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-E221, Docket DMEA-1236 (beryl-mica), dated January 11, 1952, with

George R. Campbell and Glenn Ventling
Custer, South Dakota

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Whitetop Nos. 1 and 2 Claims and also as the Whitetop Pegmatite and the Dakota Lode, located in Custer County, South Dakota, during the period April 4, 1959, through November 16, 1961.

A certification of discovery or development was issued on May 15, 1952, and, in accordance with Article 15 of the contract, royalty is payable on all minerals produced as a result of such discovery or development from the land described in Article 2 of the contract for a period of 10 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 June 19, 1952, indicated accepted costs under the exploration contract amounting to $1,193.13 with the Government's contribution on a 90 percent basis being $1,073.82.

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

This review established no sales of production subsequent to the period covered by a prior Report of Royalty Review, which found the sales subject to Government royalty through April 3, 1959, to be $2,139.24. The royalty account as of April 3, 1959, was:

Total Royalty Payable	$106.97
Total Royalty Paid	86.12
Balance of Royalty Due	$ 20.85

At November 16, 1961, the royalty account of this project was found to be:

Total Royalty Payable	$106.97
Total Royalty Paid	106.97
Balance of Royalty Due	$ -0-

E. D. Talbert, OME Auditor

November 20, 1961

Idm-E221 George R. Campbell and Glenn Ventling DMEA-1236

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

The files indicate no sales of production from the property under the contract other than the 1952 sales of mica and beryl and the single 1958 sale of beryl, all of which are covered by the prior Report of Royalty Review. Except for enlargement of the adit, during which the beryl sold in 1958 was produced, the property has been inactive since May 1952.

On May 14, 1959, George R. Campbell, who was then plant superintendent of the GSA Purchasing Depot in Custer, advised an OME Field Team representative that he had disposed of his interest in the property. However, during a November 14, 1961, inspection of the property, which confirmed its inactive status, the examining engineer was told by Mr. Campbell that he still owned an interest in the property.

The Government's lien on the property and any production resulting from the discovery or development remains in effect until January 11, 1962.

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 all sales of production have been reported and proper royalty thereon paid to the Government;

(2) The property has been inactive since 1958; 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 additional royalty which might be disclosed.

MME Form 22
Dec. 60

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name and Address

George Campbell and Glen Ventling

Custer

South Dakota

Contract No.	Docket No.
Idm-E221	DMEA 1236X

Prepared by (Signature)	Date
Original signed by Hugh M. Connors	11-16-61

Yes	No		
		1. (a)	Does the Operator stockpile ore subject to royalty repayment?
		(b)	If so, is segregation and identification procedure adequate?
		2. (a)	Does the Operator commingle production subject to DMEA or OME royalties with exempt production?
		(b)	If so, is the allocation of the commingled production equitable?
		3. (a)	Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?
		(b)	If so, are adequate records maintained on such material to protect the Government's interest?
		4.	Are the assay controls in effect adequate?
		5.	Does the manner of disposing of production give the Government its fair royalty returns?
		6.	Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties?
		7.	Does the Operator buy from or sell to other Operators?
		8.	Current status of property. (Check one).
			Operating.
	X		Inactive.
			Abandoned.
		1958	Date of last production if not operating.

Comment on items 1(b), 2(b), 3(b), and 4 to 6, if answer is No:

See report of Final Inspection.
HMC

84861-60

Building [illegible]
Denver [illegible]

November [illegible], 1961

Memorandum

To: George C. Belfridge, Chief
Division of Field Operations, DMM
Washington 25, D. C.

From: Acting Field Officer, DMM, Region [illegible]

Subject: Docket No. DMA 125.X [illegible]
Contract DMa-5221
George R. Campbell and [illegible]
(White Top Pegmatite
Custer County, South [illegible]
FINAL INSPECTION

Mr. Robert Bolmer, Mining Engineer for the U. S. Bureau of Mines, made the final inspection of the subject property on November [illegible], 1961.

He found the pegmatite inactive. Mr. Bolmer talked to George Campbell, one of the co-owners who confirmed him that he still owned an interest in the subject property and that there had been no mining operations since the early part of [illegible].

I believe that the Government has received its share of the royalty due from shipments of ore under [illegible] and that there was been no unreported production.

[illegible]

EXTRA COPY
O. M. E
RECEIVED NOV 30 1961
DATE INITIALS CODE
800

Building 20 - Federal Center
Denver 25, Colorado

November 27, 1961

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: BMEA-1236 (Beryl-Mica)
Contract Ibm-E221
Campbell and Voetling
(Whitetop Nos. 1 and 2 Claims)
Custer County, South Dakota

Enclosed is the original of the Report of Royalty Review on the subject property dated November 20, 1961 covering the period April 4, 1959, through November 16, 1961.

Original signed by

Hugh M. Connors

Attachment
HMC/lm
cc Chief, Division of Field Operations, OME
E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Royalty Corres E221
Chron

NOV 21 1961

Memorandum

To: Acting Field Officer, Region III

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

Subject: DMEA-1236 (Beryl-Mica)
Campbell and Ventling
Whitetop Nos. 1 and 2 Claims
Custer County, South Dakota
Contract Idm-8221

The original and one copy of a Report of Royalty Review covering the subject contract are attached. 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.

Attachments

EDTalbert/ama
November 20, 1961

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

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E.
RECEIVED NOV 13 1961

DATE	INITIALS	
		800

November 9, 1961

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: OME-6121 (Mica-Beryl)
Perley and Laramie
dba L & R Mining Company
(Buster No. 3 claim)
Custer County, South Dakota

Mr. T. M. Romslo was called to Lead, South Dakota to be with his brother who is critically ill.

Mr. Geehan has consented to have Mr. Robert Bolmer assist us in the examination of the subject property November 13th and 14th.

On this trip Mr. Bolmer will also make the final inspection on docket DMEA 1236, Contract Idm E221, Campbell & Ventling. On Mr. Bolmer's return to this office I will prepare an original and one copy of MME Form 22 which was requested by Mr. Talbert on October 30, 1961.

Mr. Bolmer is an excellent engineer and made many fine Reports of Examinations on DMEA applications.

Original signed by

Hugh M. Connors

Talbert

OCT 3 0 1961

Memorandum

To: Acting Field Officer, Region III

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

Subject: DMEA-1236 (Beryl-Mica)
Campbell and Ventling
Whitetop No. 1 and 2 claims
Custer County, South Dakota
Contract Idm-E221

This Division is preparing a Report of Royalty Review on the subject contract. Accordingly, your submission of an original and one copy of MME Form 22, Check Sheet of Examining Engineer, will be appreciated.

It appears that this project has been inactive since 1958. If this is so, please make an appropriate statement under item 8 of MME Form 22.

EDTalbert/ama
October 30, 1961

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

TRIPLICATE Treasury Department Circular No. 945 - Rev., Supp. 1 (Third Amendment). Promulgated Sept. 11, 1957 by Treasury Department, Fiscal Service.

CERTIFICATE OF DEPOSIT
Standard Form 219

Identification of Accountable Officer Affected	
(1) Office Deposit Symbol: 9013	(2) For Consolidated Abstract of Treasury Regional Office at (city and state): Denver, Colo.

4/15/59 (Date sent) 136 (Deposit No.)

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

(3) The Sum of $ 111.37

(4) Classification of Deposit

Account Symbol	Amount	Account Symbol	Amount
14X4401	$ 111.37		$

(6) Department or Agency and address whose accounts are credited, IF OTHER THAN depositing agency.

(5)
14-23-040
Office of Minerals Exploration
224 New Customhouse
Denver 2, Colo.

Depositor's title, Department or Agency and address. If deposit is made for another accounting entity, identify in (6).

(7) SPACE BELOW TO BE USED BY DEPOSITARY ONLY. I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

APR 15 1959
(Date of credit in Treasurer's account)

Depositary will date, sign and forward to depositor for his retained copy.

E-452 Uranium
Development 90.52
E-221 Campbell
& Ventling 20.85
111.37

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 20 1959

DATE	INITIALS	CODE
4/20	C	200
		800

1979 APR 15 PM 1 35

224 New Customhouse
Denver 2, Colorado
April 8, 1959

RECEIVED O. M. E.
DATE APR 13 1959
800

Mr. George H. Campbell, Sr.
Custer
South Dakota

Re: Market MMEA 1256X (Beryl-Mica)
Lease-E221 (Whitetop No. 1 and
No. 2 Mining Claims) Custer
County, South Dakota

Dear Mr. Campbell:

We have had no reply to our letter dated February 26, 1959, in which we requested payment of $20.85 for past due royalty. The check should be made payable to the Office of Minerals Exploration, which is the successor agency to MMEA.

If we receive no reply from you by May 8, 1959, we will have no other recourse but to refer the matter to the Washington Office of Minerals Exploration for their appropriate action.

Very truly yours,

Original signed by
J. W. TOWNSEND

J. W. Townsend
Executive Officer
OME Field Team, Region III

HMC/ff

cc: Chem. Op. Comm. (2)
Marshall
Royalty file, E221
Chron.

REPORT OF
ROYALTY REVIEW

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, OME Field Team, Region III, Denver, Colorado, pertaining to Contract No. Idm-E221, Docket No. DMA 1236X, (Beryl-Mica) dated January 11, 1952, with

George R. Campbell and Glen Ventling
Custer, South Dakota

for the purpose of determining the amount of royalties due the United States Government on the sale of minerals produced from the White Top Pegmatite, Custer County, South Dakota, during the period January 11, 1952, through April 3, 1959.

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

My review established the net smelter value of sales of minerals for this period to be $2,139.24. (See Schedule No. 1 attached.) Royalty due the United States Government at the contract rate of 5% is $106.97. The royalty paid and the balance due are as follows:

Total Royalty Due	$106.97
Total Royalty Paid	86.12
Balance of Royalty Due	$ 20.85

April 6, 1959

Donald T. Finch
Donald T. Finch
OME Auditor

O.M.E.

GEORGE R. CAMPBELL AND GLEN VENTLING

CONTRACT NO. Idm-E221 DOCKET NO. DMA 1236X

STATUS OF PROJECT, DESCRIPTION OF REVIEW AND REASONS THEREFOR

The exploration work was completed March 6, 1952, and a Certificate of Discovery or Development was issued May 15, 1952. A Report of Review, dated June 19, 1952, in lieu of a final audit indicates accepted costs to be $1,193.13, with Government participation on a 90 percent basis being $1,073.82. According to the terms of the contract royalty is due for a maximum period of ten years from the date of the exploration contract (January 11, 1952), on the net proceeds realized from ore produced from the land described in paragraph 2 of the exploration contract.

The examination of the Executive Officer's files and a conference with the examining engineer indicates the property has been inactive since May, 1952 with the exception of an isolated sale of Beryl ores to the General Services Administration in April, 1958, which was reported to the Executive Officer by a previous examining engineer, after he had examined the purchase records of the receiving station of the General Services Administration at Custer, South Dakota. The present examining engineer who has just returned from an examination of the area reports the property has been inactive since the April, 1958 shipment.

My review included a tabulation and recomputation of all purchase liquidation settlement sheets or memorandum on file with the Executive Officer of the Field Team, during the period January 11, 1952 through April 3, 1959. Royalty receipts were reconciled with the records of the OME Finance Office, Denver, Colorado. The present examining engineer advised that his detailed examination of the receiving station of the General Services Administration at Custer, South Dakota, did not disclose any sales of ore subsequent to April, 1958.

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

(1) Sales of ores were supported by liquidation settlement sheets or other memoranda.

(2) The examining engineer is of the opinion that all sales of production have been properly accounted for.

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

Schedule I

GEORGE R. CAMPBELL AND GLEN VENTLING

CONTRACT NO. Idm-E221

DOCKET NO. DMA 1236X

SUMMARY OF PRODUCTION SUBJECT TO ROYALTY
PERIOD JANUARY 11, 1952, THROUGH APRIL 3,1959

	Pounds	Amount	
Beryl			
1952 sale to Gladys Wells	1254	$ 250.80	
April 7, 1958, sale to General Services Administration, Settlement B-439	1648	416.94	
Total sales of Beryl	2902	$ 667.74	
Mica			
1952 sales of Mica to General Services Administration	4905	1,471.50	
Total Value of Sales subject to Royalty			$2,139.24
Total Royalty Due at 5%		$ 106.97	
Total Royalty Paid		86.12	
Balance Royalty Due applicable to production included in G.S.A. B-439			$ 20.85

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name George R. Campbell and Glen Ventling

Address Custer, South Dakota

Whitetop Pegmatite mine, Custer County, So. Dak.

Exploration Contract No. Idm-E 221 Docket No. DMEA 1236X

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

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

Date

W. Marshall
Mining Engineer

APR 13 1959

Memorandum

To: Donald F. Mach, CAR Auditor

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

Subject: Docket No. [illegible] (Beryl-Mica)
George F. Campbell and Glen Vanking
Contract No. [illegible]

Your Report of Equity Review on the subject contract is acceptable and normal distribution is authorized.

GMcCarthy/GMcC
April 13, 1959

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

EXTRA COPY
O. M. E.
RECEIVED MAR 2 1959

DATE	INITIALS	CODE
		820

224 New Customhouse
Denver 2, Colorado

February 26, 1959

Mr. George R. Campbell, Sr.
Custer
South Dakota

Re: Docket DMEA 1236X (Beryl-Mica),
Lim-E221, (Whitetop No. 1 and No. 2
Mining Claims), Custer County, South Dakota

Dear Mr. Campbell:

Thank you for your letter of February 25, 1959 to which the settlement sheets for Lot No. B-439 were attached.

Lot No. B-439 consisted of Beryl from the "Dakota Lode", also known as the "Whitetop claims", the "Beecher Lode", and the "Someday". The only ore subject to DMEA royalty is that from the "Dakota Lode", and the evaluation and the settlement data on the DMEA ore is as follows:

1,648 pounds of Beryl ore delivered on 3-25-58
BeO Content per Report of Analysis. . 10.12%
Rate per pound for 10.12% Beryl ore . . . . 25.3¢
1,648 pounds X 25.3¢ per pound . . . . . 416.9¢
DMEA Royalty at 5% 20.85

Please forward this office your check in the amount of $20.85 to cover the royalty due on Lot No. B-439. The check should be made payable to the Executive Officer, OME Field Team, Region III, 224 New Customhouse, Denver 2, Colorado.

Very truly yours,

Original signed by
J. W. TOWNSEND

J. W. Townsend
Executive Officer,
OME Field Team, Region III

HMC/ff

cc: Chmn. Op. Comm. (2)
Harshman
Marshall
Royalty file, E221
Chron.

O. M. E.
FEB 13 1959
800

224 New Customhouse
Denver 2, Colorado

February 13, 1959

Messrs. George R. Campbell, Sr., and Glen Ventling
747 Custer Avenue
Custer, South Dakota

Re: Docket DMEA 1236 (Mica-Beryl)
Contract Idm-E221
George R. Campbell and Glen Ventling
(Whitetop Nos. 1 & 2 claims)
Custer County, South Dakota

Gentlemen:

Recent inspection of GSA production records indicates that the Mica Purchase Depot, Custer, South Dakota purchased 2,285 pounds of beryl ore bearing Lot No. 439, which included 1,648 pounds of beryl ore subject to the Government's royalty under the terms of DMEA contract Idm-E221. The entire lot assayed 10.12 percent BeO.

A check for the proper amount of royalty due on the production should be made payable to the Defense Minerals Exploration Administration and forwarded to the Executive Officer, OME Field Team, Region III, 224 New Customhouse, Denver 2, Colorado. The check must be accompanied by three copies of GSA Warranty Acceptance and Invoice Sheet covering Lot No. 439.

If you are unable to compute the royalty due the Government on the production, please forward three copies of the GSA Warranty Acceptance and Invoice Sheet covering Lot No. 439, and we will advise you of the amount of royalty due the Government.

Very truly yours,

Original signed by
J. W. TOWNSEND
J. W. Townsend
Executive Officer
OME Field Team, Region III

JWT/ff

cc: Chmn. Op. Comm. (2)
Marshall, OME/DFC
Royalty File, Reg. III
Chron.

For Certificate of Deposit No. 69, dated February 10, 1955, giving royalty repayment of $86.12, see E-4.

C O P Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~

Region V
2906 Colfax Avenue South
Minneapolis 8, Minnesota

October 4, 1954

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Washington, D. C.

From: Executive Officer, Field Team, Region V

Subject: Royalty payments - Dockets 1554 and 1236 E221

Our semi-annual report on certified projects, dated July 2, 1954, advised that there was a shipment of 26 pounds of columbite-tantalite made on October 9, 1953 to the General Services Administration Purchasing Depot, Custer, South Dakota, by Stewart-Roseberry, operators of contract E-165, docket DMEA 1554. We have been advised that this shipment of 26 pounds of columbite-tantalite did not come from the Gap Lode, which was the subject of their exploration under contract E-165, but rather from the Wilhelm mine, and that the ore was produced in 1940. Apparently the information obtained by our representatives in the Black Hills was in error. We are asking them to make a further check, but we are convinced now that the report that royalties had to be made by this docket was in error. We believe their letter to you, which is attached, clarifies the situation.

The same semi-annual report advised that the operators of contract E-221, docket 1236, were in arrears for royalty payments on some mica which they shipped. We have received their check in the amount of $24.58 in payment of royalty on 1,672 pounds which was sold in their name. Their letter to you, which is attached, indicates that all of the 1,672 pounds was not produced at their property, but that others had added mica to bring the sale up sufficiently large to be of interest to dispose of with the General Services Administration depot. Settlement sheet for the 1,672 pounds was not included with their check, but we are making a request for it.

/s/ A. B. Needham

A. B. NEEDHAM

Attachments

COPY

Mr. Chamberlain

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

Recd. George R. Campbell 9/20/54

Registered Mail
Return Receipt Requested

Mr. George R. Campbell

SEP 16 1954

Custer, South Dakota

Re: Docket No. DMEA-1236 (Beryl-Mica)
Campbell and Vantling
Whitetop No. 1 and 2 Claims
Custer County, S. D.
Contract No. Idm-E221

Dear Mr. Campbell:

By letter dated May 16, 1952 transmitting a Certification of Discovery or Development on the referenced project, you were specifically advised as follows:

> "By the terms of the Exploration Project Contract and of the Certification, all minerals produced from the aforesaid claims from the date of the Exploration Project Contract is subject to the Government's percentage royalty as set forth in the contract until the sum of $1,073.82 is paid or until January 11, 1962, whichever occurs first."

You were advised further that royalty payments, accompanied by suitable evidence such as copies of settlement sheets showing quantity and grade of mineral product sold, should be sent to Mr. A. B. Needham, Executive Officer, Defense Minerals Exploration Administration, Field Team, Region V, 2908 Colfax Ave., South, Minneapolis 8, Minn.

The records of this Administration indicate that you:

(1) Made shipments during 1952 of 4,905 lbs. of mica to the General Services Administration at Custer, S. D.;
(2) Reportedly sold .75 ton of beryl;
(3) Have not reported the sales and paid the royalty due the Government; and
(4) Have failed to reply to correspondence addressed to you by Mr. Needham requesting payment of the royalties due.

Accordingly, unless you make immediate payment of the royalty due the Government, it will be necessary for this Administration to refer the matter of your obligation to the Comptroller General of the United States for appropriate action.

Your check for the amount due should be drawn to the Defense Minerals Exploration Administration and sent, together with a copy of the settlement sheet, to Mr. Needham. A copy of your transmittal letter should be sent to this Administration as advice of your compliance and to estop further recovery action.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

EDTalbert/wb
September 7, 1954

Copy to: Docket
Admr. Reading File
Region V Field Team
Mr. Houk
Mr. Chambers
Mr. Glenn Ventling (RM RRR) — Rec'd. Mrs. Glenn Ventling 9/21/54
Custer, S. D.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

September 1, 1954

Memorandum

To: Jay L. Chambers, Chief, Contract Administration and Audit Division, DMEA, Washington, D. C.
Through: Operating Committee, DMEA

From: Executive Officer, Field Team, Region V

Subject: Certified project royalties

Following up previous correspondence regarding the delinquent royalty payments in Region V, you are advised that dockets 1554, Stewart-Roseberry, 1236, Campbell & Ventling, 2392, Mineral Mills-Glenwood, and 2876, Duncan & Himebaugh were the ones in question which were delinquent.

Since advising you we have received a check from the operators of docket 2392, Mineral Mills-Glenwood, which brings them current. We have also been advised by our representatives at Rapid City that the operators of docket 2876 indicated that they will make payment some time in the near future, and the reason they have not done so heretofore has been because of certain financial difficulties in connection with the law suits and other controversies experienced by the partnership. We are of the opinion that these operators be extended a little more time.

As we advised you on August 3, 1954, we had written to the operators of dockets 1554 and 1236 also. We have not heard from either of these two, and we suggest that the next correspondence or contacts regarding the royalties be made by your office.

A. B. NEEDHAM

C
O
P
Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINTERLS EXPLORATION ADMINISTRATION
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

August 3, 1954

Memorandum

To: Jay L. Chambers, Chief, Contract Administration and Audit Division, Washington, D. C.

From: Executive Officer, Field Team, Region V

Subject: Certified project royalties

Reference is made to your letter of July 22, 1954, relative to action taken to effect collection of royalties due on the following:

Docket	Contract	Operator
1554	E-165	Stewart-Roseberry
1236	221	Campbell & Ventling
2392	352	Mineral Mills-Glenwood
2876	496	Duncan & Himebaugh

We have written to all but Duncan & Himebaugh, requesting an accounting, but thus far have not heard from them. We will continue to follow up and advise you of the results.

We have requested our Mr. Binyon to talk with Duncan & Himebaugh personally because of the complicated nature of a lawsuit pending between the two partners over the property. We feel it can best be handled and explained that way, rather than by correspondence. We will advise you of the result of the personal contact.

Relative to the difference between royalties reported as paid and amounts for which copies of schedules of collections have been received by you, please be advised that certificate of deposit of $162.02 was sent you on June 16, and one for $256.17 on July 2. These, together with the $134.24 on your record, equals the $552.43 reported by us for contract E-57, Calumet & Hecla, Inc. The Duncan & Himebaugh contract E-496 certificate for deposit for $101.91 was sent on June 7. If you have not already received these, please check with Mr. Bailey's office, Bureau of Mines.

A. B. NEEDHAM

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU MINERAL EXPLORATION ADMINISTRATION
Region V
2908 Colfax Avenue South
Minneapolis 6, Minnesota

August 3, 1954

Memorandum

To: Jay L. Chambers, Chief, Contract Administration and Audit Division, Washington, D. C.

From: Executive Officer, Field Team, Region V

Subject: Certified project royalties

Reference is made to your letter of July 22, 1954, relative to action taken to effect collection of royalties due on the following:

Docket	Contract	Operator
1534	F-165	Stewart-Rosebery
1236	222	Campbell & Vertling
2292	352	General Mills-Glenwood
2676	496	Duncan & Himebaugh

We have written to all but Duncan & Himebaugh, requesting an accounting, but thus far have not heard from them. We will continue to follow up and advise you of the results.

We have requested our Mr. Kingon to talk with Duncan & Himebaugh personally because of the complicated nature of a lawsuit pending between the two partners over the property. We feel it can best be handled and explained that way, rather than by correspondence. We will advise you of the result of the personal contact.

Relative to the difference between royalties reported as paid and amounts for which copies of schedules of collections have been received by you, please be advised that certificate of deposit of $165.02 was sent you on June 15, and one for $236.17 on July 2. These, together with the $134.24 on your record, equals the $535.43 reported by us for contract F-57, Calumet & Hecla, Inc. The Duncan & Himebaugh contract F-496 certificate for deposit for $101.21 was sent on June 7. If you have not already received these, please check with Mr. Bailey's office, Bureau of Mines.

A. B. VERGIAN

REPORT
OF REVIEW

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Report of:

George R. Campbell and Glenn Ventling
(a partnership)
Custer, South Dakota

pertaining to Exploration Project Contract No. IDM-E-221, Docket No. DMA-1236x, for the period of February 1952, first and final report.

My review included an examination of the Monthly Report (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Government representative who visited and examined the project, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of an audit of the Operator's accounts and records for the reasons indicated by "X" below:

(x) The Monthly Report was supported by documentary proof of the costs incurred under the contract;
(x) The contract provides for payment by the Government on the basis of agreed estimated costs of units of work actually performed

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

Total cost as billed by Contractor		$ 1,283.13
Exceptions:	None	
*Proceeds from sale of Materials		90.00
Total Accepted Cost		$ 1,193.13

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of one thousand seventy-three Dollars and 82/100.

- $ 1,073.82 -

is considered valid and proper.

Date: June 19, 1952

Robert M. Hull
Auditor

*(Pipe and miscellaneous supplies)

COPY

Form I-1017-Rev.
Form approved by
Comp. Gen., U.S.
August 20, 1951

DEPARTMENT OF THE INTERIOR

VOUCHER AND SCHEDULE OF PAYMENTS

Sheet 1 of

Bureau or Office: Defense Minerals Exploration Administration

Location of Transmitting Office: Minneapolis 8, Minnesota | Station No.: 14-24-050 | D. O. Symbol: 409

D. O. Voucher No.

Bu. Schedule No. 32

Appropriation Summary: (Symbol and amount)

14X4401 - $2,772.22

PAID BY

(For use of paying office)

(1) Bureau Voucher No.	(2) Payee, and if necessary, address, invoice no., or other identification	(3) AMOUNT	(4) D. O. Check No.
	George R. Campbell & Glenn Ventling Custer South Dakota I-DM-E221	$ 34.48	
	D. H. & S. Mining Company Dodgeville Wisconsin I-DM-E245	171.55	
	E. P. Scallon Zinc Mines 1126 Minnesota Building St. Paul, Minnesota I-DMA-E14	346.44	
	Mich Lode (Smith, Whitehead & Walker) Custer South Dakota I-DM-E140	2,219.75	
	TOTAL	$2,772.22	

Pursuant to authority vested in me, I certify that the items listed herein are correct and proper for payment from the appropriation(s) designated.

5/8/52
(Date)

L. A. Hill
(Authorized Certifying Officer)

U. S. GOVERNMENT PRINTING OFFICE—1951—968901

MF-104
(August 1951)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 221

Name of Operator George R. Campbell and Glenn Vantling
Docket No. DMA 1236X
Total Contract Amount $ 6590.00
Government Participation: 90 % Amount, $ 5895.00
Distribution of Expenditures for Month of February 5, to March 5, 1952

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

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

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

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 1 1952

CERTIFICATION

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

George R. Campbell and Glenn Vantling (Name of Company) By George R Campbell (Signature of Authorized Official)

March 13, 1952 (Date) Co-Partner (Title)

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

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]						
(b) Rented[2]						
[illegible]	[illegible]		[illegible]	$90.00	--	$90.00
(c) Furnished by operator						
1 [illegible]						
1 [illegible]						
3. Rehabilitation and Repairs:						
(a) Facilities						
[illegible]						
(b) Buildings						
(c) Installations						

16—64068-3

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

April 15, 1952

Mr. George R. Campbell
Custer,
South Dakota

Dear Mr. Campbell:

Reference is made to your Operator's Monthly Progress Report for February 5 to March 5, 1952, which has been passed for payment in the amount of $1,039.34.

Since the project has been completed and this is the final voucher, 10 percent (or $128.31) has been withheld pending receipt of the final geological report, pursuant to our letter of March 31, 1952.

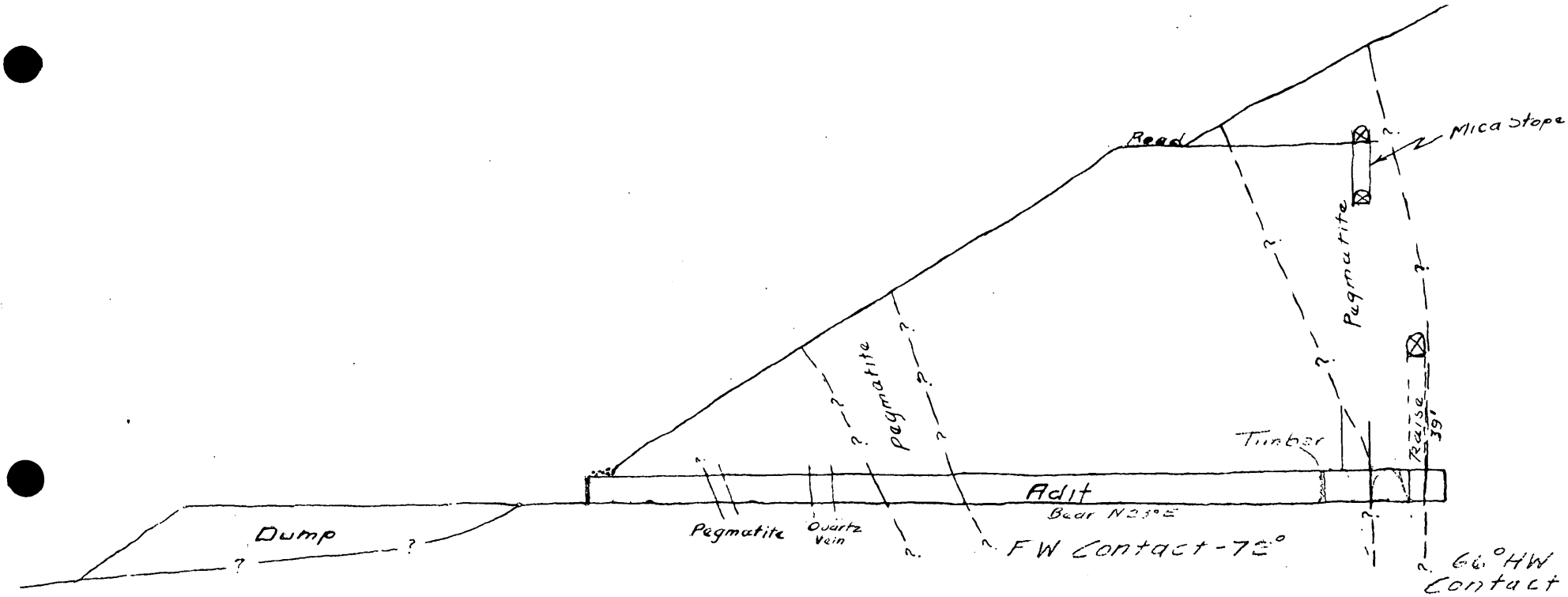
You should receive the check in the amount of $1,039.34 from the Disbursing Office within the next week.

Sincerely yours,

A. B. Needham
Executive Officer
Field Team, Region V

ABNeedham:dt

cc Dutton
DMEA (Wash) 2
Region V
files
df



Taken from Brunton Survey map
by F. C. Lincoln 5-30-'25

Section - White Top Mine
Custer County, South Dakota.

40 0 40
Scale Feet

[illegible] - [illegible] strain
[illegible] of timber
[illegible] 30' + from [illegible]
of track in adit

2-27-'52

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

April 7, 1952

Memorandum

To: Special Assistant to the Regional Director, Region V

From: Executive Officer, Field Team, Region V

Subject: Operator's Monthly Progress Report for February 1952
Docket DMA-1236x, Contract Idm-8221
Campbell and Ventling

Here is the first and final report for the subject docket.

Since the company's final report has not been received, and since there might be disposition of some used facilities, it is suggested 10 percent of the payment be held pending clearance of the above.

A. B. Needham
Executive Officer
Field Team, Region V

Attachment

ABNeedhamdt

cc Dutton
Mullen
Redden
DMA (wash) 2
Region V
files
df

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

Region V
2906 Colfax Avenue South
Minneapolis 8, Minnesota

April 7, 1952

Memorandum

To: Special Assistant to the Regional Director, Region V

From: Executive Officer, Field Team, Region V

Subject: Operator's Monthly Progress Report for February 1952
Docket DMA-1236x, Contract Idm-E221
Campbell and Ventling

Here is the first and final report for the subject docket.

Since the company's final report has not been received, and since there might be disposition of some used facilities, it is suggested 10 percent of the payment be held pending clearance of the above.

A. B. Needham
Executive Officer
Field Team, Region V

Attachment

abNeedham:dt

cc Dutton
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DMEA (wash) 2
Region V
files
df

REPORT ON THE EXPLORATION PROJECT

at

THE WHITE TOP (DAKOTA) PEGMATITE

Custer County, South Dakota

Rehabilitation of the adit under Contract No. E-221, DMA Docket No. 1236X, was started February 5th and completed March 6, 1952.

The work consisted of moving a compressor to the property, hauling of rail and mine car from the old workings to the adit location, and laying of 200 feet of air line and 315 feet of 18-inch gauge track; also the timber sets at the collar were removed and replaced with new sets, and approximately 15 tons of muck that had caved into the adit was removed.

At the chute near the face of the adit (193 feet from the collar - see map) about 410 tons of material was pulled from the open cut above and about 10 tons that had accumulated under and behind the chute had to be removed in order to reach the face of the adit.

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor [3]	587.25		587.25	587.25		587.25
5. Supervision	350.00		350.00	350.00		350.00
6. Supplies						
(a) Timber						
(b) Explosives	41.46		41.46	41.46		41.46
(c) Repair Parts						
(d) Other	205.05		205.05	205.05		205.05
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation	9.37		9.37	9.37		9.37
10. Contract Work						
11. Other (specify)						
Total	1283.13		1283.13	1283.13		1283.13
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date	1283.13		1283.13	1283.13		1283.13

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

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

FOR GOVERNMENT USE ONLY

Checked by E. O. Benyon

Entered by

Approved by D. H. Mullen Supervising Engineer

Amount approved for payment

Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF February 5 to March 5, 1952

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden	4.08	.39	1.07	.04	5.58	feet				
Rehabilitation and preparation										
Geology and geophysics							230	none	230	230
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	4.08	.39	1.07	.04	5.58	feet	230	none	230	230

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

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

FEB 2 - 1962

Messrs. George R. Campbell and Glenn Ventling
747 Custer Avenue
Custer, South Dakota

Re: D MA-1236X (Beryl-Mica)
Campbell and Ventling
Whitetop No. 1 and 2 claims
Custer County, South Dakota
Contract Ydm-8221

Gentlemen:

By the terms of the subject Exploration Project Contract and the certification of discovery or development, dated May 15, 1952, all minerals mined or produced from January 11, 1952, to January 11, 1962, 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. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Fumich, Jr.

Director

Copy to:
Mr. Glenn Ventling
235 Woodlawn Drive
Custer, South Dakota
GLAult/s
1-30-62
cc to: Director's Reading File
Region III (2)
Div. of Contract Adm. and Audit
Code 500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

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

To: George R. Campbell and Glenn Ventling
Campbell and Ventling Mining Co.
Custer, South Dakota

Pursuant to the provisions of Exploration Project Contract No. Idm-E221, dated January 11, 1952 (Docket No. 1236X), hereinafter called the "Contract," between you and the United States of America, hereinafter called the "Government"; to establish and fix the claim and lien of the Government under the terms of the Contract, the Government hereby certifies that a discovery or development has resulted from the work under the Contract from which commercial production of ore may be made, in or upon that certain property situated in the State of North Dakota, County of Custer, described as follows:

The property consists of two unpatented lode claims, Whitetop No. 1 and Whitetop No. 2, location notices filed October 3, 1950 page 441 and 443 Book 17 of Locations, Register of Deeds, Custer County, South Dakota. These Claims are located about four miles easterly from Pringle and ten miles east of the highway between Pringle and Hot Springs, near the John Tanner Ranch.

The Government's estimate of said discovery or development is particularly described and delimited as follows:

Pegmatite minerals in commercial quantities occur in the Whitetop No. 1 and No. 2 above the adit level. This exploration has shown the continuity of the pegmatite in depth and furnished sufficient data to calculate indicated ore reserves.

LGHouk:gad 5/12/52
Copy to: Mr. Jess Larson, Adm., DMPA
Operating Committee (2)
Admin. Reading File
Mr. Hedges
Mr. Thayer
Field Team, Region V
Docket File
Mr. Houk
Finance Officer
Mr. Murkland
Mr. Chambers

THE UNITED STATES OF AMERICA

By C D Mittendorf
Acting Administrator
Defense Minerals Exploration
Administration

Dated: MAY 1 5 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

MAY 16 1952

Campbell and Ventling Mining Co.
George R. Campbell and Glenn Ventling
Custer, South Dakota

Subject: Docket No. DMEA-1236X
Beryl-Mica
Campbell and Ventling Mining Co.
Whitetop No. 1 and 2 Mining Claims
Custer County, South Dakota
Exploration Project Contract
No. Idm-E221

Dear Sirs:

Transmitted herewith is Certificate of Discovery or Development under Contract No. Idm-E221 on the Whitetop No. 1 and 2 Mining Claims.

By the terms of the Exploration Project Contract and of the Certification, all minerals produced from the aforesaid claim from the date of the Exploration Project Contract is subject to the Government's percentage royalty as set forth in the contract until the sum of $1,073.82 is paid or until January 11, 1962, whichever occurs first.

Payments should be made to Mr. A. B. Needham, Executive Officer, DMEA Field Team, Region V, 2908 Colfax Avenue, South, Minneapolis 8, Minnesota. Checks should be payable to the Treasurer of the United States. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward check direct to the Executive Officer.

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

You are requested to notify Mr. Needham of any changes in ownership or production rights that might have any effect on the Government's right to its percentage royalty. Also, if production ceases at any time for any extended period, please notify Mr. Needham at six-month intervals that no production has been made, when that is the case.

L.G.Houk:gad 5/12/52

Copy to: Operating Committee
Mr. F. Johnson
Mr. Hedges
Mr. Thayer
Admin. Reading File
Docket File
Field Team, Region V
Mr. Murkland
Mr. Chambers
Miss Terry

Enclosure

Mr. Houk

Sincerely yours,

C. O. Mittendorf

Acting Administrator
Defense Minerals Exploration
Administration

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

MAY 16 1952

Mr. Jess Larson, Administrator
Defense Materials Procurement Agency
General Services Administration Building
Washington 25, D. C.

Subject: Docket No. DMEA-1236X
Beryl-Mica
Campbell and Ventling Mining Co.
Whitetop No. 1 and 2 Mining Claims
Custer County, South Dakota
Exploration Project Contract
No. Idm-E221

Dear Mr. Larson:

I am enclosing a copy of a "Certification of Discovery or Development" and a copy of the Field Team's final report on the above-referenced property.

The project contract was signed January 11, 1952, the Government participating to the extent of 90% in an exploration project estimated to cost $6,550.00, Government's share $5,895.00. Of the Government's share $1,073.82 was expended. At the completion of stage one of this project, it was mutually agreed between the Field Team and the Operator that the expenditure of funds under stage two was not justified; therefore, the project was terminated by mutual consent.

The project was started on February 5th and completed on March 6, 1952. A total of $1,283.13 was expended. The Government realized $81.00 on the salvage value from pipe and other supplies sold, making a total actual cost of the exploration $1,193.13, the Government's share $1,073.82.

The project contract allowed for rehabilitation of 230 feet adit crosscut and geological examination of the underground workings. Stage two called for drilling three diamond-drill holes a total maximum of 700 feet. Stage two was eliminated by mutual agreement because stage one results were not sufficiently encouraging to justify expenditure of additional funds.

The Final Field Team Report indicates that the Whitetop lode contains 50,000 tons of pegmatitic material of which 20,000 tons are in the wall zone and 30,000 tons in the perthite rich core. It is reasonable to believe that 6,000 tons of the perthite can be recovered from the core. Recoverable mica estimated at 6% of the total tonnage in the zone is estimated to be 120 tons of crude mica. From the 120 tons of crude mica 1/2 to 1-ton of strategic No. 2 inferior quality ruby, Grade 6 or larger, can be recovered.

The recoverable beryl in the wall zone is estimated at 1/10% of the total tonnage or 20 tons of beryl.

The Operator makes no comment on the amount of ore exposed by this development; however, he indicates that he intends to start mining operations.

Sincerely yours,

C. O. Mittendorf

Acting Administrator
Defense Minerals Exploration
Administration

Enclosures 2

LGHouk:gad 5/13/52

Copy to: Operating Committee
Mr. F. Johnson
Mr. Hedges, 4604
Mr. Thayer, 5216, GSA Bldg.
Admin. Reading File
Docket File
Field Team, Region V
Mr. Houk
Mr. Murkland
Mr. Chambers
Finance Officers

COPY

April 21, 1952

A. B. Needham, Executive Officer, Field Team, Region V
United States Department of the Interior
Defense Minerals Exploration Administration
2908 Colfax Avenue South
Minneapolis 8, Minnesota

Dear Mr. Needham:

Here is the report of the exploration of the White Top or Dakota Feldspar Pegmatite, (Exploration Project DMA-1236X).

The rehabilitation of the adit was started on Feb. 5 and completed on the 5th day of March 1952.

It was necessary to remove part of the overlaying dump which was blocking the adit. The raise was then blocked and the old shoot removed.

Behind the block partion of the adit, it was found that the adit extended across the hanging wall of the dike and 9 feet into the quartzite. At the hanging wall an old drift extends 30 feet to the east where it is filled with much. This drifts hists both the footwall and hanging wall of the dike near the end of its accessible portion. Apparently the dike is only about 10 feet thick there. The dike is only 12 feet thick where it is crosscut in the adit behind the old raise.

In the adit there is no mica slab exposed, nor was any beryl found. A little spar is exposed but it is not very rich and is very thin. Only a few feet wide. About the same conditions are found in the old drift.

The dike was narrowed down so much in the adit and in the drift that it does not seem good engineering to start the diamond drilling of the project. Also the values are too low to hope to make a profit of the rock exposed. Therefore my partner and myself did not desire to go on with the exploration and neither did the Bureau of Mines.

By rehabilitating the adit we are going to mine some of the benches of mica in the old workings. We hope to recover some Mica, Beryl, and Columbite. If the government will buy our Mica we think we can make a go of it.

If the government certifies this project as a development we will gladly pay the royalty as our moral obligation of the loan. We still don't know if we can make a go of it but will do our best.

I certify that this above report is a complete account of the exploration and its findings, prepared to the best of my knowledge and ability.

Yours very truly,
/s/ George R. Campbell
George R. Campbell, partner
Campbell and Ventling Mining Co.

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

January 30, 1952

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region V

Subject: Docket DMA-1236x, Contract Idm-E331
Campbell and Ventling, a partnership
Custer, South Dakota

Here are the original and three copies of the subject contract duly executed.

Work is expected to start by February 1, 1952.

A. B. Needham
Executive Officer
DMEA Field Team, Region V

Attachments 4

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
FEB 1 1 26 PM '52

Docket No. 1236 v

Commodity Beryl-Mica

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 221

Date of Contract or Amendment Jan 11, 1952

Name and Address of Operator:

George R. Campbell and Glenn Ventling
Custer, South Dakota

Amount of Government participation $5,895.00

Percent of Government participation 90 %

Region: V State: South Dakota

NOTE: Please release $4,811.10.

(Name)

R.D. Talbert
(acting) Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. July 3, 1952

13908

MF-200
(June 1951)

Docket No. DMA 1236X
Commodity Beryl-Mica
Idm-E221
Contracts & Audit

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

RECEIVED
JAN 30 1952
BUREAU OF MINES
REGION V
MINING DIVISION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 11th day of January, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] George R. Campbell and Glenn Ventling, a Partnership
Custer, South Dakota

hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of South Dakota, County of Custer described as follows: [3] The property consists of two unpatented lode claims, Whitetop No. 1 and Whitetop No. 2, location notices filed October 3, 1950 page 441 and 443 Book 17 of Locations, Register of Deeds, Custer County, South Dakota. These claims are located about four miles easterly from Pringle and ten miles east of the highway between Pringle and Hot Springs, near the John Tanner Ranch.
with respect to which the Operator represents and undertakes: [4]

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

No encumbrances

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

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

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

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

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

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

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

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

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

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

11. *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.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $5,895.00, which is 90 percent of the agreed estimated total cost of this project, $6,550.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

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

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

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

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

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

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

Executed in sextuplicate the day and year first above written.

By: George R. Campbell
George R. Campbell (Operator)

By: Glenn Ventling
Glenn Ventling

THE UNITED STATES OF AMERICA

By C. O. Mittendorf
Acting Administrator
Defense Minerals Exploration Administration

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

Docket No. DMA 1236X
Campbell and Ventling
Beryl - Mica

Exploration Contract

Project Work:

The purpose of this work is to rehabilitate present workings so that a geological examination can be made and if this is favorable then three diamond drill holes are to be drilled.

The project is to be carried out in two stages. Stage II to be authorized only after successful completion of Stage I as approved by DMEA Field Team.

A plan map and longitudinal section of the project is attached hereto, designated as Beryl Mica Mine Plate II.

Stage I. To rehabilitate the present 230 foot adit crosscut. This will require relaying rail from edge of dump to the face; a distance of approximately 350 feet, and cleaning up a caved area 203 feet from the portal.

If on completion of the rehabilitation it is found that the tunnel has not been advanced to the hanging wall of the pegmatite, the tunnel is to be driven to that point before starting Stage II.

The purpose of this work is to make possible a geological examination of the lower part of the pegmatite dike. The work is to be completed in one month.

Stage II. If, in the opinion of the Field Team, favorable geological evidence is disclosed as a result of the work under Stage I then three diamond-drill holes are to be drilled. The total maximum footage of this drilling not to exceed 700 feet. The location and direction of the drill holes to be decided by mutual agreement between the operators and the DMEA Field Team. This work to be completed within 90 days from date of contract.

Estimated Cost of Project Work:

Stage I.

Fixtures and Improvements

The following building is to be constructed:

Compressor housing, materials	$ 200.00
Labor	100.00
	$ 300.00

Operating Equipment:

The following item is to be rented:

One 100 cfm compressor @ $256.00/month	$ 256.00

The Operators will furnish one jackhammer and one small truck at no cost to the project.

Operating Supplies to be Purchased:

300 ft. 2" black pipe 300 ft. 1" black pipe Steel drill bits, fuel and explosives	$ 350.00

Labor and Supervision:

2 Miners each at $1.50 per hour plus insurance and taxes ($27.00 per day for one month)	$ 594.00
1 Working Foreman - one month at $350.	350.00
Total	$ 944.00

Rehabilitation and Repairs:

None Required.

Stage II:

(a) 700 feet of BX diamond drilling @ $6.00/ft. including core boxes, cementing, water, and supplies*	$4,200.00
(b) Engineering, sampling, geological data and office work	500.00
Total	$4,700.00

* Drilling may be performed by contract at a price not in excess of $6.00 per foot, including all labor, materials, supplies and other direct costs of performing the drilling work. This contract shall be subject to the approval of the Government as provided in Article 4 of the agreement to which this is attached.

Summary of Estimated Project Costs:

Stage I - Rehabilitation of Crosscut	$ 1,850.00
Stage II - Diamond Drilling	4,700.00
Total	$ 6,550.00

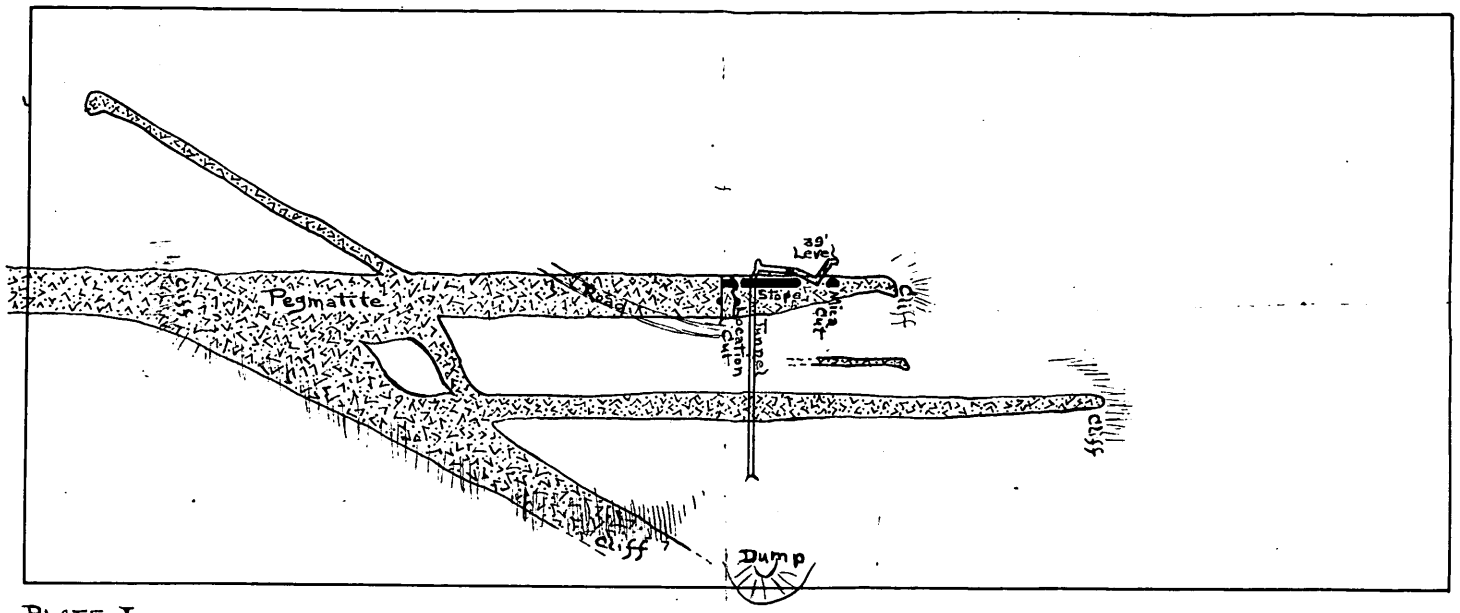

PLATE I

Corner No 20 HES 3135

Brook

North Magnetic

PLAN
SCALE 1" = 100'

BERYL MICA MINE

From Brunton Compass Survey
by
Francis Church Lincoln, E.M., Ph.D.
May 30th, 1925

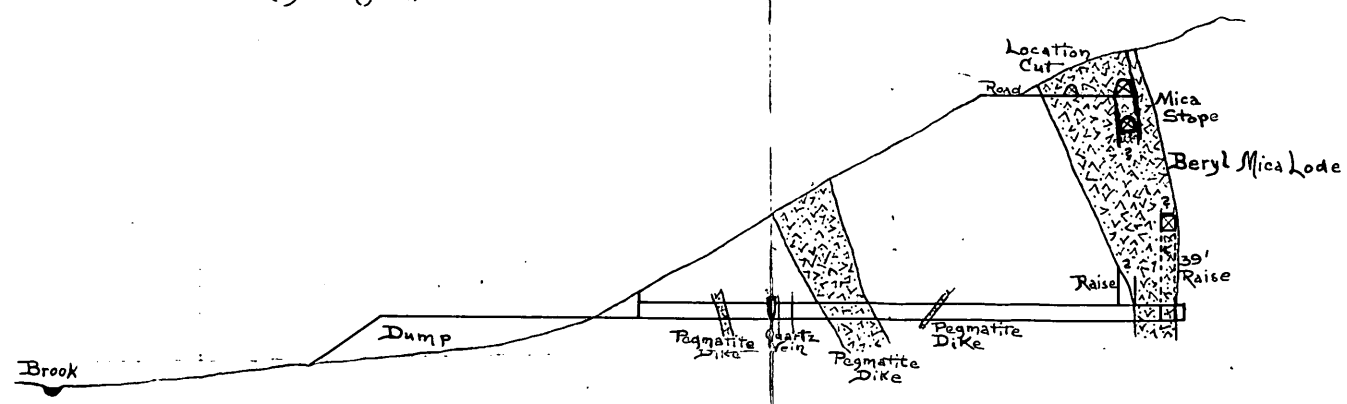

PLATE II
D.M.A. 1236 x

SECTION THRU TUNNEL
SCALE 1" = 40'