DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 165 — DMEA NO. 1554 X

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [x] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [x] Certification of Discovery
- [ ] Closing Letter
- [x] Cost Audits
- [x] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [x] Work Comoleted analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [x] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [x] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No._____: Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with transmittal, narrative and maps.

Folders No._____: Maps (Use pocket folder or envelope)

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty material

Rei

17963

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10/11	Holt	500
	[illegible]	500
10/12	[illegible]	140
	[illegible]	140
	App'd. Sol. Off.	
10/13	[illegible]	800
10/13	[illegible]	120
"	[illegible]	110
10-13	Fumich	100
		220

Mr. Jack Stewart
119 North 10th Street
Custer, South Dakota

OCT 13 1961

Mr. Carl Roseberry
933 Creek Street
Custer, South Dakota

R.

INTERIOR DEPT.
OCT 12 1961
FROM SOLICITOR
SOLICITOR

COURTESY
OCT 13 1961
FOR SIGNATURE

Re: DMA-1554X (Beryl-Mica)
Stewart and Roseberry
Cap Lode Mining Claim
Pennington County, South Dakota
Contract Idm-R165

Gentlemen:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development, dated March 9, 1953, all minerals mined or produced from October 2, 1951, to October 2, 1961, 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. Carl Roseberry

Copies to: Mrs. Gertrude Andre', Box 152, South Dakota
Mr. Francis Michaud, Custer, South Dakota
Mr. R. C. Maurer, Custer, South Dakota

SPHolt/gla
10-11-61
cc to: Director's Reading File
Region III (2)
CA&A Division
Docket
Code 500

43683

MME Form 7
(10-58)

R.

SOLICITOR

OCT 12 1961

INTERIOR DEPT.

OCT 13 1961

OFFICIAL FILE COPY

Date	Surname	Code
10/11	Holt	500
	[illegible]	500
10/12	[illegible]	140
	Brown	140
	App'd. Sol. Off.	
10/13	Talbot	800
10/13	[illegible]	120
"	Johnson	110
10-13	Fumich	100
10-13	gad	220

Mrs. Gertrude Andre'
Box 152
Custer, South Dakota

FROM SOLICITOR
OCT 13 1961
FOR SIGNATURE

Re: DMA-1554X (Beryl-Mica)
Stewart and Roseberry
Gap Lode Mining Claim
Pennington County, South Dakota
Contract Idm-K165

Dear Mrs. Andre':

Enclosed is a self-explanatory letter of today to the Operator under the subject contract.

This correspondence relates to the Landlord's Subordination Agreement signed by you as Executrix of the Estate of W. W. Wright, on July 31, 1951, under the Defense Minerals Administration program.

Sincerely yours,

George Fumich, Jr.

Director

(SPH)

Enclosure

SPHolt/gla
10-11-61
cc to: Director's Reading File
Region III (2)
Docket
Code 500

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10/11	Holt	500
	[illegible]	500
10/12	[illegible]	140
	Brown	140
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10/13	Taffert	800
10/13	Selbredge	120
10/	[illegible]	110
10-13	Fumich	100
		220

OCT 13 1961

SOLICITOR

OCT 12 1961

INTERIOR DEPT.

Mr. Francis Michaud

Custer, South Dakota

FROM SOLICITOR
OCT 13 1961
FOR SIGNATURE

Re: DMA-1554X (Beryl-Mica)
Stewart and Roseberry
Gap Lode Mining Claim
Pennington County, South Dakota
Contract Idm-E165

Dear Mr. Michaud:

Enclosed is a self-explanatory letter of today to the Operator under the subject contract.

This correspondence relates to the Landlord's Subordination Agreement signed by you on July 31, 1951, under the Defense Minerals Administration program.

Sincerely yours,

George Fumich, Jr.

Director

Enclosure

Identical letter to R. C. Maurer, Custer, South Dakota

SPHolt/gla
10-11-61
cc to: Director's Reading File
Region III (2)
Docket
Code 500

43683

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

633

FIL
S

Talbert
Smith
Hollund
Houck
Johnson

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

To: Jack Stewart and Carl Montgomery
119 North 10th Street
Custer, South Dakota

Pursuant to the provisions of Exploration Project Contract No. DMA-165, dated October [illegible], 1951, (Docket No. DMA-1556), hereinafter called the "contract", between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the mineral deposit which is the subject of the exploration project, the Government considers and therefore certifies that a discovery or development has resulted from the work from which commercial production of ore may be made.

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

Drifting under the contract has partly explored the Gap Lode pegmatite, situated in sections 18 and 19, T 2 [illegible], R 5 E, BHM, and has furnished sufficient data to estimate inferred reserves of feldspar, beryl and mica.

Dated: MAR 9 1953

THE UNITED STATES OF AMERICA

By C D Mutschler
Administrator, Defense Minerals
Exploration Administration

Concurred 3/4/53
Copy to: Mr. Howard H Young, DMEA
Operating Committee
Chmr. [illegible] File
Mr. Hodges, 4654
Field Team, Region V
Mr. Thayer, 5.16 DMA
Mr. Chambers
Mr. Markland
Mr. Frank E. Johnson
Docket File
Mr. Houk
Finance Office

OFFICIAL FILE COPY O. M. E. RECEIVED AUG 17 1959		
DATE	INITIALS	CODE
8-17	gad	rro
~~8-18~~	~~blt~~	~~500~~
		225

U. S. DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration
224 New Customhouse
Denver 2, Colorado

AUG 13 1959

Memorandum

To: Chairman, Operating Committee, OME
From: Executive Officer, OME Field Team, Region III
Subject: Royalty Payments, Docket DMEA 1554X (Beryl-Mica) Contract Idm-E165, Jack Stewart and Carl Roseberry (Gap lode mining claim) Pennington County, S. D.

Period: July 1959

Enclosed are settlement sheets for which royalty payments were received for ore or concentrates shipped from the subject property during the above month:

Date	Liq. No.	Dry Tons	Royalty Due	Royalty Paid	Bonus Roy. Due	Bonus Roy. Pd.
11/18/58	B-542	0.962	$28.91	$28.91		
Totals:		0.962	$28.91	$28.91		

Past Due Royalties Collected: None

Total Dry Tons (Ore or Cons.) Shipped to Date: 0.962

J. W. Townsend

HMC:jy

cc: Royalty File E 165 w/settlement sheets
Chron.

U. S. DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration
224 New Customhouse
Denver 2, Colorado

AUG 13 1959

EXTRA COPY O. M. E. RECEIVED AUG 17 1959		
DATE	INITIALS	CODE

Memorandum

To: Chairman, Operating Committee, OME
From: Executive Officer, OME Field Team, Region III
Subject: Royalty Payments, **Docket DMEA 1554X (Beryl-Mica) Contract Idm-E165, Jack Stewart and Carl Roseberry (Gap lode mining claim) Pennington County, S. D.**

Period: **July 1959**

Enclosed are settlement sheets for which royalty payments were received for ore or concentrates shipped from the subject property during the above month:

Date	Liq. No.	Dry Tons	Royalty Due	Royalty Paid	Bonus Roy. Due	Bonus Roy. Pd.
11/18/58	B-542	0.962	$28.91	$28.91		
Totals:		0.962	$28.91	$28.91		

Past Due Royalties Collected: **None**

Total Dry Tons (Ore or Cons.) Shipped to Date: **0.962**

Original signed by
J. W. TOWNSEND

J. W. Townsend

HMC:jy
cc: Royalty File E **165** w/settlement sheets
Chron.

COPY

GENERAL SERVICES ADMINISTRATION
MATERIALS PURCHASE DEPOT
CUSTER, SOUTH DAKOTA

Authorization Number 8-303

Date November 18, 1958

OME
DEPARTMENT OF THE INTERIOR

Invoice No. B-542

MAY 8 - 1959
REGION III
DENVER, COLORADO

Lot No. B-542

WARRANTY

The undersigned, a participant in the Beryl Program, warrants that the beryl oreincluded in this lot is of domestic origin, containing not less than eight percent (8%) beryllium oxide(BeO) be weight, is not material previously owned by theGovernment, was produced and is owned by the person or firm whose name appears below (Herein referred to as "Seller")

ACCESS TO BOOKS AND RECORDS AGREEMENT

The undersigned agrees to permit authorized representatives of the United States Government, during the duration of the Program, and for a period of three (3) years thereafter, to have access to and the right to examine any pertinent books, documents, papers and records of the seller involving transactions related to the program.

Seller Everett Yanda Address Custer, South Dakota

By Everett Yanda Title Owner

EVALUATION AND SETTLEMENT DATA

1,924 pounds of beryl ore delivered on 10-29-59	
BeO content per Report of Analysis	12.31%
Rate per pound for 12.31% beryl ore	30.775¢
1,924 pounds X 30.775¢ per pound	$592.11
Less Cost of Analysis	14.00
	$578.11

From the "Gap" lode, approximately 10 m NE of Custer, in Pennington County, South Dakota.

ACCEPTANCE

Subject to the terms and conditions of the Beryl Regulations, dated October 7, 1952 (17F.R. 9073), establishing the Government's Purchase Programs for Beryl Ore, the Government accepts the number of pounds of beryl ore (as hereinabove identified), delivered by the seller to the Government for which payment in the amount set forth hereinabove will be made by the Government.

GENERAL SERVICES ADMINISTRATION

By J. F. McGinness Title Depot Manager

SAMPLING AND ANALYSIS CERTIFICATION BY GOVERNMENT REPRESENTATIVE

I hereby certify that I personally took a sample of the Beryl Ore(hereinabove identified) and personally forwarded said sample to:

Chapman, Wood & Griswold, Albuquerque, New Mexico

on 10-29-58 and that the report of analysis, dated 11-11-58 and attached hereto, reflecting a Beryllium Oxide content of 12.31 % is applicable to the Beryl Ore hereinabove identified.

By s/ Bernard A. Gira Title Buyer
Bernard A. Gira

INVOICE

To: GENERAL SERVICES ADMINISTRATION, Region 8, Denver, Colorado

For: Beryl Ore delivered as indicated above $ 578.11

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

Seller Everett Yanda Address Custer, South Dakota

By Title
No Assignment

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7-21	gad	220
7-22	act	500
		225

JUL 21 1959

JUL 21 1959

Memorandum

To: Mr. Donald T. Finch, OME Auditor

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

Subject: Docket No. DMA-1554X (Beryl-Mica)
Jack Stewart and Carl Roseberry
Contract No. Idm-E165

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

EDTalbert/fw-7/21/59

cc: Docket
Dir.Read.File
CA & A Div.

8623

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, OME Field Team, Region III, Denver, Colorado, pertaining to Contract Idm-E165, Docket No. DMA 1554X, (Beryl-Mica) dated October 2, 1951, with

Jack Stewart and Carl Roseberry
Custer, South Dakota

for the purpose of determining the amount of royalties due the United States Government on the sales of Beryl-Mica from property referred to as Gap Lode Claims, located in Pennington County, South Dakota, during the period October 2, 1951 to July 15, 1959.

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

My review established the total sales of Beryl ore for this period to be $578.11. Royalty due the United States Government at the contract rate of 5 percent is $28.91. The royalty paid and the balance due are as follows:

Total royalty due	$28.91
Total royalty paid	28.91
Balance of royalty due	$ 0

July 15, 1959

Donald T. Finch
Donald T. Finch
OME Auditor

STATUS OF THE PROJECT, DESCRIPTION OF REVIEW
AND REASON THEREFOR

CONTRACT NO. IDM-E165 DOCKET NO. DMEA 1554X

A Certification of Discovery or Development was issued on March 9, 1953, and accordingly royalty is payable on the net smelter returns or other net proceeds from production from the land described in Article 2 of the contract for a maximum period of 10 years from the date of the contract. A Report of Review in lieu of Final Cost Audit dated February 19, 1953, indicated accepted costs under the contract amounting to $13,123.73, with the Government's contribution on a 90 percent basis being $11,811.36.

The Field Team's Semi-Annual Reports of Certified Project for the period January 1, 1955 to June 30, 1958, indicate property has been inactive since the cessation of the exploration work on October 22, 1952. The Field Team's Semi-Annual Report for the period July 1, 1958 to December 31, 1958, reports production of .962 ton of 12.31 percent Beryl ore sold to G.S.A. by Everett Yonda. This report further states the original contractors' lease is still in effect, but the title holder (apparently Mrs. Gertrude Andre) had also leased the property to Mr. Everett Yonda.

My review included an examination and recomputation of G.S.A. Invoice No. B-542 dated November 18, 1958, to Mr. Everett Yonda, for 1924 pounds Beryl ore, having a value net of analysis cost of $578.11, a reconciliation of this production with the Field Team's Semi-Annual Reports and a reconciliation of Royalty Due withthe receipts of Royalty shown on the records of the OME Finance Office , Region III, Denver, Colorado.

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

(a) All reported production was reconciled with the Field Team's Semi-Annual Reports of Certified Projects.

(b) Reported production was supported by a copy of the purchaser's invoice which was examined during the review.

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

MME Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Jack Stewart and Carl Roseberry

Address Custer, South Dakota

Exploration Contract No. Idm-E165 Docket No. DMA 1554X

GAP LODE CLAIMS

			Check One Yes	Check One 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 or OME 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 or OME 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.		

9. Remarks - Questions 1-7 inclusive, not applicable as to the best of my knowledge there are no production activities on the subordinated land. Latest information available is that contained in the "Semi-Annual Report of Certi fied Project" for the period July 1, 1958 to December 31, 1958.

July 16, 1959
Date

Mining Engineer
Executive Officer, OME Field Team, Region III

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Jack Stewart & Carl Roseberry

Custer, South Dakota

pertaining to Exploration Project Contract No. Idm-E165, Docket No. DMA-1554X, including Amendments Nos. 1, 2, 3 and 4, for the months of November, 1951 to October, 1952, inclusive, covering a project for the exploration of beryl and mica.

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

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

(a) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible disallowances thereunder;
(b) the Monthly Reports were supported, to a considerable extent, by documentary proof of the costs incurred under the contract; and
(c) a major portion of the costs ($8,111.73) covered labor and supervision fully documented by certified transcripts of payrolls and a large portion ($1,001.60) covered depreciation allowance at rates specified in the contract.

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

Total cost as billed by Contractor		$13,820.78
Exceptions:		
By DMEA Finance Officer	$ 620.85	
Herewith (scheduled attached)	76.20	697.05
Total Accepted Cost		$13,123.73

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 Eleven thousand eight hundred eleven and 36/100 Dollars

— $11,811.36 —

is considered valid and proper.

February 19, 1953

E R Talent
Auditor

Jack Stewart and Carl Roseberry
Custer, South Dakota

Contract Idm-E165
Docket DMA-1554X

SCHEDULE OF AUDIT EXCEPTIONS

Claimed:	Nov. 1951 --Bookkeeper, 1/2 mo. @ $100/mo.	$ 50.00
	Dec. 1951 --Bookkeeper, 1 mo. @ $100/mo.	100.00
		$150.00
Allowable:	Nov/Dec 1951 -Bookkeeper, 1-1/2 mo. @ $50/mo.	75.00
Exceptions:	Bookkeeper.....	$ 75.00
	Social Security @ 1-1/2%.....	1.12
	Workmen's Compensation @ $.10/$100.....	.08
Total Exceptions		$ 76.20

February 19, 1953

E R Talbut
Auditor

TERMINATION OF EXPLORATION PROJECT CONTRACT BY AGREEMENT
AFTER COMMENCEMENT BUT BEFORE COMPLETION OF THE WORK

It is agreed this 22nd day of October, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Stewart and Roseberry Custer, S. Dak., operators of the Gap Lode, Pennington County, S. Dak., hereinafter called the "Operator," parties to that certain Exploration Project Contract I-dm-E 165, Docket No. DMEA-1554X, dated October 2, 1951, that the said contract shall be and is hereby terminated as of the first date above written.

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

The undersigned Operator hereby releases and agrees to save harmless the Government from all claims and demands under or arising out of said Exploration Project Contract, except as herein expressly otherwise provided.

Witness the following signatures as of the day and year first above written.

UNITED STATES OF AMERICA

By C. B. McCadam

Stewart & Roseberry
(Operator)

By Carl Roseberry

AMENDMENT NO. 5

Gap Lode No. 1
Docket No. 1554X
Contract Idm E-165
Stewart and Roseberry

Docket No. 1554X, Contract Idm E-165, dated October 2, 1951, between the United States of America and Jack Stewart and Carl Roseberry, a partnership, is hereby amended as follows:

1. The description of the exploration project under Exhibit "A" is amended to transfer $2,500.00 from contract funds for Phase I, Diamond Drilling, to supplement the funds remaining under Phase II and Amendment No. 3, in order to continue the adit an additional 100 feet from the present face and to make necessary road repairs. Of the total amount ($2,500.00) to be transferred, $1,925.00 will be added to funds remaining under Phase II, Driving the Adit, and $575.00 added to the amount available under Amendment No. 3 for road repairs.

Estimated expenditures are itemized below:

Phase II	
Working supervisor, 2 months @ $350.00 per mo.	$ 700.00
Bookkeeper, 2 months @ $50.00 per mo.	100.00
Labor	
2 miners each @ $13.80 per day for 60 days (Includes F.I.C.A. and Workmen's Compensation insurance)	1,656.00
	$ 2,456.00
Equipment - Repairs (Equipment furnished by operator at no cost to the government includes compressor, jeep, truck, jackhammer, and air leg)	300.00
Supplies - Explosives (powder, caps, fuse) Bits, steel, pipe & fittings, track, track supplies, gas, oil (for transportation and compressor) and miscellaneous small equipment	484.00
	$ 3,300.00

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 30 1952

Road Repairs

Labor	
3 men @ $12.00 each per day for 5 days	$180.00
Dozer rental @ $10.00 per hr. for 3 days	240.00
Loader rental @ $8.00 per hr. for 3 days	192.00
Culvert	100.00
Bridge timbers	
1,707 Bd. Ft. @ $65.00 per M	111.00
1,680 Bd. Ft. @ $65.00 per M.	110.00
Nails and spikes, 100 lbs. each	20.00
F.I.C.A.	2.70
Miscellaneous supplies	44.30
Gas and oil for truck and miscellaneous small supplies	$ 1,000.00

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

Dated: JUN 2 7 1952

By D B Weedon
Executive Officer, DMEA

By Jack Stewart
Jack Stewart

By Carl Roseberry
Carl Roseberry

Supplementary Report in Justification of Amendment No. 5 - Gap Lode

Docket No. 1554X
Contract Idm E-165
Stewart & Roseberry

E. O. Binyon, Mining Engineer
U. S. Bureau of Mines

J. A. Redden, Geologist
U. S. Geological Survey

In the accompanying Amendment No. 5 the applicants request that $2,500.00 of the $4,800.00 allotted under Phase I (Diamond Drilling) be transferred to Phase II to supplement the funds remaining under Phase II in order to continue the adit 100 feet from the present face and to repair the road to the property.

The estimated total cost for extension of the adit and road repairs is $4,300.00. Of this, $3,300.00 will be required to drive 100 feet of adit and $1,000.00 will be used for labor and rental of equipment, dozer and loader on road repairs.

As of June 15, 1952 a total of $1,811.45 remained in the funds originally allotted to Phase II and Amendment No. 3 of the Contract. The distribution of the total is as follows:

Phase II	
Labor, supervision, bookkeeper	$ 1,112.97
Steel, bits, gas, oil, & miscellaneous	272.48
	$ 1,385.45
Amendment No. 3	
Road Repairs	426.00
	$ 1,811.45

Then, in round figures, an additional $1.925.00 will be required for the adit and $575.00 for road repair, or a total of $2,500.00 to be transferred from the funds for Phase I to Phase II and Amendment No. 5 (Amendment No. 4 has not been approved.)

Immediately following approval of Amendment No. 3, Road Repair, the applicants started work and had expended $274.00 for rental of a dozer and incidental labor when a flood occurred. As a result, this work was a complete loss and also one bridge was washed out and another badly undermined.

At present the property is inaccessible except on foot and the project has been recessed since the flood.

In the opinion of the field team the Amendment permitting a transfer of funds for road repair must be approved if the work on the adit is to be continued. The adit completed to date (200 feet from the open cut) has, to some extent, explored the pegmatite up to that point and, obviously, an additional 100 feet will give further geologic information.

It is apparent that progress at the project has not been entirely satisfactory. The lack of progress is not solely the fault of the applicants and has not been deliberate. Inexperience, some difficulty with equipment, and weather, particularly the weather, all have been contributing factors.

The applicants do not have sufficient funds to repair the road without government aid and, of course, cannot continue with the adit as long as the property is inaccessible.

However, in considering the present and future value of the project from an economic standpoint, to obtain the best return possible on approximately $8,300.00 invested to date by the government, it is recommended that the amendment be approved.

D[illegible]ET COPY

AMENDMENT NO. 4

Docket No. DMA-1554X, Contract Idm-E165, dated October 2, 1951, between THE UNITED STATES OF AMERICA and JACK STEWART & CARL ROSEBERRY, a partnership, is hereby amended as follows:

The following is substituted for Exhibit "A" and Amendments No. 1, 2, and 3, thereto.

EXHIBIT "A"

Exploration Project

To explore for beryl and mica, first by drifting and second by diamond core drilling.

PHASE I

To make necessary road repairs and to drive 300 feet of 5' x 7' drift. Location and direction of the drift and all other work to be mutually agreeable to Government Field Team and Operator.

PHASE II

Upon satisfactory completion of Phase I and the recommendation of the Government Field Team, not more than 394 feet of diamond core drilling (BX core or larger), divided among two holes each approximately 200 feet in length. Location and direction of holes will be mutually agreeable to Government Field Team and Operator. Drilling and all necessary work incidental thereto may be done by independent contractors, provided the approval by the Government Field Team of any such contract is first obtained.

The proposed drifting and diamond drilling are shown on the accompanying map.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 18 1952

Estimated Total Cost of the Project

PHASE I

Road Repairs

Labor for area destroyed by flood	$ 274.00		
Labor, 3 men @ $12/ea. for 5 days	180.00		
Dozer rental @ $10/hr. for 3 days	240.00		
Loader rental @ $8/hr. for 3 days (8 hour days)	192.00		
Culvert	100.00		
Bridge Timbers:			
1707 Bd. ft. @ $65/M	111.00		
1689 Bd. ft. @ 65/M	110.00		
Nails and spikes	20.00		
F.I.C.A.	2.70		
Misc. supplies (gas, oil, etc.)	44.30	$1,274.00	
300 feet of Drifting			
Depreciation allowance for Operator's equipment	$1,047.50		
Drill bits, steel, gasoline, oil, etc.	2,518.02		
Labor and supervision (including clerical and engineering work).	8,568.03	12,133.55	
Total cost of Phase I		$13,407.55	$13,407.55

PHASE II

394 feet of core drilling @ not to exceed $6.00 per foot	$2,361.45	
Total cost of Phase II	2,361.45	$2,361.45
Total cost of Phase I and Phase II		$15,769.00

Fixtures and Improvements

None

Operating Equipment

PHASE I

To be rented:

None

PHASE II

All diamond core drilling to be done by contract at (not to exceed) $6.00 per foot, to include all expenses necessary to complete the drilling.

Equipment Furnished by the Operator:

PHASE I

Portable gasoline-operated 110 CFM compressor, jackhammer, column, etc.	$90.00 per month
Mine cars, truck, miscellaneous mining accessories	25.00 per month
Total allowance	$115.00 per month

PHASE II

None

Labor and Supervision

1 Working foreman @ $350/mo.
2 Miners @ $1.50/hr.
2 Mucker @ 1.25/hr.

Rehabilitation and Repairs

None

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

Date: _____

THE UNITED STATES OF AMERICA

By O. B. McCahan
Executive Officer, DMRA

By Jack Stewart
Jack Stewart

By Carl Roseberry
Carl Roseberry

Docket Copy

AMENDMENT NO. 3 (CONTINUED)

Docket No. DMA-1554X, Contract Idm E-165, dated October 2, 1951, between the United States of America and Jack Stewart & Carl Roseberry, a partnership, is hereby amended as follows:

1. The description of the exploration project under "Exhibit A" is amended to permit withdrawal of $100.00 from the item of supplies (Gasoline, oil, powder, fuse, carbide, etc.) and $600.00 from the item Labor and Supervision; the total of $700.00, which will be expended for road repair.

Dated: April 19, 1952

By O B Woodham
Executive Officer, DMA

By Jack Stewart
Jack Stewart

By Carl Roseberry
Carl Roseberry
A Partnership

AMENDMENT NO. 3 (CONTINUED)

Docket No. DMA-1554X, Contract Idm E-165, dated October 2, 1951, between the United States of America and Jack Stewart & Carl Roseberry, a partnership , is hereby amended as follows:

1. The description of the exploration project under "Exhibit A" is amended to permit withdrawal of $172.50 from the item for bits and steel to be applied to the item Allowance for Operator's Equipment.

Dated: April 19, 1952.

By G B Weisbeck
Executive Officer, DMA

By Jack Stewart
Jack Stewart

By Carl Roseberry
Carl Roseberry
A Partnership

7 of 7

AMENDMENT no 2

Docket No. DMA-1552I, Contract Idm E-165, dated October 2, 1951, between the United States of America and Jack Stewart and Carl Rosebery, a partnership, is hereby amended as follows:

1. The description of the exploration project under "Exhibit A" is amended to permit the monthly expenditure of $100 for clerical and engineering work as required.

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

Dated this 4th day of December, 1951.

By R B Weaver
Executive Officer, DMA

By Jack Stewart
Jack Stewart

By Carl Rosebery
Carl Rosebery

5-6-52
Original
Mail Delaware
Government Indite Divisi

[illegible]

Contract ad

AMENDMENT no 1.

Docket No. DMA-1554X, Contract Idm E-165, dated October 2, 1951, between the United States of America and Jack Stewart and Carl Roseberry, a partnership, is hereby amended as follows:

1. The description of the exploration project under "Exhibit A" is amended to permit the driving of 350 feet of 5- by 7-foot drift as phase I. The location and direction of the drift to be mutually agreeable to the Government Field Team and the operators.

2. The exploration under Exhibit A described as Phase I, consisting of diamond drilling, will be deferred to determine the advisability of conducting deeper explorations upon completion of the drift. The diamond drilling will be done only upon approval of the Government Field Team. Location and direction of the holes will be mutually agreeable to the Government Field Team and the operators.

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

Dated November 20 1951.

By R B Needham
Executive Officer, DMA

By Jack Stewart
Jack Stewart

By Carl Roseberry
Carl Roseberry
A Partnership

MF-200
(June 1951)

Docket No. DMA 1554X
Commodity Beryl, Mica
Idn-B 165

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 2nd day of October, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] Jack Stewart, 119 N. 10th Street, Custer, South Dakota
Carl Roseberry, 933 Creek Street, Custer, South Dakota
A Partnership

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 Pennington described as follows: [3] Gap Lode Mining Claim, 600 feet in width and 1500 feet in length in the SW SE, Section 18 and N½ and N½, NE½, Section 19, T.2S, R.5E., B.H.M.

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, encumbrances, and to which the subordination agreement of the lessor is attached:~~

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

3. *Exploration project.* The Operator, within Thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] Beryl, 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] Nine (9) 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 $ 14,192.10, which is 90 percent of the agreed estimated total cost of this project, $ 15,769.00.

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.

Jack Stewart and Carl Roseberry, Partnership
(Operator)

By Jack Stewart
Partner

By Carl Roseberry
Partner

THE UNITED STATES OF AMERICA

By Connitzendorf
Director, Production Expansion Division
Defense Minerals Administration

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

Docket No. DMA - 1554X
Jack Stewart and Carl Roseberry, Partnership
Exploration Project Contract Idm-E165

EXHIBIT "A"

Exploration Project

To explore for beryl and mica, first by diamond-core drilling and second by drifting.

Phase I The drilling to consist of four diamond drill holes (BX core or larger) approximately 200 feet in length each, with total footage not to exceed 800 feet. Location and direction of the holes will be mutually agreeable to the Government Field Team and Operator. The drilling and all necessary work thereto, will be done by contract.

Phase II Depending on the satisfactory completion of Phase I and recommendations of the Government Field Team.
350 feet of 5 x 7 foot drift will be driven. Location and direction of the drift to be mutually agreeable to the Government Field Team and Operator.

The proposed diamond drilling and drifting are shown on the accompanying map.

Estimated Total Cost of the Project

Phase I	800 feet of diamond drilling @ $6.00/ft	$ 4,800.00
	Total cost of diamond drilling	$ 4,800.00
Phase II	Allowance for Operator's equipment	$ 575.00
	Drill bits and steel	494.00
	Gasoline, oil, powder, fuse, carbide, etc.	2,085.00
	Labor and supervision	7,815.00
	Total cost of drifting	$10,969.00
	Total cost of Phase I and Phase II	$15,769.00

Fixtures and Improvements

None

Operating Equipment

To be rented for project:

Phase I All diamond drilling to be done by contract at (not to exceed) $6.00 per foot, to include all expenses necessary to complete the drilling.

Operating Equipment (continued)

To be rented for project:

Phase II None

	Equipment Furnished by the Operator	Allowance for Use
Phase I	None	
Phase II	Portable gasoline operated 110 CFM compressor, jackhammer, column, etc.	$ 90.00 per month
	Mine cars, track, miscellaneous mining accessories	25.00 per month
	Total allowance	$115.00 per month

Labor and Supervision

1 working foreman @ $350.00 per month
2 miners @ $1.50 per hour
2 muckers @ $1.25 per hour

Rehabilitation and Repairs

None

MT-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Pennington, State of South Dakota, described in a certain Exploration Project Contract dated October 9, 1951, between Jack Stewart & Carl Rosebery, Rapid City, South Dakota, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated 16th August 1949 And as extended to August 16, 1961., does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 31st day of July, 1951

Francis Michaud

U. S. GOVERNMENT PRINTING OFFICE 16—61582-1

MF-302

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Pennington, State of South Dakota, described in a certain Exploration Project Contract dated ....., 195..., between Jack Stewart & Carl Roseberry, Custer, South Dakota, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated 16th August 1949 And as extended to August 16, 1961., does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 31st day of July, 1951.

Estate of W. W. Wright

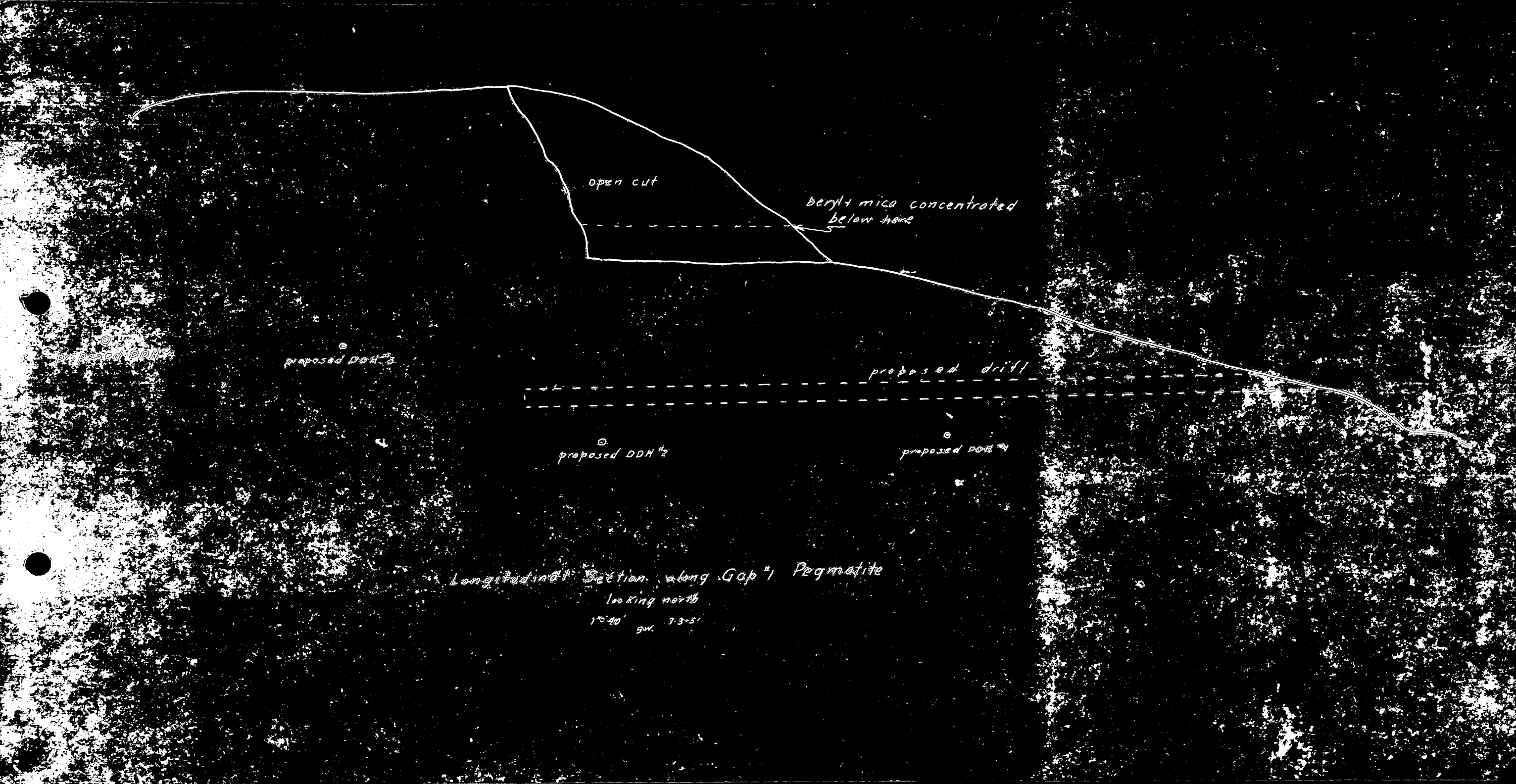
Gertrude André

Extrx.

R. G. Maurer

Now owner of the Brickle 1/3 interest.

U. S. GOVERNMENT PRINTING OFFICE 16—63582-1


open cut
beryl + mica concentrated below there
proposed DDH #4
proposed DDH #3
proposed drift
proposed DDH #2
proposed DDH #1
Longitudinal Section along Gap #1 Pegmatite
looking north
1"=40' gw. 7-3-51

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Pennington, State of South Dakota, described in a certain Exploration Project Contract dated _____, 195__, between Jack Stewart & Carl Roseberry, Custer, South Dakota, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated 16th August 1949, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 21st day of July, 195 1

Francis Michaud

U. S. GOVERNMENT PRINTING OFFICE 16—61552-1

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. DMA-1554X

Date received 6/4/51

Participation

Jack Stewart
119 N. 10th St.
Custer, S. Dak.
&
Carl Roseberry
933 Crook St.
Custer, S. Dak.

Name and address of applicant

Date May 28, 1951

FILL IN THIS BLOCK

Date of application May 28, 1951

Estimated cost $20,000.00

Mineral or metal Beryl, Mica, ~~[illegible]~~

Percentage of Government participation 90%

Location of mine about 9 miles North of Custer, S. Dak.

Date of filing MF-100 None

DMA Docket Number, if available None

INSTRUCTIONS

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

THE APPLICANT

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

*2. If a partnership, state names and addresses of partners. See above stated applicant

*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders. None

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

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

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

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

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

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement See attached sheet

9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)? $2,000.00. Yes.

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

16—64067-1

THE PROPERTY

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

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

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

*11. State the present and former names of the property, if any. Always Gap Lode Mining Claim

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

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

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work. a shed 12'x16' suitable for compressor and tool shed.

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

*16. History:

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations. See attached sheet

(*b*) State briefly the known history and production of adjoining and neighboring properties. None

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations. None known.

*17. Production:

(*a*) If mine is in production, furnish the following information: Idle at present time.

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

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

(*a*) Describe the ore or mineral deposits briefly. A pegmatite containing beryl, mica, & feldspar

(*b*) Submit available maps and assay data. None

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

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

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted? Beryl, Mica&Spar

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

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

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

THE REQUIREMENTS AND COSTS

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

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

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

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.

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

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

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

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

(*i*) Cost of power, water, utilities, and any other items not provided for above.

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

CERTIFICATION

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

(Name of company)

By Jack Stewart
(Signature of authorized official)

May 28, 1951
(Date)

Carl Roseberry
(Title)

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

*Same as footnote on page 1.

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

4. Jack Stewart will manage and supervise this operation. He has mined different mines in North Carolina from 1940 to 1942. At this time he accepted a position with Colonial Mica Corp. in South Dakota and Idaho as mica buyer. He served in U. S. Army from 1944 to 1946 and then returned to mining in South Dakota with present partner until the present time.

Carl Roseberry owned and operated a transportation business from 1923 to 1944. During these years he mined various minerals in spare time. From 1944 to the present time he has operated various mines, producing mica, feldspar, and Beryl.

8. We endeavored to develop this property for one year by hand with a loss of $3,000.00. We could not continue exploration work because of financial conditions.

Current Assets:

Cash	--------
Nothing on hand	

Fixed Assets:

Machinery	$3,250.00
Total	$3,250.00

Liabilities:

Loan	$1,700.00
Balance	$1,550.00

10. (a) 600' x 1500' (App. 20A.) in SE¼SE¼, Sec. 18 & N½Ne¼, Sec. 19, T.2S., R5E, B.H.M., Pennington County, South Dakota

12. 9 miles North of Custer, 7 miles on U. S. Highway 85A, 2 miles unimproved road. Shipping point Custer, S. Dak.

13. Water is not necessary for power.

15. Trucked to Custer and sold locally or shipped by rail in carload lots.

16. (a) This property was previously operated for a short period by Custer Mining Account, principally for mica. They suspended operations when the Corporation dissolved. Then we did exploration work for almost a year. We have no records of Custer Mining Account's production. We produced about 1,000 pounds of Beryl and 25 tons of mica.

21. To run a drift approximately 200 ft. to cross-cut the width of the dyke and a raise of approximately 50 ft., also improve the two miles of road from highway to mine. A year of working on this property should determine feasibilities of going further.

22. After doing exploration work on this property for a year we have discovered that the vein is widening with depth. By running this drift we believe we will uncover larger quantities of these minerals. There is no existing geological data.

23. (a) Labor:

1 Mucker ($1.25 per hr.)	$3,380.00	per year
2 Sorters($1.25 per hr.)	6,760.00	" "
	$10,140.00	" "

(b) Supervisor:
1 Miner & Supervisor ($1.50 per hr.) $4,056 per year

(c) None

(d) 2 Bins.....$500.00 for materials

(e) 1 Stoper....$425.00

(f) None

(g)

Compressor & Jackhammer	$75.00	Per Month
Drilling column	15.00	" "
2 Ore Cars	10.00	" "
Mining Accessories	15.00	" "
	$115.00	Per month or $1,380 per year

(h) The following is an estimate:

Powder	$1,800.00	per year
Caps	44.40	" "
Fuse	300.00	" "
Bits	420.00	" "
Steel	72.00	" "
Gas&Oil (compressor)	1,465.00	" "
Carbide	8.00	" "
	$4,109.40	per year

Total $20,610.40 per year

24. 1st month: (Building bins and fixing road)

Cost of bins (materials)	$500.00
Labor (4 men)	1,183.00
	$1,683.00

2nd month: (Drive app. 75' of drift)

Stoper	$425.00
Labor	1,183.00
Supplies	373.50
	$1,981.50

3rd month: (Drive app. 75' of drift)
Expenses same as second month--Less $425.00 for Stoper ($1,556.50)

4th month: (Drive app. 50' of drift and start stoping)
Expenses same as ~~second~~ month preceeding.

5th month: (Stope and remove app. 750 tons of material and sort same)
Expenses same

6th month and succeeding months: Same as fifth month.

MINING LEASE
****

THIS AGREEMENT, Made and entered into on this the 16th day of August, 1949, by and between W. W. Wright and Francis Michaud of Custer, South Dakota, and Howard M. Brickel of Rapid City, South Dakota, as parties of the first part and hereinafter designated as lessors, and Carl Roseberry and Jack Stewart of Custer, South Dakota, as parties of the second part and hereinafter designated as lessees, WITNESSETH:

WHEREAS, Lessors are the owners and holders of an area 600 feet in width and 1500 feet in length in the SE¼SE¼, Section 18 and N½NE¼, Section 19, T. 2 S., R. 5 E., B.H.M., Pennington County, State of South Dakota, and known as the Gap Lode Mining Claim; said Gap Lode Mining Claim being recorded in Book 37, Page 85 of Location Records in the office of the Register of Deeds of Pennington County, State of South Dakota, and is owned and held by lessors hereunder, and

WHEREAS, Lessors are desirous of securing the mining development of the above described premises and the mineral production therefrom, and the Lessees are desirous of leasing said premises for such purposes;

NOW THEREFORE, for values mutually exchanged, receipt and sufficiency of which being hereby severally acknowledged, the parties hereto contract with each other as follows, to-wit:

1. Lessors do hereby lease and give possession unto Lessees of all and each parcel of the above described property with all rights, privileges and appurtenances thereunto appertaining, with the exclusive right to mine and develop said property and to remove therefrom the mineral content thereof in accordance with the terms of this lease and of the said Special Use Permit and the Government Rules and Regulations pertaining thereto. The term of this lease to be for a period of two years from date hereof, unless earlier terminated by surrender or forfeiture or otherwise, all according to conditions herein set forth and subject to earlier termination as below noted.

2. Within _____ days following the date hereof, Lessees shall commence and continue with reasonable continuity agreed mining operations on the property leased hereby; otherwise Lessees will surrender this lease in its entirety to Lessors. Said operations when so commenced shall thereafter be continued with due diligence, and same to be conducted in a good miner-like manner and according to standard approved methods and practice, to the end that the recoverable mineral content of said property shall be produced and marketed as rapidly as practicable for the mutual advantage of the parties hereto; the minimum requirement for each ninety day period subsequent to the date hereof shall be that at least _____ one-man shifts shall be concluded in development of the property and in carrying out the purposes of this lease. Upon termination of lessees' estate hereunder, whether by forfeiture, surrender or otherwise, they shall have the right to remove from said within leased premises, all mining machinery, trucks, and tools owned by them on or in said property, and all pumping equipment placed by them underground, but in any such case all other properties of Lessees, except camp buildings, equipment and supplies shall be left where located as the property of Lessors, without claim against them in favor of Lessees by way of reclamation or otherwise.

3. Lessees shall pay lessors a royalty of ten per cent (10%) based on gross returns from mills and/or other marketing sources, for the account of all tonnage and/or minerals produced and marketed from said leased property with no deductions except charges for rifting and trimming mica and not to exceed twenty-five per cent (25%) of the gross selling price of such rifted or trimmed mica may be deducted by Lessees and royalty may therefore be computed by lessees upon the remaining seventy-five per cent (75%) of such gross selling price of such rifted and/or trimmed mica.

Royalty payments hereunder to be made by Lessees as follows: On or before the 20th of each month for the minerals produced and marketed during

3 cont.

the preceding calender month, and without deduction except as noted above and except lessors share of validly levied production taxes or other legal burdens, if any, imposed upon such mineral production and returns by any legally constituted authority.

4. Lessees shall have the right and privilege of surrendering this lease in its entirety at any time by recording in the office of the Register of Deeds for Pennington County, State of South Dakota, of proper instrument conveying to lessors all rights of lessees hereunder, and upon such recording and upon serving notice in writing of such surrender upon lessors by lessees, all obligations hereunder shall be deemed terminated and cancelled insofar as then obligatory future matters shall be concerned, but no such surrender shall relieve lessees from any liability on account of royalties accrued prior to date of such surrender instrument, nor from any labor or other liability previously incurred in connection with the lessees' operation of the said property, but lessees shall not be obligated in any such case further than the obligations by him previously incurred.

5. Failure on the part of lessees to comply with all and several of the terms hereof shall not thereby render this lease null and void, but in such case lessors shall promptly notify lessees of such breach by written instrument addressed to lessees at latter's last known address left with lessors for such purposes. Lessees shall have a period of fifteen days following such service in which to remedy such breach so complained of, or in such case same cannot be remedied within such period through exercise of due diligence and proper methods, then a reasonable period in which to correct such default. Upon expiration of the applicable relief period, if lessees shall not have made correction of the default so complained of, lessors shall have the option to then terminated all rights of lessees hereunder, by notice to such effect served upon lessees. It is expressly understood, however, that no relief period generally provided under the provisions of this paragraph shall apply to or be considered as extending the time limits hereinabove specified for commencement of initial mining work, or due dates for royalty or other payments accruing to lessors. Delay on the part of lessors in working cancellation or forfeiture on account of default by lessees shall in no case be deemed waiver of lessor's rights to thereafter proceed on account of such, or any subsequent default by lessees. The within leased property may be sold by lessors at any time during the term of this lease, but only upon the written consent of lessees, and should said property be so sold, then and in that event lessees shall receive one-fourth of the consideration received by lessors from such sale. No mica product from said property hereunder may be sold for a price that will average less than one hundred dollars per ton mine run without consent of lessors by lessees had and obtained in writing.

6. The within lease shall be extended for an additional period of two years from the expiration hereof, providing that lessees shall so elect and shall at such expiration time notify lessors in writing of their election to extend said lease for such additional two year period, and providing that at such time of election, lessees shall not be in default hereunder. Shall this lease be so extended, all terms and conditions hereof shall continue and be in full force and effect for such additional two year period.

7. Lessees shall pay ad due, all expense, costs and all other liabilities connected in any manner with his operations hereunder, lienable or otherwise; will at all times protect lessors and all said property from establishment of any liability so payable by lessees and shall properly post the leased premises with conspicuous notices to the effect that all such costs of operations shall be payable by them and in no case by lessors; they shall keep currently in effect all Workmen's Compensation or other adequate public liability and property damage insurance protecting their operations hereunder, in full compliance with all statues of the State of South Dakota, or other legal authority with jurisdiction, and all their operations hereunder shall be conducted in full compliance with all valid, related requirements of all such authorities.

8. Lessors by duly authorized representative or representatives shall have at all times full right to be present at and inspect all operations of lessees hereunder, and during office hours the right to inspect all records and other paper work of lessees connected with such operations, and

the right to take copies thereof at will at lessors expense, but all such rights shall be exercised by lessors in a reasonable manner so to cause lessees minimum connected inconvenience.

9. Lessees' operations hereunder shall be subject to delays caused by the elements, strikes, inability to secure supplies, manpower, fuel or other things necessary for operation purposes, Acts of God and other causes wholly without lessee's control, but in case of such delay, lessees shall use due and proper methods to eliminate such delay as rapidly as practicable; provided that the provisions of this paragraph shall in no case be claimed or construed as extending periods specifically limited by express terms and conditions hereinabove.

10. All taxes validly levied and assessed against lessees' property shall be paid by them as due, all such validly levied and assessed against the property of lessors shall be paid by them as due, and all other production or similar taxes, if any, shall be paid by the parties hereto as their relative interests appear therein respectively.

11. Time and manner of performance are of the essence of this agreement between the parties hereto; all terms and conditions of which are co-dependent for the benefit of and binding upon the parties hereto, their respective successors, legal representatives, heirs and assigns.

IN WITNESS WHEREOF, the parties hereto have set their hands in duplicate the day and year first above written.

Witnesses

Mary M. Michaud
Josephine Gaertner

W. W. Wright
by L. E. Wright
Francis Michaud
Howard M. Brickel

Lessors.

Melvin Nelson
Herbert Roseberry

Carl Roseberry
Jack Stewart

STATE OF SOUTH DAKOTA)
) SS
COUNTY OF CUSTER)

On this 16th day of August, 1949, before me _____, a Notary Public, personally appeared L. E. Wright, Francis Michaud, Howard M. Brickel, Carl Roseberry and Jack Stewart, to me known and known by me to be the persons described in and whose names are subscribed to the above and foregoing instrument, and acknowledged to me severally and each for himself that they each executed the same as their free and voluntary act and deed, and for the uses and purposes therein set forth.

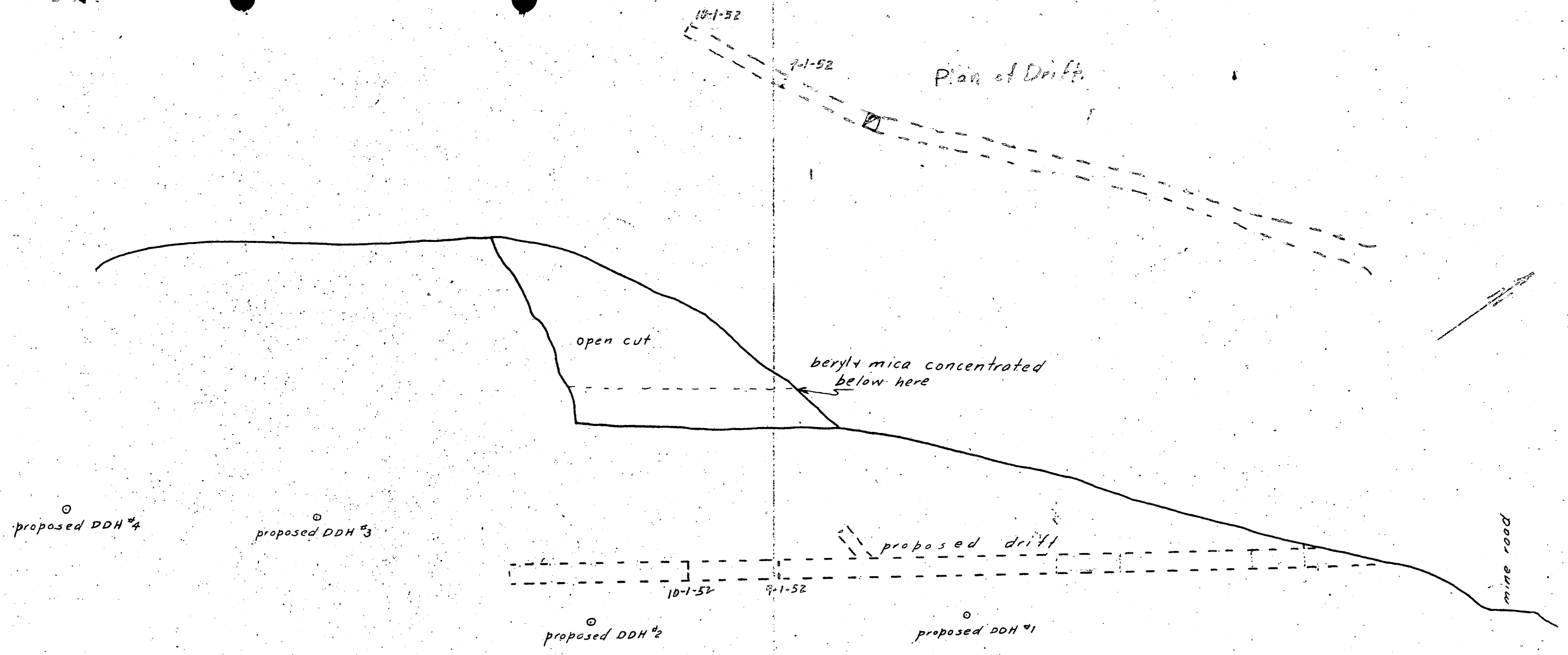
Given under my hand and Notarial Seal, the day and year last above written.

My Commission Expires September 25, 1949

Mildred Tilday
Notary Public

The foregoing agreement is hereby extended for a period of ten years, from August 16th, 1951 to August 16th, 1961.

W. W. Wright Estate
by Gertrude Andre Extrx.
Francis Michaud



Longitudinal Section along Gap #1 Pegmatite
looking north
1"=40' gw. 7-3-51.

Penning Lux County, S.D.

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

OFFICIAL BUSINESS

Returned TO WRITER

REASON CHECKED
Unclaimed
Unknown
Refused
For better address
Moved, Left no address
No such office in state

WASHINGTON, D.C.
1000 PM
13 OCT
1961

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF INTERIOR

Mr. R. C. Maurer

Custer, South Dakota

Mr. Hurt said to file in Docket 10/30/61

13

CUSTER, S. DAK.
OCT 26
12 — M
1961

OCT 16 1961

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

OCT 1 3 1961

Mr. R. C. Maurer

Custer, South Dakota

Re: DMA-1554X (Beryl-Mica)
Stewart and Roseberry
Gap Lode Mining Claim
Pennington County, South Dakota
Contract Idm-E165

Dear Mr. Maurer:

Enclosed is a self-explanatory letter of today to the Operator under the subject contract.

This correspondence relates to the Landlord's Subordination Agreement signed by you on July 31, 1951, under the Defense Minerals Administration program.

Sincerely yours,

George Turnill
Director

Enclosure

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

OCT 1 3 1961

Mr. Jack Stewart
119 North 10th Street
Custer, South Dakota

Mr. Carl Roseberry
933 Creek Street
Custer, South Dakota

Re: DMA-1554X (Beryl-Mica)
Stewart and Roseberry
Gap Lode Mining Claim
Pennington County, South Dakota
Contract Ida-2165

Gentlemen:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development, dated March 9, 1953, all minerals mined or produced from October 2, 1951, to October 2, 1961, 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. Carl Roseberry

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

Mr. Jack Stewart
119 North 10th Street
Custer, South Dakota

OCT 1 3 1961

Mr. Carl Roseberry
933 Crook Street
Custer, South Dakota

Re: DMA-1554X (Beryl-Mica)
Stewart and Roseberry
Gap Lode Mining Claim
Pennington County, South Dakota
Contract Idm-E165

Gentlemen:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development, dated March 9, 1953, all minerals mined or produced from October 2, 1951, to October 2, 1961, 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 Turnick
Director

Return of Address unknown

Copy to: Mr. Carl Roseberry

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

OFFICIAL BUSINESS

Received
REASON CHECKED
Undelivered
Unknown
Refused
For better address
Moved, Left no address
No such office in state

WASHINGTON, 31
OCT 13
11-PM
1961
D.C.

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF INTERIOR

PRAY
FOR
PEACE

Mr. Jack Stewart
119 North 10th Street
Custer, South Dakota

13

CUSTER, S. DAK.
OCT 16
4-PM
1961

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

OCT 1 3 1961

Mr. Francis Michaud

Custer, South Dakota

Re: DMA-1554X (Beryl-Mica)
Stewart and Roseberry
Gap Lode Mining Claim
Pennington County, South Dakota
Contract Idm-E165

Dear Mr. Michaud:

Enclosed is a self-explanatory letter of today to the Operator under the subject contract.

This correspondence relates to the Landlord's Subordination Agreement signed by you on July 31, 1951, under the Defense Minerals Administration program.

Sincerely yours,

George Turnick
Director

Enclosure

Return of - address unknown

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

Mr. Jack Stewart
119 North 10th Street
Custer, South Dakota

OCT 13 1961

Mr. Carl Roseberry
933 Crook Street
Custer, South Dakota

Re: BMA-1554X (Beryl-Mica)
Stewart and Roseberry
Gap Lode Mining Claim
Pennington County, South Dakota
Contract Ida-K165

Gentlemen:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development, dated March 9, 1953, all minerals mined or produced from October 2, 1951, to October 2, 1961, 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. Carl Roseberry

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

OFFICIAL BUSINESS

WASHINGTON, D.C. 37
OCT 13
11-PM
1961

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF INTERIOR

PRAY FOR PEACE

REASON CHECKED
Unclaimed
Unknown
Refused
Not called for
Moved, Left no address
No such office in state

Mr. Francis Michaud

[redacted]er, South Dakota

CUSTER, S. DAK.
OCT 16
1.4-PM
1961

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

OFFICIAL FILE COPY		
REPLY REFER TO: O. M. E.		
RECEIVED OCT 6 1961		
DATE	INITIALS	CODE
		~~170~~
		800
		500
10/9/61	S.P.H.	500
		220

October 4, 1961

Memorandum

To: George C. Selfridge
Office of Minerals Exploration

From: James J. Norton JJ Norton

File DMEA-1554

Subject: Examination of Number 9 and Gap pegmatites, southern Black Hills, South Dakota.

This memorandum is in response to your request of last spring for examination of certified exploration projects for which the 10-year period is about to expire. I visited both the Number 9 and Gap pegmatites, Black Hills, South Dakota, during this past summer, and found that neither has had any work done on it that has not been reported previously.

E126

My visit to the Number 9 pegmatite (DMEA 1199) was on or about August 17, 1961. The last mining operation there was by the Consolidated Feldspar Department of the International Minerals and Chemical Corporation, and this was the source of royalties that have been paid on the exploration loan. My most recent previous visit to this property was at the time Consolidated Feldspar shut down (in 1953 or 1954, I think). No noticeable change has taken place between the time of that early visit and the visit in August 1961.

Lewis H. Collingwood 3/24/61 Murphy

E165

My examination of the Gap pegmatite (DMEA 1554) was on September 17, 1961. The property is virtually unchanged from the way it is shown on the geologic map made at the time of the DMEA exploration work. I understand that some royalty was paid to DMEA, but either this royalty was only for minerals produced during the exploration, or it must have been from a very modest amount of subsequent work, possibly only from reworking the dumps.

Jack Stewart & Carl Rosebery 10/2/61

File

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

March 4, 1953

Memorandum

To: Administrator

From: Chief, Nonmetallic Minerals Division

Subject: Resume of Docket No. DMEA-1554 - Beryl-Mica
Jack Stewart and Carl Roseberry
Gap Lode Mining Claim
Pennington County, South Dakota

6/4/51	Application received for $20,000.00
7/5/51	Field Team report recommends $15,769 350' drifting @ $31.34 $10,969 800' diamond drilling @ $6.00 $ 4,800
10/2/51	Contract executed $15,769.00 of 9 months duration.
11/20/51	Amendment No. 1 to drive adit first defer the diamond drilling to Phase II.
12/4/51	Amendment No. 2 amend Exhibit "A" to permit $100 per month for engineering and clerical work.
4/19/52	Amendment No. 3 to withdraw $172.50 for steel and bits to apply to allowance for Operator's equipment and $100 from supplies and $600 from labor and supervision for road repair.
5/8/52	Amendment No. 4 to drive inclined raise to bottom of open cut (Canceled by Washington Office.)
9/4/52	Amendment No. 4 provides new Exhibit "A" for first three amendments and re-arranges cost estimates.
6/27/52	Amendment No. 5 to transfer $2,500 from diamond drilling phase to permit additional adit work and road repair.
10/22/52	Termination of project by mutual agreement.
1/6/53	Final field team report received.
1/23/53	Operator's final report received.
2/25/53	Report of Review received. $13,123.73 approved - Government's share $11,811.36.
3/4/53	Certification of Discovery made.

Evaluation of field team report. Nonmetallic Minerals Division concurs with results and estimates made by field team. The Operator states "no large discovery of strategic minerals was made by the exploration".

Cost Data and work accomplished:

316' drifting $12,211.37 - unit cost $38.63 per foot.
2.27 miles road repair $1,609.41 - unit cost $709 per mile.

	Total	Unit Cost
Labor	$ 4,534.39	14.35
Supervision and Bookkeeping	3,577.34	11.32
Explosives	858.69	2.72
Pipe	10.18	0.03
Track-gas-oil-bits	1,612.25	5.10
SS & Workmens Compensation	462.03	1.46
Depreciation	1,001.60	3.17
Miscellaneous	154.89	0.48
	$12,211.37	38.63

Ore Inferred:

3,000 Tons feldspar @ 100% recovery	@ $7.00 net/ton	$21,000
~~25~~ Tons beryl @ 80% recovery	@ $400.00 net/ton	8,000
		$29,000

The geologic approach was correct.
The target was reached.

DMEA Form 18
Feb. 58

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ANALYSIS OF SEMIANNUAL REPORT OF CERTIFIED PROJECT

Prepare in duplicate. File original in Official Docket. Send copy

To: Statistics Branch (Code 210)

From: Division of Nonmetallics Minerals

Report Period: 7/1/58 to 12/31/58

DMEA No.	Operator	Contract No.
1554X	W. Stewart & C. Rosberry	Lam-E 165

ORE ESTIMATES

	Tons	Analysis
DMEA	3,000 T Feldspar 8 Beryl	
Operator to date		
Total	3,000 T Feldspar 8 Beryl	
Production to date	0.967	12.31% BeO
Ore in ground		

INVESTMENT

Type	Size		Feet	Cost
Shafts				
Winzes				
Drifts and Crosscuts				
Raises				
Drilling	Type			
Rehabilitation	General	Description		$300.00

FACILITIES

Mine Plant		
Mill		
Roads	Grading	$100.00

REMARKS

Prepared by J. M. Alt Date 4/26/59

31398

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/28	[illegible]	120
7/28 4/28	[illegible]	500
	[illegible]	500
7/31	[illegible]	800
"	[illegible]	110
"		100
		220

JUL 3 1 1961

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations, OME

Subject: Expiration of DMEA Contracts Paying Royalty

DMEA-1199 (Beryl-Mica)
Lewis W. Collingwood
No. 9 Lode Claim
Custer County, South Dakota
Contract Idm-E126
and
DMEA-1554 (Beryl-Mica)
Stewart and Roseberry
Gap Lode Mining Claim
Pennington County, South Dakota
Contract Idm-E165

Reference is made to your memorandum of July 20, 1961, concerning the closing out of DMEA Dockets Nos. 1199 and 1554.

With all of the people involved, I am sure that the entire matter is one of misunderstanding. Attached with my memorandum of May 25 were memoranda of May 22 and 23, 1961, by Messrs. Johnson and Kirkemo, respectively. The second and third paragraphs of Mr. Kirkemo's memorandum were as follows:

> "It seems appropriate that arrangements for these inspections should be worked out by the local representatives of the Survey and the Bureau with the Acting Field Officer for OME. Travel schedules, field project commitments, and personal, up-to-date knowledge of the DMEA projects should determine who can inspect what projects at least inconvenience and at least cost to the Government.
>
> "I have noted on the attached copy of the expiring DMEA contracts, the names of Survey geologists who, perhaps more conveniently than others, may be able to visit some of the

43683

individual projects. This is offered only as a suggestion after discussions with Guild and Norton. Local plans may indicate that others can more conveniently do the job. Should expenses exceed those that can easily be absorbed by project allotments, arrangements can probably be made to charge them to a Branch account. Check with the Branch Chief if the amount is of any appreciable size."

The Survey geologists' names on the copy of the expiring DMEA contracts referred to above were those of persons possibly available to make the examinations. It was our intent that at the appropriate time you would get together with the two bureaus to decide who might make the examination of a project most expeditiously at minimum loss of time and cost to the Government.

/s/ George C. Selfridge (24B)

GCSelfridge/hb (7/28/61)
Copy to: Docket DMEA-1199
Docket DMEA-1554
Director's Reading File
Harold Kirkemo, USGS, (2)
Code 500
G.C.Selfridge
Rev. Comm

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
RECEIVED
DATE
1961
CODE
120
800
500

July 20, 1961

Memorandum

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

From: Hugh M. Connors, Acting Field Officer, OME, Region III

Subject: Expiration of DMEA Contracts Paying Royalty

Docket DMA-1199X(Beryl-Mica)
Contract No. Idm E126
Lewis W. Collingwood
(No. 9 Lode claim)
Custer County, South Dakota

Docket DMA 1554X (Beryl-Mica)
Contract No. Idm-E165
Stewart and Roseberry
(Gap Lode)
Pennington County, South Dakota

Mr. William Sharp of the U.S.G.S. advises that Harold Kirkemo has made arrangements for Mr. James Norton to make the final inspections on the subject contracts. I am therefore checking these two contracts off my list of inspections to be made by this office.

It appears to me that information such as this should come to me direct from your office instead of this round about manner.

Original signed by

Hugh M. Connors

OME, REGION III

Statement in Lieu of ~~Semiannual~~ **Interim** Report
on Certified Project

Reporting Period **1-1-59 through 2-12-60**
Docket and Contract Number **DMA 1554X, E 165 (Beryl-Mica)**
Operator **Jack Stewart and Carl Roseberry (Gap Lode)**
Pennington County, South Dakota

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [X]

Remarks:

Carl Roseberry, Manager, advised that the property has been inactive and there has been no change of ownership.

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 7 1960

DATE		
3-7	gad	1 10
3/8	bff	800
		500

Signed H. M. Connors
H. M. Connors

Date **February 19, 1960**

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado
February 8, 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 10 1960

DATE	INITIALS	CODE
2-10	gad	220
2/10	[illegible]	800
2/11	[illegible]	500
		225

Jack Stewart & Carl Roseberry
Custer
South Dakota

Re: Docket No. DMA 1554Y (Beryl-Mica)
Contract No. Idm-2155
(Gap Lode)
Pennington County, South Dakota

Dear Mr. Stewart and Mr. Roseberry:

In reference to the "Certification by the United States of America of a Discovery or Development under an exploration Project Contract" and the instructions in the Washington Office letter of transmittal of the Certification on the captioned project, please indicate your answer to the following questions and return one copy of the questionnaire immediately to this office.

Very truly yours,
Original signed by

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

1. Has the property been sub-leased or any change made in ownership other than this office has been notified? Yes ___ No___. If yes, please furnish details of the transaction on a separate sheet and include a true or signed copy of any instrument that was executed in conjunction with the matter.

2. Has there been production from the land subordinated under the referenced contract since January 1, 1959? Yes___ No___. If yes, and shipments made, who was the purchaser?_____

3. Is any of the following material stockpiled? Yes___ No___.

(a) Ore, Tons_____ Estimated grade_____
(b) Concentrates, lbs._____ Estimated grade_____
(c) Low grade ore, tons_____ Estimated grade_____
Place stockpiled_____

Signed_____

Title_____ Date_____

HMC:ltm cc: Chmn. Op. Comm. Roy. Corres. E165 Chron.

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 29 1959

DATE	INITIALS	CODE
6/29	G	220
6/29	[illegible]	800
6/29	[illegible]	600
		225

224 New Customhouse
Denver 2, Colorado

June 25, 1959

Mr. Carl Roseberry
Custer,
South Dakota

Re: Docket DMEA 1554X (Beryl-Mica)
Contract Idm-E165
(Gap lode mining claim)
Pennington County, South Dakota

Dear Mr. Roseberry:

We have some correspondence to forward to Mr. Francis Michaud who was one of the owners of the Gap lode mining claim.

We do not have his address, and we would be greatly obliged to you if you will give us Mr. Michaud's address.

Very truly yours,

Original signed by
J. W. TOWNSEND

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

HMC:jy

cc: Chm. Op. Comm. (2)
Roy. Corres. E165
Chron.

EXTRA COPY O. M. E. RECEIVED JUN 22 1959		
DATE	INITIALS	CODE
6/23	J.W.A.	~~[illegible]~~
		220

224 New Customhouse
Denver 2, Colorado
June 18, 1959

Memorandum

TO: R. D. Talbert, Acting Chief
Contract Administration and Audit Division, OME

From: Donald T. Finch, OME Auditor

Subject: Docket No. DMEA 1554 (Beryl-Miss-Feldspar) Jack Stewart and Carl Roseberry, Contract IDm-E165

In connection with your return of my Report of Royalty Review on the subject contract, you are advised that I have destroyed or voided all copies, and have placed this account in a follow-up basis pending outcome of Field Team's collection efforts.

The following explanation of the inconsistency of the report as submitted, with the correspondence file indicating royalty due in the amount of $28.91 is offered:

(1) My report as submitted had the following statement.

> "Subsequent Semi-Annual Report of Field Team during the period July 1, 1955 to June 30, 1958, indicate the property is inactive and no operations or ore shipments are indicated during the last half of 1958, or anticipated in 1959".

This statement was based on the then available information on file. A Semi-Annual Report for the period July 1, to December 31, 1958, was filed after my preparation of the Report of Royalty Review. I had no knowledge of its existence at the time I prepared the voided Report of Royalty Review.

(2) During my absence in Salt Lake, the Executive Officer's files were materially condensed and a large segment was sent to the archives at the Federal Center. I am very sure that the Royalty Correspondence File was not available for my examination at the time of the preparation of the Report of Royalty Review. It is believed the filing system changes have now been completed and that a recurrence of reports based on incomplete data will not be repeated.

Very truly yours,

Donald T. Finch

Donald T. Finch
OME Auditor

DTF:ltm

DATE
RECEIVED
DATE

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/16	G	220
6/16	gad	600
		770
		225

JUN 15 1959

Memorandum

To: Mr. Donald T. Finch, OME Auditor

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

Subject: Docket No. DMEA-1554 (Beryl-Mica-Feldspar)
Jack Stewart and Carl Roseberry
Contract No. Idm-E165

The Washington copies of your Report of Royalty Review on the subject contract are returned herewith for further review and revision or explanation as may be necessary.

Your findings appear to be inconsistent with the Executive Officer's correspondence since February 17, 1959, with the Operator and the land-owners. This correspondence indicates that royalty in the amount of $28.91 is due the Government for a sale to the Custer, South Dakota, Mica Purchase Depot on November 29, 1958.

Enclosures

EDTalbert/ama
June 15, 1959

Copy to: Docket
Director's Reading File
Code 800

43683

OFFICIAL FILE COPY O. M. E. RECEIVED JUN 11 1959		
DATE	INITIALS	
6/11	a	220
"	FLJ	110
6/15	amb	800.
6/17	J.W.R.	600
		225

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration
224 New Customhouse
Denver 2, Colorado

June 8, 1959

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region III

Subject: Semiannual Report of Certified Project for the period

DMEA Docket **1554x (Beryl-Mica)**
Contract Idm-E 165
J. Stewart & C. Roseberry (Gap Lode Mining Claim)
Pennington County, South Dakota

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

J. W. Townsend

J. W. Townsend

Enclosures

cc: Semiannual Report File Idm-E
Chmn. Op. Comm. (4)
Harshman
Marshall, OME/DFC
Chron.

Semi-Annual Report of Certified Projects

Reporting Period	July 1958 through December 31, 1958
Docket and Contract Number	DMEA 1554X, Contract Idm-E165
Operator	J. Stewart and C. Roseberry
Commodity	Beryl-Mica
Mine Name	Gap Lode Mining Claim
County and State	Pennington County, South Dakota

Date of Contract	October 2, 1951
Date of Certification	March 9, 1953
Expiration Date of Royalty Payments	October 2, 1961
Date of Examination for this Report	May 13, 1959

Total Amount of Contract	$15,769.00
Total Expenditures under Contract	$13,123.73
Amount of Government Participation at 90 %	$11,811.36

Royalty Payments this Period	none
Previous Royalty Payments	none
Total Royalty Payments to Date	none
% Loan Repayment Completed	0.00%

Amount of Royalty Due	To be established upon receipt of information requested by the Executive Officer in letter dated February 17, 1959 to Carl Roseberry and Jack Stewart (See also attached page)
Royalty Remarks	

	Tons	Analysis
Original Estimate of DMEA Reserve (Field Team Final Report) Mines ☐ Survey ☐ Joint ☐	~~3300 feldspar~~ 0 beryl	~~(Recoverable)~~ (Recoverable)
Revised Estimate of DMEA Reserves (Field Team) Mines ☐ Survey ☐ Joint ☐		
Increase of Reserves by work performed subsequent to DMEA project work		
Production DMEA ore (This period)	~~0.02~~	~~20,315.00~~
(Previous)	none	none
(To Date)	~~0.02~~	~~20,315.00~~
" Operator's ore found subsequent to DMEA work (This period)		
(Previous)		
(To Date)		

Percent Revised Reserves Mined ~~30.3 beryl~~

(For Uranium Ores Only)

Initial Production Bonus:

Status of Operator: Ineligible ☐ Applied for ☐ Rec'ing pmt ☐ Paid up ☐

Pounds U_3O_8 produced this period eligible for Bonus _____

Amount of Bonus paid to Operator this period $_____

Total pounds U_3O_8 produced to date eligible for Bonus _____

Total amount of Bonus paid to Operator to date $_____

Bonus Royalty Paid $_____

Bonus Royalty Due $_____

Investment Data

Shafts			Winzes			Drifts & Crosscuts		
Size	Feet	Cost	Size	Feet	Cost	Size	Feet	Cost

Raises			Drilling			Rehabilitation	
Size	Feet	Cost	Type & Size	Feet	Cost	Description	Cost
						~~General~~	~~$300.00~~

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost
				~~Grading~~	~~$200.00~~

Remarks

~~See attached rep.~~

Signed H Marshall (Engineer)

REMARKS

Carl Rosenberry, 933 Creek Street, Custer, South Dakota, with Jack Stewart, control the property by long term lease still in effect. Unknown to Rosenberry, a second lease was given to Everett Tonda by Andre who holds title to the property. The contents of said second lease was not revealed to the inspecting engineer but conversation with Tonda indicates it includes no provision for the protection of the Government's interest in the property. The Government's interest in the property however, is protected by Landlord's Subordination Agreement signed by Gertrude Andre as executrix of the estate of W. W. Wright.

Correspondence with Mrs. Andre indicates that she acknowledges responsibility for payments of due royalties to the Government and that such will be forthcoming.

OFFICIAL FILE COPY O. M. E. RECEIVED JUN 24 1959		
DATE	INITIALS	CODE
6/24	G	220
6/24	[illegible]	800
	[illegible]	500
		225

224 New Customhouse
Denver 2, Colorado

June 22, 1959

Mr. Francis Michaud
Custer,
South Dakota

Re: Docket DMRA 1554X (Beryl-Mica)
Contract I&m-E165
(Gap lode mining claims)
Pennington County, South Dakota

Dear Mr. Michaud:

We have copies of the Warranty, Acceptance and Invoice on a shipment of ore from the Gap Lode, Lot No. B-542. This shipment settled for $578.11, and the royalty due the Government is $28.91.

A Consent to Lien, signed by you on July 31, 1951, makes it your responsibility to protect the Government's rights and interests in all production from the property. If we do not receive the $28.91 due on Lot No. B-542 before July 22, 1959, we will refer the matter to higher authority for such action as they deem necessary.

Very truly yours,

Original signed by
J. W. TOWNSEND

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

Copies to:
Ms. Gertrude Andre'
Box 152, Custer, S. D.
and
Mr. R. C. Maurer
Custer, S.D.

HMC:jy
cc: Chm. Op. Comm. (2)
Roy. Corres. E165
Chron.

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 24 1959

DATE	INITIALS	CODE
6/24	G	220
6/24	[illegible]	800
	[illegible]	500
		225

224 New Customhouse
Denver 2, Colorado

June 22, 1959

Mr. R. C. Maurer
Custer,
South Dakota

Re: Docket DMEA 1554X (Beryl-Mica)
Contract I6m-E165
(Gap lode mining claims)
Pennington County, South Dakota

Dear Mr. Maurer:

We have copies of the Warranty, Acceptance and Invoice on a shipment of ore from the Gap lode, Lot No. B-542. This shipment settled for $578.11, and the royalty due the Government is $28.91.

A Consent to Lien, signed by you on July 31, 1951, makes it your responsibility to protect the Government's rights and interests in all production from the property. If we do not receive the $28.91 due on Lot No. B-542 before July 22, 1959, we will refer the matter to higher authority for such action as they deem necessary.

Very truly yours,

Original Signed
J. W. TOWNSEND

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

Copies to:
Ms. Gertrude Aubre'
Box 152
Custer, S. D.
and
Mr. Francis Michaud
Custer, S. D.

HMC:jy
cc: Chm. Op. Comm. (2)
Roy. Corres. E165
Chron.

OFFICIAL FILE COPY O. M. E. RECEIVED JUN 24 1959		
DATE	INITIALS	CODE
6/24	G	220
6/24	[illegible]	800
	[illegible]	500
		225

224 New Customhouse
Denver 2, Colorado

June 22, 1959

Ms. Gertrude Andre'
Box 152
Custer, South Dakota

Re: Docket DMEA 1554X (Beryl-Mica)
Contract Idm-E165
(Gap lode mining claims)
Pennington County, South Dakota

Dear Ms. Andre':

We have copies of the Warranty, Acceptance and Invoice on a shipment of ore from the Gap lode, Lot No. B-542. This shipment settled for $578.11, and the royalty due the Government is $28.91.

A Consent to Lien, signed by you on July 31, 1951, makes it your responsibility to protect the Government's rights and interests in all production from the property. If we do not receive the $28.91 due on Lot No. B-542 before July 22, 1959, we will refer the matter to higher authority for such action as they deem necessary.

Very truly yours,

Original signed by
J. W. TOWNSEND

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

Copies to:
Mr. Francis Michaud
Custer, S. D.
and
Mr. R. C. Maurer
Custer, S.D.

HMC:jy
cc: Chm. Op. Comm. (2)
Roy. Corres. E165
Chron.

224 New Customhouse
Denver 2, Colorado

May 11, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 14 1959

DATE	INITIALS	CODE
5/14	G	220
5/14	[illegible]	800
5/17	[illegible]	600
		225

Ms. Gertrude Andre'
Box 152
Custer, South Dakota

Re: Docket DMEA 1554X (Beryl-Mica)
Contract Idm-X165
(Gap lode mining claim)
Pennington County, South Dakota

Dear Ms. Andre':

We have received three copies of Warranty, Acceptance and Invoice on Beryl Lode No. B-542, purchased from Everett Yanda from the "Gap" lode. This shipment settled for $578.11, and the royalty due the Government is $28.91. It is the responsibility of the owners of the Gap lode to pay the Government's royalty.

Will you please forward this office two copies of the instrument giving Everett Yanda the right to mine and remove ore from the Gap lode.

For your information enclosed is a copy of a letter to Mr. Roseberry from this office, dated May 7, 1959.

Very truly yours,

Original signed by
J. W. TOWNSEND

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

Enclosure
HMC:jy
cc: Chm. Op. Comm. (2)
Roy. Corres.
Chron.

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 11 1959

DATE	INITIALS	CODE
5/11	C	220
5/11		800
		600

224 New Customhouse
Denver 2, Colorado

May 7, 1959

Mr. Carl Roseberry
Custer,
South Dakota

Re: Enclst DMEA 1554X (Beryl-Mica)
Contract Idm-E165
(Gap lode mining claim)
Pennington County, South Dakota

Dear Mr. Roseberry:

Thank you for your letter of May 2, 1959, regarding royalty due the Government on the captioned contract.

You and Jack Stewart are not responsible for the payment of royalty to the Government on any production from the Gap lode which was mined after your lease was terminated or surrendered.

The landowners assume the responsibility of paying royalty after the lessees terminate or surrender the lease. This is in accordance with the Owners Consent to Lien, which the landowners signed before the contract to the lessees was made effective.

Very truly yours,

Original signed by
J. W. TOWNSEND

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

HMC:jy

cc: Chm. Op. Comm. (2)) w/copy of Roseberry's
Roy. Corres. E165) ltr. dtd. 5/2.
Chron.

Copy to:
Gertrude Andre'
Custer, S. D.

OME
DEPARTMENT OF THE INTERIOR
MAY 5 - 1959
REGION III
DENVER, COLORADO

Custer So Dak
May 2 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 11 1959

DATE	INITIALS	CODE

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

Re: Docket No OMEA 1564X Beryl Mica
Contract No: Idm E165 Gap Lode
Mining Claim Pennington County S.D.

Dear Sir:
In reply to your letter of Mar 26-1959
The Andris have returned home and I went to see and Attorney about going with me to see them and he advised me as long as they would not speak to me to write them a letter inclosing a copy of your letter of Feb 17-1959 and I did write to them.
I got and answer two days later by Telephone and a good going over for writing.
I ask them if they refused to pay the Royalty and they said no but will not pay to me so I told them to pay the Government as long as I got a receipt that it was payed
The Andris said they never got a copy of the Contract but I am sure they did.

as if possible and you have a copy of the Contract would you please send them one, Also send them the amount of the Royalty and see if they will pay your Department Thanking you for your fine Cooperation on this matter

Sincerely
Carl Roseberry
Custer So Dak

P.S.

Has your field man returned yet as he has all the information how every thing was handled here.

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 4 1959

DATE	INITIALS	CODE
5/4	G	220
5/4	[illegible]	800
5/5	[illegible]	600

224 New Customhouse
Denver 2, Colorado
April 30, 1959

Ms. Gertrude Andre'
Box 152
Custer, South Dakota

Re: Docket DMEA 1958 (Beryl-Mica)
Contract Ida-8165
(Gap lode mining claim)
Pennington County, South Dakota

Dear Ms. Andre':

Thank you for your letter of April 22, 1959, in which you requested information on the captioned contract.

We have copies of the contract, Certification of Discovery and Landlord's Subordination Agreement, signed by you as executrix of the estate of W. W. Wright. We also have copies of the Landlord's Subordination Agreement signed by the other owners of the property. Our copies are not suitable for reproduction, and you may wish to request photo copies of the Landlord's Subordination Agreement and Certification of Discovery from the Office of Minerals Exploration, U. S. Department of the Interior, Interior Building, Washington 25, D. C., who have the originals.

The Landlord's Subordination Agreement, signed by all owners of the property, gave the Government prior claim on royalties under the terms of the lease to Jack Stewart and Carl Roseberry. It further provided that if said leasehold interest should be surrendered, or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said exploration project contract, the landowners shall assume all of the obligations of the lessee under said exploration project contract to make repayment to the United States of America according to the terms of said contract.

In accordance with the provisions under Article 15 of the contract form, and the Certification of a Discovery or Development, issued March 9, 1953, royalty is to be paid to the Government on all production from the Gap lode mining claim until the sum of $11,811.36 is paid, or until October 2, 1961, whichever occurs first.

We have no knowledge of why the mica depot does not buy your mica. The objective of DMEA was exploration, and the purchase of any mineral found as a result of the exploration was not intended. It is the province of General Services Administration to purchase minerals for the Government's stockpile.

All minerals sold from the subordinated land are subject to royalty, which is now due and payable on all ore that has been sold from the property since Rosebery and Stewart surrendered their lease.

Please forward this office three copies of the GSA Warranty Acceptance and Invoice, covering Lot No. 542, and we will advise you of the amount of royalty due the Government. If other shipments have been made, please forward this office three copies of all settlement sheets pertaining thereto.

Very truly yours,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer
OME Field Team, Region III

HMC:jy

cc: Chm. Op. Comm. (2)
Marshall, OME/DFC
Roy. Corres. E165
Chron.

OME
DEPARTMENT OF THE INTERIOR
APR 27 1959
REGION III
DENVER, COLORADO

Custer S. Dak
April 22, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 4 1959

DATE	INITIALS	CODE

Office of Minerals Exploration
Denver, Colorado

Gentlemen: Reference is made to your letter of February 27-1959 addressed to Mr. Carl Raseberry and Jack Stewart Custer S. Dak.

Docket No. DMEA-1554X (Beryl Mica)
Contract IDM-E165. Gap Mining Claim
Pennington County.

Mr. Raseberry delivered the letter to me today and I am writing to you for information. I do not have a copy of the Contract of loan or a Certificate of Discovery. Can I obtain copies from your office? If so will you please forward same to me.

It is true that some Beryl has been recovered from this mine

and I and the other owners of the claim have received a small amount of royalty - and if we are owing your department a per cent of this royalty - certainly we will pay it.

Now I want to know if this claim has been declared a discovery by the Minerals Exploration - why don't the mica defat in this city buy the mica?

Mr. Raseberry abandoned this mine as soon as the loan money was used up and has not worked the claim since. The work that Raseberry and Stewart accomplished at this claim re: the exploration loan has no value as far as the mine is concerned.

If this claim is mined for feldspar will the royalty be subject to payment on the exploration loan?

It is my desire to co-operate with your department in every way and we would like to have this mine in operation to recover what ever minerals we can find a market for.

Kindly let us hear from you soon - and please advise us if we may proceed with the mining of feldspar - and please be assured if we are owing any royalty to you we will send it at once.

Yours truly

Gertrude André
Box 152.
Custer South Dakota.

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 30 1959

DATE	INITIALS	
3/30	C	220
4/1	Hook	600
		225

224 New Customhouse
Denver 2, Colorado

March 26, 1959

Messrs. Carl Roseberry and Jack Stewart
Custer,
South Dakota

Re: Docket No. ~~[illegible] 1959-[illegible] (Beryl-Mica)~~
Contract No. I&m-E165 (Gap Lode mining claim), Pennington County, South Dakota

Gentlemen:

Thank you for your letter dated March 23, 1959, regarding the shipment of beryl on the Gap lode mining claim.

When you talk to the owners after their return April 15, please show them our letter to you dated February 17, 1959, and advise this office the origin of the ore in question.

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) w/ copy Operator's letter of 3/23/59
Marshall, OME/DFC
Royalty file E165
Chron.

COPY

Custer, So. Dak.

March 23, 1959

Dept. of the Interior
Denver, Colo.
Mr. J. W. Townsend
Executive Officer
OME Field Team, Reg. III

Re: Docket No. EMEA 1554X
Contract Idm-E165, Beryl & Mica
Gap Lode Mining Claim

Dear Mr. Townsend:

In regards to the Royalty on the beryl from Gap Lode, the owners of the Gap Lode claim are out of town and will not be back till about the 15th of April.

They leased the Gap and I did not know about as I did not sign a sub-lease for them.

Will thank you very much if you will give me some time to contact the Andres as they own the Gap Lode so I can make certain where the Beryl came from.

Would like to see your field man if he happens to be in Custer soon.

Sincerely,

/s/ Carl Roseberry and Jack Stewart -

/s/ Carl Roseberry,
Custer, So. Dak.

f

OFFICIAL FILE COPY O. M. E. RECEIVED MAR 20 1959		
DATE	INITIALS	CODE
3/20	C	220
3/20	Hook	600
		225

GSA New Customhouse
Denver 2, Colorado

March 18, 1959

CERTIFIED MAIL

Messrs. Carl Homeberry and
Jack Stewart
Custer, South Dakota

Re: Docket No. DMRA 1554X (Beryl-Mica)
Contract No. Ida-E165 (Gap Lode mining claim) Pennington County, South Dakota

Gentlemen:

We have had no reply to our letter dated February 17, 1959, requesting further information concerning GSA Lot No. 542 Beryl ore from the Gap claim.

By return mail, will you please give us the information we requested, which is in accordance with the contract.

Very truly yours,
Original signed by
J. W. TOWNSEND
J. W. Townsend
Executive Officer
GSA Field Team, Region III

BMC/ff
cc: Chmn. Op. Comm. (2)
Royalty file, E165
Chron.

DATE	INITIALS	CODE

If the production was not from ground subordinated under the contract, please so advise this office, and also give the actual origin, if known to you.

Very truly yours,

Original signed by
J. W. TOWNSEND

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

JDC:hmh

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

February 21, 1958

OFFICIAL FILE COPY DMEA RECEIVED FEB 26 1958		
DATE	INITIALS	CODE
2/26	C	220
27	Com	100
"	[illegible]	110
2/27	EEF	800
		600

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1957 to December 31, 1957

DMEA Docket 1554 (Berl-Mica)
Contract Idm-E 165, Jack Stewart and Carl Roseberry (Gap lode claims) Custer County, S. D.

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

W H King
Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM:jy

cc: Semiannual Report File E165
Harshman
DMEA,DFC - 2
Chron.

DMEA
DEPARTMENT OF THE INTERIOR
FEB 13 1958
REGION III
DENVER, COLORADO

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period	**July 1 - December 31, 1957**
Docket and Contract Number	**Docket No. 1554, Contract Idm-E165**
Operator	**Jack Stewart and Carl Roseberry**
	Custer County, S. D.

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

Signed E O Binyon
E. O. Binyon

Date 2/10/58

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

February 21, 1958

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1957 to December 31, 1957

DMEA Docket 1554 (Perl-Mica)
Contract Idm-E 165, Jack Stewart and Carl Roseberry (Gap lode claims) Custer County, S. D.

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

Original signed by
W. H. KING

Executive Officer, DMEA
Field Team, Region III

Enclosures

MH4:jy

cc: Semiannual Report File E165
Harshman
DMEA, DFC - 2
Chron.

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period	July 1 - December 31, 1957
Docket and Contract Number	Docket No. 1554, Contract Ida-6165
Operator	Jack Stewart and Carl Rosenberry
	Custer County, S. D.

The project has been inactive during the reporting period ☒

Pertinent data relative to the subject contract has remained unchanged since the last report ☐

Remarks:

Signed E O Binyon

E. O. Binyon

Date 2/10/58

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

August 12, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 15 1957
DATE | INITIALS | CODE
8/16 | Com | 100

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1957 through June 30, 1957
DMEA Docket 1554 (Beryl-Mica)
Contract Idm-E 165, James Stewart and Carl Roseberry (Gap Lode Claim), Custer County, South Dakota

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

E. M. Harshman
Acting Executive Officer
DMEA Field Team, Region III

Enclosures
MHM/vj

cc: Semiannual Report File E 165
Harshman
DMEA/DFC
Chron.

DMEA
DEPARTMENT OF THE INTERIOR
AUG 12 1957
REGION III
DENVER, COLORADO

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period January 1 - June 30, 1957
Docket and Contract Number Docket No. 1554, Contract Idm-E165
Operator James Stewart and Carl Roseberry
Custer, South Dakota
Gap Mine, Custer County, S. D.

The project has been inactive during the reporting period ☐

Pertinent data relative to the subject contract has remained unchanged since the last report ☒

Remarks:

OFFICIAL-COPY
DMEA
RECEIVED AUG 15 1957

DATE	INITIALS	CODE

Signed E O Binyon
E. O. Binyon

Date 8/6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

224 New Customhouse
Denver 2, Colorado

Date: February 25, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1956 through December 31, 1956
DMEA Docket 1554 (Beryl-Mica)
Contract Idm-E 165, Jack Stewart and Carl Roseberry (Gap Lode Claim), ~~Custer~~ Pennington County, South Dakota

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, ~~and~~ Memorandum 29, and Special Noticein Minutes of Operating Committee Meeting No. 692.

E. N. Harshman

for W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM/vj
cc: Semiannual Report File E 165
J. F. Shaw (2)
E. N. Harshman
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 28 1957

DATE	INITIALS	CODE
3/1	C	220

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period July 1, -- December 31, 1956
Docket and Contract Number Docket DMEA 1554 -- Contract Idm-E165
Operator Jack Stewart and Carl Roseberry
~~Custer~~ Pennington County, South Dakota

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

OFFICIAL FILE COPY
D M E A
RECEIVED FEB 28 1957

DATE	INITIALS	CODE

Signed E. O. Binyon

Date 2/6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

RECEIVED
SEP 24 1956

224 New Customhouse
Denver 2, Colorado

Date: September 20, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1956 through June 30, 1956
DMEA Docket 1554 (Beryl-Mica)
Contract Idm-E 165, Stewart & Roseberry (Gap Lode Claim), Pennington County, South Dakota

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, ~~and~~ Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM/vj
cc: Semiannual Report File E 165
J. F. Shaw (2)
E. N. Harshman
Chron.

RECEIVED
SEP 24 1956
DMEA
DEPARTMENT OF THE INTERIOR
SEP 20 1956
REGION III
DENVER, COLORADO

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period January 1 - June 30, 1956
Docket and Contract Number DMEA 1554, Contract Idm-E165
Operator Stewart & Roseberry Gap

	"X" one
The project has been inactive during the reporting period	☐
Pertinent data relative to the subject contract has remained unchanged since the last report	X

Remarks:

Inspected June 26, 1956

Active? Inactive ltr.

Signed E. O. Binyon

Date August 10, 1956

U. S. DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

RECEIVED
APR 27 1956

224 New Customhouse
Denver 2, Colorado

Date: April 25, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, Docket DMEA 1554X (Beryl-Mica), Contract Idm-E165, Stewart & Roseberry (Gap Lode Mining Claim), Pennington County, South Dakota

Period: March, 1956

During the above month the following royalty payments were received for ore or concentrates shipped from the subject property:

Lot No.	Dry Tons	Royalty Due	Royalty Pd.

(NONE)

U. S. DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

RECEIVED
APR 27 1956

224 New Customhouse
Denver 2, Colorado

Date: April 25, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, Docket DMEA 1554X (Beryl-Mica), Contract Idm-E165, Stewart & Roseberry (Gap Lode Mining Claim), Pennington County, South Dakota

Period: March, 1956

During the above month the following royalty payments were received for ore or concentrates shipped from the subject property:

Lot No.	Dry Tons	Royalty Due	Royalty Pd.

(NONE)

Totals:

Past Due Royalties Collected	None
Total Dry Tons (Ore or Cons.) Shipped to Date	None
Expiration Date of Royalty Repayment	October 2, 1961
Amount of Government Participation	$11,811.36
Total Royalty Payments to Date	None
Percent of Loan Repayment	----

W. M. Traver

vj
cc Royalty File E 165 w/Settlement Sheets
Monthly Royalty Payment File
~~T. A. Christensen~~
S. M. Runke
Chron.

RECEIVED
MAR 14 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

224 New Customhouse
Denver 2, Colorado

Date: March 9, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1955 through December 31, 1955.
DMEA Docket 1554X (Beryl-Mica)
Contract Idm-E 165 , Jack Stewart and Carl Roseberry, Gap Lode, Pennington County, South Dakota

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office. and Memorandum 29.

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures

RDB/vj
cc: Semiannual Report File E 165
E. O. Binyon
E. N. Harshman
Chron.

RECEIVED
MAR 14 1956

Semi-Annual Report of Certified Projects

DMEA
Date Rec'd.
FEB 29 1956
BUREAU OF MINES
Denver, Colorado

Reporting Period July 1, 1955 - December 31, 1955

Docket and Contract Number Docket DMEA 1554X, Contract Idm-E165

Operator Jack Stewart and Carl Roseberry

Commodity Beryl-mica

Mine Name Gap Lode

County and State Pennington County, S. Dak.

Date of Contract October 2, 1951

Date of Certification March 9, 1953

Expiration Date of Royalty Payments October 2, 1961

Date of Examination for this Report January 5, 1956

Total Amount of Contract $15,769.00

Total Expenditures under Contract $13,203.03

Amount of Government Participation at 90 % $11,882.73 11,811.36 CAAD

Royalty Payments this Period None

Previous Royalty Payments None

Total Royalty Payments to Date None

% Loan Repayment Completed 0

Amount of Royalty Due None

Royalty Remarks

RECEIVED
MAR 14 1956

Original Estimate of Reserves (from Final Engr.-Geol. Report): 25 tons beryl
3000 tons (recoverable) feldspar

Increase of Reserves by work performed subsequent to expiration or termination of contract: None

Revised Estimate of Reserves: -

DMEA
Date Rec'd.
FEB 29 1956
BUREAU OF MINES
Denver, Colorado

Production this Period (Ore or Concentrates) None

Amount of Previous Production (since date of contract) None

Total DMEA Production to date None

% of Revised Reserves Mined 0

Production Remarks:

Note: On Uranium projects check with AEC to assure that our records are in agreement with theirs.

Other Remarks: The property has been inactive since work under the contract ceased on October 22, 1952.

Signed E O Bingon (Engineer)

Semi-Annual Report of Certified Project

January 1, 1955 to June 30, 1955

Docket: DMEA ~~1812X~~ 1554, Contract Idm-E165

Commodity: Beryl-mica

Operator: Stewart and Roseberry

Mine: Gap Lode

County and state: Custer County, S. Dak.

Date of certification: October 2, 1951

Date of examination for this report: April 27, 1955

Total contract amount: $15,769.00

Total expended: $13,203.03

Government participation: $11,882.73 (90%) X 11,811 36 [illegible]

Expiration date of royalty payments: October 2, 1961

Production to date: None*

Production this period: None

Royalty due for period: None

Royalty paid to date: None

Royalty due on production to date: None

* Production of 26 pounds, 10 oz. of columbite-tantalite (GSA Lot No. 14 CT) was erroneously reported as production from the property.

Minneapolis 8, Minnesota
January 6, 1955

Memo
To: Operating Committee
From: Exec. Off. Field Team, Reg. V

Subject: Semi-Annual Report on certified projects

Following is the status of certified projects in former Region V as of 12/31/54:

1554 165 Stewart & Roseberry Royalties - none
7/1/54 to 12/31/54

Inactive

Needham

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
Region V
2908 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

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-Rossberry, 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.

A. B. NEEDHAM

Attachments

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT - 5 1954

933 Crook St.
Custer, South Dakota
September 27, 1954

United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Re: Docket No. DMEA-1554 (Beryl-Mica)
Stewart and Roseberry
Gap Lode Mining Claim
Pennington County, S. D.
Contract No. Idm-E165

Dear Sirs:

Reference is made to your Registered Letter dated Sept. 17th, requesting royalty payment on Lot 14 CT of columbium-tantalum sold to the Government Depot in Custer, S. Dak. Herewith enclosed please find a copy of the voucher for this shipment of Columbium-Tantalum ore. As you will notefrom this voucher there is no place that states where this ore was produced. I was never asked this information at the time of the sale. Therefore, where the Government Depot obtained their information is unknown to me. This Columbium-Tantalum Ore did not come from the Gap Lode but from the Wilhelm Mine and was produced in 1940. To my knowledge there has never been any Columbium-Tantalum found in the Gap Lode. However, if you still feel that I owe the Government royalty on this sale, I will pay it. I did want to let you know the reason that I knew nothing about the royalty that you claim is due the Government.

Hoping that this will clarify the situation, I remain

Very truly yours,

Carl Roseberry

Carl Roseberry

Letter [illegible] is
contract adm. & audit div.
as they [illegible] collected
ofcs. 9-17-54

Please [illegible] Gap Lode not [illegible]
[illegible] Minerals [illegible]
[illegible] 10/1/54

3

COPY COPY COPY

SUB VOUCHER 72

Invoice No. C-T-14

August 25, 1953

CARL ROSEBERRY
933 Crook Street
Custer, South Dakota

AUTH. NO. 6-17 Col-Ta

Defense L.
OCT - 5 19

General Services Administration
1800 Federal Office Building
Kansas City 6, Missouri

To amount due per Chapter XXIII Defense Materials Procurement Agency Revision 1, Amendment 1, for 26 pounds, 10 ounces of Columbium-Tantalum Ore delivered to Mica Purchasing and Processing Depot, Custer, South Dakota.

SMALL LOT

26 lbs. 10 oz of Columbium-Tantalum Ore
50 % contained combined pentoxide
26 lbs. 10 ox. x 50% - 13 lbs. 5 ox. pentoxide
13 lbs. 5 oz. @ $3.40 per lb. - $45.26

I, Carl Roseberry, do hereby certify that the above quantity of Columbium-Tantalum Ore is of domestic origin and is offered for sale to the United States Government.

I also certify that the statement above is correct and just and payment therefore has not been received.

SIGNED: /s/ Carl Roseberry
Carl Roseberry, Owner

GENERAL SERVICES AMINISTRATION

ACCEPTANCE:- Subject to the terms of Chapter XXIII, Defense Materials Procurement Agency, Revision 1, Amendment 1, the Government accepts the number of pounds of Columbium-Tantalum Ore, delivered by the seller to the Government for which payment in the total amount set forth hereinabove will be made by the Government.

SIGNED: /s/ Bernard A. Gira
Bernard A. Gira, Buyer

CASH PAYMENT OF $ 45.26 RECEIVED
IN FULL PAYMENT OF THIS INVOICE

/s/ Carl Roseberry

3

Docket file
Surname:

Talbert Talbert
Houk Houk
Rubin
Hofflund
Selfridge Selfridge
F.G. Lemon

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

SEP 17 1954

Registered Mail
Return Receipt Requested

Mr. Carl Roseberry
933 Creek Street
Custer, South Dakota

Re: Docket No. DMEA-1554 (Beryl-Mica)
Stewart and Roseberry
Cap Lode Mining Claim
Pennington County, S. D.
Contract No. Ida-E165

Dear Mr. Roseberry:

By letter dated March 9, 1953 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 production from the aforesaid claim from the date of the Exploration Project Contract, October 2, 1951, is subject to the Government's percentage royalty as set forth in the contract until the sum of $11,811.36 is paid or until October 2, 1961, whichever occurs first."

You were advised further that royalty payments, accompanied by suitable evidence such as copies of settlement sheets showing quality and grade of pegmatite products sold, should be made to Mr. A. B. Needham, Executive Officer, Defense Minerals Exploration Administration, Field Team, Region V, 2908 Colfax Avenue, South, Minneapolis 8, Minnesota.

The records of this Administration indicate that you:

(1) Made a shipment on October 9, 1953 of 26 lbs. 6 ozs. of columbium-tantalum (Lot 1ACT) to the General Services Administration Depot at Custer, South Dakota;

(2) Have not reported the sale and paid the royalty due the Government; and

(3) Have failed to reply to a letter dated August 3, 1954 addressed to you by Mr. Needham requesting payment of the royalty due.

R.C.G.

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
(by EST)
ACTING Administrator

EDTalbert/wb
September 6, 1954

Copy to: Docket
Admr. Reading File
Region V Field Team
Mr. Houk
Mr. Chambers
Mr. Jack Stewart (RM RRR)
119 N. 10th Street
Custer, S. D.

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

Talbert
Hack
Quinn
Hoffman
Selfridge
~~Talbert~~

INTERIOR DEPT.
SEP 8 - 1954
SOLICITOR

Registered Mail
Return Receipt Requested

Mr. Carl Rosebarry
933 Crook Street
Custer, South Dakota

Re: Docket No. DMEA-1554 (Beryl-Mica)
Stewart and Rosebarry
Gap Lode Mining Claim
Pennington County, S. D.
Contract No. Idm-1165

Dear Mr. Rosebarry:

By letter dated March 9, 1953 transmitting a Certification of Discovery or Development on the referenced project, I specifically advised you as follows: yours above

"By the terms of the Exploration Project Contract and of the Certification, all production from the aforesaid claim from the date of the Exploration Project Contract, October 2, 1951, is subject to the Government's percentage royalty as set forth in the contract until the sum of $11,811.36 is paid or until October 2, 1961, whichever occurs first."

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

The records of this Administration indicate that you:

(1) Made a shipment on October 9, 1953 of 26 lbs. 6 ozs. of columbian-tantalum (Lot 1/CT) to the General Services Administration Depot at Custer, South Dakota;

(2) Have not reported the sale and paid the royalty due the Government; and

(3) Have failed to reply to a letter dated August 3, 1954 addressed to you by Mr. Needham requesting payment of the royalty due.

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

August 3, 1954

Jack Stewart
DMEA-1554

Mr. Carl Roseberry
Custer, South Dakota

Dear Mr. Roseberry:

Reference is made to your DMEA contract Idm E-165 for exploration of the Gap Pegmatite, which project was completed and certified on March 9, 1953 that a discovery and/or development was made, thereby requiring repayment of the exploration loan out of a percentage of the proceeds of production.

We have been advised that you made a shipment of 26 pounds and 6 ounces of columbium-tantalum (Lot 14CT) to the General Services Administration depot at Custer, South Dakota, on October 9, 1953, but thus far we have had no advice from you, nor any royalty accounting.

Please refer to Article 15 of your contract, which requires royalty payments.

We would appreciate your check to cover the royalty payment on this shipment.

Very truly yours,

A. B. NEEDHAM
Executive Officer
Field Team
Region V

cc Operating Committee (2)
Dutton
Binyon
Redden

C O P Y

Wash MDA

2

UNITED STATES
DEPARTMENT OF THE INTERIOR

Defense Minerals Exploration Administration
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

July 8, 1953

Memorandum

To: Special Assistant to the Regional Director, Region V

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-1554, Contract Idm E-165, Stewart and Roseberry

The final engineering report from the operator has been received and any payment withheld can be released to the operator.

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

cc: C. E. Dutton
Operating Comm (2)

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

$21.42

Signature L. A. Hill
Authorized Certifying Officer

Date JUL 27 1958 Vou. No.

Minneapolis 8, Minnesota
July 2, 1954

Memorandum

To: Operating Committee
From: Exec. Off., Field Team, Region V

Subject: Semi-Annual Report on Certified Projects

Following is the status of certified projects in Region V as of June 30, 1954:

1554 165 Stewart-Roseberry Production-royalties 1/1 to 6/30/54 None.

Same ownership. Lease now held by Roseberry. Shipment to GSA. Custer, 10/9/53, 26 lbs. Co-Ta. No royalties paid.

Needham

FILE COPY
SURNAME:

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

Hale
Talbert
Butler
Hoffman
Johnson
Bannon
Selfridge
Kilgore

BL

MAR 9 1953

Mr. Jack Stewart and
Mr. Cara Kimberly, Partnership
119 North 10th Street
Custer, South Dakota

Re: Docket No. DMM-1554 - Beryl-Mica
Cap Lode Mining Claim
Pennington County, South Dakota
Contract No. I4s-2165

Gentlemen:

Transmitted herewith is a Certification of Discovery or Development to Contract No. I4s-2165 on the Cap Lode Mining Claim pegmatite.

By the terms of the Exploration Project Contract and of the Certification, all production from the aforesaid claim from the date of the Exploration Project Contract, October 2, 1951, is subject to the Government's percentage royalty as set forth in the contract until the sum of $11,113.36 is paid or until October 2, 1961, whichever occurs first.

Payments should be made to Mr. A. M. Weedman, Executive Officer, Defense Minerals Exploration Administration, Field Team, Region V, 1000 Nicollet Ave., South, Minneapolis 3, Minnesota. Checks should be drawn 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 quality and grade of the pegmatite products sold, the name of the purchaser, and the price and charges certified to be correct by the purchaser.

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

Sincerely yours,

C. O. Mittendorff
Administrator

D.N.
3/7/53

Enclosures
Copy to: Mr. Hale
Mr. Johnson
Field Team, Reg. V.
Mr. Chambers
Mr. Kurtland
Mr. Cook
Mr. File
Docket File
Mr. Hodges, 1604
Operating Committee
Mr. Thayer, 5216 Ind. Bldg.

FILE COPY
SURNAME:

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

MAR 9 1953

Mr. Howard I. Young
Deputy Administrator, Defense Materials
Procurement Agency
General Services Administration Bldg.
Washington 25, D. C.

Re: Docket No. DMEA-1554 - Beryl-Mica
Gap Lode Mining Claim
Pennington County, South Dakota
Contract No. Idm-E165

Dear Mr. Young:

I am enclosing one copy each of a "Certification of Discovery or Development" and a final report by the Field Team, both relating to the subject contract.

The exploration contract was signed October 2, 1951, with the Government participating to the extent of 90% of $15,769.00 or $14,192.10.

The project was terminated on October 22, 1952, by mutual agreement after $13,123.73 had been expended, of which 90% or $11,811.36 represented the Government's contribution to the project.

The final Field Team report states in part:

"From the available geological data, inferred reserves are estimated at 3,000 short tons of feldspar and 25 tons of beryl. An estimate of the strategic mica reserves can not be made with any degree of accuracy."

The DMEA concurs with the above evaluation.

Sincerely yours,

C. O. Mittendorf (for)
Administrator

F.H. 3/9/53

Enclosures 2

LGHouk:gad 3/6/53

Copy to: Admr. R. File, Operating Committee, Mr. Hedges, 4604, Field Team, Region V, Mr. Thayer, 5216 GSA Bldg., Mr. Chambers, Mr. Murkland, Mr. F. E. Johnson, Docket File, Mr. Houk

FILE COPY
SURNAME:

Houk
Talbert
Cufin
Hoffman

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

63

Mr. Howard I. Young
Deputy Administrator, Defense Materials
Procurement Agency
General Services Administration Bldg.
Washington 25, D. C.

Re: Docket No. [illegible]-1354 - Beryl-Mica
Co. Lone Pining Claim
Pennington County, South Dakota
Contract No. I-[illegible]-1465

Dear Mr. Young:

I am enclosing one copy each of a "Certification of Discovery or Development" and a final report by the Field Team, both relating to the subject contract.

The exploration contract was signed October 2, 1951, with the Government participating to the extent of 90% of $15,769.00 or $14,192.10.

The project was terminated on October 22, 1954, by mutual agreement after $13,[illegible].73 had been expended, of which 90% or $11,[illegible].[illegible] represented the Government's contribution to the project.

The final Field Team report states in part:

"From the available geological data, inferred reserves are estimated at [illegible] short tons of feldspar and 25 tons of beryl. An estimate of the strategic mica reserves can not be made with any degree of accuracy."

The [illegible] concurs with the above evaluation and agrees that the estimated tonnage is meaningless.

Sincerely yours,

Administrator

Enclosures 2

LMHoukgaard 3/4/55

Copy to: Admr. R. File | Operating Committee | Mr. Hedges, 4608
Field Team, Region V | Mr. Thayer, 5216 U.S. Bldg. | Mr. Chambers
Mr. Murkland | Mr. F.E.Johnson | Docket File | Mr. Houk

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

COPY

Region V
2908 Colfax Avenue South
Minneapolis, 8, Minnesota

March 2, 1953

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-1554, Contract Idm E165, Stewart-Roseberry

The following is pertinent information on the above contract, which has been completed:

Total amount of contract	$15,769.00
Government share	14,192.10
Total amount spent	13,123.73
Government share	11,811.36
Balance	2,380.74

The Regional Office is holding a certain amount for completion of reports which is included in the above total amount spent.

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

NOTE: Original to Mr. Chambers (only original received), 1 copy to Division, 1 cy to Code 230.

(216)

BW

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 23 1953

January 19, 1953

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA 1554, Contract Idm-E165
Stewart & Roseberry

Here are the original and three copies of the Operator's Final Report on the subject docket.

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

Attachment

Docket Copy

Operator's Report on Exploration Results
Gap Pegmatite, Custer County, South Dakota.

Docket No. 1554X
Cont. No. Idm E-[illegible]
Beryl-Mica

The exploration began on November 15, 1951 and was completed on October 22, 1952 when the additional 100 feet of drift provided for by amendment was completed. This made a total length of drift of 280 feet from the cap, or a total length of 316 feet by converting the rock removed from the 35 foot long open cut from cubic yards to feet of 5' x 7' drift.

Work was delayed by inclement weather and a flash flood during the spring of 1952. Advance of the drift was therefore slow and time had to be spent on road work.

The start of the open cut was along a coarse-grained dike cutting thru fine-grained granite. This dike continued along the right wall of the drift for 20 feet from the cap, and then appeared to cross to the left wall of the drift. The dike appeared to be about 3 feet thick where it crossed the drift. A little book mica was present along the edge of the dike and the granite, but the books were small and air-stained. Only one two inch crystal of beryl was found in the drift and a few small crystals were found in the raise. The coarse-grained dike went back across the drift to the right wall at 88 feet from the cap.

The raise that was started at 160 feet from the cap seemed to be going into coarse-grained dike at about 10 feet above the floor and 4 feet west of the drift. The remainedr of the drift was in fine-grained granite of no value.

There are still considerable values of feldspar, beryl, and sheet mica in the upper cut above the adit and probably, in the ground between the adit elevation and the upper open cut elevation. Most of the sheet mica is stained and want be sold unless the local mica-buying depot will accept it by electrical testing.

Much of the reserves of mica, feldspar, and beryl in the upper levels cannot be reached without a road to the upper open cut or a raise from the adit.

A total of $13,205.05 was spent during the exploration, of which the government's share was $11,882.73.

It is believed that no large discovery of strategic minerals was made by the exploration but with a raise the adit could be used to mine the upper levels

Stewart & Roseberry, Applicants.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

January 14, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 19 1953

Memorandum

To: L. G. Houck, Chief
Nonmetallics Division, DMEA

From: Robert F. Griffith
Rare and Precious Metals Branch

Re: Beryl-Mica-Feldspar

Subject: Docket DMEA-1554, Contract Idm-E165
Stewart and Roseberry, Custer, S. Dak.

This office is in agreement with the recommendation of the Field Team in that certification of development be issued.

Robert F. Griffith

Robert F. Griffith

IN REPLY REFER TO:

G-MD-CNM

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

January 13, 1953

R

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 14 1953

Memorandum

To: L. G. Houk, Defense Minerals Exploration Administration

From: J. J. Norton, U. S. Geological Survey

Subject: Final field team report, Stewart and Roseberry, Gap pegmatite, DMEA-1554, Idm-E165.

The field team's final report recommends certifying that exploration or development was successful on the Stewart-Roseberry contract Idm-E165, DMEA-1554, for exploration of the Gap pegmatite, Custer County, South Dakota. I agree with this recommendation.

The rank of reserves was increased from inferred to indicated, but this change is probably not significant from the standpoint of the operator. On the other hand, the work done by DMEA is useful in developing the deposit, and consequently certification is justified.

J. J. Norton

J. J. Norton

Final Rpt

Cal
1-8-53

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 8 1953

January 6, 1953

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-1554, Contract Idm-E~~99~~165
Stewart and Roseberry

Here are the original and three copies of the Field Team Report on the subject project.

The operators have been advised that their final engineering report is expected, but to date it has not been received. We will transmit it when it comes in.

Following is the final accounting:

Total amount of contract	$15,769.00
Government's share	14,192.10
Total amount spent	13,199.93
Government's share	11,879.94
Amount available for General Fund	2,312.16

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

Attachments

Reviewed by
DMEA OPERATING COMMITTEE
1-12-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 8 1953

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

GAP LODE

DMEA Docket 1554X, Contract Idm E-~~99~~165

E. O. Binyon, Mining Engineer
U. S. Bureau of Mines

J. A. Redden, Geologist
U. S. Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE
1-12-53
(date)

DMEA Docket No. 1554X
Contract Idm E-~~99~~ 165
Stewart and Roseberry
Custer, S. Dak.
Gap Lode, secs. 18 and 19, T. 2 S., R. 5 E., B.H.M., Pennington County

SUMMARY

The proposed exploration of the Gap pegmatite under the contract was to be in two phases. Phase I, core drilling, included drilling an aggregate total of 800 feet of BX hole and under Phase II a 350-foot, 5- by 7-foot adit was to be driven. Phase II was subject to approval by the field team and was to be carried out if Phase I results were favorable. By agreement between the applicant and the field team the contract was amended to permit starting with Phase II and on November 15, 1951 work was started on an open cut preparatory to collaring the adit.

A total of 73 cubic yards was excavated from the open cut which was 35 feet in length, 7 feet in width, and 16 feet in depth at the face. The adit was driven a total of 259.8 feet from the collar. An incline raise was started at a point 160 feet from the collar and was driven 16 feet before it was learned that the amendment to the contract to permit driving the raise had not been approved. The costs of the raise were assumed by the applicant and were not charged against the project.

An amendment was approved to permit building and repair of approximately 2.3 miles of the road into the mine. The road and bridges had been washed out by a flash flood.

The total approved cost of the project amounted to $13,203.03, of which the government's share is 90 percent, or $11,882.73.

From the available geologic data, inferred reserves are estimated at 3,000 short tons of feldspar and 25 tons of beryl. An estimate of the strategic mica reserves can not be made with any degree of accuracy.

CONCLUSIONS

The project has not resulted in a significant discovery of beryl or mica. Geologic data indicate that the pegmatite is thinning with depth and it is unlikely that another "bulge" similar to the one which is shown on the map will be found along the pegmatite. The grade of beryl and mica, from the exposures in the adit, is lower than estimated originally. From the available data, Phase II, core drilling, would not result in a significant discovery below the adit level and additional exploration is not warranted.

RECOMMENDATIONS

It is recommended that the project be terminated and that a certification of development be issued. Royalty payments under the certification shall be made on any and all production from the property.

The foregoing has been discussed with the applicants and they have signed a Termination of Exploration Contract by Agreement before Completion of the Work.

Production from the property is economically feasible. // Production of what?

DESCRIPTION OF THE WORK

Work was started on the project on October 15, 1951. It was necessary to excavate an open cut in order to collar the adit at the elevation as shown on the plan. The open cut is 35 feet in length, 7 feet in width, and 16 feet at depth at the face. A total of 73 cubic yards was excavated. The adit was driven a total of 259.8 feet. The measurement is along the center line and from the collar or face of the open cut. The total length of the adit as reported by the applicant is 316.1 feet. This figure is obtained by taking the length, 259.8 feet from the collar, and adding to it 56.3 feet, which is the number of linear feet of 5- by 7-foot adit that the 35- by 7- by 16-foot open cut represents. However, the total length of the adit from the toe of the open cut to the present face is 294.8 feet.

At a point 160 feet from the collar of the adit a raise bearing S. 60° W. and inclined at 55° was started. The raise was driven 16 feet before it was learned that the amendment to permit driving the raise had not been approved. The raise was stopped and the cost of the work was assumed by the applicant.

Owing to an unusual rainfall and resulting flash flood, the road to the property was badly cut up and two bridges were washed out. An amendment for road repair was approved and under the amendment 2.3 miles of road was repaired and the bridges replaced. Cost of the road work, which is included in the total cost of the project of $13,203.03, amounted to $1,609.41.

All work at the project was stopped October 22, 1952, and the project was considered terminated.

GEOLOGY

Upon completion of the drifting, a detailed plane table map was completed on a scale of 1 inch equals 40 feet. The accompanying map and cross-sections indicate that the drift was approximately 20 feet east of the inferred projection of the main pegmatite. The applicants had been repeatedly warned to turn to the right with the drift, but apparently through a misunderstanding with the workman this change was not made until the last 30 feet of drift.

The geology of the adit indicates that the size of the pegmatite has diminished with depth where exposed in the adit. The detailed map also indicates that the main pegmatite is thinning with depth. It is also indicated that the main "bulge" of the pegmatite is probably controlled by the intersection of northeast trending, gently dipping joints and shears with a similar northeast trending fracture having a vertical dip which contains the zoned pegmatite.

Based on the geologic information from the adit and the geologic maps, it is doubtful that another "bulge" is present along the pegmatite. The adit has failed to disclose any significant discovery. It is very doubtful that the adit would have resulted in any additional discovery even if the last 80 feet had been properly located along the pegmatite.

From the evidence of the geologic mapping, there is an inferred tonnage of 3,000 short tons of recoverable feldspar. In addition, there is possibly 25 tons of beryl. Considerable scrap mica and sheet mica are present. The sheet mica that was observed is all heavy stained and is not acceptable by the GSA purchasing depot.

Inasmuch as use of the adit for mining purposes is quite feasible, it is recommended that the property be certified for development and that royalties shall be paid on all production. The use of DMEA money for road repair is sufficient reason to warrant inclusion of all production for royalty payment.

EXPENDITURES

A total of $15,769.00 was the original amount approved for Phase I and II of the contract; of this, $4,800 was for Phase I, core drilling, and $10,969 for Phase II, drifting. However, by amendments the phases of work were reversed, Phase I being designated as drifting and Phase II, core drilling. For Phase I, $12,133.55 was allotted and $2,361.45 was allotted to Phase II. Also $1,274.00 was apportioned to road repair. Under a previous amendment (No. 4), $700 had been transferred from the original amount allotted to drifting to road repair.

Total cost of the project amounted to $13,203.03, of which the government's share is $11,882.73. The unexpended balance of the government's share is $2,308.37.

During the project there was no production of any minerals.

The operation was under fairly competent management. However, owing to circumstances, in part, beyond control of the applicant, the efficiency of the operation was somewhat lower than normal for this type of project.

No salvageable equipment was purchased for the project.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

M
furnished a copy

December 17, 1952

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Operator's Monthly Report and Voucher for October 1952
Docket DMEA-1554, Contract Idm-E165
Stewart and Roseberry

Here are two copies of the subject report, as processed for payment, for your files.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 22 1952

Attachments

ABNeedham:dg
cc Dutton
Region V
files
df

Form F-104 (Rev.)
April 1952

Mr. Robertson

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 22 1952

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

Month of October, 1952 Docket No. DMEA 1554 X Contract No. ~~Idm-1-1465~~

Operator's Name Stewart & Roseberry Minerals Mica & Beryl

Address Custer, South Dakota

Contract Amount, $ 15,769.00 Government Participation: 90 % Amount, $ 14,192.10

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	120.00	4,590.39	4,710.39	120.00	4,414.39	4,534.39
Supervision & Bkkp.	285.71	3,349.63	3,635.34	285.71	3,291.63	3,577.34
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	34.60	880.69	915.29	34.60	821.09	850.69
Pipe	---	10.18	10.18	-	10.18	10.18
Track Gas, oil, steel, bits, & misc.	155.97	1,729.63	1,885.60	121.44	1,490.81	1,612.25
(4) Operating Equipment:						
Rental Dozer for road	0--	384.00	384.00	-	384.00	384.00
Purchase Loader for road	---	192.00	192.00	-	192.00	192.00
Depreciation	115.00	940.40	1,055.40	81.60	920.00	1,001.60
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes S. S.	6.09	119.88	125.97	28.18	97.79	125.97
~~Liability Insurance~~ *Note	22.09	----	22.09	-	-	-
Workmen's Comp.	124.77	212.29	337.06	124.77	212.29	337.06
(8) Contingencies (specify): Road						
Labor	---	286.00	286.00	-	286.00	286.00
Misc. Supplies	---	42.55	42.55	-	42.55	42.55
Timber & Nails	---	241.00	241.00	-	241.00	241.00
TOTALS	842.14	12,978.64	13,820.78	19.30 100.00	12,606.73	13,203.03

Less 596.10 (withheld)

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

Date 11/19/52 *Payee Stewart & Roseberry

Per Carl Roseberry Title Partner

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

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

(Instructions on reverse)

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

$ 626.67

Signature L. A. Lee
(Authorized Certifying Officer)

Date DEC 12 1952 Vou. No. 79
(See other side)

*Note: Social Security disallowed previously but now acceptable. Not included in totals. Done previously.

(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. AmE165 in accordance with the terms of the contract.

Signature D. P. Muller Title Supervising Engineer Date DEC 4 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature C. B. Woodham Title Ex Dir Date DEC 8 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

Deductions and additions to Operator's Report:

Deductions:

From supplies	- $4.28 (no invoice submitted)
Air hose	- 20.25 (covered under equipment allowance)
Hauling compressor	- 10.00 (not provided for under contract)

Additions:

An error was made on previous reports in deducting $2.85, social security charged for August and $19.24 in September. It was presumed (in the absence of other information) that the charges were monthly. We are now advised the charges were for the quarter.

Total approved labor, supervision and bookkeeping charges are $8,397.73 and 1½ percent equals $125.97, which is the approved total now shown.

Docket No. 1564 X (IMA)
Contract No. Idm-D 168
STEWART & ROSENBERRY

MONTH OF OCTOBER, 1952

Period Ending	Name	Hrs.	Rate	Gross	S.S.	W.T.	Labor Net	Sup. Net	Bkkp. Net
10/15/52	Joseph [illegible]	36	1.50	54.00	.81	5.40	47.29		
10/16/52	Wiley [illegible]	44	1.50	66.00	.99	8.30	58.71		
10/16/52	John Rosenberry	6mth.	350.00	175.00	2.63	29.20		143.17	
10/16/52	Alice Stewart	6mth.	50.00	25.00	.39	5.00			19.62
10/22/52	John Rosenberry	6wk.	350.00	75.00	1.13	12.00		61.87	
10/22/52	Alice Stewart	6wk.	50.00	10.71	.16				8.41

Gross Labor:

Mine: $120.00
Supervision [illegible].00
Bookkeeping: 35.71

Total $405.71

Signed Alice Stewart
Bookkeeper

Name of Operator: STEWART & COUNTRY

NARRATIVE REPORT
MONTH OF OCTOBER, 1952

Docket No.: DMA-1554X
Contract No.: Idm-E 165

Work progressed satisfactorily on this project during the month of October and as anticipated was completed October 22nd. The exploration work completed in October on the project totaled 17.8 feet of 5' x 7' drift. Now that the exploration work has been completed we have ceased operations.

Signed Alice Stewart
Bookkeeper

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 22 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1952 Docket No. DMEA 1554 X Contract No. Idm-E 165

Operator's Name Stewart & Roseberry Minerals Mica & Beryl

Address Custer, South Dakota

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.	842.14	17.8	12,211.37	316.1	38.63		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	ft.	none	none	1,609.41	11,988	.143		
TOTAL DISTRIBUTED COSTS		842.14		13,820.78				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		842.14		13,820.78				

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 11/19/52 Operator Stewart & Roseberry

Per Carl Roseberry Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

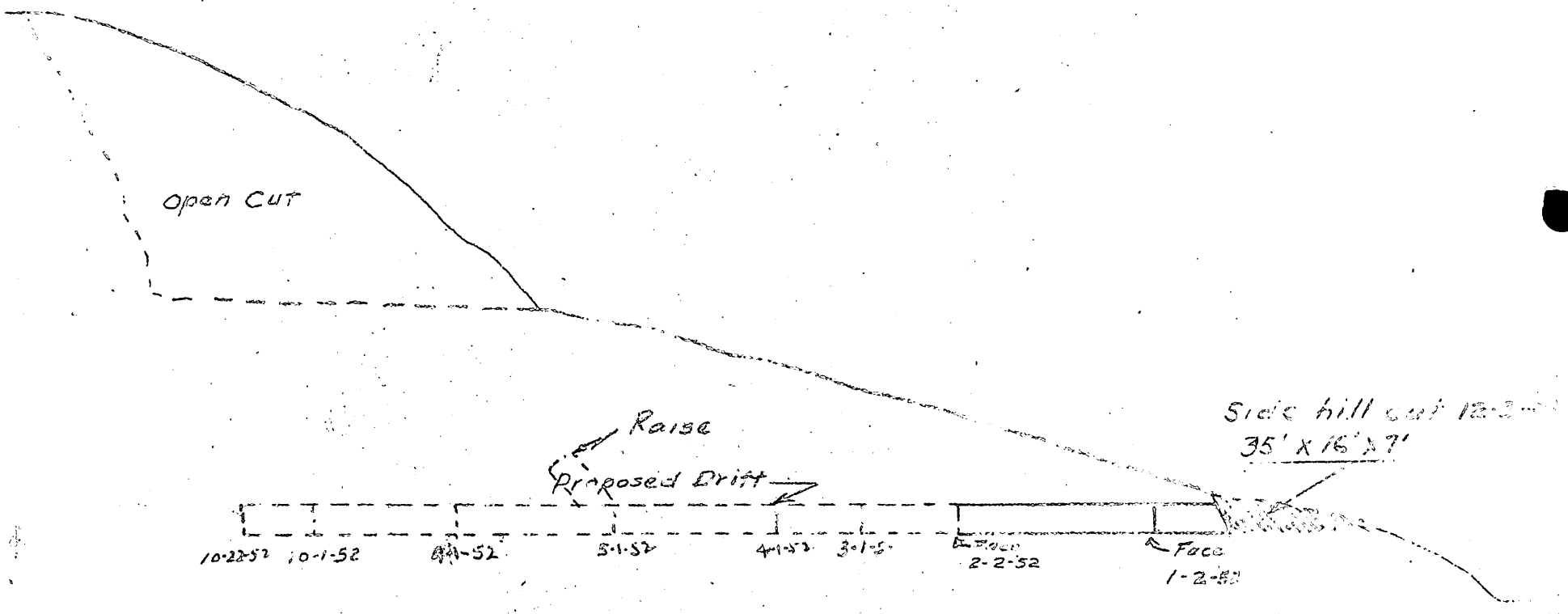
INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676



Sketch of Gas Exploration 1551-X
Monthly Progress
10-22-52 Scale 1" = 40'

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 21 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September 1952 Docket No. DMEA 1554 X Contract No. Pdl-3-165
Operator's Name Stewart & Moseberry Minerals Mica & Beryl
Address Custer, South Dakota
Contract Amount, $18,769.00 Government Participation: 90 % Amount, $14,192.10

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 Contracts: Short Form						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	641.50	3,948.89	4,590.39	641.50	3,772.89	4,414.39
Supervision & Exp.	400.00	2,949.63	3,349.63	400.00	2,891.63	3,291.63
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	129.38	751.31	880.69	129.38	694.71	824.09
Pipe & fittings	—	10.18	10.18		10.18	10.18
Track						
Gas, Oil, Steel, Bits & Misc.	516.80	1,212.83	1,729.63	346.01	1,144.80	1,490.81
(4) Operating Equipment:						
Rental Loader for road	—	384.00	384.00		384.00	384.00
Purchase Loader for road	—	192.00	192.00		192.00	192.00
Depreciation	115.00	805.40	960.40	115.00	805.00	920.00
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes S.S.	34.87	85.01	119.88	15.63	82.16	97.79
Liability Insurance						
Workmen's Comp.	—	212.29	212.29		212.29	212.29
(8) Contingencies (specify): Road:						
Labor	—	286.00	286.00		286.00	286.00
Misc. Supplies	—	42.55	42.55		42.55	42.55
Timbers & Nails	—	241.00	241.00		241.00	241.00
TOTALS	1,[illegible]	11,[illegible]	12,[illegible]	1,647.52	~~10,759.21~~ 10,756.11	~~12,406.73~~ 12,403.63

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

Date 10/13/52 *Payee Stewart & Moseberry

Per Alice Stewart Title Bookkeeper

*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:

$ 1482.77

Signature L. A. Hill
(Authorized Certifying Officer)

Date OCT 28 1952 Vou. No. 15
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm E-165 in accordance with the terms of the contract.

Signature D K Mullen Title Supervising Engineer Date OCT 2 0 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title [illegible] Date OCT 2 7 [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)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 31 1952

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

Month of September 195 2 Docket No. DMEA 1554 X Contract No. Idm P-165
Operator's Name Stewart & Rosebery Minerals Mica & Beryl
Address Custer, S. Dak.

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.	1,837.55	43	11,369.23	298.3	38.11		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	ft.	None	None	1,600.41	11,088	.145		
TOTAL DISTRIBUTED COSTS		1,837.55		12,970.64				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1,837.55						

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 10/13/52 Operator Stewart & Rosebery

Per Alice Stewart Title Bookkeeper

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

Docket No. 1554X (DMA)
Contract No. Idm-E 165
STEWART & ROSEBERRY

MONTH OF SEPTEMBER, 1952

Period Ending	Name	Hrs.	Rate	Gross	S.S.	W.T.	Labor Net	Sup. Net	Bkkp. Net
9/6/52	Joseph Burgess	40	1.50	60.00	.90	15.60	43.50		
9/6/52	Clarence Duncan	14	1.25	17.50	.26	----	17.24		
9/13/52	Joseph Burgess	32	1.50	48.00	.72	7.10	40.18		
9/13/52	Wiley Reed	32	1.50	48.00	.72	7.10	40.18		
9/15/52	John Roseberry	½mth	350.00	175.00	2.63	29.20		143.17	
9/20/52	Joseph Burgess	48	1.50	78.00	1.17	13.20	63.63		
9/20/52	Wiley Reed	48	1.50	78.00	1.17	13.20	63.63		
9/27/52	Joseph Burgess	48	1.50	78.00	1.17	13.20	63.63		
9/27/52	Wiley Reed	48	1.50	78.00	1.17	13.20	63.63		
9/30/52	John Roseberry	½mth	350.00	175.00	2.63	29.20		143.17	
9/30/52	Alice Stewart	1mth	50.00	50.00	.75	10.00			39.25
10/4/52	Joseph Burgess	48	1.50	78.00	1.17	13.20	63.63		
10/4/52	Wiley Reed	48	1.50	78.00	1.17	13.20	63.63		

Gross Labor:

Mine:	$641.50
Supervision:	350.00
Bookkeeping:	50.00
Total	$1,041.50

Signed Alice Stewart
Bookkeeper

Name of Operator: STEWART & ROSEBERRY

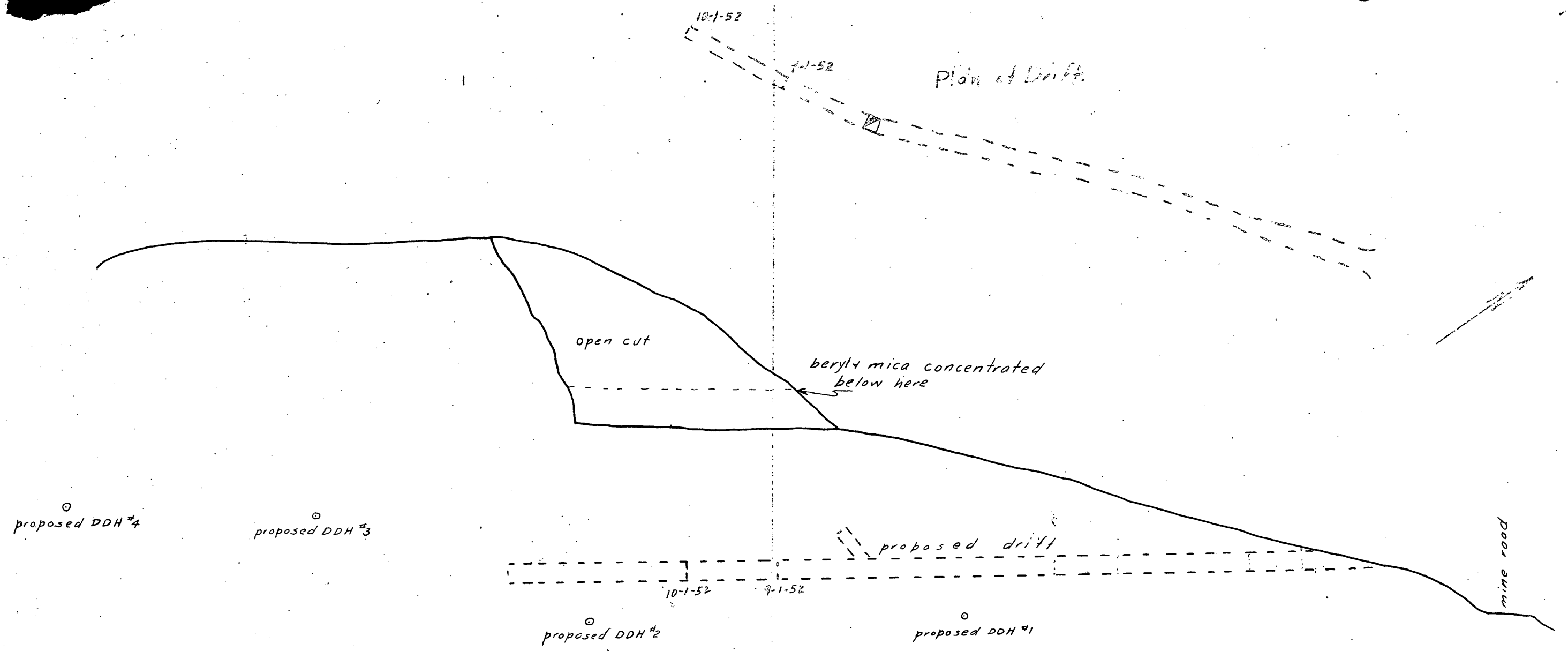
NARRATIVE REPORT

MONTH OF SEPTEMBER, 1952

Docket No.: DMA-15541
Contract No.: Idm E-165

Work has progressed satisfactorily on this project during the month of September. The exploration work completed in September on the project totaled 43 feet of 5' x 7' drift. The exploration project will be completed during the month of October.

Alice Stewart
Alice Stewart, Bookkeeper



Longitudinal Section along Gap #1 Pegmatite

looking north

1" = 40' g.w. 7-3-51

Reading for Sept 4, 5.B.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Heaume

September 15, 1952

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Amendment No. 4 - Docket DMEA-1554, Contract Idm-E165 Stewart and Roseberry

Here are the original and two copies of the above amendment, pursuant to your letter of August 8, 1952.

The Operator's copy has been retained by him. One copy has been transmitted to the Regional fiscal section and one copy retained for our files.

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

Attachments

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 18 1952

SES
9/19/52

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT 6 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1952 Docket No. DME-1554 Contract No. 14-[illegible]
Operator's Name Stewart & Rosebery Minerals Mica & Beryl
Address Custer, South Dakota
Contract Amount, 15,700.00 Government Participation 90 % Amount, 14,192.10

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:		3351.64	3948.89			
Labor	597.25	5,175.84	5,772.89	597.25	5,175.84	5,772.89
Supervision Bookkeeper	400.00	2,491.83	2,891.83	400.00	2,491.83	2,891.83
Technical Services		2549.63	2949.63			
(3) Operating Mat'ls. and Supplies:						
Timber		512.38	751.31			
Explosives	238.93	455.78	694.71	238.93	455.78	694.71
Pipe fittings	—	10.18	10.18	—	10.18	10.18
Track						
Gas, oil, steel,		1078.99	1212.83			
Misc. misc.	133.84	1,010.96	1,144.80	133.84	1,010.96	1,144.80
(4) Operating Equipment:						
Rent[illegible] for yard	240.00	144.00	384.00	240.00	144.00	384.00
[illegible] for yard	192.00	—	192.00	192.00	[illegible]	192.00
Depreciation	115.00	690.00	805.00	115.00	690.00	805.00
(5) Initial Rehabilitation and Repairs		710.40	821.40			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	19.12	62.09	81.21	19.27	62.09	82.16
Liability Insurance						
Workman's Compensation	62.29	150.00	212.29	62.29	150.00	212.29
(8) Contingencies (specify) Road Repair						
Labor	286.00	—	286.00	286.00	—	286.00
Misc. Supplies	42.55	—	42.55	42.55	—	42.55
Timbers & Nails	241.00	—	241.00	241.00	—	241.00
TOTALS	[illegible]	[illegible]	[illegible]	2,538.13	8,191.03	10,729.21
		8570.11	11,141.09	310		10,756.11

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

Date Sept. 11, 1952 *Payee Stewart & Rosebery

Per Alice Stewart Title Bookkeeper

*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:

$2308.53

Signature L. A. Hill
(Authorized Certifying Officer)

Date OCT - 2 1952 Vou. No. 12
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E.165 in accordance with the terms of the contract.

Signature D. J. Mullen Title Supervising Engineer Date Sept. 18, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature C. B. Weaber Title Ex Off Date 10/2/52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 6 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name Stewart & Rosebury Minerals Mica & Beryl
Address Custer, South Dakota

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	feet	1,569.43	40	9,182.68	256.3	35.80		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	feet	1,001.55	3446	1,509.41	11,058	.146		
TOTAL DISTRIBUTED COSTS		$2,570.98		$10,762.06				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$2,570.98		$10,762.06				

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 Sept. 11, 1952 Operator Stewart & Rosebury

Per Alice Stewart 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)

RECEIVED
SEP 22 1952
BUREAU OF MINES
REGION V
RAPID CITY, S.D.

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

Docket No. 1864X (BIA)
Contract No. I4s-X 166
STEWART & ROSEBERRY

MONTH OF AUGUST, 1952

Period Ending	Name	Hrs.	Rate	Gross	S.S.	W.C.	Mine Labor Net	Sup. Net	Bkkp. Net	Road Net
8/9/52	Joseph Burgess	48	1.50	78.00	1.17	13.20	63.63			
8/9/52	E. P. Martin	48	1.25	65.00	.98	5.30				58.72
8/9/52	Wiley Reed	48	1.50	78.00	1.17	13.20	63.63			
8/16/52	John Roseberry	1mth.	350.00	175.00	2.63	29.20		143.17		
8/16/52	Joseph Burgess	48	1.50	78.00	1.17	13.20	62.63			
8/16/52	E. P. Martin	48	1.25	65.00	.98	5.30				58.72
8/16/52	Wiley Reed	48	1.50	60.00	.90	9.60	49.50			
8/23/52	Joseph Burgess	48	1.50	78.00	1.17	13.20	63.63			
8/23/52	Wiley Reed	48	1.50	78.00	1.17	13.20	63.63			
8/30/52	Joseph Burgess	[illegible]	1.50	[illegible]	[illegible]	[illegible]	[illegible]			
8/30/52	E. P. Martin	32	1.25	40.00	.60	.60	38.50			38x
8/30/52	Rob Martin	32	1.50	48.00	.72	—				47.28
8/30/52	Ronald Nelson	32	1.50	48.00	.72	7.10				40.18
8/30/52	Carl Roseberry	40	1.50	60.00	.90	7.10				52.00
8/30/52	Wiley Reed	24	1.50	36.00	.54	4.70	30.76			
8/30/52	John Roseberry	1mth.	350.00	175.00	2.63	29.20		143.17		
8/30/52	Alice Stewart	1mth	80.00	80.00	.75	10.00			39.25	

Gross Labor:

Mine:	$897.25
Supervision:	350.00
Bookkeeping:	80.00
Road Repair:	226.00
Total	$1,253.25

Signed Alice Stewart
Bookkeeper

Name of Operator: STEWART & ROSEBERRY

NARRATIVE REPORT
MONTH OF AUGUST, 1953

Docket No: EM A-1854X
Contract No.: Idm E-165

Work has progressed satisfactorily this month on this exploration project.

The exploration work completed in August on the project totaled 40 lineal feet of 7' drift. Progress was slowed a little due to three unforeseen minor injuries among the men.

The problem of the road seems to be over now. During the month of August we completed repair work on 1.5 miles of the road and also improved .4 miles of the road.

Alice Stewart
Alice Stewart, Bookkeeper

FILE COPY
SURNAME:

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

600

AUG 3 1952

Ockane
Hearne
Hoch
Chandler
Mittendorf

Mr. A. B. Needham
Executive Officer, DMEA
Field Team, Region V
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Subject: Docket No. DMEA-1554
Beryl-Mica
Stewart and Rosebery
Contract Idm-1165
Amendment No. 5

Dear Mr. Needham:

Reference is made to your memorandum of June 27, 1952, regarding "Amendment No. 5" of the subject contract, and your attention is invited to the following facts:

1. Amendment No. 4 was disapproved by Mr. Mittendorf in his letter to you dated June 3, 1952, and presumably the cancellation of that amendment was procured. Consequently this new amendment should also be entitled "Amendment No. 4".

2. Amendment No. 3 permitted the withdrawal of $100.00 from the item of Gasoline, oil, etc., and $600.00 from the item of Labor and Supervision, making a total of $700.00 for "Road Repair". In the current amendment, it is stated: "$575.00 added to the amount available under Amendment No. 3 for road repairs". These sums together would thus total $1,275.00, whereas, the Amendment only itemizes how $1,000.00 is being spent for road repairs. This is an inconsistency although I realize from the supplementary report that the intent was only to add the $575.00 to the $426.00 balance "remaining available under Amendment No. 3". However, since these two sums add up to $1001.00 and not $1000.00, as stated, a correction would be necessary anyhow.

3. Under the current Amendment, $1,925.00 is being transferred from Phase I to Phase II to perform the additional drifting specified in the Amendment. This is apparently not meant to change the total estimated cost of Phase I and Phase II specified in Exhibit "A" of the original contract, and the supplementary report indicates that it has not been changed. However, from the way the estimated expenditures of $3,300.00 have been set up in the Amendment, there is no way to determine by mere reference to the original contract whether the total estimated cost has been increased.

In view of the foregoing, I suggest that the enclosed "Amendment No. 4", if it meets with your approval be adopted. In it we have tried to follow as closely as possible the form of the original Exhibit "A".

Sincerely yours,

8/8/52

(signed) FRANK E. JOHNSON

(JHB)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

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

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

Enclosure

AEKane:gad 7/31/52

Copy to: Admin. Reading File
Operating Committee (2)
Docket File
Mr. Hofflund
Mr. Kane
Mr. Houk

1-1027
(April 1946)

UNITED STATES
DEPARTMENT OF THE INTERIOR

AGENCY Bureau of Mines, DMEA, Region V

Originator:

TELETYPE Ext.:..... Room:.....

Appro.:
Date: July 22, 1952
Time: 9:00 a.m.
No.:
To: Frank E. Johnson, Chairman, Operating Committee, DMEA, Interior Building, Washington 25, D. C.
Subject:

Remylet June 27, Amendment 5, Contract 165, Docket 1554, advise if it met Washington approval.

7/23/52 Answered by phone Mr Houk: Permission to do work granted per Mr. Needham.

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

2908 Colfax Avenue South
Minneapolis 8, Minnesota

JUL 25 1952

Authorized:

ABNeedham:dg
cc Dutton
Region V
files
df

Sign original message and transmit to Room ..... in duplicate

U. S. GOVERNMENT PRINTING OFFICE 16—50915-1

MF-360

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 7-23-52

REFERRED TO:

1. ~~Mrs. Berry, Rm. 4624~~
2. Mr. Houk, Rm. 4637
3.
4.

FOR:

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

REMARKS: Mr. Houk: This amendment was received on 7/9/52 and referred to you and Mr. Hofflund. We have not received it back yet for distribution. It involved transfer of funds. Hazel

Check (X) before the items needing attention.

R. E. ADAMS

Initials of sender.

GPO 16—63815-1

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 23 1952

RECEIVED
JUL 22 10 08 AM '52

415 WA MP /I-BOM/

MINNEAPOLIS MINN 7-22-52 858A

FRANK E JOHNSON

OPERATING COMMITTEE, DMEA, INTERIOR BLDG., WA

REMYLET JUNE 27 AMENDMENT 5 CONTRACT 165 DOCKET 1554 ADVISE IF IT MET WASHINGTON APPROVAL

A B NEEDHAM, EXEC OFFICER FIELD TEAM, BUR OF MINES MPLS

CFN JUNE 27 5 165 1554

AM 859A

Called Needham and advised that work should be resumed. Contract amendment will be issued upon legal

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

June 27, 1952

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Amendment No. 5 - Docket DMA-1554x, Contract Idm-E165 Stewart and Roseberry

Reference is made to Mr. Mittendorf's letter of June 3, 1952, and telephone conversation with Mr. Hauk regarding disapproval of Amendment No. 4 on the subject docket, which was interpreted as more of a preparation for mining than actual exploration.

The operators are going to advance the adit as originally planned but, in order to do so, will have to repair the road to the property which was extensively damaged by rains and flood conditions. Because of this extra road repair work and difficulty in driving the adit thus far, there are not sufficient funds in the Phase 2 allotment to permit driving the adit to the approximate destination; therefore, they have requested a transfer of funds from Phase 1 to complete the work as planned.

There are enclosed the original and two copies of Amendment No. 5 to provide for this transfer of funds. The amendment was discussed with Mr. Hauk today and, considering all angles of the project, it is felt it is to our interest to permit the amendment. In all probability, the driving of the adit will complete the project. Drilling on Phase 1 might not be necessary, and all geologic information might be had from the adit work. It appears a certification could be made upon completion, based on a development having been made which has enhanced the value of the pegmatite thus permitting mining which would not have been done otherwise (as was the case with L. W. Collingwood, Docket 1199), and the Government would stand to regain some of the funds expended provided the operators did mine for some commodity.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 30 1952

SS 7-3-52

The amendment summarized the cost of work to completion of the adit and Phase 2, and a justification by the field representatives is attached.

One copy of the amendment is being retained by this office and a copy transmitted to the Regional fiscal section and the operator.

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

Attachments

ABNeedham:dg
cc Dutton
Mullen
Redden
Region V
files
df

FILE COPY
SURNAME:

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

605

Hoffman
Houk per gad
Lemmon
Hedges
Johnson

BL JUN 3 1952

Mr. A. B. Needham
Executive Officer, DMEA
Field Team, Region V
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Subject: Docket No. DMEA-1554 - Beryl-Mica
Jack Stewart & Carl Roseberry
Gap Lode
Pennington County, South Dakota
Exploration Project Contract
No. Idm-E165

Dear Mr. Needham:

Reference is made to Amendment No. 4 on the subject docket, and our telephone conversation of May 28, 1952.

The Washington Office disapproves Amendment No. 4 as it changes the original purpose of the contract, and the Executive Officer does not have the authority to make such changes. (See Departmental Order No. 2684, April 25, 1952.)

An attempt should be made by the field representatives of the Executive Officer to cancel this amendment by mutual agreement, otherwise cancel by direction giving the reasons:

> "The Washington Office disapproves Amendment No. 4 because the work under the amendment is not exploration and the DMEA does not have authority to finance operations that are preparation for mining. The Government will not participate in the cost of the raise but will participate in carrying out the drifting as outlined in the amended contract."

Sincerely yours,

C. O. Mittendorf (fw) 6/3

Acting Administrator
Defense Minerals Exploration
Administration

LGHouk:gad 5/28/52
Copy to: Admin. Reading File
Docket File
Operating Committee (2)
Mr. Houk

585

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

June 3, 1952

Memorandum

To: Acting Administrator

From: Chief, Non-Metallic Minerals Division

Subject: Docket No. DMEA-1554 - Beryl-Mica, Jack Stewart and Carl Roseberry, Gap Lode, Pennington County, South Dakota, Exploration Project Contract No. Idm-E165

Resume of the docket:

6/4/51 Application for $20,000 received. Applicant proposed to drive 200 feet of drift and raise 50 feet, and include two-miles of road.

6/26/51 Application referred to Field Team. Field Team recommended phase one diamond drilling 800 feet at $6 a foot $4,800.00.

Phase two drifting 350 feet at $31.34 - $10,969.00.

Total cost of project - - $15,769.00.

7/17/51 Supply Division recommends $15,769.00, to P.E.D.

10/2/51 Date of contract.

11/20/51 Amendment No. 1 permits drifting prior to diamond drilling.

12/11/51 Amendment No. 2 provides for expenditures for clerical and engineering work.

4/19/52 Amendment No. 3 permits $172.50 withdrawal from bits and steel supplies to be applied to the allowance for operator's equipment. Also permits withdrawal of $100.00 from supplies and $600.00 from labor for road repair.

5/20/52 Amendment No. 4 permits inclined raise to the surface at 40° from drift face which is 200 feet from the portal.

5/28/52 Telephone conversation between Lewis (acting for Needham) and the writer, transcript included.

Discussion with Hofflund. Hofflund concurs with writer on cancelation of Amendment No. 4, and agrees that the proposed amendment is preparation for mining, and that Amendment No. 4 changes the purpose of the original contract.

6/2/52 Telephone conversation with Mr. Donald H. Mullen, the gist of which was a new amendment will be drawn up to continue the drift as originally planned and the necessary monies will be transferred from phase two, diamond drilling.

Reasons for recommendation of cancelation of Amendment No. 4:

The 350-feet of drifting proposed in the original contract was for exploring the downward extension of the beryl and mica known to exist in the pit above the adit level. The Amendment No. 4 changed the target and constitutes a development phase which is preparation for mining.

Lawrence G. Houk

Lawrence G. Houk, Chief
Non-Metallic Minerals Division

Attachment

May 8, 1952

10:35 A. M.

Mr. Lawrence G. Houk, calling Mr. A. B. Needham who was absent from the Office and his assistant, Mr. Lewis talked in his place.

Mr. Houk: This is Houk, DMEA, are you familiar with this Stewart Rosenberry Amendment No. 4? The Washington office disapproves that amendment.

Mr. Lewis: I have the amendment and the letter he wrote to the Operating Committee. You say the amendment has been disapproved by Washington?

Mr. Houk: That is right. The Government will not participate in the cost beyond the cancellation date. Call Mullin and have him verbally cancel. An attempt should be made to terminate by mutual agreement. If not, you will have to terminate by direction. The grounds should be Amendment No. 4 has been disapproved by the Washington office because work under the amendment is not exploration and DMEA does not have the authority to finance operations in preparation for mining.

Mr. Lewis: I see. The Government will not participate in that. You say to try and terminate by mutual agreement and if not by direct action.

Mr. Houk: That is right. It is not considered to be exploration. The drifting can go on for the 350 feet, as outlined in the amended contract, but that raise is not exploration. I will write you a letter covering all the points on that.

Mr. Lewis: All right, I will get in touch with Mullin right away on that amendment.

Mr. Houk: Get in touch with him and we will write you a letter on that.

June 2, 1952
1:30 P. M.

Mr. Donald H. Mullen, Region V, calling Mr. L. G. Houk

Re: DMEA-1554 - Beryl-Mica. Jack Stewart & Carl Roseberry.
Gap Lode, Pennington County, South Dakota. Contract No. Idm-E165

Mr. Mullen: I had a call from Minneapolis last week regarding Amendment No. 4 on DMEA-1554, they say we cannot put that through.

Mr. Houk: That amendment is definitely preparation for mining.

Mr. Mullen: I think differently.

Mr. Houk: The original contract was set up to do 350 feet of drifting. It appears from your justification letter that the amendment is preparation for mining. Our job is to attampt to increase reserves of beryl.

Mr. Mullen: Is that the policy to get them into production or to increase the reserves.

Mr. Houk: Our job is to explore and reasonably delineate and not prepare for mining. Let me read the Operating Committee letter to you:

"The Washington Office disapproves Amendment No. 4 as it changes the original purpose of the contract, and the Executive Officer does not have the authority to make such changes. (See Departmental Order No. 2684, April 25, 1952.)

"An attempt should be made by the field representatives of the Executive Officer to cancel this amendment by mutual agreement, otherwise cancel by direction giving the reasons:

"The Washington Office disapproves Amendment No. 4 because the work under the amendment is not exploration and the DMEA does not have authority to finance operations that are preparation for mining. The Government will not participate in the cost of the raise but will participate in carrying out the drifting as outlined in the amended contract."

Mr. Mullen: There have been many things that have increased the cost of the project including the flood or because of it we must have some more road work that is unless we lose everything we put into it. I suppose we could draw a sketch to show that that raise is exploration rather than preparation for mining.

Mr. Houk: You only have 50 feet between you and the old pit. Why don't they want to continue on and explore on the adit level. Why do you want to go along with them on it?

Mr. Mullen: Why I am interested in getting beryl.

Mr. Houk: Have they definitely refused to continue drifting?

Mr. Mullen: Not exactly.

Mr. Houk: How much raise work have they done?

Mr. Mullen: Three rounds.

Mr. Houk: How much will they need on the road?

Mr. Mullen: $1,000

Mr. Houk: Originally they put in the application for two miles of road. The contract did not have the two miles of road in it. Amendment No. 3 took seven hundred dollars from labor and supplies and put it into road work. We went along knowing the situation, it is sometimes necessary to make changes like that. Now they will have to have another $1,000. How much money have they left?

Mr. Mullen: I don't recall.....they have about $1,100 left.

Mr. Houk: They cannot do much with that.

Mr. Mullen: Taking the $1,100 plus the amount set up for road and raising.

Mr. Houk: You have 94 foot of proposed raise. They have $1,100 under this phase. We cannot justify the raise in any event.

Mr. Mullen: We will see what we can do according to the original contract.

Mr. Houk: They have 150 feet to go and they have not been able to drift for $40 per foot. Are they good operators?

Mr. Mullen: Yes. They are typical of one man operators.

Mr. Houk: Do they drill and blast a full drift round?

Mr. Mullen: Yes.

Mr. Houk: What do you think about cancelling the project?

Mr. Mullen: I think it has beryl in it.

Mr. Houk: You think they have not come into the main part of the shoot? Why don't you set it up to continue for at least 100 feet more, say up to 300 feet?

Mr. Mullen: Ok. I will send it through Needham to you and will not go along until we get approval from you.

Mr. Houk: Did they say they will go along and do the road work themselves? We should not let them get away without a definite promise on their part that they would go ahead and do it. Some of these fellows think that they are on a gravy train. They should not take advantage of us. If this were on the short form contract as we have now we could make them do a certain amount of work and we agree to pay for it. We are trying to get the Old Mike fixed up. They have been a headache for sometime. We will give them diamond drilling in two phases.

Mr. Mullen: Known sampling is showing a greater amount than he claims.

Mr. Houk: I drew up a contract myself, 6 dump samples 7 tons each. The Operating Committee turned it down.

Mr. Mullen: I don't approve of drilling without sampling myself.

Mr. Houk: I wanted to deny and Needham said sure. Then we finally decided to prepare the contract and give him 800 feet of drilling in the first phase and 900 feet in the second phase. We should get him the diamond drilling in two phases and get it over with.

Mr. Mullen: I want to get it out of my hair. I have another project on lead zinc.

Mr. Houk: When these things come up call me on the phone. I am getting this letter off and preparing a memorandum to Mr. Mittendorf.

Mr. Mullen: Of course we will go along on this and try to get some beryl out of it.

Mr. Houk: It is up to your judgment. We are not allowed to do preparation for mining. We need beryl but can't go into preparation for mining. There is a twilight zone between what we do and what DMPA does.

Mr. Mullen: Ok then.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

May 20, 1952

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Amendment No. 4 - Docket DMA-1554x, Contract Idm-E165 Stewart and Roseberry

Here are the original and two copies of the subject amendment, together with a justification report from the Government field representatives which sets forth conditions as they exist and in order to reclaim any of the Government's contribution to date the amendment was necessary.

This office has been advised that the present operators will not mine below the present adit level, and drilling would be worthless as far as future operations are concerned. Presumably, a development can be certified upon completion of the currently proposed underground work.

If it appears necessary to protect the Government's interest by transferring a portion of the drilling funds at a later date, another amendment can be prepared.

A copy of this amendment has been retained by this office, and a copy sent to the Regional fiscal section, our Rapid City office, and the operator.

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

SdS

Attachments 3

ABNeedham:dt
cc Dutton
Mullen
Redden
Region V
files
df

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAY 21 1952

GOVERNMENT COPY

~~CONTRACT~~ AMENDMENT NO. 4

docket No. DMA-1554X, contract Idm-E165, dated October 2, 1951, between THE UNITED STATES OF AMERICA and JACK STEWART & CARL ROSEBERRY, a partnership, is hereby amended as follows:

The following is substituted for Exhibit "A" and Amendments No. 1, 2, and 3, thereto.

EXHIBIT "A"

Exploration Project

To explore for beryl and mica, first by drifting and second by diamond core drilling.

PHASE I

To make necessary road repairs and to drive 300 feet of 5' x 7' drift. Location and direction of the drift and all other work to be mutually agreeable to Government Field Team and Operator.

PHASE II

Not more than 394 feet of diamond core drilling (BX core or larger) divided among two holes each approximately 200 feet in length. Location and direction of holes will be mutually agreeable to Government Field Team and Operator. Drilling and all necessary work incidental thereto may be done by independent contractors, provided the approval by the Government Field Team of any such contract is first obtained.

The proposed drifting and diamond drilling are shown on the accompanying map.

upon satisfactory completion of Phase I and the recommendation of the Government Field Team

Estimated Total Cost of the Project

PHASE I

Road Repairs

~~Repairs~~ labor for area destroyed by flood	$ 274.00		
Labor, 3 men @ $12/ea. for 5 days	180.00		
Dozer rental @ $10/hr. for 3 days	240.00		
Labor rental @ $8/hr. for 3 days (8 hr. days)	192.00		
Culvert	100.00		
Bridge Timbers:			
1707 Bd. ft. @ $65/M	111.00		
1689 Bd. ft. @ 65/M	110.00		
Nails and spikes	20.00		
F.I.C.A.	2.70		
Misc. supplies (gas, oil, etc.)	44.30	$1,274.00	

300 feet of drifting

Allowance for Operator's equipment	$1,047.50		
Drill bits, steel, gasoline, oil, etc.	2,518.02		
Labor & supervision (including clerical and engineering work)	8,568.03	$12,133.55	
Total cost of Phase I		$13,407.55	$13,407.55

PHASE II

394 feet of core drilling @ not to exceed $6.00/ft.	$2,361.45	
Total cost of Phase II	2,361.45	$2,361.45
Total cost of Phase I and Phase II		$15,769.00

Fixtures and Improvements

None

Operating Equipment

To be rented: ~~Phase I~~ Phase II

None

Phase II

All diamond core drilling to be done by contract at (not to exceed) $6.00 per foot, to include all expenses necessary to complete the drilling.

Equipment Furnished by the Operator

Phase I

Portable gasoline-operated 110 CFM compressor, jackhammer, column, etc.	~~@ $90/mo.~~	$90.00	per month
Mine cars, truck, miscellaneous mining accessories	~~@ $25/mo.~~	25.00	per month
Total allowance ~~per month~~		$115.00	per month

Phase II

None

Labor and Supervision

1 Working foreman @ $350/mo.
2 Miners @ $1.50/hr
2 Muckers @ $1.25/hr.

Rehabilitation and Repairs

None

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

Date:_____

THE UNITED STATES OF AMERICA

By_____
Executive Officer, DMEA

By_____
Jack Stewart

By_____
Carl Roseberry

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

June 9, 1952

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Operator's Monthly Progress Report for April 1952
Docket DMA-1554x, Contract Idm-E165
Stewart and Roseberry

Here are two copies of the subject report, as processed for payment, for your files.

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

Attachment

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 11 1952

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 165

35

Name of Operator Stewart & Rosaberry
Docket No. DMA 1554 I
Total Contract Amount $ 15,769.00
Government Participation: 90 % Amount, $ 14,192.10
Distribution of Expenditures for Month of April

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 11 1952

RECEIVED
MAY 14 1952
BUREAU OF MINES
REGION V
MINING DIVISION

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

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

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

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

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

CERTIFICATION

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

Stewart & Rosaberry
(Name of Company)

By Jack Stewart
(Signature of Authorized Official)

May 6, 1952
(Date)

Carl Rosberry
Partners
(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]	115.00	517.50	632.50	115.00	517.50	632.50
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

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						
	692.00	2,317.51	3,009.51	692.00	2,317.51	3,009.51
4. Labor[3] & Subp.	400.00	1,875.00	2,275.00	400.00	1,875.00	2,275.00
5. Supervision						
6. Supplies						
(a) Timber	72.30	323.00	395.30	72.30	323.00	395.30
(b) Explosives						
(c) Repair Parts	241.23	742.98	984.21	241.23	742.98	984.21
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability	—	150.00	150.00	—	150.00	150.00
(c) Workmen's Compensation						
10. Contract Work Social Sec.	—	62.09	62.09	—	62.09	62.09
11. Other (specify)						
Total	1,520.61	5,968.88	7,489.49	1,520.61	5,968.88	7,489.49
Deletions				32.48		
Adjusted totals				$1488.13		
Totals previously reported						
Totals to date						

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

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

FOR GOVERNMENT USE ONLY

Checked by E W Bunyon

Entered by

Approved by D J Mullen Supervising Engineer

Amount approved for payment

Remarks

16—64068-3

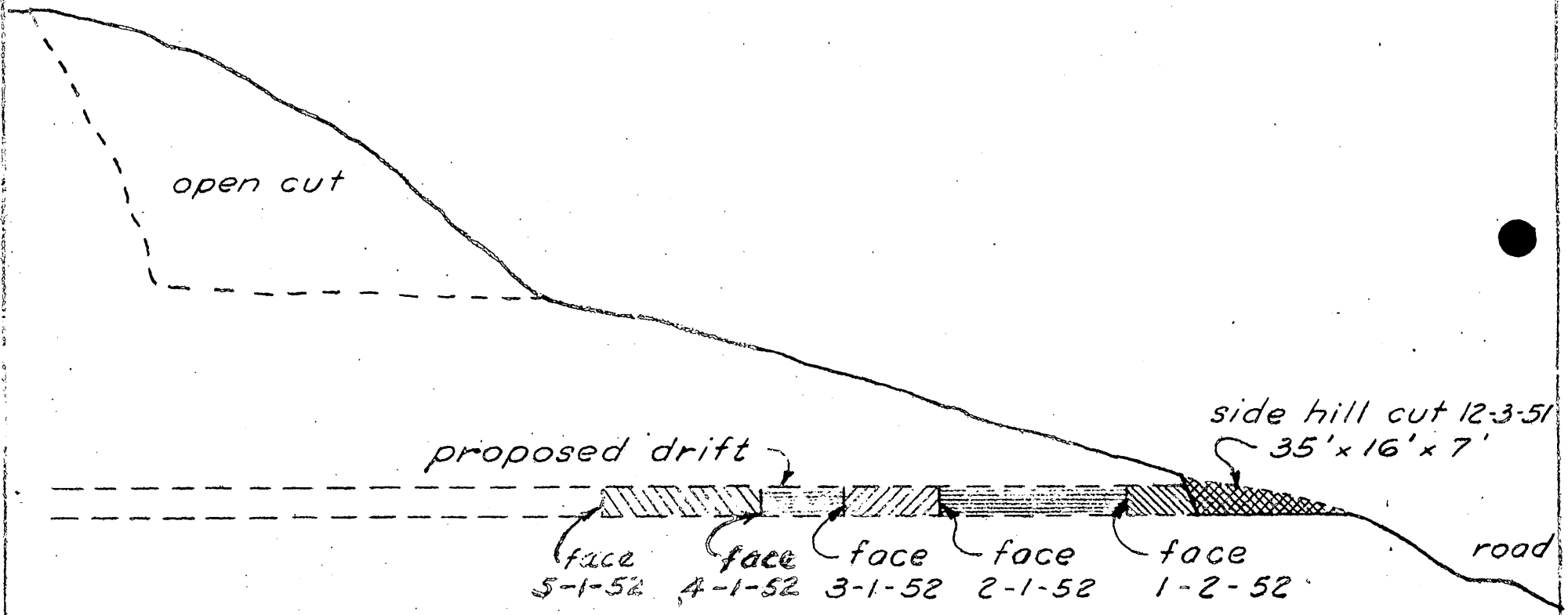
EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF April

(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	26.00	2.74	7.47	—	36.21	ft.	42	117	159	350
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	26.00	2.74	7.47	—	36.21	ft.	42	117	159	350

[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



Sketch of Gap Exploration 1554-X
Monthly Progress

1-3-52 gw. 1" = 40'

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

August 19, 1952

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Operator's Monthly Report and Voucher for May 1952
Docket DMEA-1554x, Contract Idm-E165
Stewart & Roseberry

Here are two copies of the subject report, as processed for payment, for your files.

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

Attachments

ABNeedham:dg
cc Dutton
Region V
files
df

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Wash

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1952 Docket No. DMEA 1554X Contract No. Idm E-165
Operator's Name Stewart & Roseberry Minerals Mica & Beryl
Address Custer, South Dakota
Contract Amount, $ 15,769.00 Government Participation: 90 % Amount, $ 14,192.10

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	342.13	3,009.51	3,351.64	166.13	3,009.51	3,175.64	
Supervision Bookkeeper	274.65	2,276.00	2,549.03	216.65	2,275.00	2,491.65	
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	117.00	395.30	512.30	60.40	395.30	455.70	
Pipe & fittings	10.18	—	10.18	10.18	—	10.18	
Track						
Wire, oil, steel & bits, Misc.	94.73	951.73	1,046.51	59.25	951.73	1,010.98	
(4) Operating Equipment:						
Rental Dozer for road	144.00	—	144.00	144.00	—	144.00	
Purchase						
Depreciation	77.60	632.60	710.40	57.60	632.60	690.00	
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	—	62.00	62.00	—	62.00	62.00	
Payroll Taxes						
Liability Insurance Workmen's Compensation	—	150.00	150.00	—	150.00	150.00	
(8) Contingencies (specify):						
Totals	1,060.62	7,477.01	8,537.63	714.01	7,477.01	8,191.00	

RECEIVED AUG 6 1952 BUREAU OF MINES REGION V MINING DIVISION

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

Date _____ *Payee _____

Per _____ Title _____

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

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:

$ 642.66

Signature L. A. Hill
(Authorized Certifying Officer)

Date 8/13/52 Vou. No. 5
(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. [redacted] in accordance with the terms of the contract.

Signature D. P. Mullen Title Supervising Engineer Date [redacted]

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature A. B. Needham Title Exec Officer Date 8/6/52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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 [illegible] Contract No. [illegible]-165
Operator's Name Stewart & Rosebery Minerals Lion and beryl
Address Boston, South Dakota

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
Supplies purchased								
Drifting on lead	Feet	106.21	--	7,903.22	216.3	35.24		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	Feet	607.86	2640	607.86	2640	.23		
Total Distributed Costs		714.07		8,191.08				Total Costs Authorized by Contract
Operating Equipment Purchased		--	--	--				
Initial Rehabilitation and Repairs		--	--	--				
New Buildings, Improvements, etc.		--	--	--				
Total Costs		714.07		8,191.08				

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 June 30, 1952 Operator Stewart & Rosebery

Per Alice Stewart Title Bookkeeper

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

Docket No. 1584X (MA)
Contract No. Idm-3 166
STEWART & ROSEBERRY

MONTH OF MAY, 1952

Period Ending	Name	Hrs.	Rate	Gross	S.S.	W.T.	Labor Net	Sup. Net	Bkkp. Net
5/10/52	John Roseberry	40	1.50	60.00	.90	7.10	52.00		
5/10/52	K. F. Martin	36	1.25	45.00	.67	1.40	42.93		
5/15/52	Carl Roseberry	½ mth.	350.00	175.00	2.63	23.70		148.67	
5/17/52	John Roseberry	48	1.50	72.00	1.17	10.70	60.13		
5/17/52	K. F. Martin	45	1.25	56.38	.89	4.20	54.29		
5/17/52	Gordon Bruchner	12	1.00	12.00	.18		11.82		
5/24/52	John Roseberry	24	1.50	36.00	.54	2.20	33.26		
5/24/52	K. F. Martin	27	1.25	33.75	.51		33.24		
5/24/52	Gordon Bruchner	18	1.00	18.00	.27		16.63		
5/31/52	Carl Roseberry	3/5mth	350.00	58.33	.96	1.90		55.75	
5/31/52	Alice Stewart	.5mth	50.00	34.00	.51	6.80			26.69

Gross Labor:

Labor:	[redacted]
Supervision:	240.00
Bookkeeping:	34.00
Total	$316.76

Signed Alice Stewart
Bookkeeper
STEWART & ROSEBERRY

Report on Gap Lode Amendment No. 4

Docket No. DMA-1554X, Contract Idm E-165

After an examination of the property on May 5, 1952, and in agreement with the applicant, the field team recommends that the adit, as described under phase II, Exhibit A, be stopped at the present length of 200 feet and, with the funds remaining for this work, a raise be driven from the face of the adit to hole through at the surface at a point approximately 60 feet and S 65° W from the face. The raise is to be driven at an inclination of 40° and will be approximately 94 feet in length and 5 by 7 feet in cross section. The applicants were advised that the available funds are insufficient to complete the raise to the surface and obviously that it would be necessary to hole it through. They stated that the raise would be completed whether or not funds under the contract were available.

The recommendation is based on several factors as follows:

The adit, regardless of its length, is of no value unless it can be used in future mining operations and so far has proven of little value for exploration purposes. The grade of the dike as exposed in the adit will not permit economic underground mining of the deposit back from the face of the adit to the portal. The better part of the dike lies ahead of the adit face, starting at a point approximately 67 feet along the strike from the present face. From an economic standpoint even the better part of the dike will have to be mined by open pit methods.

To drive the adit to the length originally proposed, 350 feet, and then raise to the surface would require between 6 and 7 months. The advantage in future mining operations to either the applicants or the government are slightly in favor of extending the adit to 350 feet inasmuch as the block between the adit and upper cut, if of minable grade, could be mined. However, as stated, the grade of the dike exposed in the adit is not minable and this advantage is offset by the fact that the work proposed in the accompanying amendment will permit production to start in about 2 months.

By using either a slusher or mechanical loader, the adit, at its present length, and the proposed raise will serve for mining operations up to and beyond the face of the long open cut ahead and above the adit (see sketch).

An intangible factor in favor of the proposed amendment is that unless the property is brought into production within a month or two, the applicants probably will abandon the project and the money expended on the adit to date will be almost a total loss.

DEPARTMENT OF
Defense
MAY 21 1952

In addition, the field team do not believe that the project warrants more expenditure than that which was originally set aside for drifting, and therefore they believe the proposed raise is essential for the project.

J. A. Redden, Geologist

E. O. Binyon, Mining Engineer

AMENDMENT No. 4

Docket No. DMA-1554X, Contract Idm E-165, dated October 2, 1951, between the United States of America and Jack Stewart and Carl Roseberry, a partnership, is hereby amended as follows:

1. The description of the exploration project under Phase II of Exhibit A is amended to permit discontinuing the drift adit at its present length of 200 feet and the use of the funds under this phase of the contract to drive an inclined raise, at an inclination 40° and bearing South 65° West from the face of the adit to the surface, a distance of approximately 94 feet.

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

Dated May 8, 1952.

By O B Weaden
Executive Officer, DMA

By Jack Stewart
Jack Stewart

By Carl Roseberry
Carl Roseberry
A Partnership

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 26 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
MAY 8 1952

May 6, 1952

Mr. Jack Stewart
Stewart and Roseberry Corp.
Custer, South Dakota

Dear Mr. Stewart:

Reference is made to your DMEA Contract Idm-E165, Docket DMA-1554x, for beryl exploration in the Black Hills.

This office has been directed, by way of Circular 19 issued by the Washington office of DMEA, to inform all operators of exploration projects that it will be necessary to support the original of the monthly reports (Form MF-104) with documentary proof of costs. Such proof shall consist of the original invoices (or certified copies were originals are not available), certified transcripts of payrolls, purchase orders, purchase contracts, and distribution statements (for costs distributed on a pro rata basis to the projects). The certification required is merely "Certified true copy (or transcript)", followed by the operator's signature.

Effective date of submitting such documentary support of costs is May 1, 1952. Therefore, all monthly reports submitted subsequent to that date shall include the supporting material. In the future, please submit five copies of Form MF-104.

If you are in doubt as to procedures, please feel free to contact our Rapid City office.

Sincerely yours,

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

ABNeedham:mdt
cc Latton
Mullen
Madden
DMEA (Wash) 2
Region
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df

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Docket Copy.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

April 23, 1952

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Amendment No. 3 - Docket DMA-1554x, Contract Idm-E165 Stewart and Roseberry

Here are the original and ~~two~~ 3 copies of the subject amendment providing for necessary road repairs and reapportioning distribution of funds.

One copy of the amendment has been submitted to the Regional fiscal section, one copy sent to the operator, and one retained in this office.

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

Attachments 3

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 25 1952

Sol

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

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Operator's Monthly Progress Report for March 1952
Docket DMA-1554x, Contract Idm-E165
Stewart and Roseberry

Attached are two copies of the subject Operator's Monthly Progress Report, as passed for payment, for your files.

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

Attachments 2

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 17 1952

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-E165

Name of Operator Stewart & Roseberry
Docket No. DMA 1554 X
Total Contract Amount $15,769.00
Government Participation: 90 % Amount, $14,102.10
Distribution of Expenditures for Month of March

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.

Defense M
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.

Stewart & Roseberry
(Name of Company)

By Jack Stewart
(Signature of Authorized Official)

April 1, 1952
(Date)

Carl Roseberry
Operators (Title)

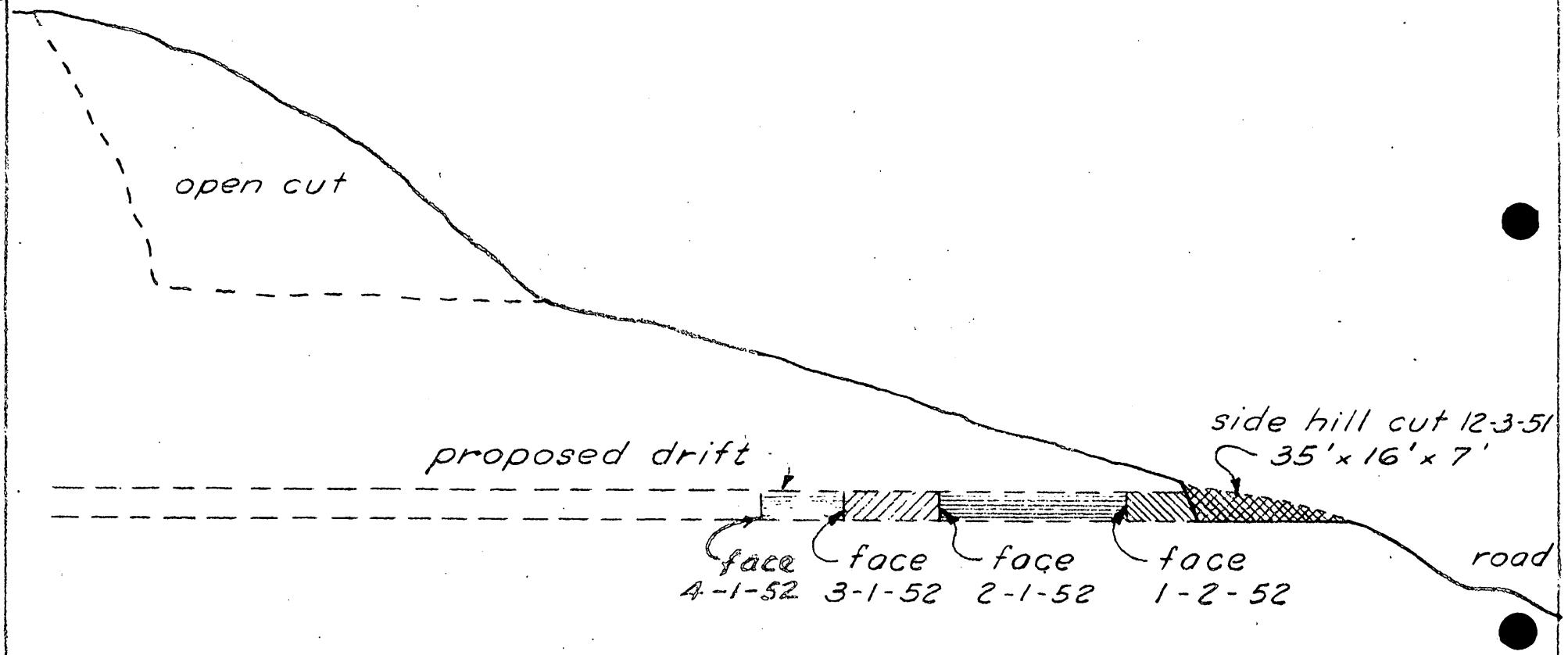
NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

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]	115.00	402.50	517.50	115.00	402.50	517.50
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						



Sketch of Gap Exploration 1554-x
Monthly Progress

1-3-52 gw. 1" = 40'

NARRATIVE REPORT
MONTH OF MARCH, 1952

Docket No.: DMA-1564X
Contract No.: Idm E-165
STEWART & ROSEBERRY

The exploration work completed in March on the project totaled 22 feet of 5'x 7' drift. We were unable to make much progress because of weather conditions. The weather has not bothered as much as what it has done to our road. We have had a lot of snow during the early part of March and have had to shovel in and out of the mine. We'd get the road shoveled so we could get through with the Jeep and during the night it would snow more and drift full again. We spent the biggest share of our time going and coming from the mine to the highway. The U. S. Bureau of Mines can vouch for the condition of the trail going to the mine. The last few days the snow has been melting and now we have a mud trail.

We have been unable to hire more men as planned because they won't go to work when the weather is so unseasonable that they never know whether or not they will be able to work a full week. We hope Old Mother Nature settles down pretty soon in this part of the country.

Another drawback encountered this month is bad steel. We have had more breakage of steel this month than previously. We think this situation is also remedied now by finding a more competent person to shank and thread the steel. The temper in the steel will not be ruined, and, therefore, the steel will not break as readily.

Jack Stewart
Jack Stewart

Carl Roseberry
Carl Roseberry

Docket No. DMA 1534
Contract No. Idm-8
STEWART & ROSEBERRY

MONTH OF MARCH 1952

Period Ending	Name	Hrs.	Rate	Gross	S.S.	F.W.	Labor Net	Cap. Net	Bkkp. Net
3/8/52	John Roseberry	32	1.50	48.00	.72	4.60	42.68		
3/8/52	Carl Roseberry	32	1.50	48.00	.72	4.60	42.68		
3/8/52	E. P. Martin	0							
3/15/52	John Roseberry	8	1.50	12.00	.18	--	11.82		
3/15/52	Carl Roseberry	8	1.50	12.00	.18	--	11.82		
3/15/52	E. P. Martin	8	1.25	10.00	.15	--	9.85		
3/13/52	Jack Stewart	1/2mth	350	175.00	2.63	18.10		154.27	
3/22/52	John Roseberry	40	1.50	60.00	.90	7.10	52.00		
3/22/52	E. P. Martin	40	1.25	50.00	.75	8.40	40.85		
3/29/52	John Roseberry	48	1.50	78.00	1.17	10.70	66.13		
3/29/52	E. P. Martin	48	1.25	65.00	.98	5.30	58.72		
3/31/52	Carl Roseberry	1/2mth	350	175.00	2.63	23.70	[illegible]	148.67	
3/31/52	Alice Stewart	1 mth	50	50.00	.75	10.00			39.25

Gross Labor:

Mine	$653.00
Supervision	350.00
Bookkeeping	50.00
Total	$703.00

Signed Alice Stewart
Bookkeeper
STEWART & ROSEBERRY

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]	383.00	1,934.51	2,317.51	383.00	1,934.51	2,317.51
5. Supervision & Mkkp.	400.00	1,475.00	1,875.00	400.00	1,475.00	1,875.00
6. Supplies						
(a) Timber						
(b) Explosives	31.50	291.50	323.00	31.50	291.50	323.00
(c) Repair Parts						
(d) Other	152.14	611.47	763.61	131.51	611.47	742.48
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation	----	150.00	150.00	—	150.00	150.00
10. Contract Work						
11. Other (specify) Soc. Sec.	43.30	19.59	62.89	43.40	19.59	62.89
Total	1,124.94			1,104.31	4,884.57	5,988.88
Deletions	20.63					
Adjusted totals	1,104.31					
Totals previously reported	4,884.57	4,884.57				
Totals to date	5,988.88		6,009.51			

[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. Bruyn
Entered by
Approved by D. J. Mullin Supervising Engineer
Amount approved for payment 99 [illegible]
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF March

(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	~~783.00~~	~~115.00~~	~~226.94~~		~~1,124.94~~	ft.	22	95	117	350
Crosscutting	35.59	5.23	10.32		51.14					
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	35.59 ~~783.00~~	5.23 ~~115.00~~	10.32 ~~226.94~~		51.14 ~~1,124.94~~	ft.	22	95	117	350

[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

Taken from Memo. 4/3/52 from Executive Officer, Region V to Operating Committee; Status of projects in re. to discoveries.

Other projects have not progressed far enough to make a determination as yet. They are such dockets as 812x-a, 1813x, 1554x, 1812x, 2073x, 2011x, and 2078x.

The foregoing is the status of all projects to April 1, 1952.

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

March 20, 1952

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Operator's Monthly Progress Report for February 1952
Docket DMA-1554x, Contract Idm-E165
Stewart and Roseberry

Here are two copies of the subject Operator's Monthly Progress Report as processed for payment for your files.

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

Attachments 2

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
MAR 24 8 25 AM '52

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 105

Name of Operator Stewart & Roseberry
Docket No. DMA 1554 X
Total Contract Amount $ 15,769.00
Government Participation: 90 % Amount, $ 14,192.10
Distribution of Expenditures for Month of February

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

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

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

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

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

CERTIFICATION

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

Stewart & Roseberry
(Name of Company)

By Jack Stewart
(Signature of Authorized Official)

March 5, 1952
(Date)

Carl Roseberry
Operators (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]	115.00	287.50	402.50	115.00	287.50	402.50
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

NARRATIVE REPORT
MONTH OF FEBRUARY, 1953

Docket No.: [illegible]
Contract No.: [illegible]

The exploration work completed in February on the project totaled 23 feet of 5' x 7' drift. The unseasonable weather has hampered us considerably. The air and water lines freeze. It takes twice as long to drill a set of holes as it should, but we just can't find a remedy to overcome the freezing. The rock is hard to break. No two shots break the same. One round you may get a 4' breakage and the next one you may break only 1½'. The rock seems to be loosening up a bit now. If so, we will be able to do much better.

Another hardship encountered during the month was bad air. The men kept getting sick and faint every day in the early afternoon. In fact, one man did succumb to the bad air. After considerable lost time trying to find out what was wrong, we were able to discover the cause and remedy it. The muffler on the compressor was leaking, and the intake on the compressor was pulling the carbon monoxide gas into the air receiver, so we were getting the carbon monoxide gas in the tunnel. We were lucky that none of the men suffered any ill effects--only temporary.

We have been trying to hire two men to do the mucking at night, but are not having much luck. I do believe that we will be able to do this as soon as the weather warms up, so it isn't so cold working at night. We plan to start two shifts just as soon as possible. This way, we can drill and shoot during the day and muck it out at night. We will be able to get a round in and a round out every day.

We have also decided not to work if we have any more real cold spells. Cold weather just doubles our expenses and cuts down on the footage made.

Jack Stewart
Jack Stewart

Carl Rosebery
Carl Rosebery

[illegible] No. DSA 1604[illegible]
Contract No. IDO-[illegible] 165

PAYROLL SHEET

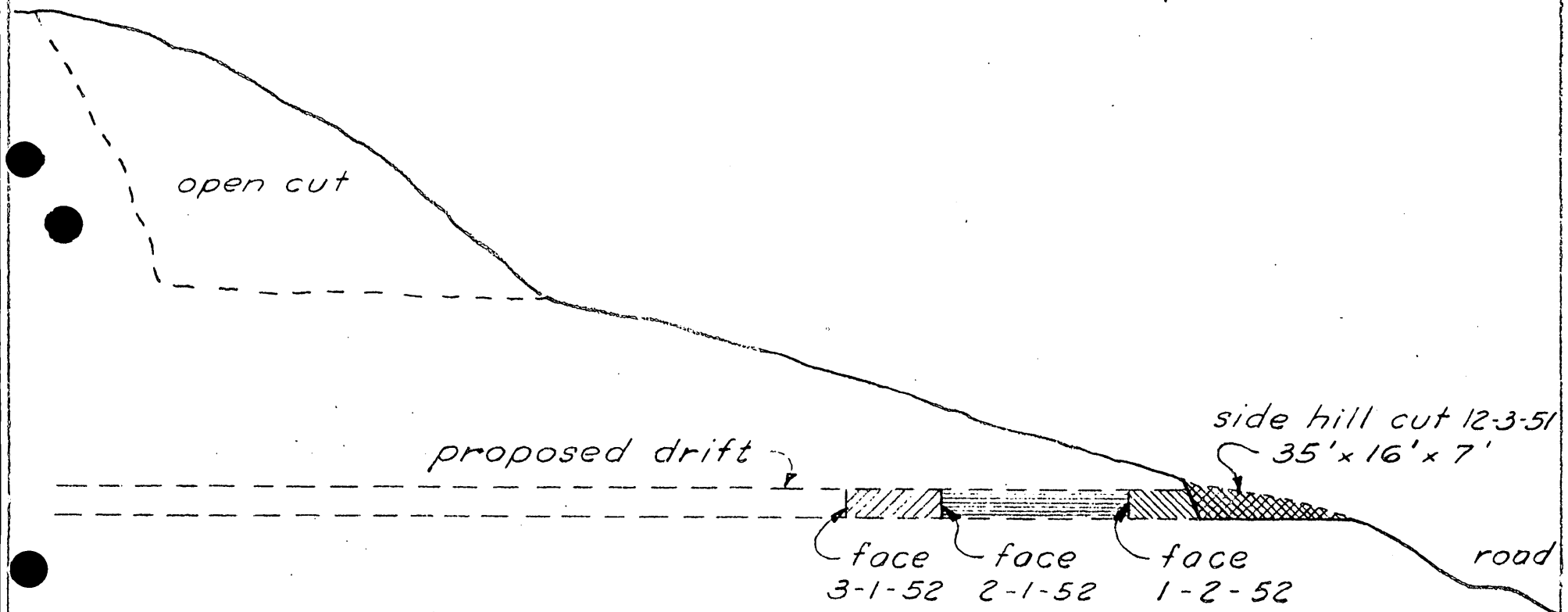
MONTH OF FEBRUARY, 1952

Week Ending	Name	Hrs.	Rate	Gross	S.S.	W.T.	Labor Net	Super. Net	Disp. Net
2/9/52	John Roseberry	40	1.50	70.00	1.17	10.70	58.13		
"	Carl Roseberry	40	1.50	70.00	1.17	10.70	58.13		
"	E. P. Martin	40	1.35	65.00	.98	8.30	55.72		
2/16/52	Jack Stewart	1/2mth		175.00	2.63	10.10 X		154.27	
2/16/52	John Roseberry	20	1.50	30.00	.45	1.00	28.55		
"	Carl Roseberry	40	1.50	60.00	.90	7.10	52.00		
"	E. P. Martin	32	1.25	40.00	.60	.40	39.00		
2/23/52	John Roseberry	24	1.50	36.00	.54	3.20	32.26		
"	Carl Roseberry	24	1.50	36.00	.54	3.20	32.26		
"	E. P. Martin	0							
3/1/52	John Roseberry	24	1.50	36.00	.54	3.20	32.26		
"	Carl Roseberry	40	1.50	70.00	1.17	10.70	58.13		
"	E. P. Martin	0							
3/1/52	Jack Stewart	1/2 mth		175.00	2.63	10.10		154.27	
3/1/52	Alice Stewart	1 mth.		50.00	.75	10.00			39.25

Gross Labor:

Mine	$657.00
Supervision	350.00
Bookkeeping	50.00
Total	$957.00

Signed Alice Stewart
Bookkeeper
STEWART & ROSEBERRY



Sketch of Gap Exploration 1554-x
Monthly Progress

1-3-52 gw. 1" = 40'

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]	537.00	1,397.51	1,934.51	537.00	1,397.51	1,934.51
5. Supervision Bkkping	400.00	1,075.00	1,475.00	400.00	1,075.00	1,475.00
6. Supplies						
(a) Timber						
(b) Explosives	75.30	216.20	291.50	75.30	216.20	291.50
(c) Repair Parts						
(d) Other	142.46	469.01	611.47	142.46	469.01	611.47
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation	---	150.00	150.00	--	150.00	150.00
10. Contract Work						
11. Other (specify) Social Security	---	19.59	19.59	--	19.59	19.59
Total	1,269.76			1,269.76	3,614.81	4,884.57
Deletions						
Adjusted totals						
Totals previously reported		3,614.81				
Totals to date			4,884.57			

[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. Berryman

Entered by

Approved by D. H. Mullen Supervising Engineer

Amount approved for payment 1142.46

Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF February

(Supply Data Below Applicable Only to Your Operations)

RECEIVED MAR 10 DEPT. OF INTERIOR BUREAU OF MINES MINNEAPOLIS, MINN.

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	37.48	4.60	8.71		50.79	ft.	25	70	95	350
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	37.48	4.60	8.71		50.79	ft.	25	70	95	350

[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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2906 Colfax Avenue South
Minneapolis 8, Minnesota

February 21, 1952

Memorandum

To: L. H. Mullen, Supervising Engineer, Bureau of Mines, School of Mines Campus, Rapid City, South Dakota

From: Executive Officer, Field Team, Region V

Subject: Operator's Monthly Report for January, Contract Idm E-165, Docket DMA-1551A, Stewart & Roseberry.

The regional auditor has suspended a charge for repair parts in the amount of $142.60 on the subject voucher.

Since repair parts are not spelled out in the contract it is assumed the "depreciation" charge of $115.00 per month for various equipment furnished by the operator for use on the project includes repairs.

Voucher was approved for $1165.16.

L. B. Needham

LBNeedham:mg

cc: Lutton
Needham
Stewart & Roseberry
Reg.Dir., Region V
Ope. Committee, DMA
Files
Mf

Library
Bureau of Mines
Rapid City, South Dakota
FEB 22 1952

MF-104
(April 1951)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

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

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

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

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.

Stewart & Roseberry
(Name of Company)

By Jack Stewart
(Signature of Authorized Official)

February 5, 1952
(Date)

Carl Roseberry
Operators (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—64068-1

MONTHLY SUMMARY COST STATEMENT

Name of operator Stewart & Roseberry
Project No. DMA 1554X, Contract Idn E-165
Total contract amount 15,769.00
Government participation percent 99%

Distribution of Expenditures for Month of January 1952

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	1,166.51	1,306.00	2,472.51	1,166.51	1,306.00	2,472.51
Equipment purchase [1]						
Equipment rental [2]	115.00	172.50	287.50	115.00	172.50	287.50
Buildings						
Explosives	84.00	132.20	216.20	84.00	132.20	216.20
Repair parts	142.60	----	142.60	142.60	--	142.60
Other supplies	266.13	202.88	469.01	266.13	202.88	469.01
Power						
Transportation						
Withholding taxes						
Compensation insurance	----	150.00	150.00		150.00	150.00
Other insurance						
Contract work						
Other (specify) Social Security---		19.59	19.59		19.59	19.59
Total	1,774.24			1,774.24	1,983.17	3,757.41
Totals previously reported		1,983.17				
Totals to date			3,757.41			

FOR GOVERNMENT USE ONLY

Checked by E. O. Bingen
Entered by
Approved by D. H. Mullen Supervising Engineer
Amount approved for payment
Remarks

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

16—64068-1

NARRATIVE REPORT

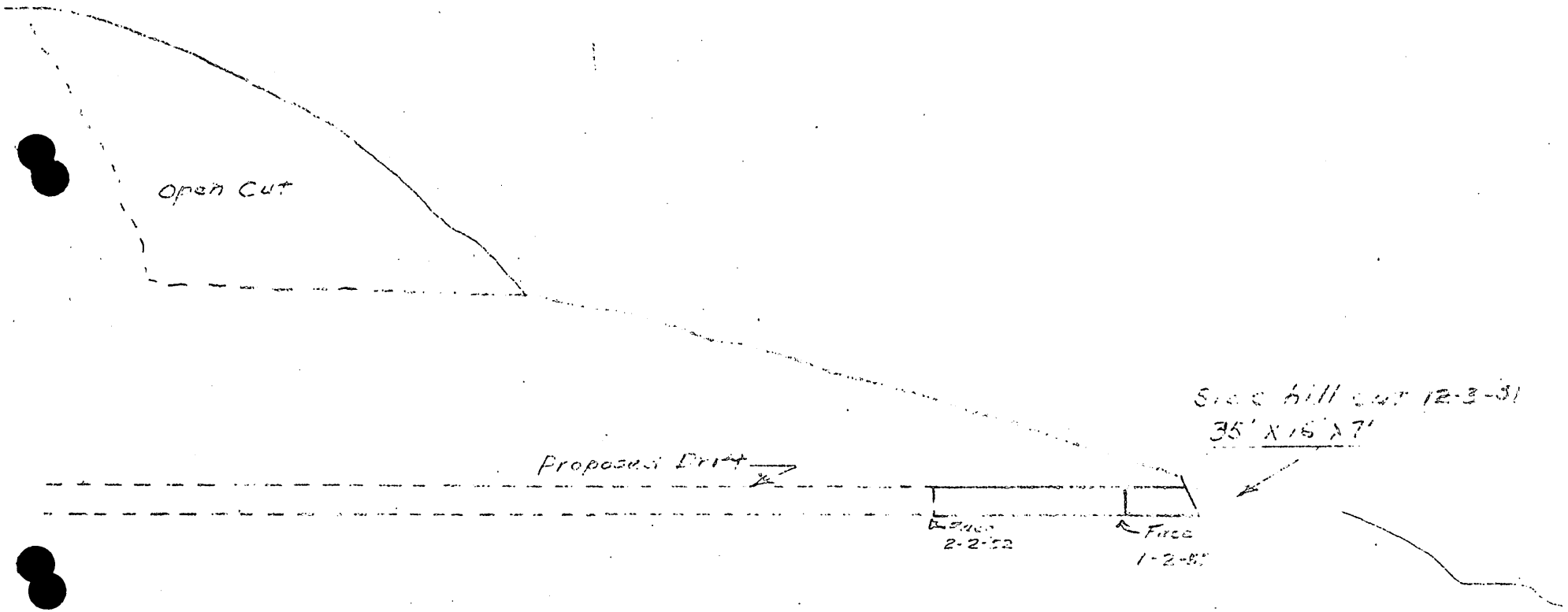
Month of January 1952
Stewart & Roseberry
Docket No.: DMA-1554X
Contract No.: Idm E-165

The exploration work completed for the month of January totaled 30 ft. of 5' x 7' drift. Due to unforeseen difficulties this is not as much as we had hoped to accomplish. We have been hampered by cold weather the first part of the month. The air and water lines freeze up so bad when the temperature is down so low. We tried doing the work by working two shifts (a day shift and a night shift). We soon discovered that it was just too cold to accomplish anything extra by working a night shift. It keeps one person busy trying to keep fires going to keep equipment and men from freezing. The compressor started acting up and didn't produce enough air to run the hammer properly. We ordered the necessary parts for the compressor, but it took over a week for them to get here. In the meantime we tried to drill, but the progress was slow due to low air pressure. During this time we fixed the mine car and rails into the mine, so we no longer have to use a wheelbarrow for removing the muck. We have a new set of valves in the compressor now. We have been having fairly good success with the drilling and shooting the last few days, since the compressor is back to normal. We are also using an electric battery and caps for shooting which has increased the blasting power considerably.

During the month we found one three inch beryl crystal and also some mica.

Jack Stewart
Jack Stewart

Carl Roseberry
Carl Roseberry



Section of Side Excavation 1552 X
Moiling Project
2-2-52 Scale 1" = 40'

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF January 1952

Name of operator Stewart & Mosoberry
Project No. DMA 1554X, Contract Idm E-165
Total contract amount $15,769.00
Government participation percent 90%

Type	Number	Man-Hours	Rate	Total
Miners	* 2	281 hrs.	$ 1.50 hr.	$ 421.50
Muckers	* 2	276 hrs.	1.25 hr.	345.01
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent				
Engineers				
Geologists				
Bookkeeper	1	1 mo.	$50.00	50.00
Foreman	1	1 mo.	$350.00	350.00
Clerks				
Stenographers				
Other				
Total	* 5			$1,166.51

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

* 1 man two weeks at $1.50 rate.
* 1 man two weeks at $1.25 rate.

FOR GOVERNMENT USE ONLY

Checked by E. O. Runyon
Entered by
Approved by D. A. Mullen Supervising Engineer
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF January 1952

Name of operator Stewart & Roseberry
Project No. DMA 1554X, Contract Idm E-165
Total contract amount $15,769.00
Government participation, percent 90%

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting	23.33	2.30	7.00	2.85	35.48	ft.	50	20	70	350
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	23.33	2.30	7.00	2.85	35.48		50	20	70	350

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

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

FOR GOVERNMENT USE ONLY

Checked by E. O'Bryan
Entered by
Approved by D. T. Mullen Supervising Engineer
Remarks

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 28, 1952

Memorandum

To: C. O. Mittendorf, Administrator, DMEA, Interior Building, Washington 25, D. C.

Through: Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region V

Subject: Amendment to Docket DMA-1554x, Contract Idm-E165
Stewart and Roseberry, Custer, S. Dak.

Reference is made to your letter of January 9, 1952, requesting a new original of the subject amendment which you advise was either lost or misplaced.

Here is another original, duly executed.

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

Attachment

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 25 1952

January 23, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region V

Subject: Operator's Monthly Progress Report for Docket DMA-1554x, Contract Idm-E165
Stewart and Roseberry, Custer, S. Dak.

Here are two copies each of the monthly reports for November and December 1951 for the subject docket and contract.

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

Attachments 4

MF-104
(April 1951)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 24 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 will be made from time to time.

CERTIFICATION

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

Stewart and Roseberry
(Name of Company)

By Jack Stewart
Carl Roseberry
(Signature of Authorized Official)

Jan. 3, 1952
(Date)

Operators
(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—64068-1

MONTHLY SUMMARY COST STATEMENT

Name of operator Stewart and Roseberry
Project No. DMA 1554X, Contract Idm E-165
Total contract amount $15,769.00
Government participation percent 90%

Distribution of Expenditures for Month of December 1951

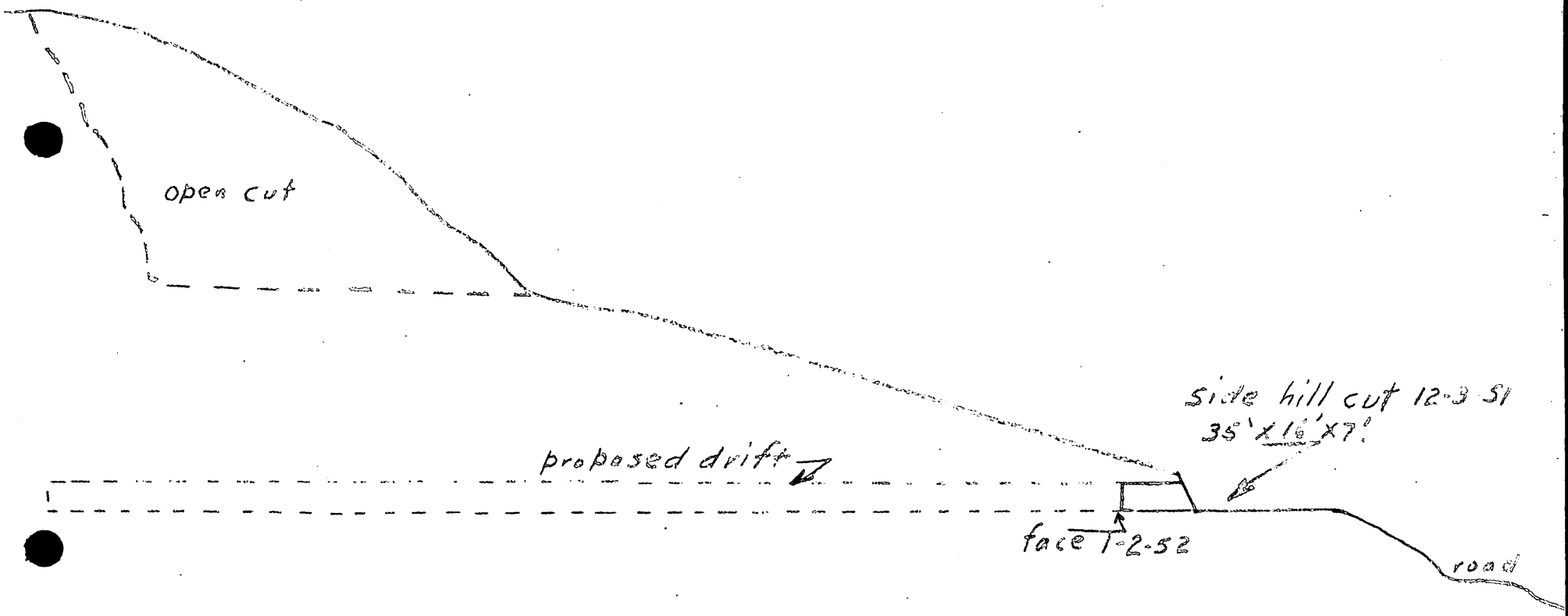
Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	$795.00	$ 511.00	$1,306.00	$ 795.00	$ 511.00	$ 1,306.00
Equipment purchase [1]						
Equipment rental [2]	115.00	57.50	172.50	115.00	57.50	172.50
Buildings						
Explosives	45.60	86.60	132.20	45.60	86.60	132.20
Repair parts						
Other supplies	119.29	83.59	202.88	119.29	83.59	202.88
Power						
Transportation						
Withholding taxes						
Compensation insurance	--	150.00	150.00	--	150.00	150.00
Other insurance						
Contract work						
Other (specify) Social Security	19.59	--	19.59	19.59	--	19.59
Total	1,094.48			1,094.48	888.69	1,983.17
Totals previously reported		888.69				
Totals to date			1,983.17			

FOR GOVERNMENT USE ONLY

Checked by G Walker.
Entered by
Approved by D. F. Mullen Supervising Engineer
Amount approved for payment
Remarks

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

16—64068-1



Sketch of Gap Exploration 1554-A
Monthly Progress
1-3-52 yw. 1" = 40'

NARRATIVE REPORT

Docket No.: DMA-1554X
Contract No.: Idm E-165

The exploration work completed in December 1951 on the project totaled 20 feet of 5' x 7' drift from the open cut excavated in November. The unseasonable low temperatures that prevailed during this period hampered progress considerably.

In the future the operation will be attempted on a more continuous basis, involving two shifts, which should tend to reduce the difficulties experienced the past month.

Jack Stewart
Jack Stewart

Carl Roseberry
Carl Roseberry

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF December 1951

Name of operator Stewart and Roseberry
Project No. DMA 1554X, Contract Id: E-165
Total contract amount $15,769.00
Government participation percent 90%

Type	Number	Man-Shifts	Rate	Total
Miners	1	17½	1.50/hr.	210.00
Muckers	1	13½	$ 1.25/hr.	$ 135.00
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent				
Engineers				
Geologists	1	1 mo.	$100.00	100.00
Bookkeeper	1	1 mo.	350.00	350.00
Foreman				
Clerks				
Stenographers				
Other				
Total	4			795.00

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

FOR GOVERNMENT USE ONLY

Checked by G Walker
Entered by
Approved by D A Mullen Supervising Engineer
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF December 1951

Name of operator Stewart and Roseberry
Project No. DMA 1554, Contract Idm E-165
Total contract amount $15,769.00
Government participation, percent 90%

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting	795.00	115.00	164.89	19.59	1094.48	ft.	20	—	20	350
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	795.00	115.00	164.89	19.59	1094.48		20	—	20	350

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

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

FOR GOVERNMENT USE ONLY

Checked by [illegible]
Entered by
Approved by [illegible] Supervising Engineer
Remarks

MF-104
(April 1951)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Department of the Interior
Defense Minerals Administration
RECEIVED
JAN 21 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 will be made from time to time.

CERTIFICATION

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

Stewart and Roseberry
(Name of Company)

By Jack Stewart
(Signature of Authorized Official)

December 6, 1951
(Date)

Carl Roseberry
Operators (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—64068-1

MONTHLY SUMMARY COST STATEMENT

Name of operator Stewart and Roseberry
Project No. DMA 1554I, Idm 2-165
Total contract amount $15,769.00
Government participation percent 90%

Distribution of Expenditures for Month of _____

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	511.00	-	511.00	511.00	-	511.00
Equipment purchase [1]						
Equipment rental [2]	57.50	-	57.50	57.50	-	57.50
Buildings						
Explosives	86.60	-	86.60	86.60	-	86.60
Repair parts						
Other supplies	83.59	-	83.59	83.59	-	83.59
Power						
Transportation						
Withholding taxes						
Compensation insurance prem.	150.00	-	150.00	150.00	-	150.00
Other insurance						
Contract work						
Other (specify)						
Total	888.69	-	888.69	888.69	-	888.69
Totals previously reported	-	-	-	-	-	-
Totals to date	888.69	-	888.69	888.69	-	888.69

FOR GOVERNMENT USE ONLY

Checked by Glen Walker
Entered by
Approved by D. F. Mullen Supervising Engineer
Amount approved for payment 799.82
Remarks

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

16—64068-1

NARRATIVE REPORT

Docket No. DMA-1554I
Contract No. Idm-E-165

The exploration work performed in the month of November consisted of a side hill cut 35 feet long, 7 feet wide, and 16 feet deep. The cut is necessary as preparation for drifting. The preparatory work is now completed and the drift will be started immediately.

Jack Stewart

Carl Rosberry

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF November 1951

Name of operator Stewart and Roseberry
Project No. DMA 1554X, Contract Idm 1-165
Total contract amount $15,769.00
Government participation percent 90%

Type	Number	Man-Shifts	Rate	Total
Miners	1	13	$ 1.50/hr.	$ 156.00
Muckers	1	13	1.25/hr.	135.00
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Lawyers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent				
Engineers				
Geologists				
Bookkeeper	1	1/2 mo.	$100/mo.	50.00
Foreman	1	1/2 mo.	$350.00/mo.	175.00
Clerks				
Stenographers				
Other				
Total				$ 511.00

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

FOR GOVERNMENT USE ONLY

Checked by [illegible]
Entered by
Approved by [illegible] Supervising Engineer
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF November 1951

Name of operator Stewart and Roseberry
Project No. DMA 155bX, Contract Idn b-165
Total contract amount $15,769.00
Government participation, percent 90%

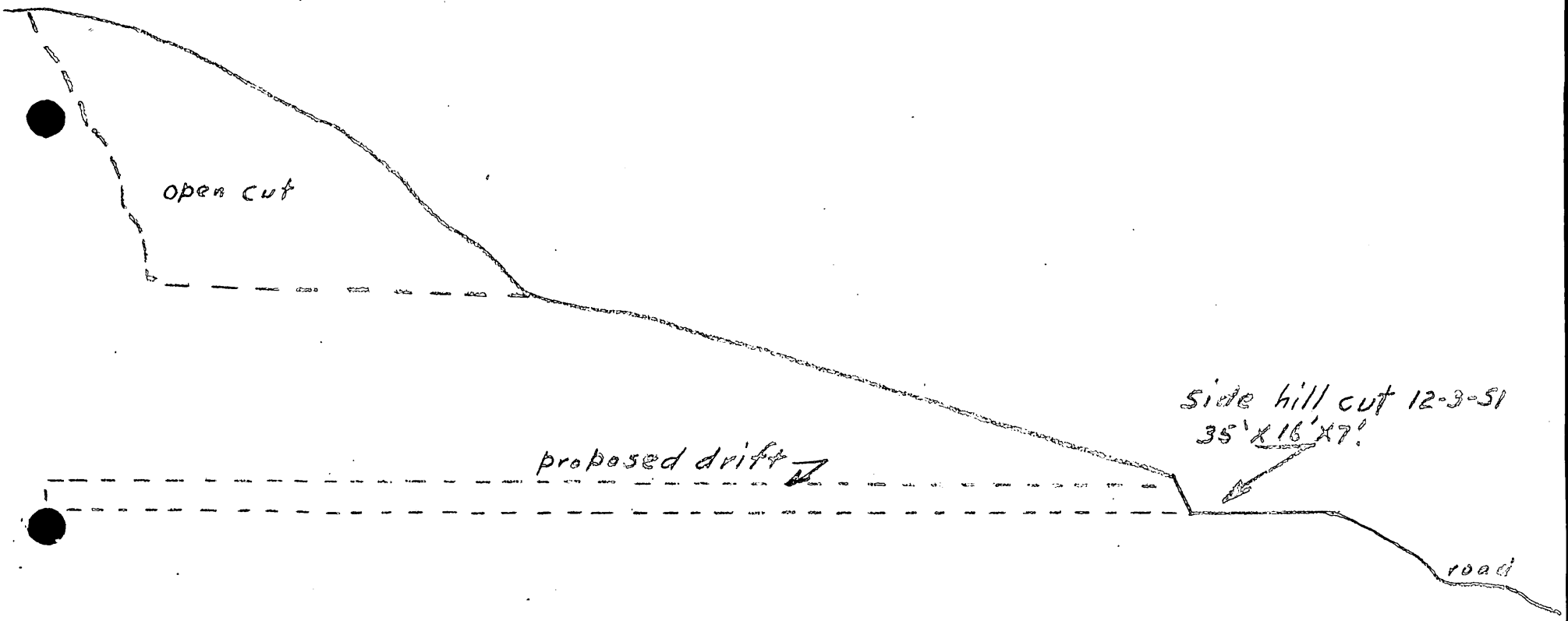
Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden	511.00	57.50	170.19	150.00	888.69	cu.yd.	73	-	73	
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	511.00	57.50	170.19	150.00	888.69		73	-	73	

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

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

FOR GOVERNMENT USE ONLY

Checked by Klenbalker
Entered by
Approved by O. P. Mullen Supervising Engineer
Remarks



Sketch of Gap Exploration 1554-X
Monthly Progress

12-3-51 gw. 12-3-51

FILE COPY
SURNAME:

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

JAN 9 - 1952

Mr. A. B. Needham
Executive Officer, Region V
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Re: Docket No. DMA-1554X
Stewart & Moseberry
Exploration Project Contract
Idm-E 165

Dear Mr. Needham:

In reply to your memorandum of December 28, 1951, we regret that we are unsuccessful in locating the original of Amendment No. 1.

As you suggested, we will appreciate it if you will furnish this Office with an executed typed original of the project Amendment.

Very truly yours,

C. O. Mittendorf (Kw)

Acting Administrator
Defense Minerals Exploration
Administration

JAlt:mp
1/7/52
cc: Adm. Reading File
Mails and Files 1-9-52 S.D.
Docket
Mr. Mittendorf
Commodity Branch - Mr. Houk
Mr. Alt
Field Team, Region V

BL

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 - 1952

December 28, 1951

Memorandum

To: C. O. Mittendorf, Acting Administrator, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region V

Subject: Amendment 1 to Docket DMA-1554x, Contract Idm-E165
Stewart and Roseberry
Custer, South Dakota

Reference is made to your letter of December 26, 1951, advising you cannot locate the original copy of subject amendment.

Our records show the original and the three copies were sent your office on December 3, 1951; therefore, all we have here is a carbon copy, same as your three copies.

If you are not successful in locating the original in your office, the only alternative is to type an original, have proper signatures affixed, and transmit to you.

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

FILE COPY
SURNAME:

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

DEC 2 6 1951

Mr. [illegible]
Executive Officer, [illegible]
[illegible] Colfax Avenue, South
Minneapolis 5, Minnesota

Re: Docket No. [illegible]-1556[illegible]
Stewart [illegible] Cranberry
Exploration Project Contract
[illegible]-1165

Dear Mr. [illegible]:

We have received three copies of Amendment No. 1 to the above referenced contract but fail to find the original. It has either been misplaced or perhaps you had inadvertently misplaced sending it to us.

Will you please send the original of the Amendment No. 1 and the Supplemental Report of Field Exploration for attachment to the original copy of the contract.

Very truly yours,

C. O. Mittendorf (for)

Acting Administrator
Defense Minerals Exploration
Administration

JAlt:mp
12/19/51
cc: Adm. Reading File
Mails and Files
Docket
Mr. Mittendorf
Commodity Branch
Mr. Alt
Field Team, Region V

J.N.
12-26

FILE COPY
SURNAME:

100

FLKnouse
Mittendorf (fw)

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

December 18, 1951

BN

Memorandum

To: Chief, Finance Section

From: Acting Administrator

Subject: Docket DMA - 1554X
Stewart & Roseberry
Custer, South Dakota
Exploration Project Contract Idm-E165

Attached is a copy of a second amendment to the captioned Exploration Contract. Please forward to the Finance Officer, Region V, for attachment to his copy of the contract.

C. O. Mittendorf (fw)

Attachment
FLKnouse/meb

cc to: Adm.Reading File
Maile & Files
Mr. Mittendorf
Mr. Knouse
Fld.Team,Reg.V(2)
Docket

N.S
R+R

UNITED STATES DEPARTMENT OF THE INTERIOR

Supplemental
Report of Field Examination

by

J. A. Redden, Geologist
U. S. Geological Survey

Docket No. [illegible]-1554
Contract - Idm [illegible]-165
Map No. 1 Lode
Beryl, mica
Jack Stewart, Carl Rosebery

Further examination of the Map No. 1 lode was made to determine the proper location of diamond drill holes provided for in the contract. Additional information obtained indicates the necessity of changing the order of exploration.

The pegmatite is topographically well exposed, both horizontally and vertically. The minable rock is unusually rich in feldspar, mica, and beryl. In addition, the structure of the pegmatite is simple and no unusual irregularities of the contacts are indicated. It is possible that the larger "bulges" in the pegmatite are influenced by cross-fractures. Detailed mapping of the pegmatite could determine the probable extent and significance of the "bulges" and it is expected that such mapping will be done during the course of the exploration.

The very favorable geologic evidence available indicates that initial diamond drilling is not necessary or desirable to assure success of the exploration project, and a sufficient discovery can be anticipated through underground openings. Diamond drilling would be advisable if it is desirable to determine the character and extent of the pegmatite at or near depth.

Currently, diamond drill equipment in the Black Hills area is inadequate to meet demands and exploration of the deposit would, of necessity, be deferred for a considerable time. This shortage, however, in itself is not sufficient to alter the contract. The geologic evidence for success of the crosscutting phase of the project, which would reduce or eliminate diamond drilling, is adequate to recommend that exploration begin with underground openings. The applicants have been advised regarding the proposed change and are agreeable.

FILE COPY
SURNAME:

410

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

NOV 1 6 1951

Contract Service Section
General Accounting Office
Fourth Floor - New GAO Building
Washington 25, D. C.

Re: Docket No. DMA - 1554X
Jack Stewart and Carl Roseberry
Exploration Project Contract Idm-E165

Gentlemen:

Enclosed for recording in your office is the original, signed copy of an Exploration Project Contract executed between the Operators named in the above reference and the Government of the United States.

Sincerely yours,

(signed) FRANK E. JOHNSON (RW)

Acting Director
Production Expansion Division

F.J. 11-16

Enclosure

JWAlt/meb
11/8/51

cc to: Admr's Reading Files
Reports and Records
PED
Mr. Alt
Docket

Mr. Jack Stewart
119 North 10th Street
Custer, South Dakota

Re: Docket No. [illegible]-1554Y

Dear Mr. Stewart:

Your letter addressed to Mr. James S. Barr has been referred to the Production Expansion Division of the Defense Minerals Administration for reply

The contract for your Exploration Project has been signed by the Government and if you haven't heard from Mr. A. E. Needham, Executive Officer, Region V, 2908 Colfax Avenue, South, Minneapolis 8, Minnesota, you should hear from him soon.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director
Production Expansion Division

JWAlt/hmj
Typed: 10-22-51

cc to: Reports and Records
Adm. Reading Files
Messrs. Mittendorf, Olund
Mr. Barr
Mr. Arundale
Mr. Norton
Mr. Alt
Region V
Docket

FILE COPY
SURNAME:

100

F. L. Knouse
Mittendorf (fw)

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

December 18, 1951

Memorandum

To: Mails and Files Section

From: Acting Administrator

Subject: Docket No. DMA 1554X
Stewart & Roseberry,
Custer, South Dakota
Exploration Project Contract Idm-E165

12/20

There is enclosed an original of a memorandum dated December 11, 1951 from the Executive Officer, Region V, transmitting a second amendment, which is also enclosed, to the captioned Exploration Contract. Please attach copy of the amendment to your copy of the contract.

C. O. Mittendorf (fw)

Enclosures

FLKnouse/meb

cc to: Adm.Reading File
Mails and Files
Mr. Mittendorf
Mr. Knouse
Docket

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 13 1951

BERYL

December 11, 1951

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-1554x, Contract Idm-E165
Stewart & Roseberry, Custer, S. Dak.

Here are the original and three copies of a second amendment to the subject contract which provides for a monthly expenditure for clerical and engineering work, which was not included in the original contract.

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

Attachments

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

DEPARTMENT OF THE INTERIOR
RECEIVED
DEC 6 1951
Defense Minerals Administration,
Production Expansion Division.

December 3, 1951

Memorandum

To: C. O. Mittendorf, Administrator, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region V

Subject: Amendment to contract
Docket DMA-1554x, Contract Idm-E165
Stewart & Roseberry

Here are the original and 3 copies of an amendment to the subject contract changing the order in which the 2 phases of work is to be done.

Justification for the change is indicated in a copy of a supplemental field team examination report attached to the amendment.

A copy of the amendment has been retained in this Regional office, the Rapid City field office, and by the operator.

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

Attachments

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
DEC 5 1 00 PM '51

Original Amendment dated Nov. 20, 1951 in Contract Audit Div. Mr. Chambers Office

DEPARTMENT OF THE INTERIOR
RECEIVED
NOV 7 1951
Defense Minerals Administration,
Production Expansion Division.

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
NOV 2 1 49 PM '51

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

October 31, 1951

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division, Defense Minerals Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, DMA Field Team, Region V

Subject: Docket DMA-1554x, Contract Idm-E165, Jack Stewart and Carl Roseberry, a partnership Custer, South Dakota

Attached are the original and three copies of the subject contract duly signed by the Operators.

One copy has been retained in this office, and one was given to the Operators.

For Executive Officer

Walter E. Lewis

Walter E. Lewis

Attachments

FILE COPY
SURNAME:

400

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

OCT 25 1951

a.t.e.

Mr. Jack Stewart
119 North 10th Street
Custer, South Dakota

Re: Docket No. DMA-1554X

Dear Mr. Stewart:

Your letter addressed to Mr. James W. Barr has been referred to the Production Expansion Division of the Defense Minerals Administration for reply

The contract for your Exploration Project has been signed by the Government and if you haven't heard from Mr. A. B. Needham, Executive Officer, Region V, 2908 Colfax Avenue, South, Minneapolis 8, Minnesota, you should hear from him soon.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director
Production Expansion Division

JWAlt/hmj
Typed: 10-22-51

cc to: Reports and Records
Adm. Reading Files
Messrs. Mittendorf, Olund
Mr. Barr
Mr. Arundale
Mr. Norton
Mr. Alt
Region V
Docket

DEFENSE MINERALS ADMINISTRATION
WASHINGTON, D.C.
OCT 18 3 49 PM '51

9 N. 10th St.
Custer, S. Dak.
Oct. 15, 1951

DEPARTMENT OF THE INTERIOR
RECEIVED
OCT 1 9 1951
Defense Minerals Administration,
Production Expansion Division.

James A. Barr, Jr., Chief,
Industrial Minerals Branch
Defense Minerals Administration
Washington 25, D.C.

Ref.: DMA-1554-X
Beryl-Mica

Dear Mr. Barr,

On August 27th we sent you the Landowner's Subordination Agreement for Exploration Assistance, Docketed as DMA-1554-X, as you requested in your letter of August 21st. Since you have not acknowledged receipt of these papers, we wondered if they could have been misplaced somewhere.

We would appreciate it very much if you would advise us the cause for delay on the above mentioned project. We haven't received any information on this loan and are unable

to make any plans. The delay is causing considerable inconvenience.

We would greatly appreciate any assistance you could render. Hoping to hear from you in the near future, I am

Yours truly,
Messrs Jack Stewart & Carl Roseberry
by Jack Stewart.

FILE COPY
SURNAME:

410

Mittendorf
CMP

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

OCT 11 1951

A.E.L.

Mr. A. B. Needham
Executive Officer
Region V
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Re: Docket No. DMA - 1554X
Jack Stewart and Carl Roseberry
Exploration Project Contract Idm-E165

Dear Mr. Needham:

We are enclosing the original and five copies of the above-referenced Exploration Contract, signed by me, together with Exhibit "A" (2 pages), two Landlord's Subordination Agreements, and one map.

In the first sentence of the second paragraph on the Landlord's Subordination Agreement (both copies), we have inserted "and as extended to August 16, 1961". Please call this to the attention of Jack Stewart and Carl Roseberry.

If the terms and conditions of this contract are approved by the Operators, all six copies should be signed by a duly-authorized official of the company, one copy should be given to the Operators, one copy retained by your office and the original and three copies returned to this office.

If any part of this contract does not have the approval of the Operators, the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

10/11

C. O. Mittendorf (J.W.)

C. O. Mittendorf, Director
Production Expansion Division

Enclosures

APPROVED:

Barsone
for Chairman, Coordinating Committee

Member, Geological Survey

Member, Bureau of Mines

JWAlt/meb
10/2/51
cc to: Admr's Reading Files
Reports and Records
Messrs. Mittendorf/Olund
Barr Arundale Norton
Moon Alt Docket

Mr. A. B. Needham
Executive Officer
Region V
2908 Golfax Avenue, South
Minneapolis 6, Minnesota

Re: Docket No. D 1 - 1554X
Jack Stewart and Carl Rosenberry
Exploration Project Contract No. -165

Dear Mr. Needham:

We are enclosing the original and five copies of the above-referenced Exploration Contract, signed by me, together with Exhibit "A" (2 pages), two Landlord's Subordination Agreements, and one map.

In the first sentence of the second paragraph on the Landlord's Subordination Agreement (both copies), we have inserted "and as extended to August 16, 1961". Please call this to the attention of Jack Stewart and Carl Rosenberry.

If the terms and conditions of this contract are approved by the operators, all six copies should be signed by a duly-authorized official of the company, one copy should be given to the operators, one copy retained by your office and the original and three copies returned to this office.

If any part of this contract does not have the approval of the operators, the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Exploration Extension Division

Enclosures

Chairman, Conservation Committee

Parker, Conservation Survey

Weber, Conservation Engineer

J.Alt/reb
10/2/61
cc to: Admr's Reading File
Reports and Records
Messrs. Mittendorf/Glund
Barr Arundale Norton
Coon Alt Docket

FILE COPY
SURNAME:
Guthrie

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

September 24, 1951

Memorandum

To: Director, Production Expansion Division

From: General Counsel

Subject: Jack Steward and Carl Roseberry exploration contract -- Docket No. DMA-1554X

We are unable to approve the proposed exploration contract in this case for the following reasons:

1. The name "Steward" is used in the contract whereas throughout the rest of the record the name appears as "Stewart."

2. The documents submitted with the contract, although accepted at their face value, do not fully support the statements of the applicants as to their rights in the property. While the lease is executed by three lessors, the extension is signed by only two. The third lessor, Brickel, or his successors in interest, should execute the extension, a concurrence in or ratification of the extension, or a properly filled out subordination agreement. If the latter instrument is to be chosen, the date of the lease as inserted in the blank in the first sentence of the second paragraph should be accompanied by the words "as extended" to make it perfectly clear that the subordination agreement relates to the extension of the lease and not just to the original term of the lease. If Brickel's interest has passed to some other party, this circumstance should be made clear upon the face of the record by having this other party sign the extension, subordination agreement or other document above the notation "Successor to the interest of Howard M. Brickel" or by the addition to the file of a copy of the instrument by which Brickel's interest has been transferred.

Your file is returned herewith.

not stripped in R. & R.

J. L. Hofflund

J. L. Hofflund
General Counsel

A.E.C.

Attachment
RRGuthrie/ema
Copy to: Reports & Records
R. R. Guthrie
J. L. Hofflund - Chron.

Custer, South Dakota
27 August 51

James A. Barr, Sr., Chief
Industrial Minerals Branch
Department Of The Interior
DMA Washington 25, DC

Re: DMA-1554-X
Beryl-Mica

Dear Mr. Barr:

Your 27 August 51 letter, received and contents noted.

Enclosed find Landlords Subordination Agreement accomplished by all owners. At no time have any of the owners refused to sign these agreements.

You will note that Mrs Andre and Mr. Maurer have accomplished the same form. Mr. Maurer is now the owner of the Brickle 1/3 interest. The deed for this transfer is on record in the Pennington County, Court House.

Hoping this will take care of this matter, I remain,

Jack Stewart

Yours truly,
Carl Roseberry
Carl Roseberry.

FILE COPY
SURNAME:

Barr

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

370

a. t. c.

AUG 21 1951

Messrs Jack Stewart
and Carl Roseberry
119 N. 10th Street
Custer, South Dakota

Subject: DMA-1554-A
Beryl-Mica

Gentlemen:

Regarding your application for Exploration Assistance on Cap Lode Mining Claim, docketed as DMA-1554-A, will you please advise as to whether you are able to supply Landlord's Subordination Agreement executed by owners of the property?

We were informed by DMA Field Team that the examining engineer was assured that the subordination Agreement would be obtained; later we were informed that the owner or owners had refused to sign.

Final action on the subject application is being held in abeyance pending receipt of properly executed Landlord's Subordination Agreement. If this is not received within 30-days we shall have no choice but to recommend denial.

Sincerely yours,

SIGNED BF 8/21
James A. Barr, Jr., Chief,
Industrial Minerals Branch

RWASKEY:ms
8/19/51
cc: DMA-Files
210
Mr. Barr
Field Team, Region V

Memorandum:

To: Director, Production Expansion Division
Defense Minerals Administration

From: Director, Supply Division
Defense Minerals Administration

Subject: Recommendation for Contract Approval

Name of Applicant: Jack Stewart, 119 N. 10th St., Custer SD
Carl Rosebury 933 Crook St.

DMA No. 1554-7

Commodity: Beryl. Mica

Amount Requested: $20,000

Amount Approved: $15,769

Government Participation: 90 % $14,192.10

Tom Lyon

Tom Lyon

July 17, 1951

DMA-1554-X

Recommendation

1) That an Exploration Aid Contract be granted in the amount of $15,969, Government Participation 90% in accordance with exhibits attached.

2) That the above amount be granted in 2 stages; stage A to consist of 800' of diamond drilling, stage B 350' of drifting.

3) That stage B will be authorized subject to satisfactory completion of state A and recommendation by Field Team that stage B is justified by the results of drilling accomplished under stage A.

EXHIBIT "A"

Stage "A" Four diamond drill holes (BX core or larger) approximately 200' in length each. Location and direction of the holes will be mutually agreeable to Field Team and Operator. The drilling and all necessary work incidental thereto will be done by contract. Allowable cost $4,800, time limit 4 mos.

Stage "B" 350' of 5' X 7' drift on the pegmatite. Location and direction of the drift will be mutually agreeable to Field Team and Operator. Allowable cost $10,969, time limit 7 months.

Recapitulation of Work

800' diamond drilling @ $6	$ 4,800
350' drifting @ $31.34	10,969
Total	$ 15,769

EXHIBIT "B"

Not Applicable.

Docket DMA-1554-X

EXHIBIT "C"

Stage "A" Diamond drilling by control 800' @ $6 to include all incidental expenses necessary----------	$	4,800
Stage "B" Equipment owned by Operator which will be rented to project:		
1) Portable gasoline operated 110CFM compressor, with jackhammer, column, etc., 5 mos. @ $90	$	450
2) Mine cars, track, miscellaneous mining accessories 5 mos @ $25		125
	$	575
Purchase bits and steel	$	494
Gasoline and oil, powder, fuse carbide, etc.	$	2,085

EXHIBIT "D"

Stage "A" Not Applicable.

Stage "B"		
1 working foreman @ $50/mo.	$	1,750
2 miners @ $15/hr. 1.50		
2 muckers--laborers @ $1.25/hr.		
Allowable labor cost----------	$	6,065
Total	$	7,815

EXHIBIT "E"

Not Applicable

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Air Mail

Rapid City Field Office
School of Mines Campus
Rapid City, South Dakota

July 17, 1951

AIR MAIL

Defense Minerals Administration
U. S. Bureau of Mines
Washington 25, D. C.

Attn: Mr. Barr

Re: DMA Docket 1554X
Gap No. 1 Lode
Jack Stewart, Carl Roseberry

Dear Mr. Barr:

Reference is made to our telephone conversation this morning regarding Owners Subordination Agreements on the Gap No. 1 Lode, DMA Docket 1554X.

The examining engineer specifically questioned one of the applicants, Carl Roseberry, on this point and was assured the agreements would be completed.

Very truly yours,

D. H. Mullen

D. H. Mullen
Supervising Engineer

cc: Reg. Director, Reg. V
Needham
files

Telephone conversation 5 P.M. Aug. 15, 1951, with Mr. Mullen, who states:

"The Owner refuses to sign the Subordination Agreement. This information was sent to the Minneapolis Office and should have been relayed to this office".

M.S.

RECEIVED
JUL 18 1951
LANGDON F. SARGENT
Executive Secretary

Wi. Cc,

Cy O/S?

July 17, 1951

Memorandum

To: Chief, Industrial Minerals Branch

From: Chief, Programming and Planning

Subject: DMA-1558-X; beryl, mica;
Jack Stewart, 119 W. 10th St., Custer, S.D.
Carl Roseberry 933 Brock St., " " "

The prospective available supply of mica is far short of meeting defense requirements. Consequently, it is highly desirable that explorations for new domestic deposits be stimulated by any reasonable Government assistance to private interests. Any exploration project that holds promise of finding significant new reserves, merits consideration by the Defense Minerals Administration.

A. L. Parsons

RM:mas

cc: Reports & Records Unit
Mr. Barr
Mr. Parsons
Mr. Norton
Mr. Mittendorf
DMA FILES

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

2908 Colfax Avenue South
Minneapolis 8, Minnesota

July 9, 1951

Memorandum

To: Tom Lyon, Chairman, Coordinating Committee - Defense Minerals Administration - Interior Building - Washington 25, D. C.

From: Executive Officer - DMA Field Team - Region V

Subject: DMA Dockets 1554-X and 812-X

Enclosed is Docket No. 812-X - Black Hills Keystone Corp. - for exploring the Sitting Bull Pegmatite in the Black Hills of South Dakota, together with four copies of the Field Team report recommending a project.

Also enclosed are four copies of the Field Team report on DMA Docket No. 1554-X - Stewart and Roseberry - for sheet mica and beryl exploration of the Gap. No. 1 property in South Dakota. The project has been determined as worthy.

Enclosures:

A. L. Needham

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION V

DMA-1554X

Gap No. 1 Pegmatite, Hill City District

Pennington County, South Dakota

Glen Walker, Mining Engineer
U. S. Bureau of Mines

M. H. Staatz, Geologist
U. S. Geological Survey

July 5, 1951

Exam Rpt

DEFENSE MINERALS ADMINISTRATION
Report of Field Examination

by

Glen Walker, Mining Engineer
U. S. Bureau of Mines

M. H. Staatz, Geologist
U. S. Geological Survey

Docket No.: DMA-1554X
Property: Gap No. 1
Applicants: Stewart & Roseberry
Commodity: Beryl, mica

Conclusions and Recommendations

This property is considered worthy of exploration because of the numerous exposures of beryl and sheet mica. It is recommended the method of exploration be modified to include, first, diamond core drilling and second, a drift instead of a crosscut.

Exhibit A

The pegmatite occupies a fracture in the Harney Peak granite and is composed of only one zone, which grades texturally into granite. The deposit is at least 800 feet long, 5 to 15 feet wide, with an apparent vertical extent of 125 feet, and contains an estimated 50 percent good grade potash feldspar, 30 percent quartz, 10 to 20 percent muscovite (No. 2 quality and scrap), 0.5 to 1 percent beryl in crystals 3 to 6 inches in diameter. The muscovite that could be observed is in books up to 1 foot across; some of it is No. 2 quality. The beryl and muscovite appear to be concentrated toward the bottom of the present workings. The pegmatite strikes S. 65° W. and dips 85° to 90° north. Another pegmatite parallels the one described at a distance of about 100 feet, but texturally and mineralogically it is unimportant.

The project recommended consists of four Bx diamond core drill holes with a total footage of about 800 feet. This work will be contracted but the location and sampling of the holes will be the responsibility of the Bureau of Mines. The holes will be directed to cut the deposit 50 to 100 feet below the present workings and will cover a horizontal distance of 400 to 800 feet. At the conclusion of the drilling and dependent on results obtained, it is proposed to drive 350 feet of 5 by 7 foot adit drift at an elevation approximately 60 feet below the old workings. This drift may appear to be development, but because of the relative narrowness of the deposit, together with the erratic distribution of both beryl and muscovite, it is warranted. The purpose of the preliminary drilling is to determine only the thickness and vertical extent of the pegmatite.

800 feet diamond drilling @ $6.00 per foot	- $4,800.00
350 feet adit drift @ $31.34 per foot	- 10,935.00
Total cost of project	$ 15,735.00

4800 06
10,969 06
$ 15,769

The starting of the drilling would depend upon the time consumed in negotiating with a contractor, probably not in excess of two weeks. It is estimated the drilling would require 50 shifts. The drifting would take about 120 shifts, or a total of 7 months. 5 mo

The monthly costs and progress follow:

1st month - 400 ft. diamond drilling @ $6.00 per ft.	$ 2,400.00
2nd month - 400 ft. diamond drilling @ $6.00 per ft.	2,400.00
3rd month - 70 ft. drifting	2,187.00
4th month - 70 ft. drifting	2,187.00
5th month - 70 ft. drifting	2,187.00
6th month - 70 ft. drifting	2,187.00
7th month - 70 ft. drifting	2,187.00
Total for 7 months operation	$ 15,735.00

The mining background of both applicants appear to be ample for this project. It is understood J. G. Stewart will be in charge of the work. He is in the early thirties and began mining pegmatites near Spruce Pine, N. C. in 1937. In 1941 he was employed by Colonial Mica Corporation as a buyer in Custer, S. Dak., but later that year was transferred to Colonial's station at Moscow, Idaho, where he remained until 1944, when he was inducted into the Army. After returning from the service he leased the Warren Draw pegmatite west of Custer, S. Dak. from Gladys Wells, which he operated until he obtained the present lease on the Gap.

Gasoline will be used for power and will be delivered to the project in barrels by the applicant.

Water is plentiful all year round in Lost Cabin Creek, about 200 yards from the proposed portal of the adit. The head is about 100 feet. Drill and cooling water are the only needs anticipated.

Equipment and supplies are readily available in Custer, 9 miles, or Rapid City, about 50 miles.

Manpower in the Custer district, generally, is not too readily available, particularly at this season. This condition is due mainly to the large amount of construction work in progress and the demand for experienced underground men at the Homestake. On this particular project both applicants are capable of a hard day's work and due to their wide acquaintance in the area, they will no doubt be able to keep the work moving.

As to the accessibility of the project, it is at present necessary to walk the last half mile; although a road exists, a bridge across Lost Cabin Creek has been washed out. A new route for a road has been drilled by the applicants and permission to blast and relocate has been requested from the U. S. Forest Service. The present road follows the creek

in which beavers have constructed a number of dams; the result is that the valley generally is quite soft. The new route is mainly at a higher elevation than the old road.

Exhibit B

Not applicable.

Exhibit C

Rental for 110 c.f.m. air compressor	$ 575.00

Exhibit D

2 miners @ $1.50 per hour)		$ 6,065.00
2 muckers @ $1.25 per hour)		
1 foreman @ $350.00 per month		1,750.00
	Total	$ 7,815.00

Exhibit E

Not applicable.

Longitudinal Section along Gap #1 Pegmatite
looking north
1" = 40' gw. 7-3-51

FILE COPY
~~SURNAME:~~

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

Dam
Broom
McKnight for
Rowe

Docket
mailed
6/26/51

JUN 26 1951

Mr. Jack Stewart
119 N. 10th Street
Custer, South Dakota

Subject: DMA-1554X
Beryl-Mica

Dear Mr. Stewart:

Your application is being referred to Mr. A. B. Needham, 426 Plymouth Building, Minneapolis, Minnesota, Executive Officer of the Field Team, Region V, for further information.

Sincerely yours,

Tom Lyon, Director
Supply Division

RW:dak

cc: Mr. Strobel
Administrator's Reading File
Field Team
Mr. Barr
DMA Files

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

JUN 26 1951

Mr. A. B. Needham
426 Plymouth Building
Minneapolis, Minnesota

Dear Sir:

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

Applicant Jack Stewart, 119 N. 10th St., Custer, S. Dak.

Docket No. DMA-1554X

Commodity Beryl-Mica

Amount $20,000

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

Very truly yours,

Ben Lyon, Chairman
Coordinating Committee

RH:dak

cc: Mr. Moon
Mr. Barr

For Bureau of Mines

For Geological Survey

FILE COPY
SURNAME:

Barr

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

June 21, 1951

MEMORANDUM

To: Stanley M. Walker, Acting Chief
Housing and Utilities Branch

From: James A. Barr, Chief, Industrial
Minerals Branch

Subject: DMA-1554X; Beryl, Mica; $20,000;
90%; Jack Stewart, 119 N. 10th St.,
Custer, So. Dak.; Carl Roseberry,
933 Crook St., Custer, So. Dak.

Subject application includes improvement of two miles of road from U.S. Highway 85A to mine. Cost not specified. Property located 9 miles north of Custer, So. Dak., in SE 1/4 SE 1/4 Sec. 18, N 1/2 NE 1/4 Sec. 19, T2S, R5E, B.H.M., Pennington County, South Dakota.

James Barr
JMB
James A. Barr, Sr.

RWASKY:mas

cc: Mr. Strobel
Mr. Barr
Mr. Lyon
DMA Files

DMA-1554

To Field

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA-1554X

Commodity Beryl-Mica

Total Amount $20,000.00

Govt. Participation 90%

1. Name and Address of Applicant Jack Stewart, 119 N. 10 St., Custer, S. Dakota
Carl Roseberry, 933 Crook St, Custer, So. Dakota

2. Location of Property 9 mi. north of Custer; in Pennington County,
in Sec 18 & 19, T.2S, R5E. BHM. South Dakota.

3. Mineral or metal Beryl + Mica Is it listed in Section 9 of MO-5? Yes

If not, application will be rejected.

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

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

a) Good Field Team should determine the grade of the mica and
b) Poor beryl. Also quantity of the mica. Determine of exploration is
c) None correct for the type of the deposit and if it is a likely risk.
d) Don't know—needs field examination Yes - Field examination JAK 6/14/51
e) Is there an alternative and favorable project? (If so, attach an explanation)

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

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

Does the lease have sufficient time to run to cover a future productive period? Extension for 10 yrs from Aug. 16, 1951 - signed by form of owners.

*question numbers are those of MF-103

7. Are subordination agreements necessary? Yes

a) MF-201? not needed

b) MF-202 Needed - not attached

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Not covered - probably sufficient

e) Power (question 13)* Not covered - probably require gasoline or diesel driven equipment

Is a field check needed on any of these points?

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

Is a field check needed on this point? No.

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? No

If not, are there sufficient data given so that you can describe the project? see draft If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? No

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes - for 1st three months - then plan on

If not, what part of it is? production operations

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? No

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? No If so, attach a draft.

e) Are the cost estimates reasonable? none given

f) Should more information be requested from applicant? Yes - by field team

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

11. Exhibit B (question 23-d)*

a) Is it applicable? As answered - No - Plan to construct over burs

b) If so, are sufficient data furnished? No If so, attach a draft.

c) Is a field check needed? No

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

a) Is it applicable? Yes

b) Sufficient data? No If so, attach a draft. see draft.

c) Are rents and charges reasonable? Yes

d) Is a field check needed? Yes

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

a) Are there sufficient data? No see draft.

b) Is the schedule adequate for the work proposed? No

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? Yes

14. Exhibit E (question 23-c)*

a) Is it applicable? No - no structures or facilities on property

b) Sufficient data? —

c) Reasonable? —

d) Field check needed?

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

(All exploration must be completed within two years)

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

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? Check geologic conditions & see if area is worth exploring. Discuss location of adit with applicant & request him to submit new application eliminating production activities contained in present one

Reviewed by: [illegible]

B of M

Date 6/13/51

97692

6/13/51

Docket No. DMA 1554 X

Section 10. Exhibit "A".

In the first description of the project it mentions the driving of 200 ft. of crosscut + 50 ft of raise. In the answers to question 28 - it outlines, by months the work to be done + after the 3rd month speaks of sloping - After the 4th month only sloping is contemplated. The project therefore is largely for prospecting purposes. The crosscutting + raising could be exploratory if production is not considered in relation thereto.

No map is enclosed + the exact point of attack + the conditions to be tested are not described. These points should be determined by the field team.

Section 11 Exhibit B.

Under question 23-d the construction of 2 ore bins is included - These are not necessary + not allowable under an exploration project.

Section 12. Exhibit "C"

Why a stoper drill + not a jackhammer type is specified is not known. For a drift in prospecting the latter would be preferable. Probably both should be included in the equipment to be bought or rented. The rentals on equipment to be supplied by the applicant depend on the conditions thereof + should be determined by the field team.

Section 13. Exhibit D.

The labor listed includes 2 "seekers" who are debarred by production incentives. Only 1 miner (+ supervisor) and 1 mucker are listed which would hardly be sufficient for the exploration job to be done. The supervisor would probably not be able to spend sufficient time on mining to make an efficient operation. The exploration work should have at least one miner & two muckers if good progress is to be made. The field team should discuss this item with the applicant.

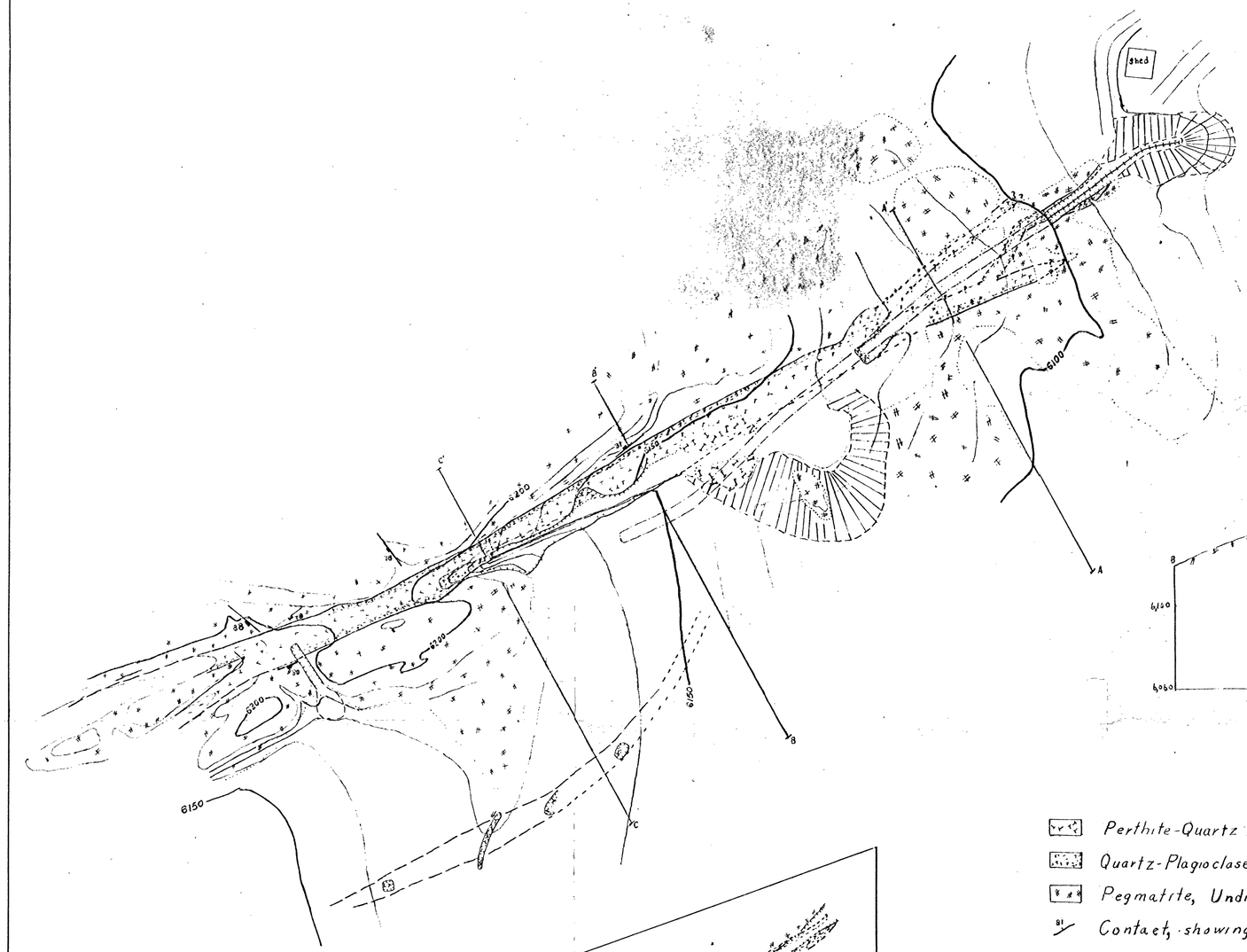
Section 14. Exhibit E.

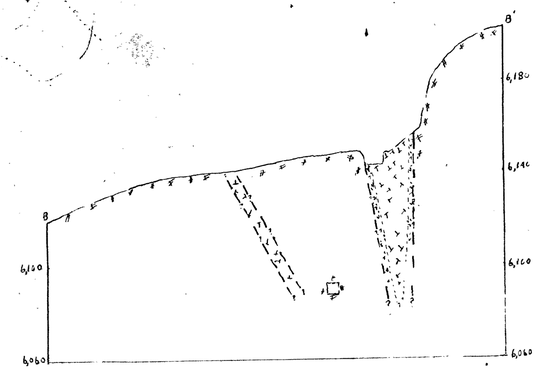
As no structures are on the property no rehabilitation would be necessary.

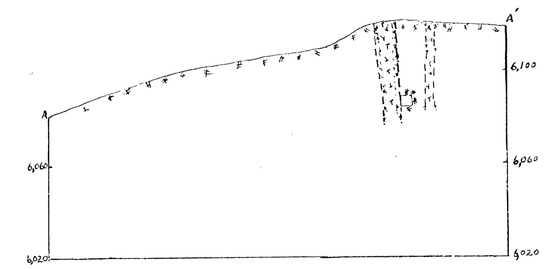
Some road repair work is included & for the amount of work needed this ~~could~~ can probably be better handled this way than by applying for access road assistance.

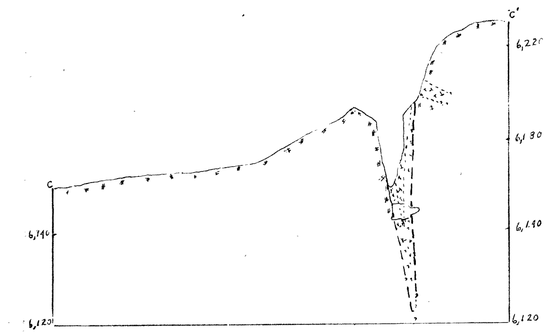
Section 16. Recommendations

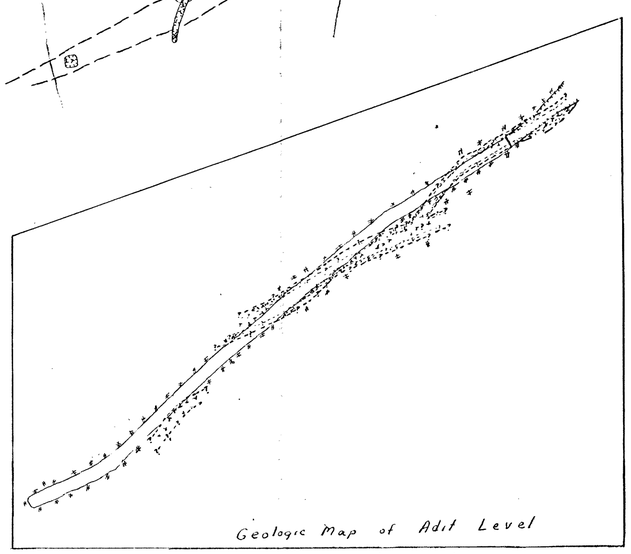
A field team should visit this property & see if the exploration project is warranted & discuss with the applicant the best method of exploring it. The team should also advise the applicant to amend the application to omit the production portion of it. The property may justify a moderate expenditure for exploration but the present application should be denied as only a portion of it is related to exploration work.











Geologic Map of Adit Level

LEGEND

- Perthite-Quartz Pegmatite
- Quartz-Plagioclase-Muscovite Pegmatite
- Pegmatite, Undivided
- Contact, showing dip
- Approximate Contact
- Inferred Contact
- Contact between pegmatite units
- Limit of exposure
- Underground workings
- Rim of excavation
- Dump
- Stockpiled perthite

40 0 40 80 120

Scale 1 in. = 40 ft.

Contour Interval = 10 feet

Prepared for D.M.E.A., Nov, 1952

Exploration project 1559

GEOLOGIC MAP AND SECTIONS OF THE GAP PEGMATITE, PENNINGTON COUNTY SOUTH DAKOTA