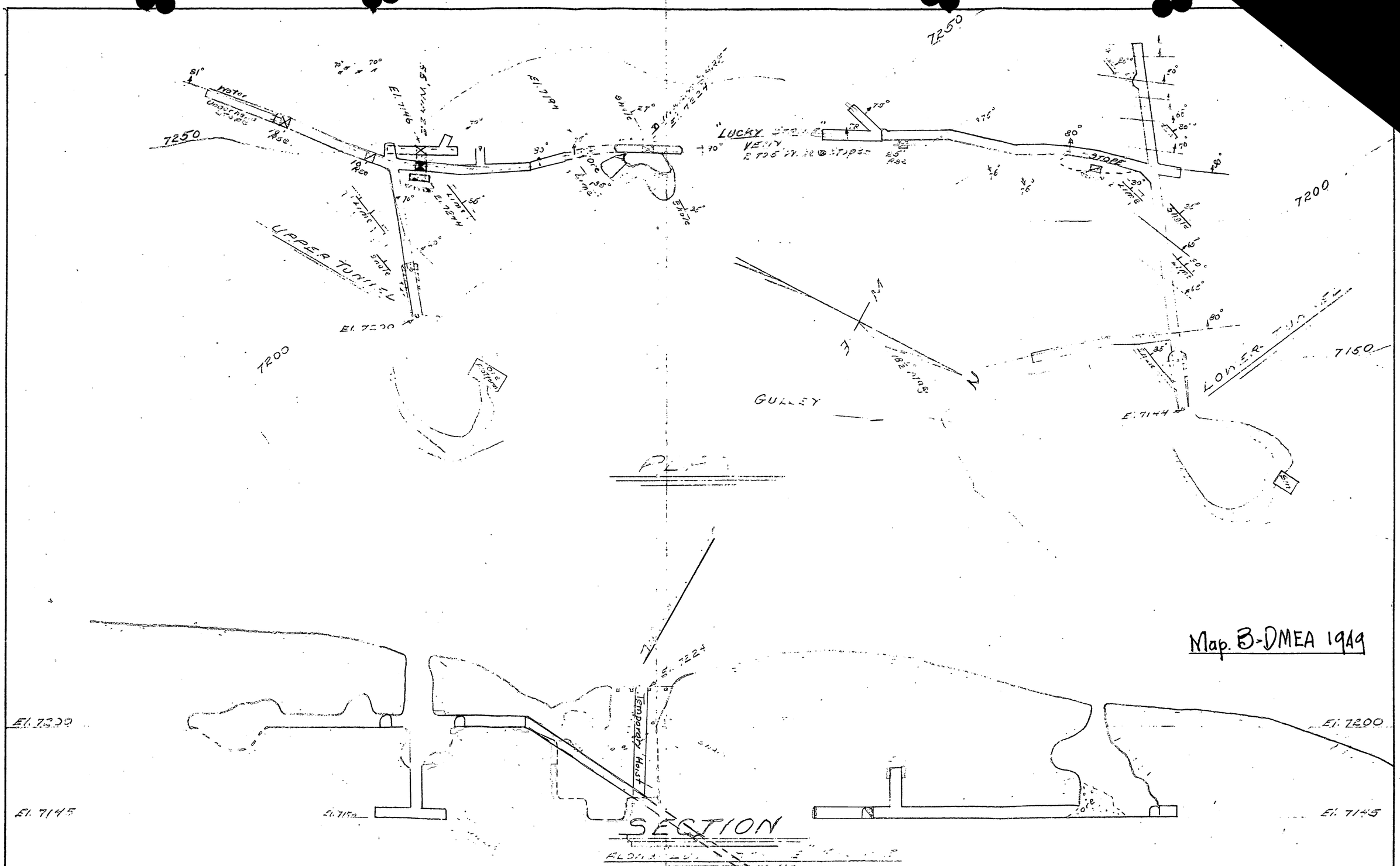
Total estimated cost of project	$27,794.00*
Government participation @ 50%	$13,897.00*

Aggregate Costs

Operating Equipment to be Purchased	
Itemized above	$ 2,250.00
Rehabilitation and Repairs	
Itemized above	2,000.00

Sinking Incline Winze an Additional 130 ft. and Drifting and Crosscutting 300 ft.

Labor, supervision, consultants	$15,216.00	
Operating materials and supplies	7,560.00	
Allowance for depreciation of equipment	768.00	$23,544.00
Total estimated costs of project		$27,794.00
Government participation @ 50%		$13,897.00



Map. B-DMEA 1949

REFERENCES	REVISIONS	WORK		
	Combined Metals Reduction Co.	DRAWN	L.A.T.	9-12-51
	Salt Lake City, Utah	TRACED		
		CHECKED		
		APPROVED		

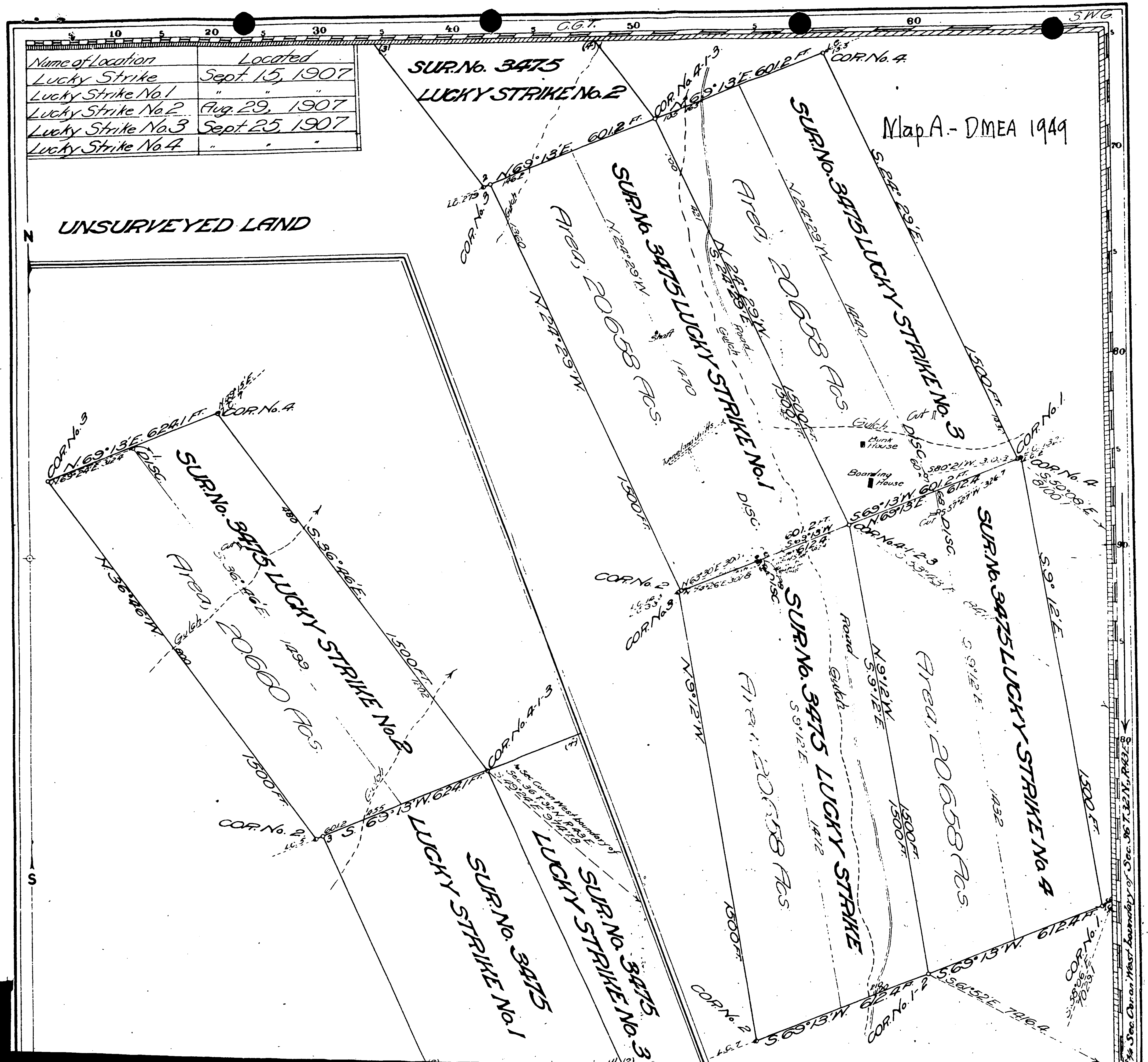
COMBINED METALS REDUCTION CO.
SALT LAKE CITY, UTAH

LUCKY STRIKE MINE
BATTLE MOUNTAIN, NEVADA

SCALE: 1" = 50'

B-

SALT LAKE BLUE 1000H



Name of Location	Located
Lucky Strike	Sept. 15, 1907
Lucky Strike No. 1	" " "
Lucky Strike No. 2	Aug. 29, 1907
Lucky Strike No. 3	Sept. 25, 1907
Lucky Strike No. 4	" " "

J.G.P.

~~Claim Loca~~

Mineral Survey No. 3475

~~Lot No.~~

Carson City Land District.

PLAT

OF THE CLAIM OF

E. P. Evans et al.

KNOWN AS THE

LUCKY STRIKE, LUCKY STRIKE No. 1, LUCKY STRIKE No. 2, LUCKY STRIKE No. 3 AND LUCKY STRIKE No. 4 LODES

IN Battle Mountain MINING DISTRICT,

Lander COUNTY, Nevada

Containing an Area of 103.292 Acres.

Scale of 300 Feet to the inch.

Variation 18°15' E.

SURVEYED March 5-10, 1908 BY

Chas. P. Brooks U.S. Deputy Mineral Surveyor,

The Original Field Notes of the Survey of the Mining Claim of E. P. Evans et al. known as the "Lucky Strike," "Lucky Strike No. 1," "Lucky Strike No. 2," "Lucky Strike No. 3" "Lucky Strike No. 4" Lodes

from which this plat has been made under my direction, have been examined and approved, and are on file in this Office; and I hereby certify that they furnish such an accurate description of said Mining Claim as will, if incorporated into a patent, serve fully to identify the premises, and that such reference is made therein to natural objects or permanent monuments as will perpetuate and fix the locus thereof.

I further certify that Five Hundred Dollars worth of labor has been expended or improvements made upon said Mining Claim (or for each location of) by claimants —— or their grantors, and that said improvements consist of 2 shafts, 3 cuts, 1 tunnel and drifts and 1 tunnel, drifts, raises, crosscuts and Incline shaft —— Value, $8,595.00

that the location of said improvements is correctly shown upon this plat, and that no portion of said labor or improvements has been included in the estimate of expenditures upon any other claim.

And I further certify that this is a correct plat of said Mining Claim made in conformity with said original field notes of the survey thereof, and the same is hereby approved.

U.S. Surveyor General's Office.

Reno, Nevada

July 3, 1908

Matthew Kyle

U.S. Surveyor General for Nevada