Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
RECEIVED NOV 29 1962
DATE

November 26, 1962

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: Docket DMEA-2378 (Uranium)
Contract IAm-E399
Salina Mining and Smelting Company
(Lynn Claims)
Kane County, Utah
EXPIRATION OF CERTIFIED DMEA CONTRACT

The royalty payment period of the subject contract expired September 10, 1962.

The Report of Royalty Review dated May 1, 1962 states that production of ore subject to the Government's royalty ceased shortly after the project was terminated in August 1953, and that, as of April 19, 1962, all royalty due has been paid.

I inspected the property November 14, 1962, and found no one on the property and no evidence of recent activity. Access mine roads are presently washed out in many places, and the mine workings appear to be inaccessible.

I recommend that the files on this contract be closed.

Original signed by

Hugh M. Connors

TMR

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E399, Docket DMEA-2378 (uranium), dated September 10, 1952, with

Salina Mining and Smelting Company
1890 North Main Street
Walnut Creek, California

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Lynn Claims located in Kane County, Utah, during the period July 15, 1959, through April 19, 1962.

A certification of discovery or development was issued on September 16, 1953, and, in accordance with Article 6 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated November 16, 1953, indicated accepted costs under the exploration contract amounting to $15,781.50 with the Government's contribution on a 90 percent basis being $14,203.35.

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

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which found the sales subject to the Government's royalty through July 14, 1959, to be $2,218.98. The royalty account as of July 14, 1959, was:

Total Royalty Payable	$110.94
Total Royalty Paid	105.37
Balance of Royalty Due	$ 5.57

As of April 19, 1962, the royalty account of this project was found to be:

Total Royalty Payable	$110.94
Total Royalty Paid	110.94
Balance of Royalty Due	$ -0-

May 1, 1962

E. D. Talbert, OME Auditor

Idn-5399 Salina Mining and Smelting Company DMEA-2378

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provides that the Operator or its successor in interest shall pay the Government a percentage royalty on all production from the Lynn Nos. 1, 2, and 3 unpatented mining claims in secs. 16 and 21, T. 40 S., R. 9 W., SLB&M. At the time the contract was executed the Operator held possession of these three claims by virtue of a ten-year mining lease entered into on January 8, 1952, with Henry Bullock of Cedar City, Utah. In consideration of the exploration project contract, Mr. Bullock signed an Owner's Consent to Lien on August 12, 1952. The exploration project contract, however, contains the so-called "abandonment" provision.

Exploration work under the contract was completed in August 1953. During the exploration work and shortly thereafter 125,644 short dry tons of ore averaging .12 percent U_3O_8 was produced and shipped to the Maryvale, Utah, Plant of the American Smelting & Refining Company. The sale of this production is covered by a Report of Royalty Review dated July 15, 1959, which disclosed a balance of $5.57 in royalty due the Government. Payment of the balance due was received during the latter part of July 1959.

Examinations of the property, checks of A.E.C. production records, and inquiries of the Operator and property owner have disclosed no further production. The only reported activities have been a small amount of bulldozing in late 1955 and the extraction of a few tons of ore for experimental purposes during 1957.

The files indicate that the Operator may have relinquished its lease after termination of the exploration work. However, the Operator replied on April 19, 1962, to a recent inquiry on MME Form 63.

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

(1) The files indicate that all sales of production since the date of the contract have been reported and proper royalty thereon paid;
(2) No production is indicated for the period covered by this review; and
(3) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
RECEIVED MAY 7
DATE
800

May 4, 1962

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: DMEA-2378 (Uranium)
Contract Idm-E399
Salina Mining and Smelting Company
(Lynn Claims)
Kane County, Utah

Attached is the original Report of Royalty Review on the subject property dated May 1, 1962 covering the period July 15, 1959, through April 19, 1962.

Original signed by

Hugh M. Connors

Attachments
HMC/lm
cc Chief, Division of Field Operations, OME
E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Royalty Corres. E399
Chron

1 1962

Memorandum

To: Acting Field Officer, Region III

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

Subject: DMEA-2373 (Uranium)
Salina Mining and Smelting Company
Lynn Claims
Kane County, Utah
Contract Idu-8399

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

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

(b) One copy for your files.

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

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

Enclosures

EDTalbert/ama 5-1-62

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

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

CERTIFICATE OF DEPOSIT
Standard Form 219

7/24/59 (Date sent)

10 (Deposit No.)

Identification of Accountable Officer Affected

(1) Office Deposit Symbol: 9013

(2) For Consolidated Abstract of Treasury Regional Office at (city and state): Denver, Colorado

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

(3) The Sum of $ 5.57

(4) Classification of Deposit

Account Symbol	Amount	Account Symbol	Amount
14X1401	$ 5.57		$

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

(5)
14-23-010
Office of Minerals Exploration
224 New Custom House
Denver 2, Colorado

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

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

Sheeler
(Authorized signature)

JUL 24 1959
(Date of credit in Treasurer's account)

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

C-399
Salina Mining &
Smelting
Company-

5.57

DENVER BRANCH
FEDERAL RESERVE BANK
1959 JUL 24 AM 11 38
MAIL DEPT-2

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 27 1959

DATE	INITIALS	CODE
		800

224 New Customhouse
Denver 2, Colorado

July 15, 1959

EXTRA COPY O. M. E. RECEIVED JUL 20 1959		
DATE	INITIALS	CODE
		800

CERTIFIED MAIL

Mr. Richard J. McPeak, Secretary
Salina Mining and Smelting Company
1425 East Compton Boulevard
Compton, California

Re: Docket DMEA 2378 (Uranium)
Contract Idm-E399
(Lynn claims)
Kane County, Utah

Dear Mr. McPeak:

Thank you for your letter dated July 10, 1959, and the three copies of the settlement sheet which were attached.

The following computation shows how we arrived at the amount of royalty due on Liquidation No. 6044.

Net Smelter Value	Tons	Value Per Ton	Royalty Rate	Royalty Due	AEC Bonus	Bonus Royalty Due
$80.04	5.761	$13.89	5%	$4.00	$31.45	$1.57

Will you please forward this office your check for $5.57 so that the audit can be completed on the captioned project.

Very truly yours,

Original signed by
J. W. TOWNSEND

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

HMC:jy

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

REPORT OF
ROYALTY REVIEW

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, OME Field Team, Region III, Denver, Colorado, pertaining to Contract Idm-E399, Docket No. DMEA 2378 (Uranium) dated September 10, 1952, with

Salina Mining and Smelting Company
1425 Compton Blvd.
Compton, California

for the purpose of determining the amount of royalties due the United States Government on the sale of Uranium bearing ores produced from the Lynn Claims Nos. 1 through 3, located in Kane County, Utah, for the period September 10, 1952 through July 14, 1959.

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

My review established the total sales of Uranium bearing ores for this period to be $2,218.98 (See Schedule No. 1 Attached). Royalty due the United States Government at the contract rate of 5 percent is $110.94. The royalty paid and the balance due are as follows:

Total Royalty Due	$110.94
Total Royalty Paid	105.37
Balance of Royalty Due	$ 5.57

July 15, 1959

Donald T. Finch
Donald T. Finch
OME Auditor

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

DATE	INITIALS	CODE
7-20	gad	VVO
		800

SALINA MINING AND SMELTING COMPANY

CONTRACT NO. IDM-E399 DOCKET NO. DMEA 2378

STATUS OF PROJECT, DESCRIPTION OF REVIEW AND REASONS THEREFOR

The exploration work under the project was completed August 31, 1953. On September 16, 1953, a Certificate of Discovery or Development was issued. A Report of Review in lieu of Final Audit dated November 16, 1953, indicates accepted costs of $15,781.50, with Government participation on a 90 percent basis being $14,203.35. Under the terms of the contract royalty is payable on any minerals mined or produced from the land described in Article 2 of the contract for a maximum period of 10 years from the date of the contract.

Semi-annual reports of inspection by examining engineers, United States Bureau of Mines, indicate production was incidental to exploration and that: "there are no ore reserves on the Lynn Claims from which production is feasible at the present time".

My review included a tabulation and recomputation of all ore settlement sheets in the files of the Executive Officer, OME Field Team, Region III, for the period September 10, 1952, through July 14, 1959, and correspondence with the Chief of Accounting Branch, Finance Division, Field Operations Office, Atomic Energy Commission, Grand Junction, Colorado. The producer's reported sales were reconciled with the records maintained by AEC. Royalties paid were reconciled with OME Finance Office, Denver, Colorado.

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

(a) All reported production was reconciled with records of the Atomic Energy Commission.

(b) The examining engineer is of the opinion all sales of production are accounted for.

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

Schedule No. 1

SALIDA MINING AND REDUCTION COMPANY

CONTRACT NO. [illegible] REPORT NO. [illegible]

STATEMENT OF PRODUCTION, SALES AND ROYALTIES
[illegible]

(All sales were to Naturale, Pueb, Mont or Colorado Plateau)
(Uranium Project - American Smelting & Refining Company)

Gross Weight, Pounds	278,[illegible]
Dry Weight, Pounds	251,[illegible]
Dry Weight, Tons	125.644
Assayed Amount	
U_3O_8	.12
V_2O_5	.11
Pounds, U_3O_8	302.61
Base Payment, U_3O_8	$ 963.01
Development Allowance	151.55
Haulage Allowance	
Number of Wet Tons	136.16
Allowance Per Ton	6.00
Total Haulage Allowance	$ 816.96
Pounds, V_2O_5	273.15
Payment, V_2O_5	$ [illegible]
Total Receiving Station Value	$[illegible]
A.E.C. Production Bonus	[illegible]
Total Value Subject to Royalty	$[illegible]
Average Value per Dry Ton	$ [illegible]
Royalty Percentage	[illegible]
Total Royalty Due	$ 110.94
Total Royalty Paid	105.37
Balance of Royalty Due	$ 5.57

REMARKS HERE

August 27, 1954 Mightshiden Settlement No. 6044 $5.57

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Salina Mining and Smelting Company

Address 1425 E. Compton Blvd., Compton, California

Lynn Claims Nos. 1 through 3, Kane County, Utah

Exploration Contract No. Idm-E 399

Docket No. DMEA 2378

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

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

Date May 8, 1959

M. H. Howes
Mining Engineer

JUL 21 1959

Memorandum

To: Mr. Donald T. Finch, OME Auditor

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

Subject: Docket No. DMEA-2378 (Uranium)
Salina Mining and Smelting Company
Contract No. Idm-E399

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

EDTalbert/fw-7/21/59

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

EXTRA COPY O. M. E. RECEIVED JUL 13 1959		
DATE	INITIALS	CODE
		800

204 New Customhouse
Denver 2, Colorado

July 7, 1959

CERTIFIED MAIL

Mr. Richard J. McPeak, Secretary
Salina Mining and Smelting Company
1425 East Compton Boulevard
Compton, California

Re: Doelmet DMSA-2378 (Uranium)
Contract IAm-E399
(Lynn claims)
Emery County, Utah

Dear Mr. McPeak:

We have had no reply to our letter of May 28, 1959, in which we requested three copies of the settlement sheet for Liquidation No. 6044.

The AEC informs us that this shipment contained only 14.98 pounds of U_3O_8. The total value of the shipment would probably be less than $100.00.

In order to complete the audit on the captioned project, we need this information. Will you please advise.

Very truly yours,

Original signed by
J. W. TOWNSEND

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

HMC:jy

cc: Chm. Op. Comm. (2)
Finch
Roy. Corres. E399
Chron.

224 New Customhouse
Denver 2, Colorado

May 22, 1959

REC'D		
DATE		
		800

Salina Mining and Smelting Company
1425 East Compton Boulevard
Compton, California

Re: Docket DMEA-2378 (Uranium)
Contract IGm-E399
(Lynn claims)
Emery County, Utah

Gentlemen:

We have been advised that Liquidation No. 6044 was a settlement for ore produced from the captioned property. This shipment contained 14.98 pounds of U_3O_8.

Will you please forward this office three copies of the settlement sheet for Liquidation No. 6044 so that we may determine the proper amount of royalty due the Government on this shipment. Completion of the royalty review for this contract is being deferred pending receipt of the settlement sheet for Liquidation No. 6044.

Very truly yours,

Original signed by
J. W. TOWNSEND

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

NMC:jy

cc: Chm. Op. Comm. (2)
Finch
Roy. corres. E399
Chron.

For Schedule of Collections No. DMA-C-50, dated October 30, 1953, giving royalty repayment of $105.37, see E-6.

REPORT
OF REVIEW

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

RECEIVED

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Salina Mining and Smelting Company
1425 E. Compton Blvd.
Compton, California

pertaining to Exploration Project Contract No. Idm-E399, Docket No. DMEA 2378, covering a project for exploration of Uranium, located in Kane County, Utah, commonly known as the Lynn claim, for the months of October 1952 to August 1953. The project was recessed from December 1952 to February 1953.

My review included an examination of the Monthly Reports (Form MF-104) and supporting documents attached thereto, comparison of costs claimed with the contract and pertinent schedules, consultation with the Executive Officer of the Field Team in charge of 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		$15,781.50
Exceptions:		
By DMEA Finance Officer	None	(see attach-)
Herewith	None	(ed. note) None
Total Accepted Cost		$15,781.50

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 Fourteen Thousand Two Hundred Three and 35/100 Dollars

-$14,203.35-

is considered valid and proper.

Dated November 16, 1953

T. H. Brading, Auditor

SALINA MINING AND SMELTING CO.

Contract Idm-E399

Finance Officer withheld $500.00, pending receipt of Operator s final report. This report now has been received, and as no discrepancies are noted, amount withheld is reinstated.

T. H. Brading

T. H. Brading, Auditor

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

224 New Customhouse
Denver 2, Colorado

January 5, 1954.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket No. 2378 (Uranium), Contract No. Idm-E399, Salina Mining and Smelting Company, Lynn Mining claims, Kane County, Utah.

Enclosed are two copies of a memorandum to Mr. T. A. Christensen dated December 16, 1953, relative to final payment under the terms of the subject contract.

Final payment to the Operator in the amount of $500.01 has now been made in conformance with the Report of Review by the Contract Administration and Audit Division, dated November 16, 1953.

W. H. King

W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

December 16, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket No. 2378 (Uranium), Contract No. Idm-E399, Salina Mining and Smelting Company, Lynn Mining claims, Kane County, Utah. **FINAL PAYMENT**

Reference is made to our memorandum of October 14, 1953 whereby we transmitted the final Form MF-104, Operator's Monthly Progress Report and Voucher for the month of August 1953, and instructed you to withhold the amount of $500.00 from reimbursement to the Operator pending receipt of the Operator's final report and a release of the Report of Review by the Contract Administration and Audit Division.

We now recommend that final payment to the Operator be made in conformance with the Report of Review by the Contract Administration and Audit Division, dated November 16, 1953, which was released to this office December 15, 1953.

Basis for Final Payment

Total accepted cost	$15,781.50
Government participation at 90%	14,203.35
Total prior payments	13,703.34
	$500.01

John F. Shaw
for W. H. King

500.01

JWT:cwm

12/18/53 DMA 54-621

cc: Contract
Secretary to the Oper. Comm. (2)
SHWilson
Chron.
JWTownsend

Form MEA 04 (Rev.)
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August 5 195 2378 Docket No. DMEA IDm-5399 Contract No.

Operator's Name Salina Mining & Smelting Company Minerals

Address 1625 E. Compton Blvd., Compton, California.

Contract Amount, $ 14,950.50 Government Participation: 90 % Amount, $ 15,255.45

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 135 FEET	$3156.30	$12,625.20	$15,781.50			
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	$3156.30	$12,625.20	$15,781.50	3156.30	12,625.20	15,781.50

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

Date September 1, 1953 *Payee Salina Mining & Smelting Co.

Per Richard J. McPeak Title Secretary

*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:

$2340.67

Signature
(Authorized Certifying Officer)

Date 10/20/53 Vou. No. DMA 54-39

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-F-399 in accordance with the terms of the contract.

Signature Millard M. Dilkey Title Mining Engr. Date 9/8/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R. D. B.

Signature John F. Shaw for W. H. King Title Executive Officer Date OCT 1 4 1953

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.

U. S. Bureau of Mines
RECEIVED
SEP 3 1953
Salt Lake City, Utah

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1953 Docket No. DMEA 2374 Contract No. [illegible]
Operator's Name Salina Mining & Smelting Company Minerals URANIUM
Address 1425 E. Compton Blvd., Compton, California

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	FEET	$3156.30	135	$15,781.50	675	$23.38	725	$23.38
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$3156.30	135	$15,781.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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 1, 1953 Operator Salina Mining & Smelting Co.

Per Richard J. McLear Title Secretary

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date: October 20, 1953
Payee's
Reference: Programs
Reports - August, 1953

Calif. Drilling & Crushing Co.
[illegible] E. Carson Rd
Carson, California
[illegible]

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $3,156.30

Difference [illegible] $2,220.67

Amount Approved $ 500.00
(2,220.67)

The reason for the difference was due to:

(500.00) withheld from operator pending final report.

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV-B & F Form No. 4
4-15-52 D

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

224 New Customhouse
Denver 2, Colorado

October 14, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2378, Contract Idm-E399 (Uranium), Salina Mining and Smelting Co., Kane County, Utah - Operator's Monthly Progress Report, for the period August 1953.

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 90 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

A sum of $500.00 is to be withheld from the amount due the Operator pending receipt of the Operator's final report and release of the final Report of Review by the Contract Administration and Audit Division.

Remarks:

Date of Report	September 1, 1953
Date Received in Field Office	September 3, 1953
Date Received in Region Office	September 14, 1953

Delay in ~~Field~~ Region Office pending action on request for additional funds or termination of the project.

John F. Shaw

John F. Shaw, for
W. H. King

Enclosure

RDB:fwo

cc SecOperComm (2)
SRWilson, JWTownsend, Contract, Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

September 10, 1953

Memorandum

To: W. H. King, Executive Officer, DMEA Field Team, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: Docket No. DMEA-2378 (Uranium), Contract Ida-8399, Salina Mining and Smelting Co., Kane County, Utah. MF-104 forms for August 1953

The attached MF-104 forms describe the work and list expenditures under the subject contract during August 1953. Inspection for the period was made by M. M. Gilbey September 1, 1953.

Work accomplished during the month consisted of an advance of 135 feet. All work was accomplished on the Lynn No. 1 claim. The inspecting engineer verified by measurement that work reported was completed.

Work during August 1953 did not disclose additional ore. The operator previously reported shipment totaling 128 tons to the Atomic Energy Commission purchasing depot at Marysvale, Utah.

The present MF-104 forms are the final forms to be submitted by the operator. A total of 50 feet of crosscutting remains under terms of the contract; however, the operator does not wish to continue work on the Lynn No. 1 claim because the mineralization is not encouraging. It is recommended that the project be considered terminated without the necessity of preparation of formal termination papers.

The operator has requested additional funds for work on the Lynn No. 3 claim. It is recommended that reimbursement to the operator on the present work be withheld until receipt of the operator's final report. It is probable that action on the requested amendment for additional funds will be completed before receipt of the operator's final report.

No royalty has been received on the above-mentioned shipments from the property.

The MF-104 forms were received from the operator September 3, 1953. A delay of three days in transmitting the forms to Denver resulted from the work load of the inspecting engineer.

Stephen R. Wilson
Stephen R. Wilson

Enclosures

S. R. Wilson

Sept. 9, 1953

M. M. Gilkey

Docket No. DMEA-2378 (Uranium), Contract Idm-8399, Salina Mining and Smelting Co., Kane County, Utah. Progress report for August 1953

The DMEA contract work on the property of the Salina Mining and Smelting Co. near Cedarville, Utah, was inspected on September 1, 1953.

Total advance reported by the operator for the month of August was 135 feet. The work reported, all of it on the Lynn No. 1 claim, consisted of extending the adit 60 feet to a total distance of 150 feet and crosscutting 50 feet northeasterly and 25 feet southeasterly from the face of the adit. This was verified by measurement on the date of inspection. The work conforms to the terms of the short-form contract. Total costs reported on the MF-104 and 104A forms are in agreement. Cost of the project for August was computed at the contract unit price of $23.38 a foot for the 135 feet of advance.

No ore has been exposed by DMEA contract work on the Lynn No. 1 claim. The operator reported that 128 tons of ore averaging 0.12 percent U_3O_8 was shipped in April and May 1953 from ore bodies exposed by DMEA work on the Lynn No. 3 claim.

The operator's narrative report and sketch adequately describe the work accomplished during August. It will be noted that in the narrative the operator "declines" to drive the final 50 feet of adit authorized by the contract. This 50-foot adit was to be driven approximately parallel to the 150-foot adit completed in August and, as indicated in Exhibit "A" of the contract, was to be located 100 feet northwest of the latter. The inspecting engineer agrees with the operator in concluding that driving the 50-foot adit would not be warranted in the light of geologic information gained from the above-described work already completed on the Lynn No. 1 claim. The 50-foot crosscut driven in a northeasterly direction in the conglomerate, from the face of the 150-foot adit, intersected the underlying sandstone at a distance of 45 feet from the adit. The conglomerate-sandstone contact zone, the ore horizon, is only weakly mineralized at the point of intersection.

The operator has requested additional Government aid in further exploratory work on the Lynn No. 3 claim.

It is recommended that reimbursement to the operator amounting to $2,840.67, or 90 percent of the $3,156.30 expended on the project during August, be delayed pending action on the request for additional funds or, in case the request is denied, until the operator submits a final report.

M. M. Gilkey

M. M. Gilkey

SALINA MINING
AND SMELTING CO.
Box 82
ORDERVILLE, UTAH

[illegible]

[illegible]

[illegible] Sept. [illegible]

[illegible] East [illegible] South Street,

Salt Lake City, Utah.

Dear Sirs:

[illegible]

[illegible]

A. H. Elliott
[illegible]

Form [redacted]-104 (Rev.) [redacted]952)

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

UNITED STATES
DE[redacted]RTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1953 Docket No. DMEA 2378 Contract No. IDm-8399

Operator's Name Salina Mining & Smelting Company Minerals URANIUM

Address 1425 E. Compton Blvd., Compton, California.

Contract Amount, $16,950.50 Government Participation: 90% Amount, $15,255.45

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) [redacted] Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting 50 Feet	$1169.00	$11,456.20	$12,625.20			
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	$1169.00	$11,456.20	$12,625.20	1169.00	11,456.20	12,625.20

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

Date August 7, 1953 *Payee Salina Mining & Smelting Co.

Per Richard J. McPeak Title Secretary

*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:

$1052.10

Signature [illegible] (Authorized Certifying Officer)

Date 8/27/53 Vou. No. 54-22

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E399 in accordance with the terms of the contract.

Signature Millard M. Gilkey Jr. Title Mining Engr. Date 8/17/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.A.B.

Signature W. H. King Title Executive Officer Date AUG 24 1953

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 DMEA-104A
(Rev. 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1953 Docket No. DMEA 2378 Contract No. 10m-4399

Operator's Name Saline Mining & Smelting Company Minerals URANIUM

Address 3425 E. Compton Blvd., Compton, California

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	FOOT	$1169.00	50	$12,625.20	540	$23.38	725	$23.38
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$1169.00	50	$12,625.20			TOTAL COSTS AUTHORIZED BY CONTRACT	
Operating Equipment Purchased							$16,950.50	
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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 7, 1953 Operator Saline Mining & Smelting Co.

Per Richard J. McPeak Title Secretary

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

REMARKS:

(Instructions on reverse)

(For Government use only)

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

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

224 New Customhouse
Denver 2, Colorado

August 24, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2378, Contract Idm-E399 (Uranium), Salina Mining and Smelting Co., Kane County, Utah-Operator's Monthly Progress Report, for the period July, 1953.

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 90 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report----------August 7, 1953
Date Received in Field Office-------August 14, 1953
Date Received in Region Office------August 24, 1953
Date Checked in Region Office-------August 24, 1953

W. H. King
W. H. King

Enclosures

RDB:es

cc: Contract
Sec. to the Oper. Comm. (2)
Chron.
Wilson

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

August 21, 1953

Memorandum

To: W. H. King, Executive Officer, DMEA Field Team, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: Docket No. DMEA 2378 (Uranium), Contract Idm-E399, Salina Mining and Smelting Co., Kane County, Utah. MF-104 forms for July 1953

Attached are the necessary copies of MF-104 forms which describe the work and list expenditures under the subject contract during July 1953. The property was inspected by M. ... Gilley August 6, 1953.

Work during the reporting period consisted of 50 feet of advance in workings on the Lynn No. 1 claim. No ore was encountered as a result of this advance. The work is in conformance with the short-form contract, and recommendation is made that the operator be repaid in the manner shown in the inspecting engineer's report. The operator's MF-104 forms were received in this office August 14, 1953.

A delay of one day in transmitting the forms to Denver resulted from absence of S. R. Wilson from the Salt Lake office. A delay of two days was caused by the work load of the inspecting engineer.

Stephen R Wilson
Stephen R. Wilson

Enclosures

S. R. Wilson

August 18, 1953

M. M. Gilbey

Docket No. DMEA 2378 (Uranium), Contract Idm-2399, Salina Mining and Smelting Co., Kane County, Utah. Progress report for July 1953

The DMEA contract work on the property of the Salina Mining and Smelting Co. near Orderville, Utah, was inspected on August 6, 1953.

The operator reported 50 feet of advance for the month of July. This was verified on the date of inspection when "O" adit, on the Lynn No. 1 claim, measured 99 feet. The work conforms to the terms of the short-form contract and is adequately described in the operator's narrative report. Forms MF-104 and 104A are in agreement as to the cost of the project for July and total cost to date.

No ore has been exposed by DMEA contract work on the Lynn No. 1 claim. The operator reports that to date a total of 128 tons of ore averaging approximately 0.12 percent U_3O_8 has been shipped from ore bodies exposed by DMEA work on the Lynn No. 3 claim.

It is recommended that the company be reimbursed by $1,052.10, or 90 percent of $1,169.00, the cost of 50 feet of adit at the short-form contract price of $23.38 a foot.

M. M. Gilbey

M. M. Gilbey

SALINA MINING
AND SMELTING CO.
Box 82
ORDERVILLE, UTAH

Bureau of Mines

1600 East 3rd South Street

Salt Lake City, Utah

Aug. 4, 1953

Dear Sirs:

The work completed on Lyman #1 as follows: The drift has been extended to a depth of 90 feet and runs north 20 feet. This makes a total footage for July 30 feet. We have encountered 6" gravel after going through the shale bedding which is very solidated. Samples sending are representative.

D.M.G.A. (STR)

(S.P.L. 5.90)

A H Elliott

A. H. Elliott, Mgr.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
JUL 15 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1953 Docket No. DMEA 2378 Contract No. IDA-1399
Operator's Name Salina Mining & Smelting Company Minerals URANIUM
Address 1425 East Compton Blvd., Compton, California.
Contract Amount, $ 16,950.50 Government Participation: 90% Amount, $ 15,255.45

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) [redacted] Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting 107 FEET	$2501.66	$8954.54	$11,456.20			
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	$2501.66	$8954.54	$11,456.20	2,501.66	8,954.54	11,456.20

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 14, 1953 Payee Salina Mining & Smelting Co.
Per Richard J. McPhee Title Secretary

*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:

$2251.49

Signature
(Authorized Certifying Officer)

Date 8/10/53 Vou. No. 54-14
(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. F399 in accordance with the terms of the contract.

Signature Frank L Widenman FCW Title Mining Engineer Date 7/15/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.D.B.

Signature W. H. King Title Executive Officer Date JUL 21 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 195 3 Docket No. DMEA 2378 Contract No. IDm-E399

Operator's Name Salina Mining & Smelting Company Minerals URANIUM

Address 1425 East Compton Blvd., Compton, California.

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	FEET	$2501.66	107	$11,456.20	490	$23.38	725	$23.38
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$2501.66	107	$11,456.20			TOTAL COSTS AUTHORIZED BY CONTRACT	
Operating Equipment Purchased							$16,950.50	
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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 July 14, 1953 Operator Salina Mining & Smelting Co.

Per Richard J. McPeak Title Secretary

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

July 21, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2378, Contract Idm-E399 (Uranium), Salina Mining and Smelting Company, Kane County, Utah. Operator's Monthly Progress Report for the period June 1953.

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 90 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	July 14, 1953.
Date Received in Field Office	July 15, 1953.
Date Received in Region Office	July 20, 1953.
Date Processed for Payment	July 21, 1953.

W. H. King
W. H. King

Enclosures

RDB:cwm

cc: Contract
Secretary to the Oper. Comm. (2)
SRWilson
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

July 17, 1953

Memorandum

To: W. H. King, Chief, Mining Division, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: DMEA-2378, Contract Idm-E399, Salina Mining and Smelting Co., Kane County, Utah. MF-104 forms for June 1953

Enclosed are the required copies of MF-104 forms listing expenditures under the subject contract during June 1953. The work was inspected by F. L. Widemann July 13, 1953.

Contract work on the Lynn No. 3 claim has been completed and the operator is preparing to resume work on the Lynn No. 1 claim. Ores subject to DMEA royalty are being mined from the Lynn No. 3 claim and shipped to the AEC depot at Marysvale, Utah.

Work reported for June conforms with terms of the short-form contract. It is recommended that the operator be reimbursed in the manner described in the inspecting engineer's report.

MF-104 forms were received from the operator July 15, 1953.

Stephen R. Wilson

Stephen R. Wilson

Enclosures 2

Division of Raw Materials
Received
AUG 6 1953

S. R. Wilson July 16, 1953

F. L. Wideman

DMEA-2378, Contract Idm-E399, Salina Mining and Smelting Co., Kane County, Utah. Progress report for June 1953

The exploratory work on the Lynn No. 3 claim was inspected and measured July 13, 1953. Mr. Ellett, mine manager, accompanied the engineer during the inspection.

The contract work specified to be done on the Lynn No. 3 claim was completed by July 1, 1953. This work consisted of driving an inclined adit 200 feet in length; two drifts southwesterly from the adit along the strike of the bedding, each 100 feet in length; and one drift 50 feet in length northeasterly from the adit.

The mine cars, rail, and compressor will be moved to the inclined adit on the Lynn No. 1 claim. The exploratory work on this claim was recessed in October 1952. It will be resumed in the near future.

The operator's narrative report states that the total completion of work is 450 feet. This refers to the work on the Lynn No. 3 claim and does not include work done on the Lynn No. 1 claim.

The mining the operator refers to in the narrative report has been done on either side of the drift at the portal plus 100 feet. No settlement sheets on ore shipped have been submitted to this office. The operator states that the ore averaged 0.12 percent U_3O_8. The mining has been done at company expense.

The drift driven southwesterly from the adit at plus 200 feet exposed a lens of ore at least 10 feet in strike length. The face is in ore at the present time and will not be advanced under the contract because the contract footage has been fulfilled. It is estimated that the conglomerate, which is exposed for 2 feet in the back of the drift, contains 0.15 percent U_3O_8. The total thickness of mineralized conglomerate at this location is not known. The sandstone and shale beneath the conglomerate is estimated to contain 0.10 percent U_3O_8. The occurrence was sampled at the time of inspection, but the results of analyses are not available at this time.

The exploratory work done during June 1953 conforms to the terms of the contract. The amount of work performed as reported on the MF-104 forms has been verified by measurement.

It is recommended that the operator be reimbursed by $2,251.49, or 90 percent of the cost of driving 107 feet of drift at $23.38 a foot.

F. L. Wideman

F. L. Wideman

SALINA MINING & SMELTING CO. INC.
P. O. Box 82
ORDERVILLE, UTAH.

July 1, 1953.
Contract IDME 399
DMEA 2378

Bureau Of Mines

1600 East 1st South St.

Salt Lake City 1, Utah.

Dear Sirs:

To date we have completed all contract work on Lynn No. 3 claim, as perscribed in contract. We have encountered several good showings of Uranium ore in both the north and the south drifts. Footage made in drifting for the month is ~~112~~ 107 feet. (June) Total completion of work 450 feet. We are encountering a considerable quanity of water at the 200 ft. level. We have shipped to date in excess of 125 tons of ore from this claim since the contract began.

We will begin operations on Lynn No. 1 claim the 11 of July.

Yours truly,

Byron Davies, Geoglist

A H Ellett

A. H. Ellett, Mine Mgr.

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

DEPARTMENT C... Defense Minerals ... RECE... JUL 13 1953

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

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

Month of May, 1953 Docket No. DMEA 2378 Contract No. IDm-E399
Operator's Name Saline Mining & Smelting Company Minerals URANIUM
Address 1425 East Compton Blvd., Compton, California.
Contract Amount, $ 16,950.50 Government Participation: 90 % Amount, $ 15,255.45

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) [redacted] Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting 43 FEET	$1005.34	$7949.20	$8954.54			
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	$1005.34	$7949.20	$8954.54	1005.34	7949.20	8954.54

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

Date June 8, 1953 Payee Saline Mining & Smelting Co.

Per Richard J. McLear Title Secretary

*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:

$ 904.81

Signature [illegible]
(Authorized Certifying Officer)

Date 6/30/53 Vou. No. DMA-54-2

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 5399 in accordance with the terms of the contract.

Signature Frank L. Wendelmann Title Mining Engineer Date June 10, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.D.B.

Signature W. H. King Title Executive Officer Date JUN 24 1953

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 MFF-104A
(April 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 13 1953

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of MAY 195 3 Docket No. DMEA 2378 Contract No. IDm-E399

Operator's Name Salina Mining & Smelting Company Minerals URANIUM

Address 1425 East Compton Blvd., Compton, California

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	FEET	$1005.34	43	$8954.54	383	$23.38	725	$23.38
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$1005.34	43	$8954.54			TOTAL COSTS AUTHORIZED BY CONTRACT	
							$16,950.50	
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date June 8, 1953 Operator Salina Mining & Smelting Co.

Per Richard J. McPeak Title Secretary

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

June 24, 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2578, Contract Idm-E399 (Uranium), Salina Mining and Smelting Co., Kane County, Utah - Operator's Monthly Progress Report, for the period May 1953.

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 90 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	June 8, 1953
Date Received in Field Office	June 9, 1953
Date Received in Region Office	June 12, 1953
Date Processed for Payment	June 23, 1953

W. H. King
W. H. King

Enclosures

RDB:fwo

cc Sec Oper Comm (2)
SRWilson
Contract
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 13 1953

June 10, 1953

Memorandum

To: W. H. King, Chief, Mining Division, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: DMEA-2378, Contract Idm-E399, Salina Mining and Smelting Co., Kane County, Utah. MF-104 forms for May 1953.

Transmitted herewith are MF-104 forms listing expenditures made under terms of the subject contract during May 1953. An inspection of the mine workings was made by F. L. Widemen June 1, 1953, and a progress report prepared.

During May 1953, an advance of 43 feet was made in drifting to the north and south from the inclined adit on the Lynn #3 claim. The north drift disclosed a lens of ore which appears to be higher in grade than any ore previously encountered. Small shipments are trucked to the AEC purchasing depot at Marysvale, Utah.

Work during the period is in conformance with contract terms, and recommendation is made that the operator be reimbursed in the manner described in the progress report.

The MF-104 forms were received in this office June 9, 1953.

Stephen R. Wilson

Stephen R. Wilson

Enclosures 2

S. R. Wilson June 9, 1953

F. L. Widmann

DMEA-2378, Contract Idm-2399, Salina Mining and Smelting Co., Kane County, Utah. Progress report for May 1953

An inspection was made of the mine workings on the property of the Salina Mining and Smelting Co. near Orderville, Utah, June 1, 1953.

Work during May consisted of drifting northerly and southerly from the inclined adit at the portal plus 200 feet. The footage of 43 feet of advance for May was verified by measurement, as was the advance to date of 383 feet.

The drift to the north of the incline exposed a lens of ore that may be the best ore encountered to date.

The company continued to mine and ship ore from the stope in the drift at the portal plus 94 feet.

The work done in the drifts from the incline, as reported on the MF-104 forms, conforms with the contract. The amounts reported on the MF-104 and MF-104A forms correspond. The operator's narrative reports and maps are considered adequate.

It is recommended that the operator be reimbursed by $904.81, or 90 percent of the cost of driving 43 feet of drift at $23.38 a foot, which is the price specified in the subject short-form contract.

F L Widmann

F. L. Widmann

Salina Mining & Smelting Co.
Box 82
Orderville, Utah.

Bureau of Mines
Salt Lake City, Utah.

D.M.E.A. 2378
IBm- K399

Dear Sirs:

This is to report our progress on Lynn 3 for the month of May.

At the 200 feet mark of the adit we have completed drifting of 19 feet North and 24 feet South. We have shipped some ore from the 200 feet mark and as yet we have not received the results from Marysvale.

We are encountering water at the 200 feet mark, and the ore seems to be getting better.

We have shipped some 22 tons or ore from the drift at the 100 feet marker and the results of that ore ran 0.14% U_3O_8.

Very truly yours,

Richard J. McPeak

Secretary

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

RECEIVED
JUL 20 1953

224 New Customhouse
Denver 2, Colorado

July 15, 1953.

Memorandum

To: Secretary to the Operating Committee
T. A. Christensen
Stephen R. Wilson

From: Executive Officer, DMEA Field Team, Region IV

Subject: Operator's Monthly Report for May 1953, DMEA Docket 2378, (Uranium), Contract Idm-E399, Salina Mining and Smelting Company, Kane County, Utah.

Enclosed are your copies of a memorandum from F. L. Wideman concerning mineralization encountered on the subject property. This memorandum is to be made a part of the Engineer's Narrative and attached to MF-104 forms for the month of May, 1953.

W. H. King
W. H. King

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

July 7, 1953

Memorandum

To: W. H. King, Chief, Mining Division, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: DMEA-2378, Contract Idm-E399, Salina Mining and Smelting Co., Kane County, Utah

Enclosed are seven copies of a memorandum prepared by F. L. Wideman in response to a request contained in your memorandum of June 29, 1953. A more detailed discussion of the mineralization encountered on the property is given. Copies of the memorandum should be attached to the MF-104 forms for May 1953.

Stephen R. Wilson
Stephen R. Wilson

S. R. Wilson

July 7, 1953

F. L. Widemann

DMEA-2378, Contract Idm-2399 (Uranium), Salina Mining and Smelting Co., Kane County, Utah

Reference is made to the letter from the Executive Officer, DMEA Field Team, Region IV, requesting a more detailed discussion of the ore body as described in the engineer's narrative report accompanying the MF-104 forms for May 1953.

The following description of the uranium-bearing material should be substituted for the statement "The drift to the north of the incline exposed a lens of ore that may be the best ore encountered to date":

The drift that is being driven north from the incline encountered uranium mineralization at 10 feet from the incline. The face of the drift was in the same material at the time the inspection was made. Thus a strike length of 10 feet was exposed, but the total strike length has not been determined. The operator has made a shipment of a few tons of the ore to the AEC stockpile at Marysvale, Utah. No results of analyses of the uranium content are available, but the radiometric count indicates that the uranium content of this lens is more than that of any mineralization encountered to date. The mineralization occurs erratically distributed in sandstone and conglomerate, and sometimes is associated with trash carbon and with blebs of shale, many of which, however, are not mineralized. The formations dip gently to the east. No attempt has been made to estimate the tonnage in the lens, because its strike length and grade are unknown.

F L Widemann

F. L. Widemann

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
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May 195 3 Docket No. DMEA 237 Contract No. [illegible]-399
Operator's Name Collins Drilling & Milling Company Minerals [illegible]
Address 1425 [illegible] Ave., Houston, Florida.
Contract Amount, $ 16,950/50 Government Participation: 90% Amount, $ 15,255.45

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) [redacted] Contracts: Short Form						
Drilling						
Bulldozing						
Crosscutting 92 feet	2150.96	5798.24	7949.20			
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	2150.96	5798.24	7949.20	2150.96	5798.24	7949.20

I certify that the above bill is correct and just and that payment therefor has not been received.
Date May 12, 1953 *Payee Collins Drilling & Milling Co.
Per Richard J. McPeak Title Secretary

*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:

$1935.86

Signature [illegible]
(Authorized Certifying Officer)

Date 6/3/53 Vou. No. DMA 53-141

(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. 5399 in accordance with the terms of the contract.

Signature Frank L. Wideman Title Mining Engineer Date 5/15/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.A.R.

Signature W. R. Kang Title Executive Officer Date MAY 29 1953

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.

Form F-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

U. S. Bureau of Mines
RECEIVED
MAY 13 1953 1:53
Salt Lake City, Utah

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1953 Docket No. DMEA 2376 Contract No. [illegible]
Operator's Name Salina Mining & Smelting Company Minerals Uranium
Address 1425 East Compton Blvd., Compton, California.

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	Foot	$2250.96	92	$7949.20	340	$23.38	725	$23.38
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		$2250.96	92	$7949.20			Total Costs Authorized by Contract	
Operating Equipment Purchased							$16,950.00	
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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 May 22, 1953 Operator Salina Mining & Smelting Co.

Per Richard J. McPeak Title Secretary

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)

REMARKS:

(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

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

224 New Customhouse
Denver 2, Colorado

May 29, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2378, Contract Idm-E399 (Uranium), Salina Mining and Smelting Company, Kane County, Utah. Operator's Monthly Progress Report for the period April 1953.

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 90 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	May 12, 1953.
Date Received in Field Office	May 13, 1953.
Date Received in Region Office	May 25, 1953.
Date Processed for Payment	May 27, 1953.

W. H. King

Enclosures

RDB:cwm

cc: Contract
SEWilson
Secretary to the Oper. Comm. (2)
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

May 22, 1953

Memorandum

To: W. H. King, Chief, Mining Division, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: DMEA-2378, Contract Idm-E399, Salina Mining and Smelting Co., Kane County, Utah. MF-104 forms for April 1953.

The enclosed MF-104 forms list expenditures made in performance of contract work on the subject property during April 1953. An inspection of the work was made by F. L. Widman May 13, 1953, and progress described in the attached narrative.

Work during the month consisted of driving a total of 92 feet on the Lynn No. 3 claim. This work is in conformance with the contract and recommendation is made that the operator be reimbursed for expenditures in the manner shown in the inspecting engineer's report.

MF-104 forms were received from the operator May 13, 1953.

Stephen R. Wilson

Stephen R. Wilson

Enclosures 2

S. R. Wilson May 20, 1953

F. L. Wideman

DMRA-2378, Contract Idm-E399, Salina Mining and Smelting Co., Kane County, Utah. Progress report for April 1953

An inspection was made of the mine workings on the property of the Salina Mining and Smelting Co. near Orderville, Utah, May 13, 1953.

No work has been done in the incline on the Lynn No. 1 claim since October 1952, and the face remains 40 feet from the portal. The inclined adit on the Lynn No. 3 claim has been advanced 200 feet from the portal and the drift at the portal plus 94 feet has been advanced 100 feet. The work of advancing these two headings is completed as far as the contract is concerned.

During the latter part of April, water was encountered in the inclined adit. Work on the drifts to be driven from the bottom of the incline was recessed until a pump can be installed. The pump arrived May 13 and the company plans to resume contract work immediately.

A stope was started on the 100-foot level while the exploration was recessed. The company mined approximately 30 tons of ore that is estimated to contain 0.15 percent U_3O_8. Mr. Ellett, manager, stated that a shipment of 12 tons of ore that contained 0.12 percent U_3O_8 and 0.23 percent V_2O_5 was made to the stockpile at Marysvale, Utah.

The Concho Petroleum Co., Dallas, Texas, has stopped drilling on the property. Seven holes, varying from 150 feet to 400 feet in depth, were drilled. It is reported that the Atomic Energy Commission will probe the holes in the near future, as much of the total distance drilled was not cored.

Form MF-104A

The measurements taken May 13, 1953, verified the advance of 92 feet for April and the total to date of 340 feet.

Form MF-104

The estimated cost of crosscutting and drifting, as stated in the short-form contract, is $23.38 a foot. The cost of 92 feet at $23.38 is $2,150.96, as reported on the MF-104 form.

May 19, 1953

The exploratory work done during April conforms with the contract and none of the reported footage was a result of mining.

It is recommended that the operator be reimbursed by $1,935.86, which is 90 percent of the cost of driving 92 feet of drift and crosscut at $23.38 a foot.

F. L. Wideman

F. L. Wideman

SALIRA MINING AND SMELTING CORP.

Box 82 , Orderville, Utah.

May 1, 1953.

BUREAU OF MINES D.M.M.A. No 2378

SALT LAKE CITY, UTAH I.D.M.M. No. 399

Dear Sirs:

We report the progress made from April 1, 1953 to May 1, 1953. We have completed the following work on Lynn No 3 Sec. 21 as follows:

Completion of addit to a depth of 200 feet, also completion of drift at the 100 foot marker running a hundred feet southerly. Total of work completed on Lynn #3 being 300 feet, to date.

We have encountered a considerable amount of waterin the 200 foot adit. We are now installing a sump pumpto take care of this excess water, before beginning drifting on the hundred and the 50 ft drifts at the 200 ft. level.

We have encountered approx. 8 foot of shipping ore 30 feet in on the hundred feet drift. We are now sending tonage to Marysvale, to determine the correct-amsaliete- analysis.

Yours truly,

R. W. [illegible]

MINE MGR.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

U.S. Bureau of Mines
Salt Lake City, Utah
APR 15 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March 3 195[illegible] Docket No. DMEA 2370 Salt Lake City, Utah
Operator's Name Salina Mining & Smelting Company Contract No. [illegible]
Address 1425 East Compton Blvd., Compton, California. Minerals [illegible]
Contract Amount, $ 16,950.50 Government Participation: 90 % Amount, $ 15,255.45

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) [redacted] Short Form } Contracts:						
Drilling						
Bulldozing 146 FEET	$3413.48	$2384.76	$5798.24			
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	$3413.48	$2384.76	$5798.24	3413.48	2384.76	5798.24

I certify that the above bill is correct and just and that payment therefor has not been received.
Date April 8, 1953. *Payee Salina Mining & Smelting Company
Per Richard J. McPeak Title Secretary

*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:
$3072.13
Signature [illegible]
(Authorized Certifying Officer)
Date 5/1/53 Vou. No. DMA 53-131
(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. E399 in accordance with the terms of the contract.

Signature Frank L Weidman GRW Title Mining Engineer Date April 20, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.S.B.

Signature [illegible] for W.H. King Title Executive Officer Date APR 29 1953

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
MAY 7 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1953 Docket No. DMEA 2376 Contract No. DMEA-399
Operator's Name Allin Mining & Smelting Company Minerals UNAIDA
Address 1425 East Compton Blvd., Compton, California.

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	FOOT	$3413.46	146	$5792.24	248	$23.38	725	$23.38
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$3413.46	146	$5792.24			TOTAL COSTS AUTHORIZED BY CONTRACT	
Operating Equipment Purchased							$16,950.50	
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

REMARKS:

Date April 8, 1953. Operator Allin Mining & Smelting Co.

Per Richard J. McPeak Title Secretary

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

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

224 New Customhouse
Denver 2, Colorado

April 29, 1953.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 7 1953

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2378, Contract Idm-2399 (Uranium), Selina Mining and Smelting Company, Kane County, Utah. Operator's Monthly Progress Report for the period February and March 1953.

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 90 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	April 8, 1953.
Date Received in Field Office	April 19, 1953.
Date Received in Region Office	April 23, 1953.
Date Processed for Payment	April 29, 1953.

for John F. Shaw
W. H. King

Enclosures

RDB:cwm

cc: Contract
Secretary to the Oper. Comm. (2)
SRWilson
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

April 21, 1953

Memorandum

To: W. H. King, Chief, Mining Division, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: DMEA 2378, Contract Idm-X399, Salina Mining and Smelting Co., Kane County, Utah. MF-104 forms covering work during February and March 1953.

Attached are copies of MF-104 forms pertaining to expenditures under the subject contract for February and March 1953. The operator resumed work during the latter part of February after a winter recess. Expenditures for the two months are listed on the MF-104 forms.

F. L. Widenan inspected the contract work April 16, 1953. Copies of a progress report are attached. Work during the period consisted of drifting and crosscutting on the Lynn No. 3 claim. Work reported on the MF-104 forms is in conformance with terms of the short-form contract. Recommendation is made that the contractor be reimbursed by 90 percent of the total expenditures as listed in the progress report.

MF-104 forms were received from the operator April 13, 1953.

Stephen R. Wilson

Stephen R. Wilson

Enclosures 2

S. R. Wilson

April 20, 1953

F. L. Wideman

DMEA 2378, Contract Idm-E399, Salina Mining and Smelting Co., Kane County, Utah. Progress report for February and March 1953.

An inspection was made of the mine workings of the Salina Mining and Smelting Co. near Orderville, Utah, April 16, 1953. No work has been done in the inclined adit on the Lynn No. 1 claim since last October, and the face remains 40 feet from the portal. The inclined adit on the Lynn #3 claim has been advanced 180 feet from the portal. A drift has been driven 73 feet in a southwesterly direction along the contact between the conglomerate and sandstone.

Form MF-104A

The measurements taken April 16 verified the advance of 146 feet reported for March and the total to date advance of 248 feet.

Form MF-104

Item 1 The estimated cost of crosscutting and drifting, as stated in the short-form contract, is $23.38 per foot. The cost of 146 feet at $23.38 is $3,413.48, as reported on the MF-104 forms.

The work conforms with the terms of the contract. The operator's description of the contract work is considered adequate. The statements concerning the grade and amount of ore cannot be verified until samples have been analyzed.

It is recommended that the operator be reimbursed by $3,072.13, or 90 percent of the cost of driving 146 feet of drift and crosscut at $23.38 per foot.

Concho Petroleum Co., 1305 Gulf States Bldg., Dallas, Texas, began core drilling on the property early in April. Reasor Drilling Co. of Dallas, Texas, has the contract for the drilling. One hole had been completed through the sandstone below the conglomerate and the second hole was 200 feet deep on the day of the inspection.

F. L. Wideman

F. L. Wideman

[illegible]lina Mining & Smelting Co.
1[illegible] [illegible]. Compton Blvd.
Compton, California.
April 8, 1953.

[illegible]ureau of Mines
[illegible] Lake City, Utah

Re: Docket [illegible] No. 2378 Contract [illegible]. Ind-399

Gentlemen:

The [illegible]lina Mining & Smelting Company commenced operations pertaining to the Docket No. on February 15, 1953.

The following work has been completed up to March 31, 1953 as follows:

[illegible] 3 Claim adit has been driven to a depth of 150 feet. There has been a crosscut driven at approximately [illegible] feet depth of 58 feet. At the 72 foot depth mark we have uncovered a roll of ore about 10 feet in length and [illegible] feet in width. Ore is running up as high as 0.[illegible]% U3O8. We made our first shipment since resuming work to Marysvale, Utah on the 26th of February.

[illegible] ore is [illegible] more prevelent through the cross cut and also as we drift deeper. Enclosed is a map showing the extent of the workings so far.

Very truly yours
[illegible]lina Mining & Smelting Co.
By Richard J. McPeak
Richard J. McPeak, Secretary

(Rev.)
(12)

U. S. Bureau of Mines
RECEIVED
JAN 12 '53
Salt Lake City, Utah

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

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

Month of November 1952 Docket No. DMEA 2378 Contract No. IDm-E399
Operator's Name Salina Mining & Smelting Company Minerals URANIUM
Address 1425 E. Compton Blvd., Compton, California
Contract Amount, $16,950.50 Government Participation: 90 % Amount, $15,255.45

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) [redacted] Short Form } Contracts:						
Drilling						
Bulldozing						
Crosscutting 27 FEET	$631.26	$1753.50	$2384.76			
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	$631.26	$1753.50	$2384.76	631.26	1,753.50	2,384.76

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

Date December 2, 1952 yee Salina Mining & Smelting Co.

Per Richard J. McPeak Title Secretary

*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:

$568.13

Signature [illegible]
(Authorized Certifying Officer)

Date 3/11/53 Vou. No. DMA 53-107

(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. DMEE399 in accordance with the terms of the contract.

Signature Frank W. Newman Title Mining Engineer Date Jan 13, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. H. King Title Executive Officer Date MAR 6 1953

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

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
MAR 16 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of [illegible] 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible]
Minerals [illegible]
Address [illegible]

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting	[illegible]	[illegible]	27	[illegible]	102	[illegible]	75	[illegible]
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		[illegible]	27	[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								$16,950.50
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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 [illegible] Operator [illegible]

Per Richard J. McPeak Title [illegible]

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

[illegible] New Customhouse
Denver 2, Colorado

March 6, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2376, Contract Ida-8399 (Uranium), Salina Mining and Smelting Company, Kane County, Utah. Operator's Monthly Progress Report for the period November, 1952.

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 90 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	December 2, 1952.
Date Received in Field Office	January 12, 1953.
Date Received in Region Office	January 15, 1953.
Date Processed for Payment	March 6, 1953.

Held up pending verification of reported footage and resumption of work.

W. H. King
W. H. King

RDB:cmd

Secretary to the Oper. Comm. (2)
cc: Contract w/copy of MF-104
SHWilson w/copy of MF-104
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

March 4, 1953

Memorandum

To: W. H. King, Chief, Mining Division, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: DMEA-2378, Contract Idm-E399, Salina Mining and Smelting Co., Kane County, Utah

Attached are 7 copies of a memorandum covering examination of the subject property by F. L. Widaman.

The November 1952 MF-104 forms were transmitted to your office January 13, 1953, but because of adverse weather, we were unable to verify the progress reported on the MF-104 forms, and the work was recessed. The project work was resumed February 23, 1953. F. L. Widaman inspected the property February 26, 1953. The advance of 27 feet, as reported on the MF-104 forms for November 1952, was verified. It is therefore recommended that the operator be reimbursed for the Government's share of the November 1952 expenditures. Payment on the forms has been withheld pending verification, as noted in your memorandum of January 19, 1953.

Stephen R. Wilson

Stephen R. Wilson

Enclosures

S. R. Wilson

March 2, 1953

F. L. Wideman

DMEA 2378, Contract IGs-5399, Salina Mining and Smelting Co., Kane County, Utah. MF-104 forms for November 1952

The mine workings of the Salina Mining and Smelting Co., Kane County, Utah, were inspected February 26, 1953. Mr. Sillett, manager, accompanied the engineer during the inspection.

The Lynn No. 3 inclined adit measured 77 feet from the portal to face. Therefore, the advance of 27 feet during November for a total advance of 62 feet was verified. The company will not submit MF-104 forms for February 1953 because of the small amount of work done since operations were resumed late in February.

A roll in the formation was encountered at 67 feet from the portal. Radioactivity of the rock is higher here than elsewhere in the adit.

The company shipped a truckload of ore to the stockpile on February 26, 1953. They plan to continue shipping at the rate of 10 to 15 tons a day as long as ore is present in the adit.

It is reported that an oil company has leased the property controlled by the Salina Mining and Smelting Co. They plan to begin core drilling the property in April to study the possibility of leaching the uranium in place.

F L Wideman

F. L. Wideman

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

January 13, 1953

Memorandum

To: W. H. King, Chief, Mining Division, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: DMEA-2378, Contract Ida-R399, Salina Mining and Smelting Co., Kane County, Utah. MF-104 forms for November 1952

The required copies of MF-104 forms covering work under the subject contract for November 1952 are enclosed. F. L. Widemen attempted to inspect the property December 8, 1952, but because of heavy snow, he was unable to reach the area. The operator notified this office that the contract work would be recessed from November 28 to December 5. However, operations were not resumed because of snow, after November 28, 1952, and a request was later made for recessing the contract until spring.

A previous inspection of the property on November 6, 1952, disclosed that an advance of 6 feet had been made in the adit on Lynn No. 3 claim during the period November 1 to 6. It is conceivable that a total advance of 27 feet, as reported, could have been made between November 1 to 28.

The MF-104 forms have been approved by signature and initials in this office. However, it appears advisable to withhold payment until verification of the reported advance can be made when the area is accessible.

The MF-104 forms have been dated December 2, 1952, by the operator, but were not received in this office until January 12, 1953.

Stephen R. Wilson
Stephen R. Wilson

Enclosures 2

S. R. Wilson

January 13, 1953

F. L. Wideman

DMEA-2378, Contract Idm-E399, Salina Mining and Smelting Co., Kane County, Utah. Progress report for November 1952

In November 1952, the operator advised this office that contract work would be recessed from Thanksgiving to December 5. On December 8, an attempt was made to inspect the mine workings, but a snowfall prevented me from driving to the camp. However, I traveled the isolated road toward the mine for approximately 9 miles, where it could be determined that no one was at the mine.

Measurements taken November 6 show that the adit on the Lynn No. 3 claim advanced 6 feet from November 1 to November 6. On this basis, it would be possible for an advance of 27 feet to have been made by Thanksgiving.

The MF-104 forms have been approved. It is suggested that payment be withheld until the advance can be verified when operations are resumed in the spring.

F L Wideman
F. L. Wideman

[illegible] & [illegible] CORP.

1425 West Compton Blvd.

Compton, California

December 1, 1952

Bureau of Mines
Salt Lake City, Utah

Gentlemen:

This is to advise you that the progress made during the month of November, 1952 is as follows:

We have extended Lynn 3 adit to the south of 62 feet. Twenty-seven feet of this was made this month.

We have approximately [illegible] feet of drawing [illegible] this time. We are now undertaking a [illegible] amount of water [illegible] this month. This adit is 5 x 6 feet.

[illegible] advised you that due to weather [illegible] this time, we will be unable to continue operations until about March 15, 1953.

Respectfully yours,

[illegible] TRI [illegible] CORP.

By A H Elliott
A. H. Elliott
Mine Manager

Box 42
Grandville, Utah

Form ME-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
DEC 22 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1952 Docket No. DMEA 2378 Contract No. [illegible]399
Operator's Name Allen Mining & Drilling Company Minerals [illegible]
Address 14-5 at Compton Blvd., Compton, California.
Contract Amount, $ 16,950.50 Government Participation: 90 % Amount, $ 15,255.45

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) [redacted] Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting 75 FT	1753.50	None	1753.50			
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	1753.50	None	1753.50	1,753.50	None.	1,753.50

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

Date 11-10-52 *Payee Allen Mining & Drilling Company

Per Richard J. McPeak Title Secretary

*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:

$ 1578.15

Signature [illegible]
(Authorized Certifying Officer)

Date 12/15/52 Voucher No. DMA 53-71

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm E 399 in accordance with the terms of the contract.

Signature Frank L Weldman JRW Title Mining Engineer Date Nov 18, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R. DB.

Signature W. H. King Title Executive Officer Date 12/10/52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

U. S. Bureau of Mines
RECEIVED
NOV 25 1952
Salt Lake City, Utah

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 22 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1952 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	[illegible]	[illegible]	75	[illegible]	75	[illegible]	725	[illegible]
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		[illegible]	75	[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								$16,950.50
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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 November 10, 1952 Operator [illegible] Mining & Smelting Co.

Per Richard J. McPeak Title Secretary

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

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

[illegible] New Customhouse
Denver 2, Colorado

December 10, 1952

Memorandum

To: T. A. Christensen

From: Executive Officer, Field Team, Region IV

Subject: DMA Docket 2378, Contract Idm-2399, (Uranium) Salina Mining and Smelting Co., Kane County, Utah - Operator's Monthly Progress Report for the period of October, 1952.

Enclosed are the original and four copies of Form MF-104, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 90 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

W. H. King
W. H. King

Enclosures

RDB:oc

cc: Contract
Secretary to the Operating Committee (2)
SRWilson
Chron.
AHKoschmann (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

December 2, 1952

Memorandum

To: W. H. King, Acting Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMEA-2378, Idm-X399, Salina Mining and Smelting Co., Kane County, Utah. MF-104 forms for October 1952

Required copies of MF-104 forms pertaining to October 1952 expenditures under the subject contract are enclosed. Copies of a progress report prepared by F. L. Widsman are included. The property was inspected by Widsman November 6, 1952.

The short-form contract permits a cost of $23.38 per foot of crosscutting. Advance during the month was 75 feet for a total expenditure of $1,753.50. It is recommended that the operator be repaid $1,578.15, which is 90 percent of the total expenditure.

The October MF-104 forms were originally received November 12, 1952, but returned to the operator for correction. The corrected forms were received November 25, 1952.

Stephen R. Wilson
Stephen R. Wilson

Enclosures 2

S. R. Wilson

December 1, 1952

F. L. Wideman

DMA-2378, Contract Idm-E399, Salina Mining and Smelting Corp., Kane County, Utah. Progress report for October 1952

The mine workings of the Salina Mining and Smelting Corp., Orderville, Utah, were inspected November 6, 1952. At that date, the inclined adit on the Lynn #1 claim measured 40 feet from portal to face and the inclined adit on the Lynn #3 claim measured 41 feet from portal to face. Exploration on the Lynn #1 claim has been recessed for the winter because of difficulty of access. Low-grade uranium mineralization is exposed the entire length of the Lynn #3 adit. Two or three tons of ore have been sorted and stockpiled for shipment.

Form MF-104A

The total footage of crosscutting of 75 feet reported for October is correct. The work conforms to the contract.

Form MF-104

Item 1 The estimated cost of crosscutting, as stated in the short-form contract, is $23.38. The cost of 75 feet of crosscutting at $23.38 is $1,753.50, as shown on the MF-104 forms. The total cost to date corresponds with the cost for October, that month being the first month during which contract work was done.

It is recommended that the operator be reimbursed by $1,578.15, which is 90 percent of the cost reported for October.

F L Wideman

F. L. Wideman

Orderville, Utah
November 10, 1952
~~Idm-E 399~~

Bureau of Mines
Salt Lake City, Utah

Docket No. MEA 2378
Contract Idm E 399.

Gentlemen:

The following work for the Salina Mining and Smelting Corporation completed to November 1, 1952 is as follows:

Lynn Claim #1, setting of portal, drifting 40'. This adit is approximately 6x6', 40' in length. We are still encountering same formations as shown on surface; however, due to severe weather conditions for this winter, we will discontinue operation on this claim.

Lynn #3, adit has been driven to a depth of 35'. Tunnel is approximately 6'x7'. We are encountering quite a large quantity of low grade outcrop and Carnotite throughout this entire workings. We will extend this as far as possible until the snow stops our operations.

Very truly yours,

A. H. Elliott

A. H. Elliott
Mine Manager
ALTHA MINING & SMELTING CORP.
Orderville, Utah

Reference Main Office
1435 East Compton Blvd.
Compton, California
c/o R. J. McPeak

DEC 17 1962

Salina Mining and Smelting Company
c/o Mr. Richard J. McBeath, Secretary
1890 North Main
Walnut Creek, California

Re: DMEA-2378 (Uranium)
Salina Mining and Smelting Company
Lynn Claims
Kane County, Utah
Contract Ldm-8399

Gentlemen:

By the terms of the subject Exploration Project Contract and the certification of discovery or development dated September 16, 1953, all minerals mined or produced from September 10, 1952, to September 10, 1962, were subject to the Government's percentage royalty as set forth in the said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Fumich, Jr.

Director

GLAult/a
9-27-62
cc to: Director's Reading File
Region III (2) w/cy MMR Form 63 returned 9/17/62
Contract Division
Docket
Code 500

Mr. Chambers

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

To: Salina Mining and Smelting Company
1125 W. Compton Blvd.,
Compton, California

Pursuant to the provisions of Exploration Project Contract No. Tom-2399, dated September 10, 1952, (Docket No. DMSA-2378), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described broadly as follows:

Work completed on the Lynn No. 3 claim has exposed two uranium bearing lenses. In these lenses autunite, carnotite, and other uranium minerals occur associated with clay, wood fragments, and iron oxide concretions throughout the lower part of the Dakota sandstone and upper part of the Summerville (Windsor) sandstone.

Dated: SEP 1 6 1953

THE UNITED STATES OF AMERICA

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

[illegible]

700

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

Docket
Mr. Ellis
Mr. Murphy
Mr. Chambers, Rm. 1542
Mr. F. E. Johnson
Field Team, Region IV (2)
Operating Committee
Mr. Hedges, Rm. 1604
Mr. Thayer, Rm. 5216, GSA
Reading File

Mr. George E. Mellek, President
Sulphur Mining and Smelting Company
1425 E. Compton Blvd.,
Compton, California

SEP 17 1953

Re: Docket No. DMA-2375 (Uranium)
Contract No. Ion-339
Lynn Wilson Claims
Lake County, Utah

Dear Mr. Mellek:

Enclosed is a "Certification by the United States of America of a Discovery or Development Under an Exploration Project Contract." This certification covers all of the land described in Article 2 of the certified contract.

By the terms of the Exploration Project Contract, and of the certification, all uranium and other valuable minerals produced from the claims described in Article 2 of the contract, from September 10, 1952, the date of the contract, are subject to the Government's percentage royalty as set forth in said contract until the sum which the Government has advanced as its participating interest is repaid, or until September 10, 1962, whichever occurs first.

Payments should be made to Mr. [illegible], Executive Officer, DMA Field Team, Region IV, 228 Customhouse Building, Denver 2, Colorado. Checks should be made payable to the Treasurer of the United States. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward the check directly to the Executive Officer. Any bonus payments or allowances received by you from the sale of ore are considered to be a part of the purchase price to which the Government's royalty applies. Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets, showing quantity and grade of the products sold, the name of the purchaser, and the price and charges, certified to be correct by the purchaser.

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

Sincerely yours,

Frank E. Johnson

ACTING Administrator

Enclosure

FEJohnson/FMurphy/db
9-11-53
cc to: Adm. Reading File

100

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

SEP 1 7 1953

Mr. Irving Kunzel, Director
Materials Division
Emergency Procurement Service
General Services Administration
General Services Administration Building
Washington 25, D. C.

Re: Pocket No. [illegible] (Uranium)
Contract No. DMA-399
Malina Mining and Milling Company
Upon Which Claims
Kane County, Utah

Dear Mr. Kunzel:

Enclosed is a copy of a certification of discovery or development of the captioned project.

The exploratory work being conducted under the terms of this contract has not been completed; therefore, the final report of the field team is not available at this time. When this report has been received, a copy will be forwarded for your information.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

Enclosure

Larkhouse/Murphy/ala
9-9-53
cc to: Adm. Reading File
Operating Committee
Mr. Hedges, Rm. 1604
Mr. Thayer, 5216 GSA
Contract Adm. and Audit Division
Mails & Files Pocket
Rare & Misc. Metals Division (Mr. Ellis)
Mr. Murphy
Mr. [illegible] Johnson
Field Team, Region IV (2)

Mr. Chambers
Rm 4542

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

COPY

Mr. Irving Gumbel, Acting Director
Materials Division
Emergency Procurement Services
General Services Administration Bldg., Rm. 5002
7th and D Streets, S. W.
Washington 25, D. C.

Re: Docket No. DMEA-2378 (Uranium)
Contract No. Idm-E399
Salina Mining & Smelting Company
Lynn Mining Claims
Kane County, Utah

Dear Mr. Gumbel:

This is with reference to our letter dated September 17, 1953, to you at which time I advised that a copy of the final Field Team report on the captioned project would be forwarded as soon as it was received in Washington.

As the procedure of forwarding copies of the final Field Team report has been discontinued in favor of a brief description of the work provided for in the contract, and work and results accomplished, we are setting forth this information below:

The project contract was dated September 10, 1952, with Government participation to the extent of 90 percent, in an exploration project estimated to cost $16,950.50, (Government share $15,255.45). A final audit of the expenditures made during the life of the contract shows that $14,203.35 of the Government's share was expended.

The contract authorized 725 feet of drifting at an agreed unit cost of $23.38 per foot. During the contract 675 feet of drifting was accomplished; the remaining 50 feet of work allowed by the contract was not considered necessary.

Certification was based on the following estimate of ore reserves:

Indicated Ore	0.10 to 0.20%	U_3O_8	- 1,350 tons
Inferred Ore	0.10 to 0.20%	U_3O_8	- 1,000 tons
Indicated sub-marginal material less than	0.10%	U_3O_8	-12,000 tons
Inferred sub-marginal material less than	0.10%	U_3O_8	-10,000 tons

The final Field Team report, states that this estimate appears somewhat high. However, in our estimate of total ore reserves discovered since July 1, 1953, with DMEA assistance, we have included this project as having reserves of 2,350 tons of ore containing 0.12% U_3O_8 and 0.12 V_2O_5 with a gross value of $40,091.00. 138 tons of ore averaging 0.12% U_3O_8 were shipped from the project during the year of 1952. Receiving station liquidations indicate approximately 130 tons of ore containing 0.12% U_3O_8 were shipped in May and June of 1953.

The property might become a potential producer if future milling technique makes treatment of low grade uranium ore feasible.

Sincerely yours,

C. O. Mittenderf

Administrator

FMMurphy/db
1/13/54
cc to: Adm. Reading File
Operating Committee
Docket
Messrs: H.D.Keiser, Rm. 3641
A.P.Butler, Jr., Rm. 3212, GSA
Ellis
Murphy
DMEA Field Team, Region IV (2)
Mr. Chambers
Frank E. Johnson

Do[illegible]t No. [illegible]

Commodity [illegible]

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

[illegible]

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

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

Contract No. Idm-E [illegible]

Date of Contract or Amendment: [illegible]

Name and Address of Operator:
[illegible]

Amount of Government participation ____ $ [illegible]

Percent of Government participation [illegible] %

Region: [illegible] State: [illegible]

[illegible]

(Name)
[illegible]

(Title)

Date Delivered to Bureau of Mines, Washington. [illegible]

13908

Docket No. 2378

Commodity Uranium

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E399

Date of Contract: September 10, 1952

Name and Address of Operator:
Saline Mining and Smelting Co.
1425 E. Compton Blvd.
Compton
California

Amount of Government participation $15,255.45

Percent of Government participation 90 %

Region: IV State: Utah

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

(Title)

Date Delivered to Bureau of Mines, Washington Sept. 16, 1952 13808

MF-200 (A)
(February 1952)

Defense Minerals Exploration Administration
RECEIVED
SEP 15 1952
DEPARTMENT OF THE INTERIOR
Minerals Administration
RECEIVED
OCT 6 1952

DOCKET NO. [redacted]EA 2378

COMMODITY URANIUM

Idm-E399

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

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this 10th day of September, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] SALINA MINING AND SMELTING COMPANY: a corporation duly organized and existing under and by virtue of the laws of the State of Utah
1425 E. COMPTON BLVD.
COMPTON,
CALIFORNIA

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 UTAH, County of KANE, described as follows:[3]
LYNN #1 Unpatented Mining Claim Recorded in Book 4, Page 166, 5-3-49
LYNN #2 " " " " " " 4, " 167, 5-3-49
LYNN #3 " " " " " " 4, " 167, 5-3-49
County Clerk & Recorder's Office Kanab, Kane County, Utah
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 -60- 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 -12 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 $15,255.45, which is -90- percent of $16,950.50, 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* _____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Salina Mining and Smelting Company
(Operator)

By George R. McPeak
George R. McPeak, President

By W. H. King
W. H. King, Executive Officer,
DMEA, Region IV

I, Richard J. McPeak, certify that I am the secretary of the corporation named as Operator herein; that George R. McPeak, President, 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.

Richard J. McPeak [CORPORATE SEAL]

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

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 Utah, County of Kane, described as follows:1/

Lynn No. 1 Unpatented Mining Claim Recorded in Book 4 page 166,

Lynn No. 2 " " " " " " 4 " 167,

Lynn No. 3 " " " " " " 4 " 167,

All in the County Clerk's & Recorder's Office, Kanab, Kane County, Utah

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/ Saline Mining and Smelting Company

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/$ 15,255.45, 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.

Dated this 12 day of August, 1952.

Henry Bulloch [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.

Interior--Duplicating Section, Washington, D. C. 18264

EXHIBIT "A"

Description of the Work

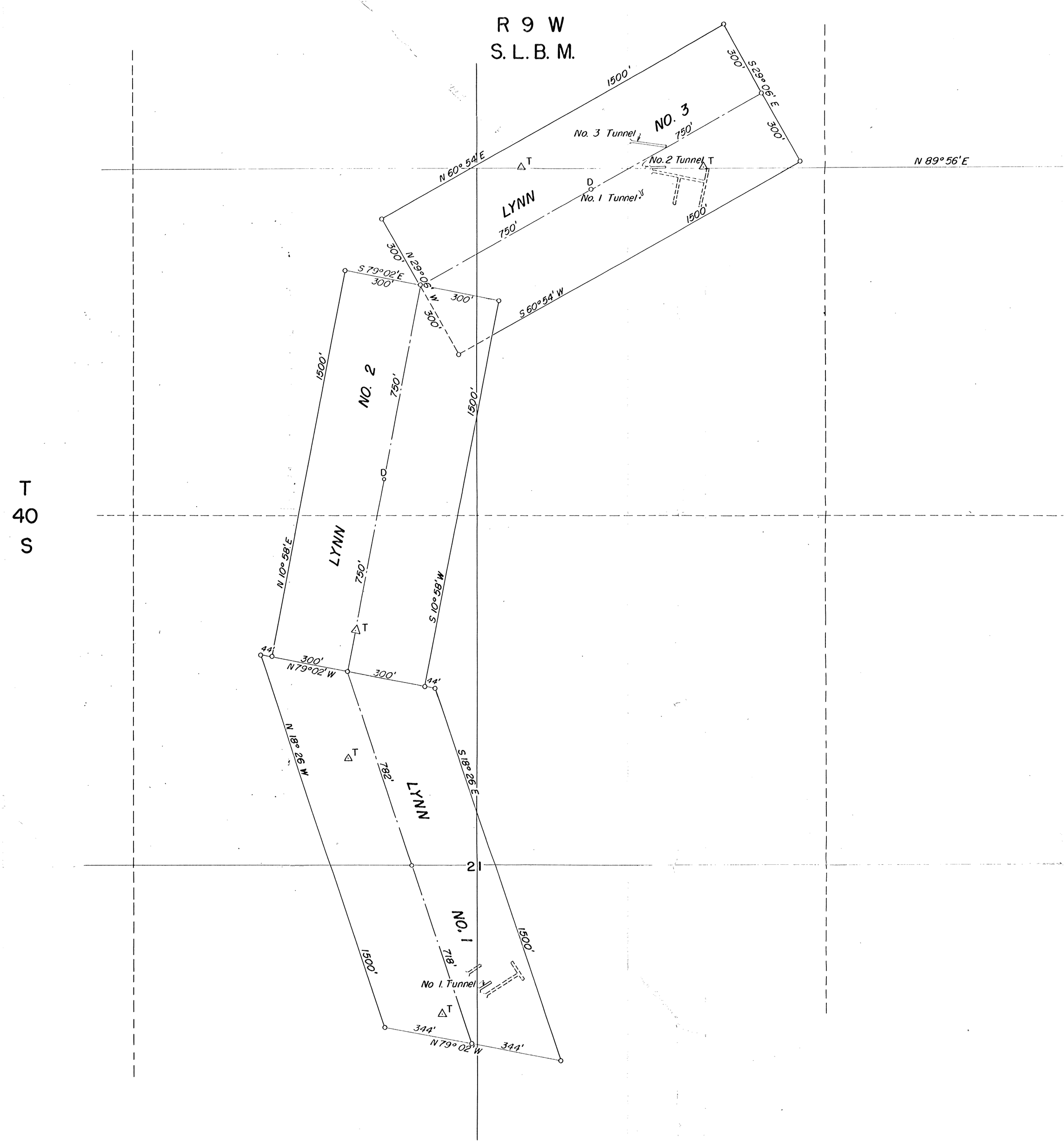
On the Lynn No. 1 Claim two adits are to be driven to the northeast on the Dakota Summerville Contact. One adit is to be 50 feet in length and is located to determine the extent of the uranium mineralization appearing at the surface. The other adit, 100 feet southeast of the first, is to be driven 150 feet, and from the adit face, drifts 50 feet in a northwesterly direction and 25 feet in a southeasterly direction are to be driven.

The exploration on Lynn No. 3 Claim consists of driving a 5 to 10 degree, inclined adit 200 feet southeastward from a point south of the south boundary of Section 16. Two drifts at right angles to the adit for distances of 100 and 150 feet are to be driven at points to be approved by the DMEA representative.

Fig. 2, "Location Map of Lynn Mining Claims", is attached and shows the location of all the work. Fig. 2 is hereby made a part of EXHIBIT "A".

Estimated Costs of the Project

400 feet of adit driving at $23.38 per foot	$ 9,352.00
325 feet of drifting at $23.38 per foot	7,598.50
TOTAL COST -	$16,950.50
GOVERNMENT'S PARTICIPATION AT 90%-	$15,255.45


R 9 W
S. L. B. M.
T
40
S
NO. 3
LYNN
No. 3 Tunnel
No. 2 Tunnel
No. 1 Tunnel
N 89° 56' E
N 60° 54' E
S 60° 54' W
S 29° 06' E
N 29° 06' W
S 79° 02' E
1500'
750'
300'
NO. 2
N 10° 58' E
S 10° 58' W
N 79° 02' W
782'
NO. 1
N 18° 26' W
S 18° 26' E
718'
No 1. Tunnel
344'
21