DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

C. S. Weir, L. A. Henderson & J. H. Schuh
628 South Dakota Avenue
Sioux Falls, South Dakota

pertaining to Exploration Project Contract No. Idm-E555, Docket No. DMEA-3012, for the months of July, 1953 to September, 1953, inclusive, covering a project for the exploration of uranium on property known as the Weir Property, located in Custer County, South Dakota.

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, verification of the work performed by reference to the final report of the Government representatives who visited and examined the project, and a determination of the reasonableness and propriety of the costs.

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

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

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

Total cost as billed by Contractor		$4,387.44
Exceptions:		
By DMEA Finance Officer	$ - 0 -	
Herewith	- 0 -	- 0 -
Total Accepted Cost		$4,387.44

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 Three thousand nine hundred forty-eight and 70/100 Dollars

"$3,948.70"

is considered valid and proper.

E. D. Talbert, Auditor

January 5, 1954

Audit Report dated
January 5, 1954

1/4/53 gla

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
DEC 17 1953

December 15, 1953

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Docket 3012, Contract Idm E-555, C. E. Weir and Associates

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

The Operator's Final Report was sent to you on September 12.

A. B. NEEDHAM

Attachments

Reviewed by
DMEA OPERATING COMMITTEE
12-28-53
(Date)

Field Team Final
Report 12/4/53

[illegible] OF THE [illegible]
[illegible] Minerals Administration
[illegible]
DEC 17 1953

UNITED STATES

DEPARTMENT OF THE INTERIOR

DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

The C. E. Weir, L. A. Henderson, and J. A. Schuh Property

Custer County, South Dakota

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

W. A. Braddock, Geologist
U. S. Geological Survey

December 4, 1953

Reviewed by
DMEA OPERATING COMMITTEE
12-28-53
(date)

FINAL REPORT

on

EXPLORATION OF THE C. E. WEIR, L. A. HENDERSON, AND J. H. SCHUH PROPERTY

Custer County, South Dakota

by

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

W. A. Braddock, Geologist
U. S. Geological Survey

DMEA Docket No.: 3012
Contract No.: Idm E-555
Commodity: Uranium
Operator: C. E. Weir, L. A. Henderson, and J. H. Schuh, a partnership, addressed in care of L. A. Henderson, Newcastle, Wyo.

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

The property, locally known as the "Weir Property," comprises sixteen unpatented lode mining claims in separate groups of three and thirteen claims each. Both groups are held by the operator under a single lease agreement with the owners, Earl Darrow and E. G. Cook of Dewey, S. Dak. The claims of the smaller group, the Lost Interest No. 1, No. 2 and No. 3, are in sec. 10, T. 6 S., R. 1 E. and are approximately 1/4 mile north of the northernmost claim of the larger group. The claims of this group are the Last Chance Nos. 1, 2 and 3, Dee Cee Nos. 1, 2, and 3, Surprise No. 1 and No. 2, Elkhorn No. 1 and No. 2, Pete No. 2, Darker No. 2 and Dark No. 1, and as shown on the accompanying map, are in secs. 14 and 15, T. 6 S., R. 1 E., B.H.S.M. of Custer County, S. Dak.

Only fifteen claims are included under the contract as the Dark No. 1 was expressly excluded.

Access to the property from Dewey, a rail point on the Chicago, Burlington and Quincy Railroad, 20 miles northwest of Edgemont and 28 miles southwest of Custer, is by way of 3 miles of county road and 1/2 mile of dozer constructed dirt road. The 1/2 mile of dirt road is in poor condition and the property is practically inaccessible during periods of even moderate rain or snowfall.

Exploration of the property was by trenching and wagon drilling. Stage I under the contract included both trenching with bulldozer and wagon drilling and was started July 8 and completed September 24, 1953. Under Stage I sixteen trenches, having an aggregate total of 1,900 linear feet, were dug, and approximately 6,500 cubic yards was moved in the 120 hours allotted. Also, 60 wagon drill holes with a total of 2,724 feet were drilled.

The location of the trenches and wagon drill holes are shown on the accompanying map.

A list of the drill holes on each claim, with depths and a radiometric log, is included.

Total expenditures for the project are as follows:

Trenching:	120 hours @ $12.50 per hour	$ 1,500.00
Wagon Drilling:	2,724 feet @ $1.06 per ft.	2,887.44
	Total	$ 4,387.44

With the completion of Stage I the project was recessed to permit the operator to assemble the data on the work. On September 28 the property was visited in company with L. A. Henderson, the operator, in order to study and discuss the results of the exploration under Stage I and to decide on the feasibility of additional exploration. It was decided by mutual agreement that the property did not warrant additional wagon drilling and that Stage II would not be undertaken.

From the results of the exploratory work completed under Stage I the field team is of the opinion that the additional exploration allotted under Stage II of the contract is not warranted and that the project be terminated. The operator is in agreement with this conclusion.

The field team concludes that the project did not result in a discovery of any deposits of either minable size or grade and it is recommended that a certification of discovery not be issued for the project.

DESCRIPTION OF THE WORK

Stage I of the project was started July 8, 1953 with trenching by bulldozer on anomalies on the Darker No. 2 claim. On this claim five trenches, with a total linear footage of 500 feet, were dug and approximately 2,400 cubic yards was moved. The depths varied from 1 to a maximum of 7 feet in each of the trenches.

On the Elkhorn No. 1 and No. 2, and Dee Cee No. 1 claims (as grouped in the contract) two trenches were dug, one near the north end of the Elkhorn No. 1 and the other near the northeast corner of the Dee Cee No. 1. The trench on the Elkhorn No. 1 was approximately 150' x 12' x 7' and that on the Dee Cee No. 1, 90' x 60' x 10'. A total of approximately 2,000 cubic yards was moved.

In all, seven trenches were dug on the Surprise No. 2, Dee Cee No. 2 and Dee Cee No. 3 claims, two on the Surprise No. 2, three on the Dee Cee No. 2, and two on the Dee Cee No. 3. The trenches on the Surprise No. 2 were 150' x 10' x 3' and 100' x 12' x 3' and a total of 280 cubic yards was moved.

On the Dee Cee No. 2 two short trenches, 30' x 10' x 4' and 50' x 21' x 4', and one 210' x 10' x 5' were dug and the aggregate total yardage moved was 1,080 cubic yards.

Four trenches were dug on the Lost Interest No. 1, No. 2 and No. 3 claims, two being dug on the No. 3. The trench on No. 1 was 50' x 10' x 4' and that on No. 3 was 110' x 30' x 7'. A total of 1,050 cubic yards was moved.

The unit for payment on trenching was on an hourly basis of $12.50 per hour and the total time spent was 120 hours which, with the total of 6,531 cubic yards, gives an average of 54 cubic yards moved per hour, or a cost of 23 cents per yard.

The anomalies disclosed or eliminated by the trenching, as well as other geologic data, are discussed under the section on Geology, and the accompanying map shows the location of the trenches.

After the trenching had been completed, the field team made an examination to check the results of the work and, in agreement with L. A. Henderson, the operator, discussed the location of the wagon drilling or second phase of Stage I.

It was decided that wagon drilling would be confined to the anomalies on the Darker No. 2, the Dee Cee Nos. 1, 2 and 3, the Elkhorn No. 2 and Surprise No. 2, and the area on the Lost Interest Claims, as shown on the map.

In all, a total of 60 holes with an aggregate total footage of 2,724 feet, were drilled. The number of holes on each claim, the depths, and radiometric probe results are given on the attached sheets. The location of each hole is shown on the map.

GEOLOGY

Results of Exploration

None of the results of the drilling give any indication as to the presence or location of ore grade deposits of uranium minerals within the contract area.

All of the radiometric anomalies, except one, which were known to the operators were explored by either bulldozer trenching or by wagon drilling or by both methods. All of these anomalies are in the lower 50 feet of the Lower Cretaceous Fall River sandstone. On the Darker No. 2 claim two surface anomalies were explored. These anomalies lie on a west-trending ridge. A small ravine draining south cuts across the ridge between the anomalies. The trenching done on the western anomalies exposed very small amounts of yellow carnotite-like uranium minerals occurring with slight amounts of argillaceous material primarily along bedding planes in a fine-grained buff sandstone. This bulldozer work explored the anomaly to a maximum depth of 10 feet. Upon the completion of the trenching nine 40-foot holes and two 16-foot holes were drilled on or close to the surface anomaly. In only two of these holes did the rock penetrated show any appreciable radioactivity, and this radioactivity was considerably below that which would indicate ore grade material. The depth of anomaly in these holes was approximately 8 feet and is at the same level as the very low grade mineralization disclosed in the trenches. The deeper holes which were drilled penetrated the sandstone to a depth of 40 feet. The base of this sandstone unit was not reached. The second anomaly lying to the east on the gently ridged crest was explored by seven holes 41 feet deep. As before, the radioactivity encountered was very low and did not extend to any depth. All of these holes were drilled in the same fine-grained sandstone and did not penetrate to the base of the unit.

On the Dee Cee, Surprise, and Elkhorn claims nine anomalies were explored by shallow bulldozer trenching. Prior to the trenching the operators located these anomalies by the use of a scintillometer. After the

cuts had been made the field team checked them, using their own scintillator. With the exception of the two cuts on the Dee Cee No. 3, no appreciable anomaly could be detected in the trenches. The sandstone in the cuts on the Dee Cee No. 3 were radioactive, but no viable mineralization could be found. Four 40-foot holes and one 30-foot hole were drilled near the common corner of the Dee Cee No. 3 and the Dee Cee No. 1 claims, but the operator reported no radioactivity in any of the holes.

On the Lost Interest Nos. 1, 2 and 3 claims four anomalous areas were explored by trenching and drilling. These anomalies have the highest radioactivity of any within the contract area. They are, however, due to radioactive material within a thin, heavily iron-cemented sandstone. This radioactive material is apparently primarily the daughter products of the uranium disintegration series and contains only traces of uranium. This fact was known to the field team prior to the drilling, but it was hoped that this phenomenon might indicate the presence of uranium in equilibrium at a greater depth. Unfortunately, no horizons of radioactivity were encountered below the iron-cemented sandstone within the maximum depth of 45 feet drilled in this area.

On the Last Chance No. 1 claim the operators found an anomalous horizon near the top of the Lakota sandstone. This anomaly is most pronounced near the center of the Last Chance No. 1 claim. The mineralization is at the base of a 10- to 20-foot thick, coarse- to very coarse-grained sandstone composed of quartz, clay grains, chert and rock fragments. This sandstone bed is tentatively believed to be the upper unit of the Lakota sandstone. The mineralization exposed in the rim outcrop is very low grade and quite discontinuous. This horizon is overlain by at least 100 feet of sediments, and no attempt was made to penetrate it during the course of the exploration.

EXPENDITURES

The total amount of the contract was $11,037.00; of this, $4,467.00 was for Stage I, trenching and wagon drilling, and $6,570.00 was for wagon drilling under Stage II. The government's share at 90 percent participation amounts to $9,933.30.

For the work completed under Stage I the expenditures are as follows:

Total expenditure	$ 4,387.44
Government's share @ 90%	3,948.70
Government's share of the contract	9,933.30
Less Government's share of expenditures	3,948.70
Balance of Government's share of the contract	$ 5,984.60

No equipment was purchased for the project and there are no outstanding bills or obligations against the project for which the government is liable. Also, no shipments or sales of ore were made from the property, either during or after the project was shut down.

Except for some minor difficulties with equipment at the start of the drilling operations, the project was carried on in an efficient manner and the supervision of the work was satisfactory.

LOG OF WAGON DRILL HOLES

Stage I

Claim	Hole No.	Depth Feet	Samples Sacked Every	Sacked Samples Start	Sacked Samples End	G.M. Counter Reading Background	Scale
Darker No. 2	12	42'	3'	3'	42'	BG-	5
	13	21'	3'	3'	21'	BG-	5
	14	42'	3'	3'	42'	BG+ 12 at 19'6"	5
	15	24'	3'	3'	24'	BG+ 7 at 19'	5
	16	30'	3'	3'	30'	BG+ 17 at 1' 10 at 18'	5
	17	33'	3'	3'	33'	BG+ 12 at 2' 17 at 3'6"	5
	18	24'	3'	3'	24'	BG+ 22 at 1' 22 at 3'	5
	19	24'	3'	3'	24'	BG-	5
Dee Cee No. 1	2	40'	3'	3'	40'	BG	5
	3	40'	3'	3'	40'	BG	5
	4	40'	3'	3'	40'	BG	5
	5	40'	3'	3'	40'	BG	5
	6	40'	3'	3'	40'	BG	5
	7	40'	3'	3'	40'	BG	5
	8	30'	3'	3'	30'	BG	5
	9	40'	3'	3'	40'	BG	5
	10	40'	3'	3'	40'	BG	5
	11	40'	3'	3'	40'	BG	5
	12	41'	3'	3'	41'	BG	5
	13	41'	3'	3'	41'	BG	5
	14	41'	3'	3'	41'	BG	5
	15	41'	3'	3'	41'	BG	5
	16	41'	3'	3'	41'	BG	5
	17	41'	3'	3'	41'	BG	5
	18	41'	3'	3'	41'		
Elk Horn No. 1	2	40'	3'	3'	40'		
Elk Horn No. 2	1	40'	3'	3'	40'		
	2	40'	3'	3'	40'		
	4	20'	3'	3'	20'		
	5	20'	6'	Drill steel in hole			

LOG OF WAGON DRILL HOLES (cont.)

Stage I

Claim	Hole No.	Depth Feet	Samples Sacked Every	Sacked Samples Start	Sacked Samples End	G.M. Counter Reading Background	Scale
Dee Cee No. 3	4	48'	3'	3'	48'		
	5	41'	3'	3'	41'		
	6	41'	3'	3'	41'		
	7	41'	3'	3'	41'		
	8	41'	3'	3'	41'		
	9	41'	3'	3'	41'		
Dee Cee No. 2	1	41'	3'	3'	41'		
	2	41'	3'	3'	41'		
Surprise No. 2	1	20'	3'	3'	20'		
	2	40'	3'	3'	40'		
	3	41'	3'	3'	41'		
	4	18'	3'	3'	18'		
	5	24'	3'	3'	24'		
	6	42'	3'	3'	42'		
	7	18'	3'	3'	18'		
Lost Interest No. 1	1	41'	3'	3'	41'		
	2	42'	3'	3'	42'		
	3	42'	3'	3'	42'		
	4	42'	3'	3'	42'		
	5	42'	3'	3'	42'		
	6	40'	3'	3'	40'		
Lost Interest No. 2	1	42'	3'	3'	42'		
	2	24'	3'	3'	24'	BG+ at surface	5
	3	18'	3'	3'	18'	BG+ 60 at surface	4
	4	30'	3'	3'	30'		
	5	45'	3'	3'	45'		
	6	36'	3'	3'	36'		
	8	39'	3'	3'	39'		
	9	42'	3'	3'	42'		
Lost Interest No. 3	1						

Total Feet, Stage I - 2,724

8/10/53 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
AUG 6 1953

~~WASHINGTON 25, D.C.~~
Region V
2906 Colfax Avenue South
Minneapolis 8, Minnesota

August 5, 1953

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Docket DMA-3012, Contract Ida E-555, C. E. Weir and Associates

Reference is made to your letter of July 20, 1953.

Please insert in the copies of the subject contract under article 3, "The Operator, within 20 days from the date of this contract, et cetera . . . . ."

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

cc: Region V
L. A. Hill
E. O. Binyon (att)
C. E. Dutton
Files
Day Files

For your file
8/10/53

Contract Div.
Recd. a copy of this memo; insertion made.
gla

7/13/53 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

July 8, 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-3012, Contract Idm E-555, C. E. Weir and Associates

Here are the Government, docket and division copies of the subject contract, duly executed.

The field team copy has been retained and the finance copy transmitted to the finance section.

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

Attachments

cc: L. A. Hill (att)
J. A. Redden
E. O. Binyon
C. E. Dutton

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 3012

COMMODITY Uranium

Division Copy

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

IDM-E 555

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 23rd day of June, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] C. F. Weir, L. A. Henderson, and J. H. Schuh, partners
c/o C. F. Weir
628 South Dakota Avenue
Sioux Falls, South Dakota

hereinafter called the "Operator," as follows: and as stated in Annex I and Annex II

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of South Dakota, County of Custer, described as follows:[3] in Annex I and shown on map Exhibit "B", entitled "Custer County South Dakota Sec's. 13-14-15 - TWP. 6-S. R-1-E - [All 2-53", both attached to and made a part hereof

the Operator represents and undertakes:[4]

(*a*) ~~That the Operator is the owner in possession and entitled to possession, and that the Owner's Consent to Lien is attached. The Operator's interest is as follows: [illegible] which is subject to an agreement of the Owners attached.~~

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

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

ARTICLE 3. *Exploration project.*—The Operator, within 20 days from the date of this contract shall commence work on a project of exploration for[5] Uranium

in or upon the described land; and shall bring the project to completion within a period of 3 months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 90 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $9,933.30, which is 90 percent of $11,037.00 the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 9. *Changes and added provisions* **The repayment provisions of Article 6 shall apply also to any amounts received as bonuses, premiums, or allowances, in addition to the sale price or market value of the minerals.**

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. E. Weir (Operator) **Rexx C. E. Weir (Partner)**

By L. A. Henderson **L. A. Henderson (Partner)**

By J. H. Schuh **J. H. Schuh (Partner)**

By C. O. Mitteudorf
Administrator, Defense Minerals Exploration Administration

Robt M. Chamberlain

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

_____ [CORPORATE SEAL]

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

C. E. WEIR, L. A. HENDERSON, & J. H. SCHUH, PARTNERS
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-3012

ANNEX I

The following unpatented lode mining claims are located in Sections 10, 14 and 15 in Township 6 South, Range 1 East, Black Hills Base Meridian, and recorded in the office of Register of Deeds, Custer County, South Dakota.

Name of Claim	Book	Page
Pete No. 2	17	557
Darker No. 2	17	558
Elkhorn No. 2	17	561
Elkhorn No. 1	17	560
Surprise No. 2	17	562
Surprise No. 1	17	561
Lost Interest No. 3	17	504
Lost Interest No. 2	17	496
Lost Interest No. 1	17	494
Dee Cee No. 3	17	503
Dee Cee No. 2	17	503
Dee Cee No. 1	17	502
Last Chance No. 3	17	583
Last Chance No. 2	17	582
Last Chance No. 1	17	582

C. E. [illegible], L. A. [illegible], & J. [illegible], PARTNERS
EXPLORATION PROJECT CONTRACT
DIST NO. [illegible]-3013

ANNEX [illegible]

The following provisions are in lieu of all of paragraph (a) of Article 6 which precedes the colon:

If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account required by the exploration project contract, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development. The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land which is the subject of the exploration project contract, as follows: (1) Regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, as follows:

C. E. WEIR, L. A. HENDERSON, & J. H. SCHUH, PARTNERS
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-3012

EXHIBIT "A"

Description of the Work

The purpose of the work is to explore two mineralized paralleling horizons of Dakota Sandstone, that are 15 to 30 feet apart, for Uranium bearing ore. The exploration shall be done by trenching along and across the mineralized horizons; and by drilling holes from the surface through these mineralized horizons with a wagon mounted perussion drill.

The work is divided into two stages. The work under Stage I shall be performed first. If, in the opinion of the Government, the results of Stage I warrant it, and the Government approves it in writing in advance, a part or all of Stage II shall be undertaken.

The trenching shall be done in areas where favorable "anomalies" have been determined by Geiger Counter or Scintillometer survey. The drilling shall be done in the most favorable mineralized horizons indicated as a result of the trenching and other surface exposures.

The approximate location and extent of the trenching is shown on the attached map Exhibit "B". However, the location and extent of the trenching, as well as all drilling, shall have the prior approval of the Government.

Trenching shall be done with a Model D-8 Caterpillar Tractor with angle dozer, or an equivalent size unit.

All drill hole diameters shall be not less than 2-$\frac{1}{4}$" at the bottom of each hole.

The drill hole depths, the method of all sampling and the method of recovering drill cuttings, are all subject to the approval of the Government. At the request of the Government, the Operator shall furnish it with such samples as it requires.

The work to be done consists of the following: -

Stage I

Mining Claims	Trench Length-ft.	Number of drill holes	Approx. Avg. drill hole depth-ft.	Grid Spacing-ft.	Drill Hole footage
Darker No. 2 Surprise No. 1	300	16	40	100	630
Elkhorn No. 2 Elkhorn No. 1 Dee Cee No. 1	300	25	40	100	1000
Surprise No. 2 Dee Cee No. 3	450	15	40	100	600
Lost Interest Nos. 1, 2 and 3	150	12	40	100	470
Total	1200	68			2,700

Stage II

Not to exceed 6000 feet of drilling shall be performed, a part of which may be offset holes drilled with a grid spacing 50 feet apart surrounding holes drilled in Stage I which contain encouraging mineralization.

Agreed Unit Costs

Stage I

2700 feet of wagon drill hole @ $1.06/ft.	$2,862.00	
30 sample analyses, including freight, @ $3.50/each	105.00	
120 hours of trenching with tractor-dozer @ $12.50/hr.	1,500.00	
Total Stage I		$4,467.00

Stage II

6000 ft. of wagon drill hole @ $1.06/ft.	$6,360.00	
60 sample analyses, including freight, @ $3.50/each	210.00	
Total Stage II		$6,570.00

* * * * *

Total Estimated Cost of Project	$11,037.00
Government Participation @ 90%	$ 9,933.30

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of S.Dakota, County of Custer, described as follows:1/ Unpatented lode mining claims as follows,

NAME	RECORDED, BOOK	PAGE
Last Chance # 1-2-3	17	582
Dee Cee # 1-2-3	17	502-503
Lost Interest 1-2-3	17	494-496-504
Surprise # 1-2	17	561-562
Elk Horn # 1-2	17	560-561
Pete # 2	17	557
Darker # 2	17	558

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

2/ C.E.Weir of 628 South Dakota Ave. Sioux Falls, S.Dakota * L.A.Henderson of Newcastle, Wyoming * Henry Schuh of Faith S.Dakota * (Partners)

hereinafter called the "Operator"; and

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

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

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

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 16920.00, or ten years have elapsed from the date of the contract.

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

Earl Vanzo
E. H. Cook

Dated this _____ day of _____, 195 ___.

_____ [Seal]

_____ [Seal]

_____ [Seal]

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

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

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

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

RELEVANT CONTRACT PROVISIONS

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

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

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

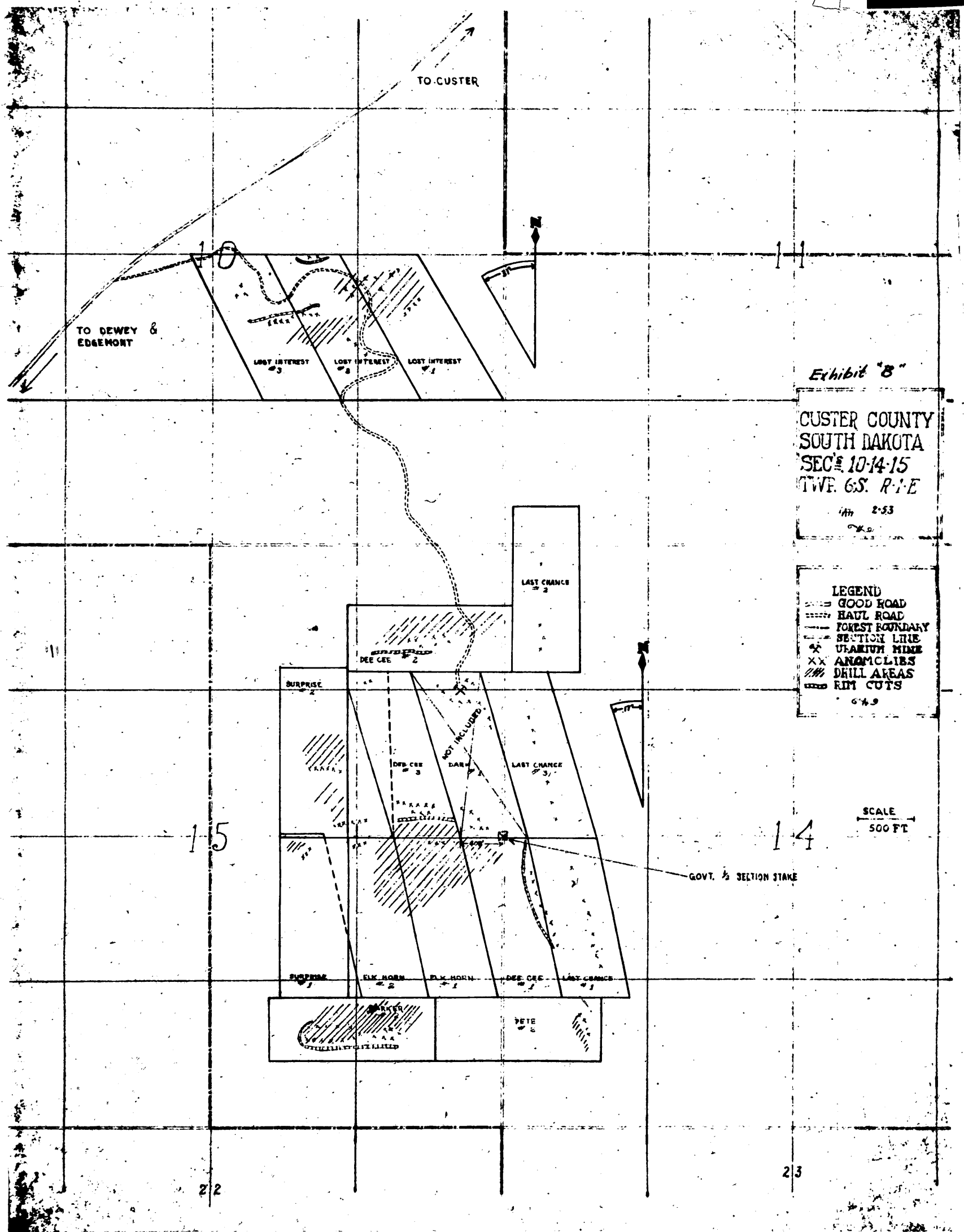
(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

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

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

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

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


TO CUSTER
TO DEWEY & EDGEMONT
10
11
LOST INTEREST #3
LOST INTEREST #2
LOST INTEREST #1
Exhibit "8"
CUSTER COUNTY
SOUTH DAKOTA
SEC'S 10-14-15
TWP. 6S. R-1-E
LEGEND
GOOD ROAD
HAUL ROAD
FOREST BOUNDARY
SECTION LINE
URANIUM MINE
ANOMOLIES
DRILL AREAS
RIM CUTS
SCALE
500 FT
LAST CHANCE #2
DEE CEE #2
SURPRISE #2
NOT INCLUDED
DEE CEE #3
DARK
LAST CHANCE #3
15
14
GOVT. ½ SECTION STAKE
SURPRISE #1
ELK HORN #2
ELK HORN #1
DEE CEE #1
LAST CHANCE #1
PETE
22
23

DOCKET N[redacted]MEA 3012

MF-200 (A)
(February 1952)

COMMODITY Uranium

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

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] C.E.Weir, L.A.Henderson, J.H.Schuh a partnership whose address is care of C.E.Weir 628 South Dakota Avenue, Sioux Falls, South Dakota.

hereinafter called the "Operator," as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of South Dakota, County of Custer, described as follows:[3] in Annex 1 and ~~Exhibit~~ shown on map Exhibit "B" and made a part of this contract.

the Operator represents and undertakes:[4]

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

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

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

ARTICLE 3. *Exploration project.*—The Operator, within 30 days from the date of this contract shall commence work on a project of exploration for[5] uranium in or upon the described land; and shall bring the project to completion within a period of 3 months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 90 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $~~9,882.00~~ 9,456.30, which is 90 percent of $~~10,980.00~~ 11,037.00, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 9. *Changes and added provisions* Article 6. Add provision for repayment to apply to any bonuses paid for production

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By

By Adm. DMEA.

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

[CORPORATE SEAL]

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

A N N E X 1

The following unpatented lode mining claims are located in Sections 10, 14 and 15 in Township 6 South, R. 1 East, Black Hills Base and Meridian, and recorded in the office of Register of Deeds, Custer County, South Dakota.

Name of Claim	Book	Page
Pete No. 2	17	557
Darker No. 2	17	558
Elkhorn No. 2	17	561
Elkhorn No. 1	17	560
Surprise No. 2	17	562
Surprise No. 1	17	561
Lost Interest No. 3	17	504
Lost Interest No. 2	17	496
Lost Interest No. 1	17	494
Dee Cee No. 3	17	503
Dee Cee No. 2	17	503
Dee Cee No. 1	17	502
Last Chance No. 3	17	583
Last Chance No. 2	17	582
Last Chance No. 1	17	582

Annex 1

The following unpatented lode mining claims are located in Sections 10,14 and 15 in Township 6 South,R.1 East,Black Hills Base and Meridian. and recorded in the office of Register of Deeds, Custer County, South Dakota.

Name of claim	Book	Page
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Surprise No.1	17	561
Lost Interest No.3	17	504
Lost Interest No.2	17	496
Lost Interest No.1	17	494
Dee Cee No.3	17	503
Dee Cee No.2	17	503
Dee Cee N o.1	17	502
Last Chance No.3	17	583
Last Chance N o.2	17	582
Last Chance N o.1	17	582

2/ Drill hole diameters are to be not less than 2-¼" at the bottom of each hole.

STAGE II.

This work consists of a maximum of 6000 feet of wagon drilling, a part of which may be drilled as offset holes on a grid spacing of 50 centers surroundings holes drilled in Stage I, which contain encouraging mineralization. All drill holes are to have a bottom diameter of not less than 2-¼".

TP- *INSERT.

ESTIMATED COST OF THE PROJECT

STAGE I	
68 wagon drill holes - 2700 feet @ $ 1.06/ft.	$2,862.00
30 sample analyses incl. frt. @ $ 3.50 each	105.00
120 hours Model D-8 Caterpillar Tractor w/angle dozer @ $12.50/hr.	1,500.00
Total Stage I	$4,467.00
STAGE II	
6000 wagon drill hole @ $1.06/ft.	$6,360.00
60 sample analyses @ $3.50 each incl. frt.	210.00
Total Stage II	$6,570.00
Total Estimated Cost of Contract	$11,037.00
Government Participation 90%	$ 9,933.30

* insert

The drill hole depths, the method of all sampling and the method of recovering drill cuttings, are all subject to the approval of the Government. At the request of the Government, the Operator shall furnish it with such samples as it specifies.

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 3012

COMMODITY Uranium

Note: We need a map & O.C.L.

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

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] C. E. Weir, L. A. Henderson, and J. H. Schuh, & partners ~~whose address is~~ care of C. E. Weir
628 South Dakota Avenue
Sioux Falls, South Dakota

hereinafter called the "Operator," as follows: and as stated in Annex I and Annex II

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of South Dakota, County of Custer, described ~~as follows:~~[3] ~~in Annex 1 and shown on map Exhibit "B" and made a part of this contract~~ hereof entitled "Custer County South Dakota Sec's. 10-14-15 TWP. 65 R-1-E LA 14 2-53," both attached to

the Operator represents and undertakes:[4]

(*a*) ~~That the Operator has an unencumbered mineral interest in the land described herein, and that the Owner's Consent to Lien is attached.~~

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

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

ARTICLE 3. *Exploration project.*—The Operator, within ~~30~~ days from the date of this contract shall commence work on a project of exploration for[5] uranium

in or upon the described land; and shall bring the project to completion within a period of 3 months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 90 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $9,933.30, which is 90 percent of $11,037.00 the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 9. *Changes and added provisions* Article 6. Add provision for repayment to apply to any bonuses paid for production

(Copy from prior transition form 6)

Executed in sextuplicate the day and year first above written.

C.E.Weir
L.A.Henderson
J.H.Schuh
(Operator)

By

THE UNITED STATES OF AMERICA

By
Administrator, Defense Minerals Exploration Administration

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

[CORPORATE SEAL]

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

A N N E X 1

The following unpatented lode mining claims are located in Sections 10, 14 and 15 in Township 6 South, R. 1 East, Black Hills ~~Base~~ and Meridian, and recorded in the office of Register of Deeds, Custer County, South Dakota.

Name of Claim	Book	Page
Pete No. 2	17	557
Darker No. 2	17	558
Elkhorn No. 2	17	561
Elkhorn No. 1	17	560
Surprise No. 2	17	562
Surprise No. 1	17	561
Lost Interest No. 3	17	504
Lost Interest No. 2	17	496
Lost Interest No. 1	17	494
Dee Cee No. 3	17	503
Dee Cee No. 2	17	503
Dee Cee No. 1	17	502
Last Chance No. 3	17	583
Last Chance No. 2	17	582
Last Chance No. 1	17	582

EXPLORATION PROJECT CONTRACT

C.E.Weir; L.A.Henderson; J.H.Schuh;

Docket No. DMEA-3012

EXHIBIT "A"

Description of the work: The purpose of the work is to explore ~~the Dakota Sandstone underlying the described property for the Uranium bearing ore.~~ Two mineralized paralleling horizons of ~~the~~ Dakota Sandstone, ~~are to be explored~~ that are 15 to 30 feet apart. The exploration shall be done by trenching along and across the mineralized horizons; and by drilling holes from the surface through these mineralized horizons with a wagon mounted percussion drill.

The work is divided into two stages. The work under Stage I shall be ~~done~~ performed first. If, in the opinion of the Government, the results of Stage I warrant it, and the Government approves it in writing in advance, a part or all of Stage II shall be undertaken.

The trenching ~~is to~~ shall be done in areas where favorable "anomalies" have been determined by Geiger Counter or Scintillometer survey. ~~and~~ The ~~subsequent~~ drilling ~~is to~~ shall be done in the most favorable mineralized horizons ~~as are~~ indicated as a result of the trenching and other surface exposures.

The approximate location and extent of the trenching is shown on the attached map EXHIBIT "B". However, the location and extent of the trenching, as well as ~~the~~ all ~~subsequent~~ drilling, ~~is to~~ shall have the prior approval of the Government.

Insert 1 — The work to be done consists of the following: -

Insert 2 — STAGE I

Mining Claims	Trench length-ft.	number of drill holes	Approx. Avg. drill hole depth-ft.	Grid spacing-ft.	Drill hole footage
Darker No.2 Surprise No.1	300	16	40	100	630
Elkhorn No.2 Elkhorn No.1 Dee Cee No.1	300	25	40	100	1000
Surprise No.2 Dee Cee No.3	450	15	40	100	600
Lost Interest No.1, 2 and 3	150	12	40	100	470
Total	1200	68			2700

Trenching ~~is to~~ shall be done with a Model D-8 Caterpillar Tractor with angle dozer, or an equivalent size unit.

* INSERT (2)

The drill hole depths, the method of all sampling and the method of recovering drill cuttings, are all subject to the approval of the Government. At the request of the Government, the Operator shall furnish it with such samples as it ~~specifies~~ requires.

Insert all

3. Drill hole diameters ~~are to~~ shall be not less than 2-$\frac{1}{4}$" at the bottom of each hole.

STAGE II.

This work ~~consists of a maximum of~~ Not to exceed 6000 feet of ~~wagon~~ drilled with a drilling, a part of which may be ~~drilled as~~ offset holes ~~on a~~ grid spacing ~~of~~ 50 feet ~~centers~~ surroundings holes drilled in Stage I which contain encouraging mineralization. ~~All drill holes are to have a bottom diameter of not less than 2-$\frac{1}{4}$".~~

shall be performed

~~ESTIMATED COST OF THE PROJECT~~ Agreed Unit Costs

STAGE I

~~68~~ wagon drill hole~~s~~ 2700 feet @ $ 1.06/ft.	$2,862.00
30 sample analyses, incl. freight @ $ 3.50 each	105.00
120 hours ~~Model D-8 Caterpillar Tractor w/angle~~ of trenching with tractor dozer @ $12.50/hr.	1,500.00
Total Stage I	$4,467.00

STAGE II

6000 feet of wagon drill hole @ $1.06/ft.	$6,360.00
60 sample analyses @ $3.50 each including freight	210.00
Total Stage II	$6,570.00

Total Estimated Cost of ~~Contract~~ Project	$11,037.00
Government Participation 90%	$ 9,933.30

☒ Audited

☐ Certified No.

W[illegible] ANALYSIS SHEET - DMEA PROJECT

Analysis as of 12/9/54
Incl. Voucher for Sept. 1953

☐ Actual Cost

☒ Agreed Unit Costs

Name C.E Weir, L.A. Henderson, H.J. Schuh, partners

Docket No. 3012

State South Dakota

Commodity Uranium

Idm-E No. 5555

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting					
Raising					
Shafts					
Winzes					
Drilling (Specify) Wagon.	8700.00	9222.00	2724	2887.44	2887.44
Surface Excavation Trenching		1500.00		1500.00	1500.00
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify) sample analyses.		310.00			
Totals		$ 11,032.00		$ 4387.44	4387.44

Prepared by F. M. Murphy

71626

Project Summary Report

By: F. L. Knouse — January 21, 1954

1. DMEA Docket No. 3012
   Contract No. Idm-M555 (Uranium)
   Property - Dee Gee, Darker, Elkhorn, Surprise and Lost Interest claim group - 15 unpatented lode mining claims in separate groups of three and twelve claims each.
   Custer County, South Dakota.
   Both groups are held by the Operator under a single lease agreement with the owners, Earl Darrow and E. G. Cook of Dewey, South Dakota (MF-203, Owner's Consent to Lien).

   Operator - C. E. Weir, L. A. Henderson, and J. M. Schuk, partners
   c/o C. E. Weir
   628 South Dakota Avenue,
   Sioux Falls, South Dakota

2. Contract dated June 23, 1953.

   Work authorized -

Government authorized	$11,037.00
Government participation at 90%	9,933.30
8700 ft. of wagon drilling at $1.06/ft	$ 9,222.00
90 sample analyses at $3.50 each	315.00
120 hours of trenching with tractor-dozer at $12.50/hr.	1,500.00
	$11,037.00

   Amendments - None

   Work completed -

2724 ft. of wagon drilling at $1.06/ft.	$2,887.44
120 hrs. trenching with tractor-dozer at $12.50/hr. (6500 Yds.^{3} excavated).	1,500.00
Total	$4,387.44
Government participation at 90%	$3,948.70

3. Audit Certificate - Report of Review, dated January 5, 1954.

Total cost as billed by Contractor	$4,387.44
No exceptions: Total Accepted Cost	same
Government participation at 90%	$3,948.70

4. Certification - None

With completion of Stage I, it was decided by mutual agreement between the Field Team representatives and the Operator that the property did not warrant additional wagon drilling and that Stage II would not be undertaken. The Field Team concludes that the project did not result in a discovery of any deposits of either minable size or grade and recommends that a certification of discovery not be issued for the project.

Production - None

5. Except for some minor difficulties with equipment at the start of the drilling operations, the project was carried on in an efficient manner and the supervision of the work was satisfactory. No equipment was purchased for the project.

The project was established to explore for uranium in the subsurface areas where encouraging surface radiometric anomalies exist. In all, a total of 60 holes were drilled and four substantial dozer trenches explored all the areas of anomalies with discouraging results. None of the drill holes or trenches indicated the presence or location of ore grade uranium deposits within the contract area. All of the anomalies are in the lower 50 feet of Lower Cretaceous Fall River sandstone.

Future possibilities - Discouraging.

/s/ F. L. Knouse

F. L. Knouse

Original - Docket
cc to: Adm. Reading File
Division contract file
Mr. Knouse
Operating Committee

JAN 22 1954

C. E. Weir, L. A. Henderson, and
J. E. Sobuh, partners
c/o C. E. Weir
628 South Dakota Avenue
Sioux Falls, South Dakota

Re: Docket No. DMEA-3012 (Uranium)
Contract No. Ide-455
The Con, Darlene, Elkhorn, Surprise,
and Last Interest claim group
Custer County, South Dakota

Gentlemen:

This is with reference to the subject Exploration Contract between you and the Government.

The final audit of the contract expenditures and the final reports of the Operator and of the Field Team have been received and accepted by this Administration. Of the total amount of $11,037.00 approved under the contract, the sum of $8,387.44 was expended, 90 percent of which, or $3,948.70, represented the Government's share. There were no unused materials, supplies or equipment to be disposed of for the joint account of the Operator and the Government. The exploration work was completed in a satisfactory manner.

Because the results of the exploration were unfavorable, it is not our intention to make a certification of discovery or development which would create a lien against the subject property. We are, therefore, closing our books and records with respect to this project. Your attention is called, however, to Article 5 (d) of the Contract which requires the Operator to "keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract".

Your interest in the Exploration Program of the Defense Minerals Exploration Administration and your willingness to participate therein are appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

FLKnouse/gla/fcc
1-21-54
cc to: Adm. Reading File
Operating Committee
Docket
Messrs. HDKeiser, Rm. 3641
APButler, Jr., Rm. 5212, GSA
Ellis
Knouse
DMEA Field Team, Region V (2)

1/19/54 gla

E. Wm. Ellis, DMEA Member, Uranium Commodity Committee

January 15, 1954

Arthur F. Butler, Jr., DMEA Member, Uranium Commodity Committee

Final Field Team Report, DMEA Docket 3012 (Uranium), Contract IDm-2555, C. E. Weir and associates, contractors, Newcastle, Wyoming; Dee Cee, Darker, Kilmorn, Surprise and Lost Interest claim groups, Custer County, South Dakota

The Final Field Team Report on the results of exploration at the property identified in the subject has been reviewed.

Exploration was confined to Stage 1 of the contract and consisted of excavating 6,531 yards of rock in 16 trenches, and drilling 2,724 feet of hole by wagon drill in 60 holes. The amount expended was $4,377.44 out of a total of $11,037 authorized by the contract for both stages.

The exploration was carried out to explore the Fall River sandstone for uranium in the vicinity of radioactivity anomalies. Although a slight amount of radioactivity was noted in some of the exploration openings or intersections, and some weakly mineralized rock was discovered on the Darker No. 2 claim, no ore was found by the exploration.

The data presented by the Field Team also suggest that there is no appreciable amount of sub-ore grade mineral present although the examiners do not comment specifically on this point.

Because of the unpromising results in Stage 1, the contractor and the Field Team examiners agreed that the work planned for Stage 2 was not warranted. They recommend that a certification of discovery not be made.

I concur in the Field Team's conclusions with respect to Stage 2, and that no ore was discovered.

Copies to: E. Wm. Ellis (2)

12/3/53 gla

ORIGINAL TO DOCKET

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

November 30, 1953

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA 3012, Contract Idm-E-555, C. E. Weir and Associates

Reference is made to your letter of November 2 on the subject project. The final Geological report by Mr. Redden of the Survey has been prepared, but the portion of the report by Mr. Binyon of the Bureau of Mines has not as yet been completed. It is, however, now being assembled, and will be transmitted to you as soon as possible.

This office has been advised that the Field Team will recommend that no certification be made since only a few of the holes showed only a very slight mineralization, indicating no extension in size or increase in grade in the area drilled.

A. B. NEEDHAM

NOV 2 1953

contract file

[illegible]

[illegible]
Executive Officer
[illegible] Field Office, Region V
[illegible] Colfax Ave., South
Minneapolis 5, Minnesota

Re: Docket No. [illegible]-3012 (Uranium)
Contract No. [illegible]
[illegible], L. [illegible] Henderson
and J. M. [illegible]
[illegible], [illegible]

Dear Mr. [illegible]:

[illegible] to have a [illegible] contract, kindly advise [illegible] expect the final field team's report for the [illegible] project. In this connection please also furnish your recommendations concerning the issuance of a certificate of [illegible].

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

[illegible]:

J. H. Hedges

Member, Bureau of Mines

T. P. Thayer

Member, Geological Survey

FHHouse/db
10-27-53
cc to: Adm. Reading File
Operating Committee
Docket
Messrs. [illegible] Kaiser, Rm. 3041
A. F. Butler, Jr., Rm. 3212, GSA
Ellis
House

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

NOV 3 1953

[illegible]

[illegible]

Gentlemen:

Reference is made to your above-named Exploration Project Contract for uranium. You are probably aware that in some similar cases it has been found that some part or all of the land which is the subject of the exploration project contract consists of claims located on land which was subject to prior Federal oil and gas leases. The validity of such claims is doubtful, and in some cases the Atomic Energy Commission has issued a lease to the land for whatever benefit that may afford in curing the invalidity as far as uranium is concerned.

By the recent act of Congress approved August 12, 1953 (Public Law 250, 83d Cong.), mining claims located between July 31, 1939, and January 1, 1953, on United States Lands which were then subject to oil and gas leases, may be validated by the owners of such claims, if, not later than December 10, 1953, they

> ".... post on such claim in the manner required for posting notice of location of mining claims and file for record in the office where the notice or certificate of location of such claim is of record an amended notice of location of such claim, stating that such notice is filed pursuant to the provisions of this Act and for the purpose of obtaining the benefits thereof."

If any of the land which is the subject of your Exploration Project Contract includes a located claim or claims, the validity of which might be questioned on account of a previous oil and gas lease, the statute cited is called to your attention so that you may validate your rights as above indicated, if you consider this to be in your interest. This Agency deems such validation to be desirable even though the land in question may be covered by a lease from the Atomic Energy Commission.

Sincerely yours,

C. D. Mattendorf

Administrator

50811

[illegible]
10-30-53
cc to Docket File
Region V (2)
Division Contract File

10/16/53 gla

Original

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT 16 1953

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

October 12, 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-3012, Contract Idm E-555, C. E. Weir & Assoc.

Stage 1 of the subject contract has been completed and Stage 2 will not be done because no further work is warranted. The operator agrees with the field team in the conclusion.

Total amount of contract	$11,037.00
Government's share (90%)	9,933.30
Total amount spent	4,387.44
Government's share	3,948.70
Available for general fund	5,984.60

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

cc: Dutton
Region V
Files
Day Files

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 Administration
RECEIVED
OCT 13 1953

October 1[illegible], 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-3012, Contract Idm E-555, Weir, Henderson, and Schuh, Operator's Monthly Report and Voucher for September

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

cc: Dutton
Binyon (atts)
Region V
Files
Day Files

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 16 1953

10

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1953 Docket No. DMEA 3012 Contract No. 16m-E 555
Operator's Name C. E. Weir, L. A. Henderson, & J. H. Schuh Minerals Uranium
Address L. A. Henderson, Newcastle, Wyoming.
Contract Amount, $ 11,687.00 Government Participation: 90 % Amount, $ 9,033.30

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 Wagon	2,270.52	616.92	2,887.44	2,270.52	616.92	2,887.44
Bulldozing	—	1,500.00	1,500.00	[illegible]	1,500.00	1,500.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2,270.52	2,116.92	4,387.44	2,270.52	2,116.92	4,387.44

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

Date Sept. 25, 1953 *Payee C. E. Weir, L. A. Henderson & J. H. Schuh

Per L. A. Henderson 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:

$ 2,043.47 HG

Signature L. A. Hill
(Authorized Certifying Officer)

Date OCT 14 1953 Bu. No. 10

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature [illegible] Title Mining Engineer Date Sept. 29, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title [illegible] Date 10/12/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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OCT 16 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

10

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 195 3 Docket No. DMEA 3012 Contract No. Idm-E 555
Operator's Name C. E. Weir, L. A. Henderson & J. H. Schuh Minerals Uranium
Address L. A. Henderson, Newcastle, Wyoming

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn Wagon	Foot	2,870.52	2142*	2,587.44	2724	1.08	2700	1.08
Auger								
Stripping								
Trenching	Hour	---	---	1,500.00	120	12.50	120	12.50
Test Pits								
Roads and Trails								
Total Distributed Costs		2,870.52		4,087.44				Total Costs Authorized by Contract
Operating Equipment Purchased		---		---				---
Initial Rehabilitation and Repairs		---		---				---
New Buildings, Improvements, etc.		---		---				---
Total Costs		2,870.52		4,087.44				11,087.00

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

Date September 25, 1953 Operator C. E. Weir, L. A. Henderson & J. H. Schuh

Per L. A. Henderson Title Partner

Remarks Phase I - $4,487.00
120 hours bulldozer work and
2700 feet wagon drilling.

Phase II - $6,570.00, 6000 feet
wagon drilling.

→ 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)

* Includes 2 feet drilled in August but not included in the total footage : 584 feet were drilled but only 582 were reported.

E. O. Binyon

INSTRUCTIONS

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

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

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

GPO 83-38475

Division of Mines
Lands Administration
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OCT 26 1953

OPERATORS MONTHLY REPORT : [illegible]
[illegible] No. [illegible] [illegible] 55
[illegible], C.F. Veit, [illegible] J. J. Caub

Part 2. Summary of Work Done

All work of the first phase of the contract was completed with the finishing of the 2700' of rotary drilling [illegible], 1953.

All trenching and rotary drilling was for the purpose of exploring persistent anomalies located by surface survey with a "Nucleon" scintillometer or a Geiger counter. Work of the first phase failed to show any mineralization of ore grade in any trench or drill hole. In view of this fact since the first claims covered and encircled the best known prospects of the entire group of claims, E.O. Ingom and [illegible] Yearbook of the U.S. Geological Survey the Government's inspecting representatives recommended that further exploration of this ting [illegible] not warranted and that work should stop at this point.

Attached drill chart and [illegible] are submitted to complete the information for September 1[illegible] on contractor's reports for July and August and complete the reports of Phase 1.

The total drill hole footage drilled is 2724', the deepest hole is 78' but most holes were 40' to 60'. (See drill Chart). Because of the 1 1/2" casing and the fact of the holes of the anomalies to more than two holes in line would be

PART 2 CONT'D.

anomaly would show any rise in radiation level.

Each time one lost because of the failure of an order of drill steel to case through thus making it necessary to recover any steel that was stuck before drilling could be resumed.

All holes are numbered in order by claim and marked on the ground with a wooden lath and flag of white cloth. All stakes are marked as to claim name and number along with the number of the hole and depth. Samples of the drill cuttings were marked every three feet and bagged marked. See drill chart. Attached drill chart shows the best readings of increased radiation levels taken at the time the holes were probed. A "Geiger" geiger counter with a 75' probe attachment was used to probe the holes and check the drill cuttings. Any increase in radiation level was recorded as background plus, IE 1 (BG + 3σ). Also the scale of sensitivity used was recorded on drill chart.

Section 3

Drilling and trenching here was to confirm surface anomalies scattered over the drilled and trenched areas. See map and drill chart.

DEE GEE # 1

Drilling here was to explore the upper anomolies on the west rim of Pass Creek canyon. Also to penatrate a continuation of the same stratographic horizon that is ore bearing onthe ajoining claim, Dark # 1. The trenching here was to explore the best of the known anomolies mentioned above.

DEE GEE # 3

Drilling here backs up surface anomolies. Trenching was intended to cut the edge of these anomolies. The same ore strata of Dark # 1 runs into this claim too..

ELK HORN # 1 & 2

Work here backs up surface anomolies.

DEE GEE # 2

Drilling here is a continuation of the drill grid behind the best anomoly on the north end of DEE GEE # 3 and cuts the same strata that is mineralized on Dark # 1. Trenching here also cuts this same strata above a surface anomoly.

Surprise # 2

Work here explores anomolies along a gulch rim.

LOST INTEREST # 1,2,3

Drilling and trenching here was intended to explore surface anomolies scattered over the area worked. A dark

[illegible]

Death from [illegible] seems to be the result of the increased radiation level and penetration through it will cause a short drop in [illegible] reading. None of these [illegible] given a greater chamber reading comparable to [illegible] and not chemical [illegible] proves this to be of [illegible] equivalent or [illegible].

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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PHASE 1 D.M.E.A. SEPTEMBER 1953

CLAIM	HOLE No	DEPTH FEET	SAMPLES SACKED EVERY	SACKED SAMPLES START	SACKED SAMPLES END	G.M. COUNTER READING - BACKGROUND ±	SCALE	SAMPLES TAKEN FOR ASSAY AT	TOTAL FT. AUG. & SEPT.
DARKER # 2	12	42'	3'	3'	42'	BG —	5		
	13	21'	3'	3'	21'	BG —	5		
	14	42'	3'	3'	42'	BG + 12 AT, 19'6"	5		
	15	24'	3'	3'	24'	BG + 7 AT, 19'	5		
	16	30'	3'	3'	30'	BG + 17 AT, 1' + 10 AT, 18'	5		
	17	33'	3'	3'	33'	BG + 12 AT, 2' + 17 AT, [illegible] 3'6"	5		AUG. 394'
	18	24'	3'	3'	24'	BG + 22 AT, 1' + 22 AT, 3'	5		SEPT. 240'
	19	24'	3'	3'	24'	BG —	5		634'
DEE CEE # 1	2	40'	3'	3'	40'	BG	5		
	3	40'	3'	3'	40'	BG	5		
	4	40'	3'	3'	40'	BG	5		
	5	40'	3'	3'	40'	BG	5		
	6	40'	3'	3'	40'	BG	5		
	7	40'	3'	3'	40'	BG	5		
	8	30'	3'	3'	30'	BG	5		
	9	40'	3'	3'	40'	BG	5		
	10	40'	3'	3'	40'	BG	5		
	11	40'	3'	3'	40'	BG	5		
	12	41'	3'	3'	41'	BG	5		
	13	41'	3'	3'	41'	BG	5		
	14	41'	3'	3'	41'	BG	5		AUG. 40'
	15	41'	3'	3'	41'	BG	5		SEPT. 677'
	16	41'	3'	3'	41'	BG	5		717'
	17	41	3'	3'	41'	BG	5		
	18	41'	3'	3'	41'	--			
ELK HORN # 1	2	40'	3'	3'	40'				40'
ELK HORN # 2	1	40'	3'	3'	40'				
	2	40'	3'	3'	40'				
	4	20'	3'	3'	20'				
	5	20'	6' DRILL STEEL IN HOLE						120'
DEE CEE # 3	4	48'	3'	3'	48'				
	5	41'	3'	3'	41'				
	6	41'	3'	3'	41'				
	7	41'	3'	3'	41'				AUG. 110'
	8	41'	3'	3'	41'				SEPT. 253'
	9	41'	3'	3'	41'				363'
DEE CEE # 2	1	41'	3'	3'	41'				
	2	41'	3'	3'	41'				82'
SURPRISE # 2	1	20'	3'	3'	20'				
	2	40'	3'	3'	40'				
	3	41'	3'	3'	41'				
	4	18'	3'	3'	18'				
	5	24'	3'	3'	24'				
	6	42'	3'	3'	42'				
	7	18'	3'	3'	18'				203'
LOST INTEREST # 1	1	41'	3'	3'	41'				
	2	42'	3'	3'	42'				
	3	42'	3'	3'	42'				
	4	42'	3'	3'	42'				
	5	42'	3'	3'	42'				
	6	40'	3'	3'	40'				249'
LOST INTEREST # 2	1	42'	3'	3'	42'				
	2	24'	3'	3'	24'	BG + 25 AT SURFACE	5	2-6' JOINTS OF DRILL STEEL IN HOLE	
	3	18'	3'	3'	18'	BG + 60 AT SURFACE	4		
	4	30'	3'	3'	30'				
	5	45'	3'	3'	45'				
	6	36'	3'	3'	36'				
	8	39'	3'	3'	39'				
	9	42'	3'	3'	42'				276'
LOST INTEREST	1								
								AUGUST TOTAL	584'
								SEPTEMBER TOTAL	2,140'
								TOTAL PHASE 1	2,724'

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
SEP 28 1953

September 24, 1953

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 August 1953
Weir, Henderson and Schuh, Docket DMEA-3012, Contract E-555

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 - 2

cc: Dutton
Binyon
Region V
Files
Day Files

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 28 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of AUG, 1953 Docket No. DMEA 3012 Contract No. IDM-E 555
Operator's Name C.E.WEIR, L.A.HENDERSON & J.H. SCHUH Minerals URANIUM
Address L.A.HENDERSON, NEWCASTLE, WYOMING
Contract Amount, $11,037.00 Government Participation: 90% Amount, $ 9,933.30

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 Decon	616.92	NONE	616.92	616.92	—	616.92
Bulldozing		1,500.00	1,500.00	—	1,500.00	1,500.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	616.92	1,500.00	2,116.92	616.92	1,500.00	2,116.92

I certify that the above bill is correct and just and that payment therefor has not been received.
Date SEPT. 4, 1953 *Payee C.E.WEIR, L.A.HENDERSON & J.H. SCHUH
Per L.A. Henderson 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:

$ 555.23

Signature L.A. Hill
(Authorized Certifying Officer)

Date SEP 22 1953 Bu. No. 8

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature E. O. Binyon Title Mining Engineer Date September 30, 19[illegible]

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature C. B. Needham Title Ex Off Date 9/21/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 28 1953
8

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of AUG. 1953 Docket No. DMEA 3012 Contract No. IDM-E 555

Operator's Name C.E. WEIR, L.A. HENDERSON & J.H. SCHUH Minerals URANIUM

Address L.A. HENDERSON, NEWCASTLE, WYOMING

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn	FOOT	616.92 ~~582~~	582	616.92	582	1.06	2700	1.06
Auger								
Stripping								
Trenching	HOUR			1500.00	120	12.50	120	12.50
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		—		—				—
Initial Rehabilitation and Repairs		—		—				—
New Buildings, Improvements, etc.		—		—				—
TOTAL COSTS		616.92		2116.92				11,037.00

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

Date SEPT. 4, 1953 Operator C.E. WEIR, L.A. HENDERSON & J.H. SCHUH

Per L.A. Henderson Title Partner

REMARKS: PHASE-I-$4,467.00
2,700 FEET WAGON DRILLING
AT $1.06 PER FT.
PHASE II $ 6,570.00
6,000 FT. DRILLING @ $1.06 PER FT.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 28 1953

OPERATORS MONTHLY REPORT PART* C Narrative

Docket No. DMEA 3012 Contract No. Idm-E 555

Drilling started August 6, with five test holes using a Permanco auger type drill, and although this type drill proved satisfactory up to fourty feet of depth the precussion type wagon mounted drill, so widely used in the Edgemont uranium district, seemed to offer the best all around results, so a switch was made to an Ingersol-Rand wagon mounted precussion drill with a Schram 315 cu.ft. compressor. Plenty of air and pressure could be produced with a smaller compressor.

Drilling was again resumed August 25, and except for the sticking of some steel in the hole work is progressing satisfactorally.

All holes are staked with a wooden lath and flag of white cloth and are numbered indicating the number of the hole, claim name and depth. Samples are sacked every three feet and are likewise labeled. Holes are probed with a Babble G.M. Counter using a 75 ft. probe attachment and any substancial increase in radiation level is recorded.

Mr. E. O. Binyon of the U.S.Bureau of mines at Rapid City, has made two inspections during August.

A report of the drilling for August follows along with a map showing the location of the holes.

COPY

***** PART * C * CONT'D. *****

DEE CEE # 1

1 - hole - ~~EEE~~ 40'

ELK HORN # 1

1 - hole - 40'

DEE CEE # 3

3 - holes Numbers 1 & 2 -40' each, # 3 - 30'

DARKER # 2

11 - holes, Numbers 1,2,3,5,6,7 &9 -40' Each, # 4 # 8 - 41', # 10 & # 11 -18' Each. Hole # 3 has an increase in radiation level from 8 to 55 at 5' 6" to a reading of 65 at 9' 10" and decreasing sharply below this depth. Hole # 10 has a reading of 30 at 10' and hole # 11 has a reading of 50 at 8'. Samples have been taken from these three holes for assay. About one third of all holes so far drilled showed a slight increase in radiation level at ~~EEEEEE~~ one or more depth levels.

COPY

Stratas so far drilled through were white to brown fine grain sand stone, gray shale, and about three feet of soft coal in the first five holes. Some selenite crystals are noted in the cuttings of gray shale. Pink sandstone cuttings are also noted in the cuttings of many of the holes. This pink sand stone is found in association with carnotite ore bodies in this district and seems to mark ore boundaries.

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
AUG 20 1953

August 18, 1953

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 July 1953
C. E. Weir & Associates, Docket DMEA-3012, Contract Idm E-555

Here are two copies of the subject Operator's Monthly Report and Voucher for July 1953, as processed for payment, for your files.

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

Attachments - 2

cc: C. E. Dutton
E. O. Binyon (att)
Region V
Files
Day Files

a73

Form MF-104 (Rev. April 1952)

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

RECEIVED
AUG 2 1953

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

Month of _____, 195_ Docket No. DMEA 301.2 Contract No. Idm-E 555
Operator's Name C. D. Weir, L. A. Henderson, & J. H. Schuh Minerals Uranium
Address C. D. Weir, Edgemont, South Dakota
Contract Amount, $ 11,637.00 Government Participation: 90 % Amount, $ 9,955.30

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	1500.00	None	1500.00	1,500.00	—	1,500.00
~~Crosscutting~~						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1500.00	None	1500.00	1,500.00	—	1,500.00

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

Date August 5, 1953 *Payee C. D. Weir, L. A. Henderson & J. H. Schuh

Per C. D. Weir 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:

$ 1350.00 NG

Signature L. A. Hill
(Authorized Certifying Officer)

Date AUG 14 1953 Vou. No. _____
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. [illegible]-655 in accordance with the terms of the contract.

Signature E W Bunyon Title Mining Engineer Date August 5, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Ex Off Date 8/14/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

Department of the Interior
Defense Minerals Administration
Received
AUG 6 1953 4

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1953 Docket No. DMEA 3012 Contract No. DM-E 555 ~~Idm-555~~

Operator's Name C. E. Weir, L. A. Henderson, & J. H. Schuh Minerals Uranium

Address % C.E. Weir, Edgemont, 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								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping	~~120hrs~~ HOURS	$1500.	120	$1500.00	120	$12.50	120	$12.50
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$1500		1500.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		—		—				—
Initial Rehabilitation and Repairs		—		—				—
New Buildings, Improvements, etc.		—		—				—
TOTAL COSTS		1500.00		1500.00				11,037.00

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

Date August 5, 1953 Operator C. E. Weir, L. A. Henderson & J. H. Schuh

Per C E Weir Title Partner

REMARKS: Phase I $4,467.00 Phase II $6,570.00. Bulldozer work under Phase I : 120 hours @ $12.50/hr. or $1500.00

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

RECEIVED
AUG 26 1953

OPERATORS MONTHLY REPORT (D.M.E.A.)

PART (C) NARRATIVE FOR JULY 1953

SUMMARY

Work started the second week of July in the form of trenching with a D-8 Catapiller tractor and bulldozer operated by the "Weir Construction Co." of Sioux Falls, S.Dakota.

The first phase of the drilling is expected to start soon. Reference to the attached MAP will show approximate location and and trend of the trenches. Trenching was confined entirely to the exploration of pre-determined anomolies discovered by both geiger counter and scintillometer survey. The anomolies showing the greatest rise in radiation were the first to be explored. The amount of yardage moved at each cut location was based on the ratio of continued or increased radiation and the adaptability of this type of exploration method. There has been an estimated 6,633 cubic yards moved in one hundred and twenty two hours operating time with an approximate fifty five cubic yards per hour average.. All cuts were in sandstone of varing degrees of weathering and required the tilting of the dozer blade to break the rock loose so it could be pushed out of the trench and in some cases the trench had to be abandoned before the desired cut had been made because the rock could not be moved.....

COPY

****

DARKER # 2 & SURPRISE # 1-

Results were most encouraging on the west half of Darker # 2 (see map) where a definate mineralization was uncovered in two spots perhaps a hundred feet apart and a good anomely was exposed at another point some seventy five feet from either above named point.

DARKER # 2 CONT'D.

here about six feet of light colored sandstone rests on four feet of gray shale. The light colored sandstone is the mineralized strata. Under the shale a massive sandstone three feet thick lies on a thin bedded sandstone which is believed to be the same stratographic level of another ore showing on an ajoining claim near by. This would indicate two mineralised strata levels. Both theseE layers will be reached with the proposed drilling. Here five trenches have been cut four to nine feet deep and up to sixty feet wide seventy five to one hundred and fifty feet long. An estimated 2400 cubic yards moved.

Surprise # 1 - No trenching.

****

ELK HORN # 2 - ELK HORN # 1 - DEE CEE # 1 -

Elk Horn # 2 No trenching.

Elk Horn # 1,

A cut was made 150' X XXX 12' X 7' along the south side of a gulch that runs across the north end Of this claim. (an estimated) 200 cubic yards was moved. Time four hours. This cut followed a sand stone strata with a geiger counter anomoly of four times background which disappeared when cut was made. This may indicate that the anomoly came from surface material and that the cut should have been higher on the side of the gulch. Cut was abandoned because of solid massive sandstone and lost anomoly. This cut is about 1400 feet due south of the main ore deposit on Dark # 1 (see Map). More anomolies show to the north on Dee Cee # 3 and to the east on Dee Cee # 1. This

ELK HORN # 1, cont&d.

cut, the above named ore deposit and anomolies are believed to be the same stratographic layer.

DEE CEE # 1 -

A cut was made in the north east corner of this claim on the rim of Pass Creek canyon. Cut approximately 60' X 90' X 10', 1800 cubic yards, 33 hours. A three foot cap rock lay on a white thin bedded sand stone. A geiger counter anbmoly of four times background twelve feet below the top of the rim was the purpose of this cut.

****

SURPRISE # 2 - DEE CEE # 3 - DEE CEE # 2,

Surprise # 2,

Two cuts, Cut A, 150'X 10'X 6'-150 Cu. Yds. - 3 hours. Geiger counter anomoly three times background. Three foot sandstone cap rock on loose and broken sandstone. No improvment in anomoly. Cut B, 100'X 3'X 12'- 130 Cu. Yds. 2½ Hours. Scintillometer anomoly five times background. Cut abandoned because dozer could not pematrate massive sand stone.

DEE CEE # 3,

Two cuts. Cut A, 150'X 8'X 10'- 150 Cu.Yds. 3½ Hours. Scintillometer anomoly five times background. Two and one half foot sand stone cap rock resting on five foot of gray shale and clay mixture with thin coal seam underneath. Cut B, This cut some 150' south east of Cut A, and about ten feet lower in strata has a good anomoly on the north end in a thin layered tan colored sand stone. Cut is 150' X 3'X 12', 150 Cu. Yds. 3½ Hours. These cuts are about 700'

COPY

DEE CEE # 3, CUT B, CONT'D.

WEST of the ore deposit on Dark # 1, (see Map) the upper layer is believed to be ~~XXX~~ a centimuation of this mineralized strata.

DEE CEE # 2, 3 Cuts.

Cut A, 30'X 10'X 4' - 30 Cu. Yds. 1Hour. Weak anomoly.

Cut B, 210'X 5'X 10', 420 Cu. Yds. 8 Hours. Brown to white sand stone massive and thin bedded. Scintilometer anomaly four to six times background. This cut is about 400' north west of ore body on Dark # 1, and the same strata level. Anomoly covers area about 200'X 100'.

Cut C, Same strata level as Cut B, and 650' east of same. 50'X 4'X 21', 51 Cu. Yds. 1 Hour.

****

LOST INTEREST # 1, 2, 3.

LOST INTEREST # 1,

One cut 50'X 10'X 6', 105 Cu. Yds. 2 Hours. Geiger counter anomoly four times background. Two and one half foot of broken brown sand stone cap rock on thin bedded white sand stone resting on a light gray clay and shale mixture. Anomolies cover a wide area on all three Lost Interest claims.

LOST INTEREST # 2,

One cut, 80'X 10'X 6', 120 CU. Yds. 3 hours. Very good anomoly in north end of this cut. Three feet of brown sand stone cap rock on thin bedded white sand stone.

LOST INTEREST # 3,

Two cuts. Cut A, 150'X 10'X ~~5~~ 4', 75 Cu. Yds. 2 Hours. Scit-illometer anomaly five times background. Gray shale and thin layered light colored sand stone. Cut just over the rim from

COPY

LOST INTEREST # 3, Cut A, CONT'D.

The one on Lost Interest # 2, and about fourteen feet lower in strata. Cut B, 110'X 30'X 7', 750 Cu. Yds. 12 Hours. Geiger counter anomoly five times background. Brown sandstone on soft light colored ~~sean~~ SAND stone over laying gray shale.

****

COPY

JUL 3 0 1953

Mr. J. T. Woodham
Executive Officer
Fuel Field Team, Region V
2906 Cedar Avenue South
Minneapolis 8, Minnesota

Re: Docket No. [illegible]-[illegible] (Uranium)
Contract No. [illegible]
[illegible] Weir, L. [illegible] Henderson
and J. [illegible] Schuh.
Tanker and Pete Group of Claims
Custer County, South Dakota

Dear Mr. Woodham:

This will acknowledge your memorandum of July 8, returning the signed "Government", "Docket", and "Division" copies of the subject contract.

It is noted that the period of time within which the Operator is required to begin work has not been inserted in Article 3 of these copies of the contract in accordance with the instructions contained in our transmittal letter of June 23, 1953. If the period of time was inserted in the "Field Team", "Finance Office" and "Operator's" copies kindly advise us of the period of time that was allowed.

If, however, the period of time was not inserted and the Operator has not commenced the contract work, an amendment should be drafted and executed by your office to cover this provision. If the Operator has officially started the work no amendment is required. Please advise this office of the project status.

Your prompt attention to this matter will be appreciated.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

IChubin/FLKnouse/db
7/15/53
cc to: Adm. Reading File
Operating Committee
Docket
Messrs: H.D.Keiser, Rm. 3611
A.P.Butler, Jr., Rm. 3206, CSA
Chambers, Rm. 1512
Rubin, Rm. 1628

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

Mailed June 23, 1953

Re: Docket No. DMEA-3012 (Uranium)
C.E.Weir, L.A.Henderson and J.H.Schuh
Last Chance, Dee Cee, Surprise, Elkhorn,
Darker and Pete Group of Claims
Custer County, South Dakota

Dear Mr. Needham:

Enclosed are the original and five copies of the captioned contract signed by the Government, with attachments.

If the terms and conditions of this contract meet with the approval of your office and the Operator, insert in Article 3 of each copy of the contract the period of time within which the Operator will be required to begin work; then the original and all copies are to be signed by the three parties concerned. Upon obtaining their signatures, kindly make the usual distribution of the copies of the contract.

If any part of this contract does not meet with the approval of your office or the Operator, the original and all copies of the contract are to be returned to this office with the proposed changes for consideration.

The application was for a total amount of $19,500.00. TheField Team recommended $10,983.00, and the contract is for a total amount of $11,037.00. The difference in the amount of the contract and the amount recommended by the Field Team is due to the separation of the cost of sample analyses from the unit cost of wagon drilling.

Sincerely yours,

/s/ George C. Selfridge

Chairman, Operating Committee

Enclosures:

APPROVED:

/s/ J. H. Hedges (HB)
Member, Bureau of Mines

/s/ A. R. Kinkel, Jr. (HB)
Member, Geological Survey

FLKnouse/db
6-18-53

cc to: Adm. Reading File
Operating Committee
Docket

Messrs: H.D.Keiser, Rm. 3641
A.P.Butler, Jr., Rm.3206, GSA
Ellis
Knouse

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

COPY

Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

April 28, 1953

[DMEA-3012, Uranium]

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Weir, Henderson, and Schuh Property, Custer County, S. Dak.

Here are three copies of an application for exploration of uranium in South Dakota, together with the original and three copies of the Field Team's Report which recommends exploration by means of trenching and wagon drilling and that it be done in two phases, which is considerably less in scope than was proposed by the applicant.

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

Attachments 7

Reviewed by
DMEA OPERATING COMMITTEE

DMEA-3012

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION V

C.E. Weir, L.A. Henderson, & J.H. Schuh Property

Custer County, South Dakota

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

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

April 24, 1953

REVIEWED BY
DMEA OPERATING COMMITTEE

(date)

DEFENSE MINERALS EXPLORATION ADMINISTRATION
Report of Field Examination

by

K. C. Bingon, Mining Engineer
U. S. Bureau of Mines

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

Docket No:

Applicant: C.E. Weir, L.A. Henderson, & J.H. Sebuh (A partnership) Edgemont, S. Dak.

Commodity: Uranium (Carnotite)

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

The applicant, a partnership between C. E. Weir, L. A. Henderson, and J. H. Sebuh is addressed in care of C. E. Weir, 628 South Dakota Ave., Sioux Falls, S. Dak., or locally in care of L. A. Henderson, New Castle, Wyoming.

The property comprises a total of 16 unpatented lode mining claims divided into two separate groups of 3 and 13 claims each. Only 15 claims are included in this application, the Dark No. 1 claim which is in the larger group being specifically excluded.

Both groups of claims are held by the applicant under a single lease agreement and are in sections 10, 14, and 15, T. 6 S., R. 1 E., B.H.B.M., Custer County, S. Dak. and are accessible the year around by fair to good country roads except for a few weeks in mid-winter and early spring.

A preliminary examination of the property was made by the field team in company with Messrs. Weir, Henderson, and Sebuh and approximately three hours were spent mainly in discussing the procedure for filing the application and the methods to be used for exploration. The applicant was in agreement with the suggestions by the field team as to the amount and methods of exploration, and the use of a short form contract for the proposed work. The application was submitted the early part of February, but owing to adverse weather conditions the property was inaccessible until the end of March.

Another examination was made by the field team on March 23, 1953 in company with William Braddock and Arthur Rose of the U.S.G.S., who are assigned to the AEC office in Hot Springs. Approximately 4 hours were spent on the examination and in discussing the merits of property, whether or not exploration was warranted, the most feasible methods of exploration, and the amount of work required to explore the property.

M. E. Stafford, Chief of the AEC Hot Springs office considered the property as being in a somewhat favorable location and warranting exploration.

The Dakota sandstone, rather than the Lakota, as stated in the application, is the formation which in general covers both groups of claims and the anomalies, as indicated on the map, are found in two horizons in the Dakota formation. An anomaly located a considerable distance below the two horizons in the Dakota is apparently in the Lakota sandstone and not in the upper Sundance as stated by the applicant.

The upper of the two horizons forms a soil covered dip slope on the Surprise No. 1 and 2 claims, the Kinhorn No. 1 and 2 and the Doe Goe No. 1 and 2 claims, and on the Darkar No. 2 where it is dissected by gullays. Mineralization in this horizon can be assumed to be within about 10 feet of the surface. The lower horizon is from 15 to 30 feet below the upper and is found on the Dark No. 1 claim, the Last Interest group and the Doe Goe No. 3 claim. The best exposures of mineralization are seen in the lower horizon on the Dark No. 1 claim, and occur as small high pockets as well as disseminated low grade beds immediately beneath the massive bed. Apparently carnotite is the principal ore mineral, however, autunite is reported and other uranium minerals are probably present.

The Last Chance claims, east of the rim which is formed by the Dakota sandstone, have a relief of about 300 feet and on these claims the Pierre shale, Lakota sandstone and Morrison formation outcrop. The Last Interest No. 1 of the Last Interest group is crossed by the rim of the Dakota sandstone.

Approximately 100 tons of ore with a grade varying from .09 to .21 V_2O_5 and containing from .17 to .28 V_2O_5 have been shipped from the open cuts on Dark No. 1.

The anomalies were checked and found to be as indicated on the accompanying map except for those shown on the Last Chance No. 1, 2, and 3 where no anomalies could be located. On several of the claims the anomalies did not register much more than double the background with a conventional Geiger counter, and on others where a scintillometer was probably used for the original survey, the counter registered even less.

The number and scattered location of the anomalies throughout the area included by the claims mentioned above, and the arc deposit exposed on the Bark No. 1 claim indicate that the area is well mineralized and that some exploration is warranted. Also this part of the Edgemont district has had a relatively minor amount of exploration compared to what has been done in the Red, Coal, and Graves Gulches areas where the indication of mineralization in much of the area is no more favorable than the area under consideration.

From the information now available it is concluded that the property does not warrant exploration on the scale proposed by the applicant but the evidence of mineralization is sufficient to require a limited amount of exploration, particularly in those areas where the most favorable anomalies occur. As stated, the applicant has specifically excluded the area included by the Bark No. 1 claim from the application.

It is recommended that the property be explored by means of trenching and wagon drilling and that exploration be done in two phases. Under Phase I the work is to be confined to the favorable areas on the Elkhorn No. 1 and No. 2, Surprise No. 1 and No. 2, the Bunker No. 2, Bee Cee No. 1 and No. 3 and the Lost Interest No. 1, 2, and 3 claims.

If the results of Phase I are favorable then additional exploration by wagon drilling would be done under Phase II.

Under Phase I, the proposed exploration is to consist of a total of 1,200 feet of trenching by hull dozer and 2,700 feet of wagon drilling and is to be distributed over the various claims as outlined in the text. For Phase II 6,000 feet of wagon drilling is recommended. The location, depth and grid spacing of the drilling under Phase II is to be determined by the results of Phase I.

The estimated cost of the work is as follows:

Phase I

Estimated time - 15 days or 120 hrs.	
1,200 feet trenching @ $12.50/hr. (variable depth)	$ 1,500.00
2,700 feet wagon drilling @ $1.09/ft.	2,943.00
Phase II	
6,000 feet wagon drilling @ $1.09/ft.	6,540.00
Total	$10,983.00
Total government participation @ 90%	$ 9,884.70

It is also recommended that before the contract is let the applicant be required to make an assignment to the AEC purchasing depot

at Edgemont, or to any purchaser to permit deduction of royalty payments on any ore mined and sold from the property as a direct or indirect result of the exploration and that such assignment would apply on ore sold both during and subsequent to the actual exploration under the contract.

NAME, LOCATION, AND DESCRIPTION OF THE PROPERTY

The property, known locally only as the "Weir Property", comprises 16 unpatented lode mining claims which are divided into two groups of 3 and 13 claims each. The groups are approximately 1/2 mile apart.

The Last Interest No. 1, 2 and 3 claims make up the smaller group and are in section 10, T. 6 S., R. 2 E., B.H.B.M., Custer County, S. Dak. The claims in the larger group are the Last Chance No. 1, 2, and 3, Doe Cee Nos. 1, 2, and 3, Surprise No. 1 and 2, Elk Horn No. 1 and 2, the Pete No. 2, Darkur No. 2, and Dark No. 1. (The Dark No. 1 claim is not included in the application.) The group is located as shown on the map in section 14 and 15, T. 6 S., R. 2 E., B.H.B.M., Custer County, S. Dak.

The claims are approximately 20 miles northwest of Edgemont, Fall River County, and 28 miles southwest of Custer, the local supply centers. Dewey, a small rail point on the Chicago, Burlington, and Quincy railroad, is about 3 miles due west of the property.

Access to Dewey from either Edgemont or Custer is by way of unimproved dirt roads which are maintained by the county. From these, the roads to and on the property have been constructed with a bull dozer, and at best are in only fair condition. Without considerable improvement the roads would, with only moderate snow or rain fall, become practically impassible.

A greater part of the area included by both groups of claims is flat to gently sloping mesa, country cut by a few small canyons or gullies. On the Last Chance Claims, which is the eastern boundary of the property, the area covered is a steep sloping canyon wall and drops off to the east from the rim of Dakota sandstone about 300 feet into Pass Creek Valley.

PROPERTY RIGHTS

The applicant holds the entire property; two groups of a total of 16 unpatented claims, under a single lease agreement. Earl Darrow and E. O. Geek, of Dewey, Custer County, S. Dak. are joint lessors of the property. All claims are recorded at the Register of Deeds office in Custer, S. Dak., in Location Book No. 17, Pages 494 - 496 - 502 - 503 - 504 - 557 - 558 - 560 - 561 - 582. The Owner's

Consent to Lien accompanies the application. Included with the application are all agreements pertaining to arrangements between C. E. Weir, J. N. Nelson, and L. A. Henderson as to the amount either, in services or funds, each party is to contribute and to the division of any profits derived from the property.

It seems that there might be some question as to the right of one of the members of the partnership, the applicant, to contract for the proposed work to be done for the partnership under an Exploration Project Contract. The matter has not been discussed with the applicants as the field team is of the opinion that it does not have the authority to rule on such matters.

GEOLOGY

Two horizons in the Dakota sandstone contain anomalies. The lower of these, including the ore on the Dark No. 1 claim, is about 15 to 30 feet below the upper horizon. The upper horizon forms a soil covered dip slope on the Surprise No. 1 and No. 2 claims, Kilkhorn No. 1 and No. 2 claims and Dee Cee No. 1 and No. 2 claims. The Darker No 2 claim contains this same dip slope horizon but is dissected by small gulleys. Most of the Dee Cee No. 3 claim covers the exposures of the lower horizon exposed on the Dark No. 1 claim. The Last Interest claims are apparently in the lower horizon and are dissected by larger gulleys. The Last Chance claims are east of the rim formed by a outcrop of the Dakota sandstone and have a relief of about 300 feet. The Fuson shale, Lakota sandstone and Morrison formation crop out on these 3 claims. The rim of the Dakota sandstone continues to the north and crosses the Last Interest No. 1 claim.

The observed mineralization is in the Dakota sandstone rather than the Lakota sandstone as indicated by the applicants. The lower anomaly stated by the applicants to be in the upper Sundance formation is apparently in the Lakota sandstone which is relatively thin in this area.

The mineralization is best exposed on the Dark No. 1 claim where the applicants have discovered several hundred tons of ore. The exposed mineralization occurs in a 1-foot thick bed of massive sandstone, and in thin argillaceous beds immediately beneath the massive bed. Carnotite is probably the most abundant mineral, but autunite has also been reported from the area. Other uranium minerals are probably present.

Small, high grade pockets of ore are present as well as disseminated low grade ore. Considerable ore has been lost in the stripping operations -- apparently due to the unfamiliarity of the operators with the ore occurrence.

Anomalies on the Last Interest claims are apparently associated with a thin massive sandstone bed similar to the Dark No. 1 claim. The anomaly is about twice background count on the conventional geiger counter. Shallow jack hammer holes on these claims have about the same count as the sandstone bed. Anomalies on the other claims were probably detected by scintillometer and are not as strong. Mineralization was not observed on the Last Chance claims.

At present an estimate of ore reserves on the property is not feasible as it cannot be made with any degree of accuracy.

PAST OPERATIONS

Exploratory work done by the applicants consist of an extensive shallow open cut on the Dark No. 1 claim and small trenches on all but the Last Chance and Last Interest claims. A few shallow jack hammer holes have been drilled on the Last Interest group.

As reported by the applicant ore shipments totaling approximately 160 tons have been made to the Edgemont buying station. The ore which was mined from the open cut on the Dark No. 1 claim varied in grade from .03% - 2.5% V_2O_5 and .17% - 20% V_2O_5

DESCRIPTION OF THE PROJECT

The exploratory work, as outlined in the application, is planned to be done on all claims except the Last Chance No. 1, 2, and 3, and the Dark No. 1 claim, which is not included in the application. Bin cutting would be confined to the Last Interest No. 2, and No. 3 and Dee No. 1, No. 2 and No. 3 and the Darkar No. 3 claims.

Also, on these and the remaining claims the applicant has proposed to explore the anomalies in both horizons by wagon drilling.

In the opinion of the field team the applicants proposal is logical but for the present it is too extensive. It is believed that the property can be adequately explored by relatively shallow trenching and for the first phase by less drilling footage than is proposed by the applicant.

It is recommended that the trenching and wagon drilling be restricted to those areas with the most favorable anomalies, and that the amount and location of the work be limited as outlined below. The mineralization, if any, is assumed to be within 10 feet of the surface in the upper horizon in the Dakota sandstone. Due to the nearness of the horizons to the surface and the occurrence of anomalies on dip slope topography, the most favorable anomalies can be checked by a small amount of work. If they are unfavorable no additional work need be done, and some of the wagon drilling probably

would be necessary if trenching fails to expose mineralization. However, as there is the possibility that ore might occur in the lower, favorable (?) horizon this horizon should be checked.

The lower horizon should be within a depth of 40 feet of the surface and drill holes should average about this depth and in general be spaced on a 100 foot grid pattern. In some instances the grid pattern may have to be altered to fit particular conditions and the hole spacing may be reduced on some ship drilling may be desirable. However, under Phase I the minimum grid pattern should, in no instance, be less than 50 feet.

If for any reason a closer spacing is necessary, the additional holes can be drilled after the designated areas have been explored on the larger pattern. Any drilling footage not used under Phase I in the initial exploration of the areas could be applied to the extra holes and if necessary some of the footage allowed for Phase II could be used.

The anomaly in the Lakota sandstone is not sufficiently strong to explore as yet.

Claim	Trenching (feet)	Wagon drilling (feet)
Darkar #2	300	640
Surprise #1		
Elkhorn #2	300	1,000
Elkhorn #1		
Dee Cee #1		
Surprise #2	450	600
Dee Cee #3		
Lost Interest, 1, 2, and 3	150	460
Totals	1,200	2,700

The above work should be considered as Phase I of the exploration. In the event of promising results, another 6,000 feet of wagon drilling could be set aside for more thorough exploration in Phase II.

As stated by the applicant work can be started within 30 days after signing of the contract. The trenching and wagon drilling can be carried on simultaneously and it is estimated that not more than 3 months will be required to complete the project.

If it can be arranged with the AEC purchasing depot at Edgement, it is recommended that the applicant be required to assign authority to the purchasers's of the ore to deduct royalty payments during and following completion of the project, on any ore mined from the claims included in the application as a direct or indirect result of the exploration. By such an assignment the payment and collection of royalties would be facilitated.

ESTIMATE OF COSTS

Wagon Drilling Phase I & II

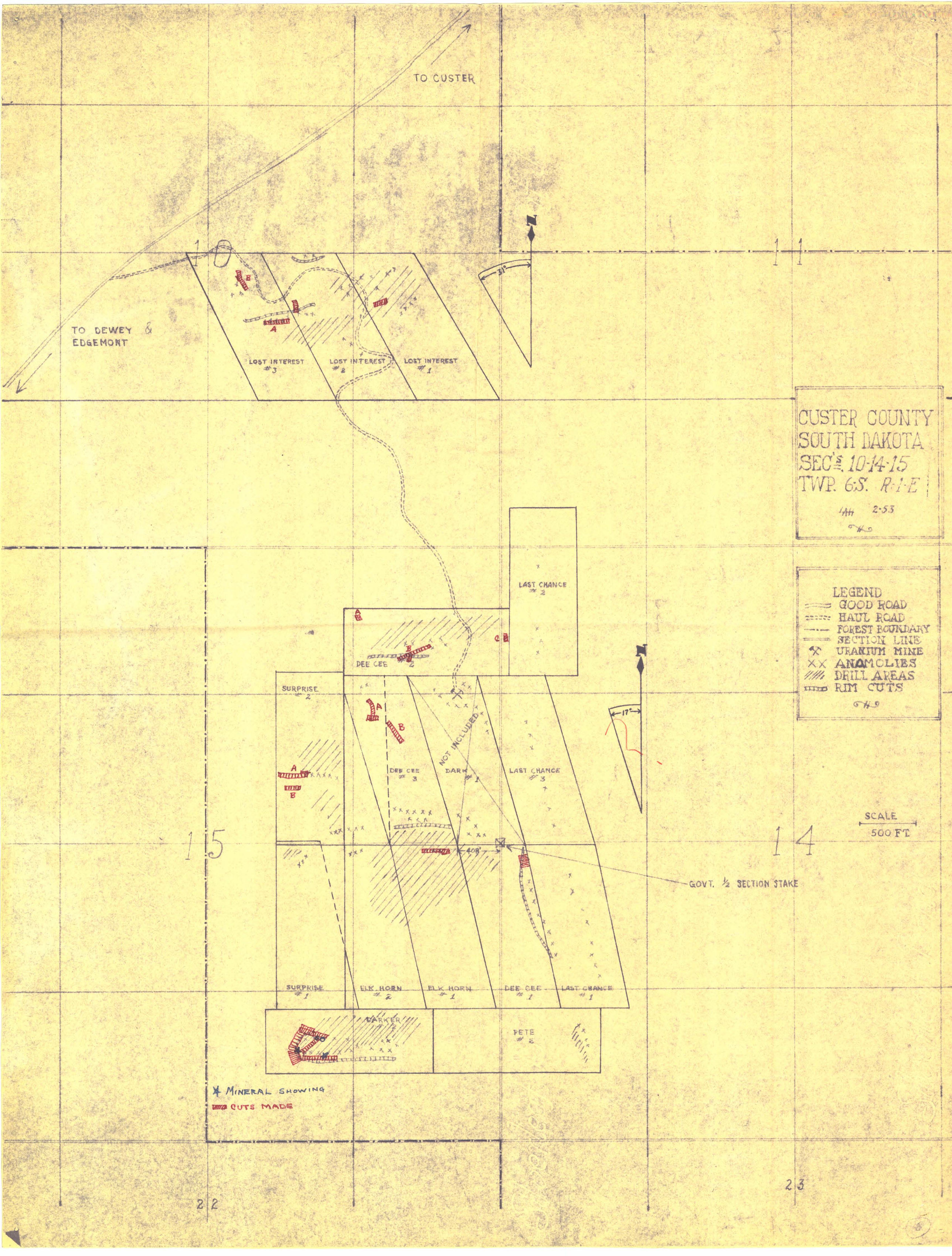
	Cost Total	Cost Per. ft.
6(a) Independent Contracts		
Wagon Drilling 8,700 feet @ .75/ft.	$ 6,525.00	0.750
Drill Site preparation, 2 days @ $100/day	200.00	0.023
(b) Labor Supervision and Consultons		
Labor, none	-	-
Superintendent, 3 months @ $450/mo.	1,350.00	0.155
Engineer - Geologist 1½ months @ $550/mo.	825.00	0.095
(c) Operating Supplies	-	-
(d) Operating Equipment		
Ford Pick-up Truck		
Transportation for superintendent		
4,000 miles @ .05/mile	200.00	0.023
(e) Initial Rehabilitation and Repair	-	-
(f) New buildings, etc.	-	-
(g) Payroll taxes - compensation and Liability Insurance assumed by operator	-	-
(h) Analyses, 90 samples @ $3.50/sample	315.00	0.036
(i) Contengencies	100.00	0.011
Total	$9,515.00	1.093

9,453.5
p. 3
p. 9

Trenching Phase I and II

	Cost Total	Cost Per Hr.
(a) Independent Contracts		
15 days or 120 hrs. @ $12.50/hr. (1,200 linear ft. of trench of variable depth.)	$ 1,500.00	$12.50
(b) through (h) Not applicable or included under items for wagon drilling as work is to be carried simultaneously	-	-
Total	$1,500.00	$12.50

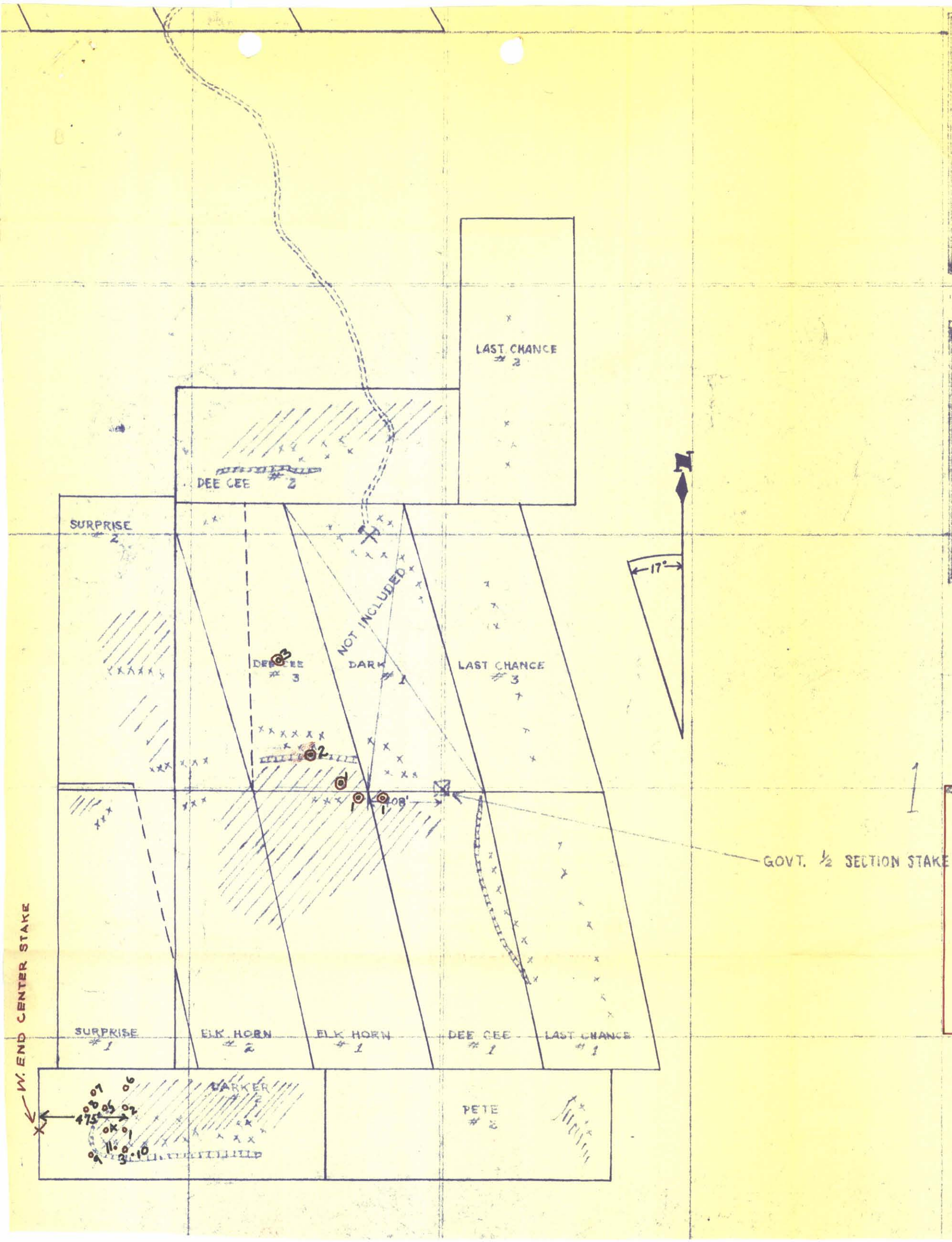
PHASE I		
Wagon Drilling - 2,700 feet @ $1.09/ft.		$2,943.00
Trenching - 15 days or 120 hrs. @ $12.50/hr.		1,500.00
	Total	$4,443.00
PHASE II		
Wagon Drilling - 6,000 feet @ $1.09/ft.		$6,540.00
	Total cost of project	$10,983.00
	Total government participation @ 90%	$ 9,884.70


TO CUSTER
TO DEWEY & EDGEMONT
10
11
15
14
22
23
LOST INTEREST #3
LOST INTEREST #2
LOST INTEREST #1
31°
N
CUSTER COUNTY
SOUTH DAKOTA
SEC'S. 10-14-15
TWP. 6S. R-1-E
LAST CHANCE #2
DEE CEE #2
SURPRISE #2
DEE CEE #3
NOT INCLUDED
DARK #1
LAST CHANCE #3
17°
LEGEND
GOOD ROAD
HAUL ROAD
FOREST BOUNDARY
SECTION LINE
URANIUM MINE
ANOMOLIES
DRILL AREAS
RIM CUTS
SCALE
500 FT.
408'
GOVT. ½ SECTION STAKE
SURPRISE #1
ELK HORN #2
ELK HORN #1
DEE CEE #1
LAST CHANCE #1
MARKER #2
PETE #2
MINERAL SHOWING
CUTS MADE

CUSTER COUNTY
SOUTH DAKOTA
SEC'S. 10-14-15
TWP. 6S. R-1-E

AH 2-53

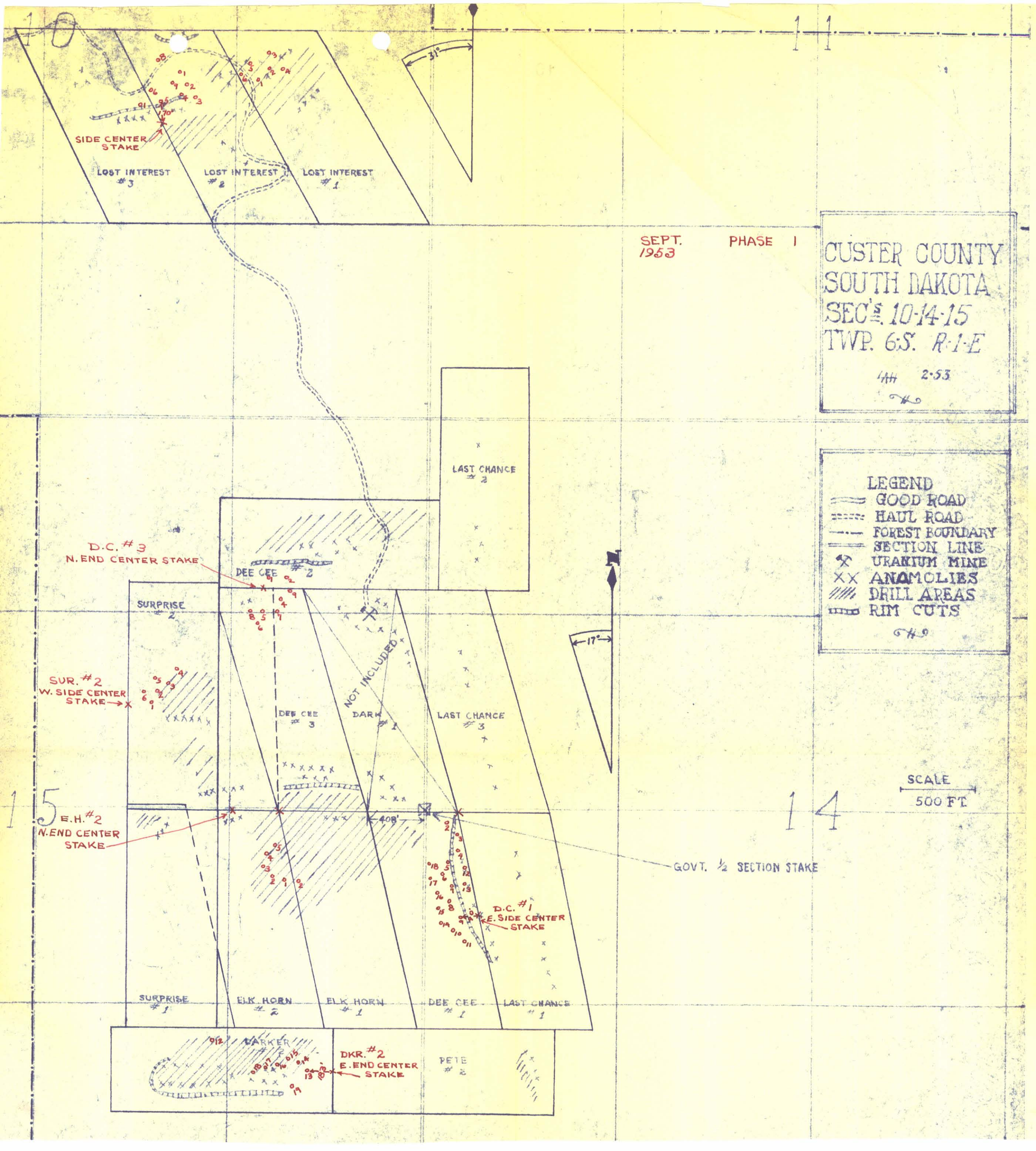
LEGEND
GOOD ROAD
HAUL ROAD
FOREST BOUNDARY
SECTION LINE
URANIUM MINE
ANOMOLIES
DRILL AREAS
RIM CUTS

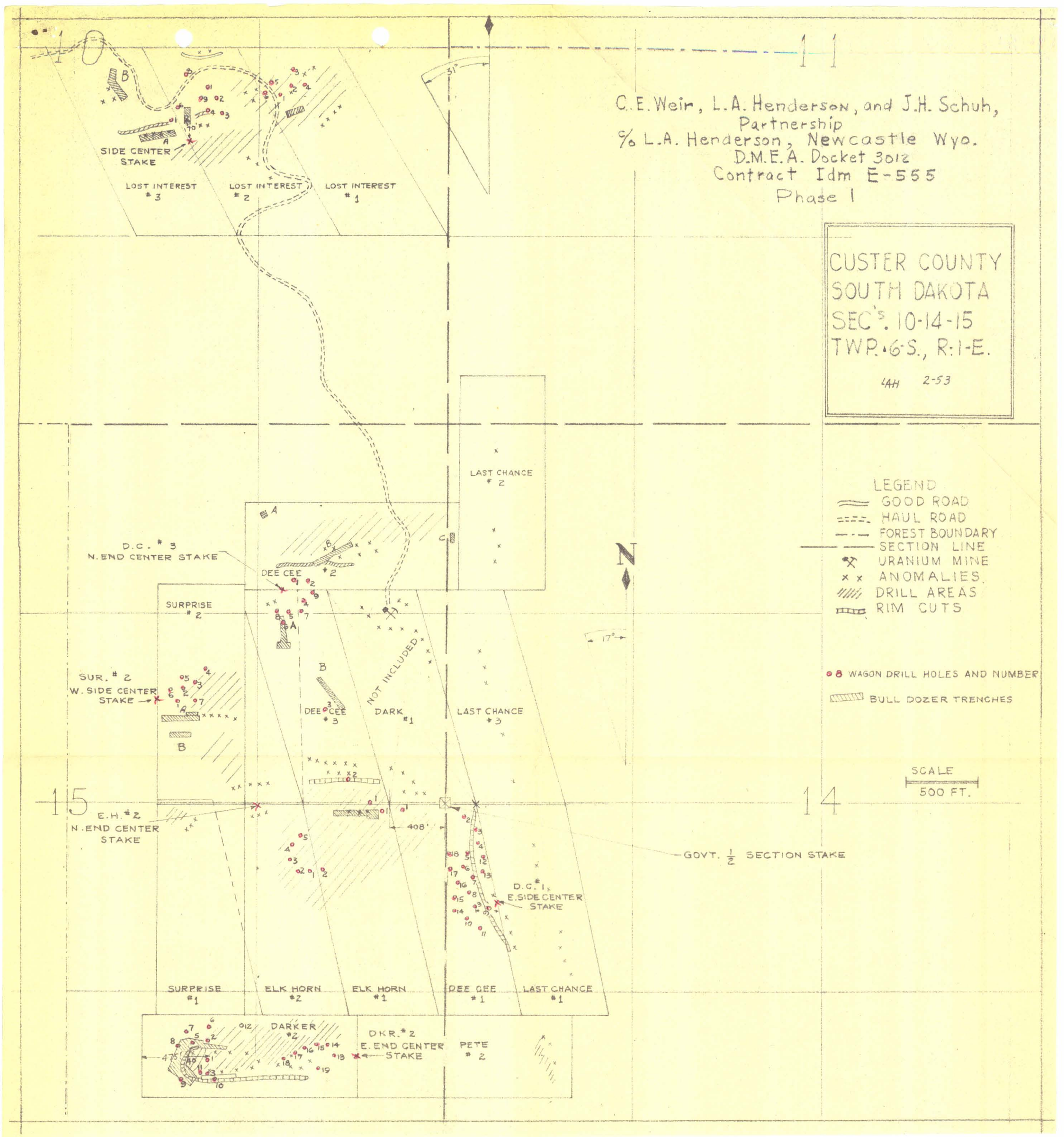


SCALE
500 FT.

PHASE -1 AUGUST 1953
LEGEND ~ DRILL HOLES
DARKER #2-11 HOLES
DKR- 1;2,3,4,5,6,7,8,9. 40'
DEE CEE #1=1-HOLE-40'
ELK HORN #1=1-HOLE-40'
DEE CEE #3=3-HOLES
1 & 2-40' DEEP -3-30'

DKR. #2 - HOLES-10 & 11-
EACH 16'


10
11
31°
SIDE CENTER STAKE
LOST INTEREST #3
LOST INTEREST #2
LOST INTEREST #1
SEPT. 1953
PHASE I
CUSTER COUNTY
SOUTH DAKOTA
SEC'S. 10-14-15
TWP. 6S. R-1-E
2-53
LEGEND
GOOD ROAD
HAUL ROAD
FOREST BOUNDARY
SECTION LINE
URANIUM MINE
ANOMOLIES
DRILL AREAS
RIM CUTS
LAST CHANCE #2
D.C. #3
N. END CENTER STAKE
DEE CEE #2
SURPRISE #2
NOT INCLUDED
17°
SUR. #2
W. SIDE CENTER STAKE
DEE CEE #3
DARK #1
LAST CHANCE #3
SCALE
500 FT.
15
14
E.H. #2
N. END CENTER STAKE
408'
GOVT. ½ SECTION STAKE
D.C. #1
E. SIDE CENTER STAKE
SURPRISE #1
ELK HORN #2
ELK HORN #1
DEE CEE #1
LAST CHANCE #1
DARKER #2
DKR. #2
E. END CENTER STAKE
PETE #2


C. E. Weir, L. A. Henderson, and J. H. Schuh,
Partnership
c/o L. A. Henderson, Newcastle Wyo.
D.M.E.A. Docket 3012
Contract Idm E-555
Phase 1
CUSTER COUNTY
SOUTH DAKOTA
SEC's. 10-14-15
TWP. 6-S., R. 1-E.
LAH 2-53
LEGEND
GOOD ROAD
HAUL ROAD
FOREST BOUNDARY
SECTION LINE
URANIUM MINE
ANOMALIES
DRILL AREAS
RIM CUTS
8 WAGON DRILL HOLES AND NUMBER
BULL DOZER TRENCHES
SCALE
500 FT.
N
11
14
15
SIDE CENTER STAKE
LOST INTEREST #3
LOST INTEREST #2
LOST INTEREST #1
LAST CHANCE #2
D.C. #3
N. END CENTER STAKE
DEE CEE #2
SURPRISE #2
SUR. #2
W. SIDE CENTER STAKE
NOT INCLUDED
DEE CEE #3
DARK #1
LAST CHANCE #3
E.H. #2
N. END CENTER STAKE
408'
GOVT. 1/2 SECTION STAKE
D.C. #1
E. SIDE CENTER STAKE
SURPRISE #1
ELK HORN #2
ELK HORN #1
DEE CEE #1
LAST CHANCE #1
DARKER #2
DKR. #2
E. END CENTER STAKE
PETE #2
475'
17°
31°