DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Urova Company
620 South Saddle Creek Road
Omaha, Nebraska

pertaining to Exploration Project Contract No. Idm-E603, Docket No. DMEA-3054 including Amendment No. 1, for the months of October, 1953 to March 1954, inclusive, covering a project for the exploration of uranium on property, known as Lakota Lode Group, located in Custer County, South Dakota.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to drill logs and Field Team's Final Report, 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:

all of the costs incurred were under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

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

Total cost as billed by Contractor		$4,012.32
Exceptions:		
By DMEA Finance Officer	$100.00	
Herewith	-0-	100.00
Total Accepted Cost		$3,912.32

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Three thousand five hundred twenty-one and 09/100 Dollars

$3,521.09

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

E. D. Talbert

September 14, 1954

E. D. Talbert, Auditor

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

SEP 1 8 1954

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

Re: DMEA-3054, Idm-E603
Urova Company
Custer County, S. D.

Dear Mr. Needham:

Enclosed are the original and two copies of the Report of Review covering the referenced Exploration Project Contract.

Inasmuch as the final Field Team report of the project and the drill logs attached to the Forms MF-104 confirmed the performance of the work authorized by the contract on an agreed unit cost basis, it has not been necessary for an auditor to visit your office in order to issue this Report of Review.

Distribution should be effected in accordance with Section 3 of DMEA Circular 19, Supplement 4, dated October 9, 1952.

Sincerely yours,

(Signed) J. L. Chambers

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

Enclosure

EDTalbert/wb
September 15, 1954

Copy to: Docket
Admr. Reading File
Mr. Chambers

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 March, 1954 Docket No. DMEA 3034 Contract No. Ion 2-603
Operator's Name Unova Co. Minerals Uranium
Address 620 South Saddle Creek Road, Omaha, Nebr.
Contract Amount, $9,100.00 Government Participation 90 % Amount, $8,802.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling 3998'		3,703.82	3,703.82	--	3,703.82	3,703.82
Bulldozing 16 hrs		200.00	200.00	--	100.00	100.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis 21 ea	108.50		108.50	108.50	----	108.50
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	108.50	3,903.82	4,012.32	108.50	3,803.82	3,912.32

I certify that the above bill is correct and just and that payment therefor has not been received.
Date April 9, 1954 *Payee UNOVA CO.
Per [signature] Title Gen-Treas.

*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:

$ 97.65 ~~86~~

Signature [signature]
(Authorized Certifying Officer)

Date APR 12 1954 Vou. No. 25
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature [illegible] Title [illegible] Date April 8, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title [illegible] Date 4/12/54

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

25

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1954 Docket No. DMEA 5094 Contract No. 3Cm B-603
Operator's Name Crova Co. Minerals Uranium
Address 630 North Saddle Creek Road, Omaha, Nebr.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger Mason Rent				3,703.02	3393	1.09	8,500	9,265.00
Stripping								
Trenching								
Test Pits								
Roads and Trails & site preparation				200.00	16	12.50		200.00
Assays		103.90		103.90				110.00
TOTAL DISTRIBUTED COSTS		103.90		4,012.92				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		103.90		4,012.92				

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 April 5, 1954 Operator CROVA CO.

Per [signature] Title Sec-Treas.

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

MINING RESEARCH CORPORATION

February 25, 1954

To Urova Co., Newcastle, Wyo.

SAMPLE NO.			U_3O_8 ANALYSIS	PERCENT
12-22-S2	Drill	cuttings	.02	
10- 4-S2	"	"	.01	
15- 1-S4	"	"	.01	
11- 4-S4	"	"	.03	
15-19-S2	"	"	.01	
11- 3-S6	"	"	.03	
11- 7-S7	"	"	.007	
10-20-S5	"	"	.002	
15- 9-S1	"	"	.01	
10-10-S7	"	"	.02	
10- 2-S1	"	"	.02	
11- 4-S3	"	"	.008	
15-23-S3	"	"	.01	
15- 9-S5	"	"	.01	
15- 3-S4	"	"	.008	
15-11-S4	"	"	.02	
15- 9-S3	"	"	.06	
15-20-S2	"	"	.02	
15-26-S6	"	"	.01	
15-12-S2	"	"	.01	
15-22-S4	"	"	.02	
15-19-S5	"	"	.01	
15-26-S6	"	"	.005	
15-20-S3	"	"	.01	
11- 4-S6	"	"	.03	
15-11-S4	"	"	.007	
11- 3-S5	"	"	.01	
15-13-S3	"	"	.01	
15-11-S3	"	"	.01	
11- 4-S5	"	"	.01	
15-24-S7	"	"	.02	

Total charge $108.50

Analyst Mason Farrow

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 November, 1953 Docket No. DMEA 3054 Contract No.
Operator's Name UROVA CO. Minerals Idm E-603 Uranium
Address 620 South Saddle Creek Road - Omaha, Nebraska
Contract Amount, $ 9,790 Government Participation: 90% Amount, $ 8,802.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	2,278.10	1,425.72	3,703.82	2,278.10	1,425.72	3,703.82
Bulldozing	125.00	75.00	200.00	25.00	75.00	100.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2,403.10	1,500.72	3,903.82	2,303.10	1,500.72	3,803.10

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

Date December 7, 1953 *Payee UROVA CO.

Per [signature] Title Sec. - Treas.

*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:

$ 2072.79 AH

Signature L. A. Hill
(Authorized Certifying Officer)

Date DEC 28 1953 Vou. No. 17 ~~16~~

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 1dm-1 603 in accordance with the terms of the contract.

Signature E. O. Kenyon Title Mining Engineer Date December 14, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Exec Officer Date 12-28-53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-1042
(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 November 1953 Docket No. DMEA 3054 Contract No. Ida B-603
Operator's Name UROVA CO. Minerals Uranium
Address 620 South Saddle Creek Road - Omaha, Nebraska

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
~~Auger~~ Wagon	Feet	2,278.10	2090	3,703.82	3,398	1.09	8,500	9,265.00*
Stripping								
Trenching								
Test Pits								
Roads and Trails & site preparation	Hour	125.00	10	200.00	16	12.50	16	200.00*
TOTAL DISTRIBUTED COSTS		2,403.10		3,903.82				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2,403.10		3,903.82				9,780.00

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

Date December 7, 1953 Operator UROVA CO.

Per [signature] Title Sec. & Treas.

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: Attached are sketches showing locations of holes and depths drilled. Also attached is a list of results of geiger counter probe readings on each hole.

(Instructions on reverse)

(For Government use only)

* Total Contract Amount $9,780.00

Stage I Wagon Drill 3,815.00
Analyses 140.00
Drill site prep. & roads 100.00
4,055.00

Stage II Eagon Drill. 5,450.00
Analyses 175.00
Drill site prep. & roads 100.00
5,725.00

17
~~16~~

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

GEIGER COUNTER READINGS
FIRST PHASE D.M.E.C. LOAN # 3054 (Film - E 603)
(Depths are shown in feet with Geiger counter readings encircled)

LAKOTA LODE #11

HOLE #1 0/32 (0)
2 0/10 (0) 10/15 (10)
3 0/5 (0) 5/8 (10) 8/15 (0) 15/19 (10) 19/23 (20) 23/25 (15) 25/27 (20)
4 0/8 (0) 8/11 (10) 11/13 (15) 13/15 (10) 15/20 (20) 20/22 (15) 22/27 (20)
5-9 inc no count

LAKOTA LODE #12

HOLE # 1-18 inc no count
19 0/35 (0) 35/38 (7)
20-25 inc. no count
26 0/5 (0) 5/26 (8)
27 no count
28 0/5 (0) 5/8 (10) 8/10 (20) 10/15 (5) 15/35 (6)
29 0/30 (8)

LAKOTA LODE #8

HOLE # 1-9 inc no count
10 0/6 (0) 6/7 (10) 7/32 (0)
11 0/18 (0)
12 0/5 (8) 5/18 (0)

LAKOTA LODE #10

HOLE #1 0/46 (0)
2 0/10 (0) 10/15 (10)
3 0/16 (0) 16/25 (10) 25/45 (0)
4 0/3 (0) 3/5 (10) 5/12 (15) 12/28 (0)
5-9 inc. no count
10 0/24 (0) 24/30 (10) 30/35 (20) 35/40 (10)
11 0/33 (0) 33/36 (15) 36/50 (8)
12 0/9 (0) 9/26 (10)
13-15 inc no count
16 0/3 (0) 3/8 (8) 8/22 (0)
17 0/18 (0)
18 0/7 (0) 7/14 (10) 14/22 (6)
19 0/28 (0)
20 0/12 (0) 12/14 (10) 14/17 (0) 17/20 (10) 20/24 (15) 24/35 (0)
21 0/4 (20) 4/10 (7) 10/28 (0)
22+23 no count
24 0/5 (10) 5/15 (8) 15/27 (0)

LAKOTA LODE #15

HOLE #1 15/16 (20) 16/18 (15) 18/20 (8) 20/25 (0)
2 no count
3 0/15 (0) 15/18 (10) 18/22 (15) 22/25 (12) 25/30 (10)
4 0/5 (0) 5/8 (12) 8/25 (0)
5+6 no count
7 0/20 (0) 20/25 (7)
8 no count
9 4/5 (20) 5/8 (15) 8/12 (15) 12/15 (20) 15/20 (8) 20/25 (15) 25/35 (10)
10 0/8 (10) 8/16 (20) 16/20 (10) 20/26 (20) 26/29 (10)
11 0/10 (10) 10/15 (25) 15/20 (20) 20/30 (0)
12 0/8 (0) 8/10 (15) 10/15 (10) 15/28 (0)
13 0/5 (0) 5/10 (7) 10/12 (15) 12/20 (20) 20/25 (10) 25/28 (0)
14 0/15 (0) 15/25 (10) 25/28 (10)
15 0/12 (0) 12/15 (10) 15/20 (0) 20/26 (10)
16 0/30 (0)
17 0/5 (0) 5/10 (8) 10/27 (0)
18 0/5 (5) 5/9 (10) 9/28 (0)
19 0/5 (10) 5/15 (12) 15/24 (20) 24/35 (10)
20 0/8 (10) 8/10 (15) 10/15 (20) 15/25 (8) 25/28 (0)
21
22 0/32 (7)
23 0/5 (0) 5/10 (5) 10/14 (12) 14/25 (0)
24 0/5 (0) 5/30 (7) 30/33 (20)
25 0/5 (0) 5/10 (8) 10/30 (8) 30/34 (15) 34/36 (26)
26 0/15 (0) 15/20 (10) 20/25 (8) 25/35 (15)

11.														
10. 10.	9.	8.	7.				6.	5.	4.	3.				

HOLE NO.	FEET DRILLED	TESTS AT VARIOUS DEPTHS AND COMMENTS
Nov. 1st. #3	40'	
#4	40'	
#5	40	
#6	50'	
#7	40'	
#8	40'	
#9	40'	
#10	[illegible]	
#11	[illegible]	
#12	20'	

Completed these holes on Nov. 1st.

(Set forth above any information pertaining to claim which you think may be of interest, such as comments of USGS geologists, unusual formations, change in drilling program, weather, etc.).

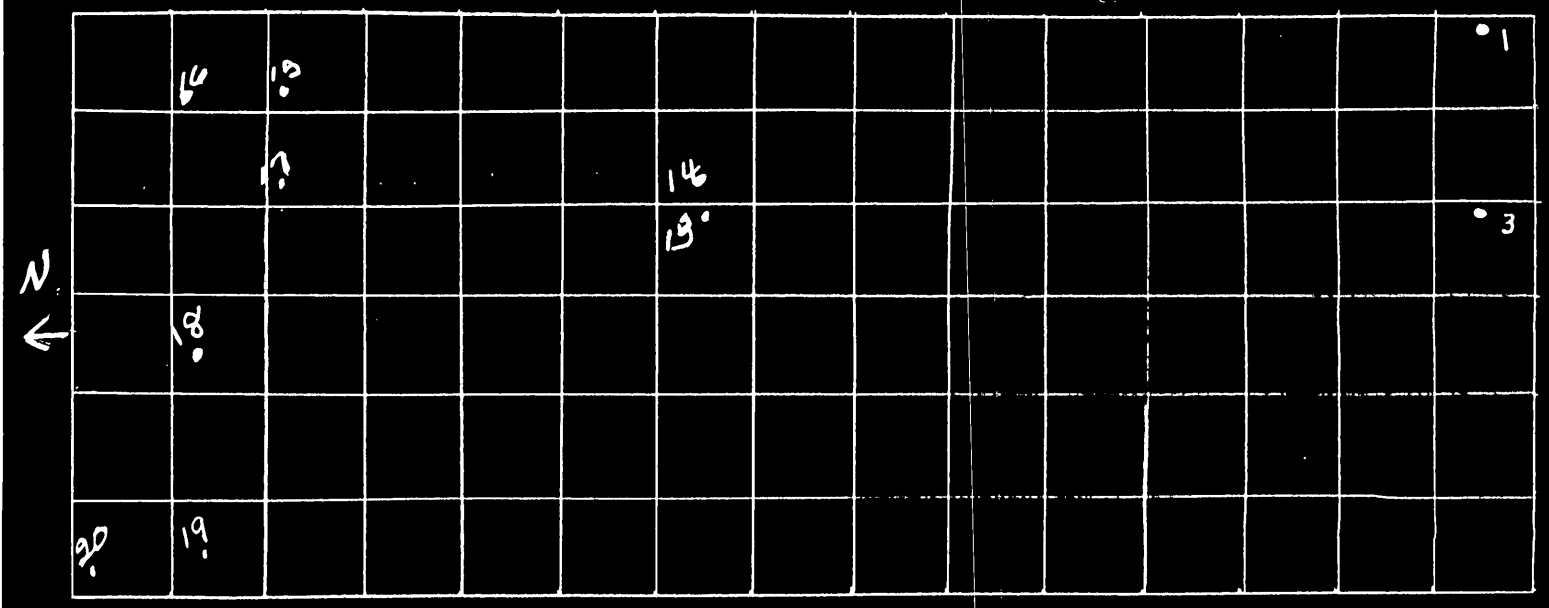
CERTIFICATE

I certify that the work outlined above has been completed, and that is is proper to request reimbursement from D. M. E. A. Samples are being retained in properly labeled containers.

Signed C. T. Kennedy

Date Nov.1st. thru Nov.7th. 1953

PERIOD FROM _____ TO _____ CLAIM Lakota Lode #8



HOLE NO.	FEET DRILLED	TESTS AT VARIOUS DEPTHS AND COMMENTS
Nov. 3, # 13	20'	The drilled holes above charted
" #14	30'	be red,
" #15	35'	
" #16	35'	
" # 17	35'	
" #18	35'	
" #19	40'	
" #20	40'	
	270'	
# 1	40'	originally reported as 10'; drilled to 50'
3	20	" " " 30'; " " 50'
	330'	(note - # 20 depth inadvertently omitted by CRK on report)

(Set forth above any information pertaining to claim which you think may be of interest, such as comments of USGS geologists, unusual formations, change in drilling program, weather, etc.).

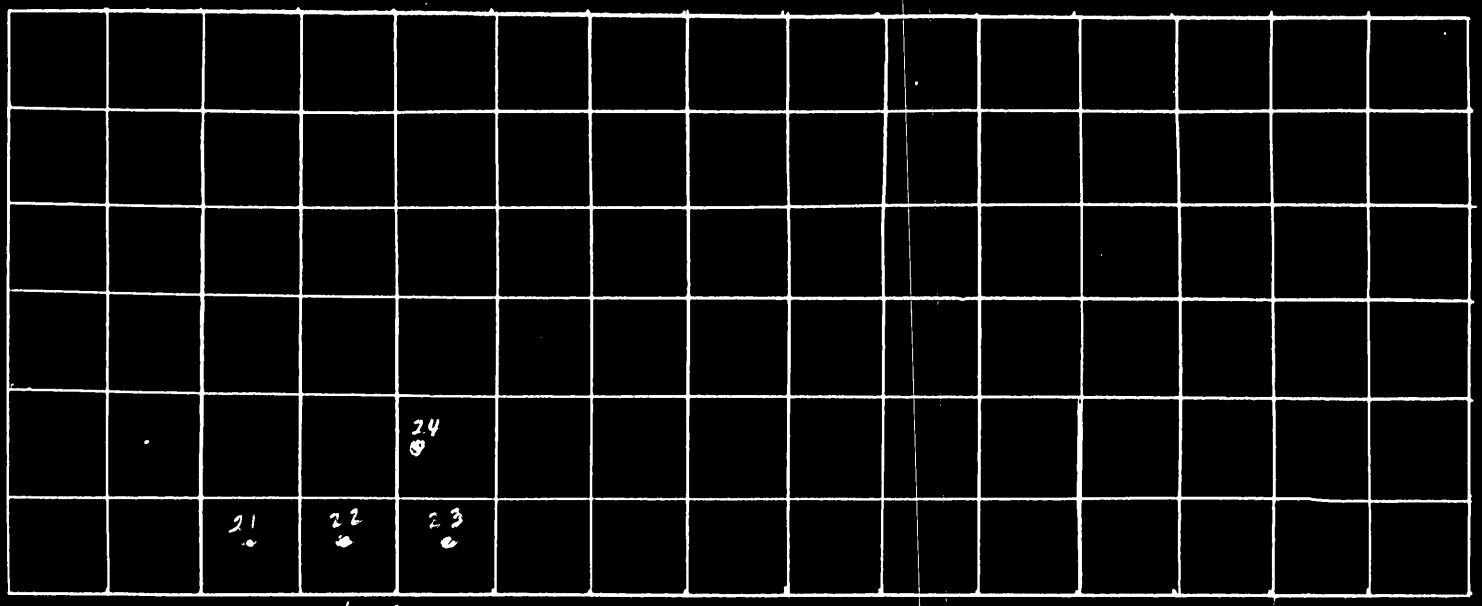
CERTIFICATE

I certify that the work outlined above has been completed, and that is is proper to request reimbursement from D. M. E. A. Samples are being retained in properly labeled containers.

Signed [illegible]

Date Nov. 8, 1953

PERIOD FROM Nov. 3, TO Nov. 8, 1953 CLAIM Lakota Lode #10



11 10

HOLE NO.	FEET DRILLED	TESTS AT VARIOUS DEPTHS AND COMMENTS
21	40'	
22	30'	
23	30'	
24	30.	
	130	

(Set forth above any information pertaining to claim which you think may be of interest, such as comments of USGS geologists, unusual formations, change in drilling program, weather, etc.).

CERTIFICATE

I certify that the work outlined above has been completed, and that is is proper to request reimbursement from D. M. E. A. Samples are being retained in properly labeled containers.

Signed _____

Date _____

PERIOD FROM _____ TO _____ CLAIM 11 10

·1	·2	·3	·4	·5	·6									

HOLE NO.	FEET DRILLED	TESTS AT VARIOUS DEPTHS AND COMMENTS
Nov. 9 # 1	40'	Above drill hole abandoned
#2	30'	
#3	30'	
#4	30'	
#5	30'	
# 6	30'	
	19	

(Set forth above any information pertaining to claim which you think may be of interest, such as comments of USGS geologists, unusual formations, change in drilling program, weather, etc.).

CERTIFICATE

I certify that the work outlined above has been completed, and that is is proper to request reimbursement from D. M. E. A. Samples are being retained in properly labeled containers.

Signed [illegible]

Date Nov. 8, 1953

PERIOD FROM Nov. 1 TO Nov 8, 1953 CLAIM Lakota Lode #11

HOLE NO.	FEET DRILLED	TESTS AT VARIOUS DEPTHS AND COMMENTS
7	20'	
8	20'	
9	30'	
	70'	

(Set forth above any information pertaining to claim which you think may be of interest, such as comments of USGS geologists, unusual formations, change in drilling program, weather, etc.).

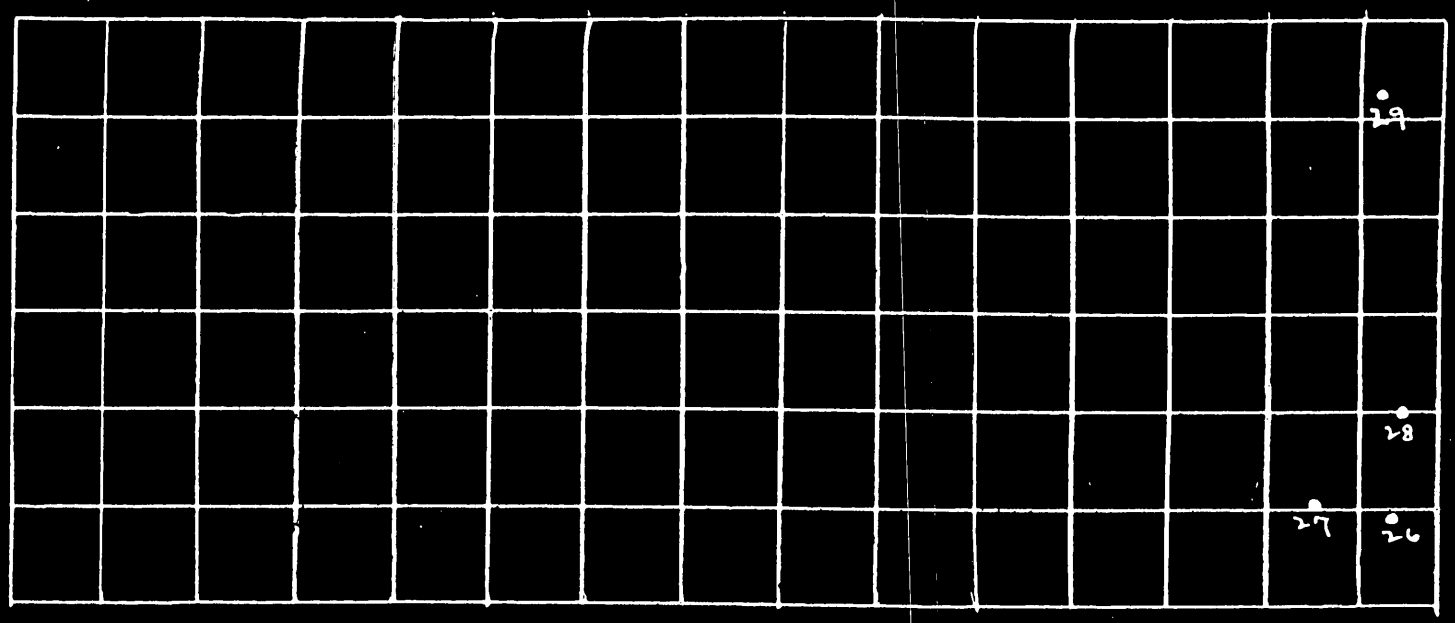
CERTIFICATE

I certify that the work outlined above has been completed, and that is is proper to request reimbursement from D. M. E. A. Samples are being retained in properly labeled containers.

Signed _____

Date _____

PERIOD FROM _____ TO _____ CLAIM 11



HOLE NO.	FEET DRILLED	TESTS AT VARIOUS DEPTHS AND COMMENTS
26	30'	
27	30'	
28	40'	
29	35'	
	135'	

(Set forth above any information pertaining to claim which you think may be of interest, such as comments of USGS geologists, unusual formations, change in drilling program, weather, etc.).

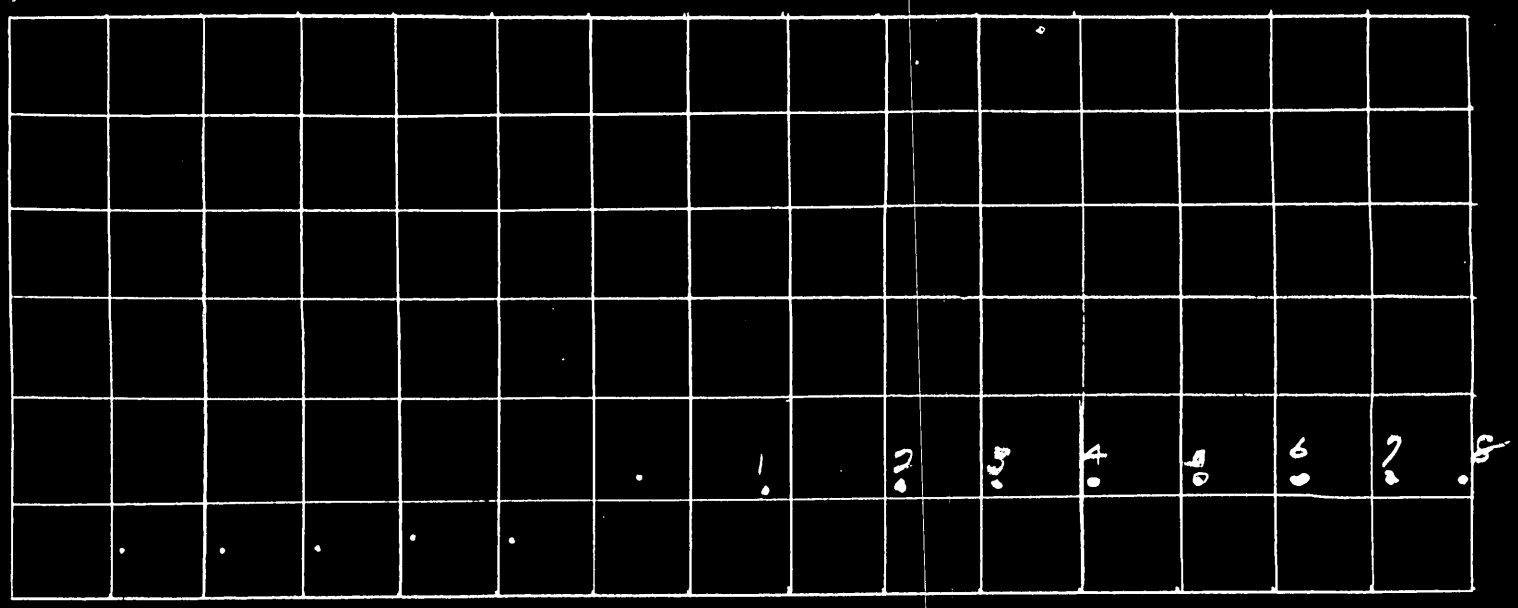
CERTIFICATE

I certify that the work outlined above has been completed, and that is is proper to request reimbursement from D. M. E. A. Samples are being retained in properly labeled containers.

Signed _____

Date _____

PERIOD FROM _____ TO _____ CLAIM Lakota Lode # 12



HOLE NO.	FEET DRILLED	TESTS AT VARIOUS DEPTHS AND COMMENTS
No. #1	30'	
" #2	30'	
" #3	30'	
" #4	30'	
" #5	30'	
" #6	30'	
" # 7	30'	
" # 8	30'	

(Set forth above any information pertaining to claim which you think may be of interest, such as comments of USGS geologists, unusual formations, change in drilling program, weather, etc.).

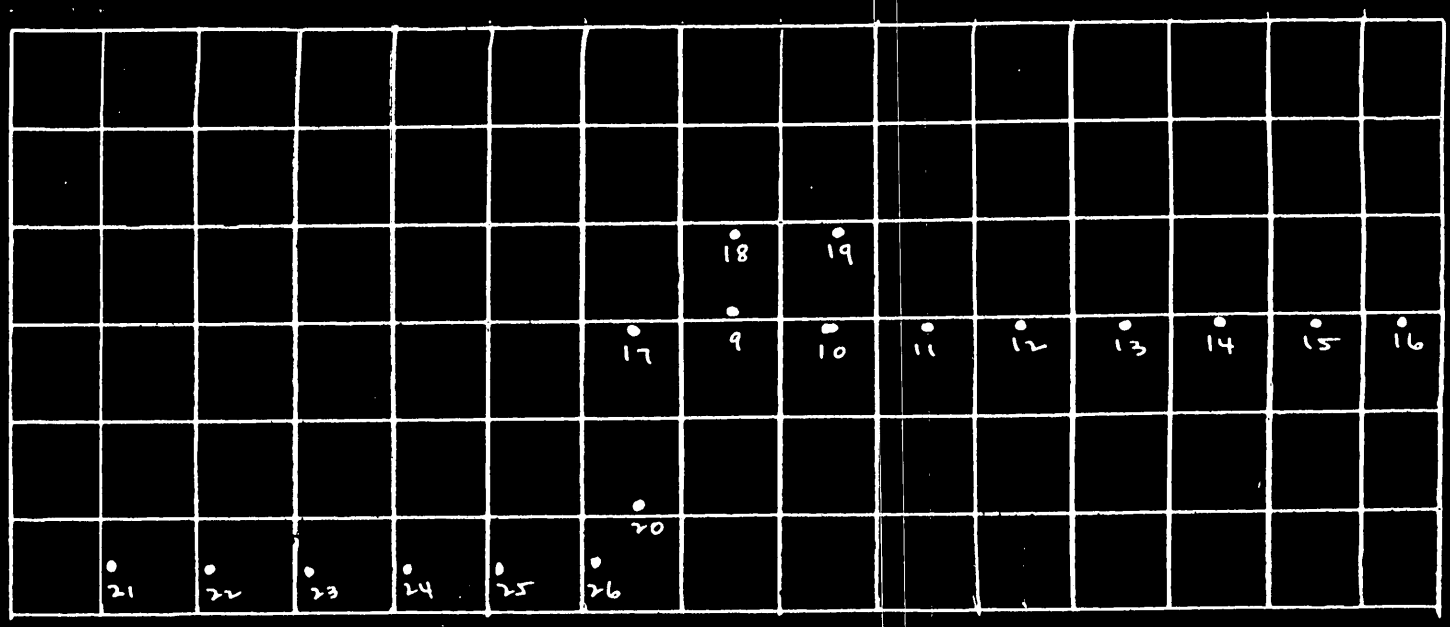
CERTIFICATE

I certify that the work outlined above has been completed, and that is is proper to request reimbursement from D. M. E. A. Samples are being retained in properly labeled containers.

Signed _____

Date Nov. 15, 1953

PERIOD FROM Nov. 8 thru 14 TO _____ CLAIM Lakota Lode #15



HOLE NO.	FEET DRILLED
9	40
10	30
11	30
12	30
13	30
14	30
15	30
16	30
17	30
18	30
19	40
20	50
21	40

TESTS AT VARIOUS DEPTHS AND COMMENTS

HOLE NO.	FEET DRILLED
22	35'
23	30
24	40
25	40
26	40
	625'

(Set forth above any information pertaining to claim which you think may be of interest, such as comments of USGS geologists, unusual formations, change in drilling program, weather, etc.).

CERTIFICATE

I certify that the work outlined above has been completed, and that is is proper to request reimbursement from D. M. E. A. Samples are being retained in properly labeled containers.

Signed _____

Date _____

PERIOD FROM _____ TO _____ CLAIM Lakota Lode # 15

The following is a summary of work completed on BMEA 3054

Lakota Lode #8 - 12 holes, 450 feet drilled with the following geiger counter readings:

Hole No.	10	Total Depth	40 ft.	10	Count	6/7 ft.	
" "	12	" "	20 "	8	"	0/5 "	

Lakota Lode #10 24 holes, 880 feet drilled with the following counter readings:

Hole No.	2	Total Depth	20 ft.	10	Count	10/15 ft.	
" "	3	" "	50 "	10	"	16/25 "	
" "	4	" "	30 "	10	"	3/5 ft. 15-5/12 ft.	
" "	10	" "	50 "	10	"	24/30 ft. 20-30/35 10-35/40	
" "	11	" "	50 "	15	"	33/36 ft. 8-36/50	
" "	16	" "	35 "	8	"	3/8 ft.	
" "	12	" "	30 "	10	"	9/26 "	
" "	18	" "	35 "	10	"	7/14 " 6-14/22 ft.	
" "	20	" "	40 "	10	"	12/14" 10-17/20, 15-20/24 Ft.	
" "	21	" "	40 "	20	"	0/8 ft. 7-4/10 ft.	
" "	24	" "	30 "	10	"	0/5 ft. 8-5/15 Ft.	

Hole numbers 10 and 11 show a good count and we feel a core to the depth of 75 ft. should be made. We found a reading down to the bottom of these holes.

Lakota Lode #11 - We drilled 9 holes with total footage of 260 feet.

Hole No.	3	Total Depth	30 ft.	10	Count	5/8 ft. 10-15/19, 20-19/23, 15-23/25, 20-25/27.	
" "	4	" "	30 ft.	10	"	8/11', 15-11/13, 20-15/20, 15-20/22, 20-22/27	

Hole numbers 3 and 4 show a good count, we feel 2 core holes of 75 ft. each and 2 wagon drill holes 50 ft. should be made in the vicinity of these holes.

Lakota Lode #12, We drilled 29 holes with total footage of 943 feet.

Hole No.	19	Total Depth	30 ft.	7	Count	35/38 ft.	
" "	13	" "	30 "	8	"	5/28 "	
" "	28	" "	40 "	10	"	5/8, 20-8/10, 5-10/15, 6-15/35	

On this claim the only hole to show much count is number 28. We believe no further work should be done on this claim at this time.

Lakota Lode #15 - We drilled 26 holes with total footage of 865 feet.

Hole No.	1	Total Depth	30 ft.	20	Count	15/16, 15-16/18, 8-18/20	
" "	3	" "	30 "	10	"	15/18, 15-18/22, 12-22/25, 10-25/30	
" "	4	" "	30 "	10	"	5/8 ft.	
" "	7	" "	30 "	7	"	20/25 ft.	
" "	9	" "	40 "	20	"	4/5, 15-5/8, 15-8/12, 20-12/15, 8-15/20, 15-20/25, 10-25/30, 10-30/35.	
" "	10	" "	30 "	10	"	0/8, 20-8/16, 10-16/20, 20-20/26, 10-26/29	
" "	11	" "	30 "	10	"	0/10, 25-10/15, 20-15/20.	
" "	12	" "	30 "	15	"	10/15, 10-15/30	
" "	13	" "	30 "	7	"	5/10, 15-10/12, 20-12/20, 10-20/25	
" "	14	" "	30 "	10	"	15/25, 10-25/28.	
" "	15	" "	30 "	10	"	12/15, 10-20/26.	
" "	17	" "	30 "	8	"	5/10.	
" "	18	" "	30 "	5	"	0/5, 10-5/9.	
" "	19	" "	40 "	10	"	0/5, 12-5/15, 20-15/24, 10-24/35.	
" "	20	" "	50 "	10	"	8/10, 15-8/10, 20-10/25, 8-15/25.	
" "	22	" "	35 "	7	"	0/35.	
" "	23	" "	30 "	5	"	5/10, 27-10/14	
" "	24	" "	40 "	7	"	5/30, 20-30/32	
" "	26	" "	40 "	8	"	5/10, 8-10/30, 15-30/34, 26-34/36	
" "	25	" "	40 "	10	"	5/10, 8-20/25, 15-25/35.	

We have several good readings on this claim and want to do further drilling and coreing on it - 4 core holes 75 foot depth near holes 24, 20, 17 and 9 also 1 wagon drill hole near number 15 hole and 6 wagon drill holes along the south border of the east 1/2 of claim.

In summary we know claims No. 10, 11, 12, and 15 have good ore shows.

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

RECEIVED
NOV 23 1953
Defense Minerals Administration

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1953 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address 623 South Saddle Creek Road, Omaha, Nebraska
Contract Amount, $ [illegible] Government Participation: [illegible] % Amount, $

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	1,425.72	-0-	1,425.72	1425.72	-0-	1425.72
Bulldozing	75.00		75.00	75.00	-0-	75.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,500.72	-0-	1,500.72	1500.72	0	1500.72

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

Date November 3, 1953 *Payee [illegible]

Per [illegible] Title Sec.-Treas.

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

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

(Instructions on reverse)

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

$ 1350.65 46

Signature [illegible]
(Authorized Certifying Officer)

Date NOV 13 1953 Vou. No. 13

(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. Edsal E 603 in accordance with the terms of the contract.

Signature Glenn Walker Title Mining engr. Date 11/6/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature E. B. Needham Title Ex. Officer Date 11/9/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Fresh

RECEIVED NOV 23 1953

13

Month of October 1953 Docket No. DMEA 3054 Contract No. Icm. E-603
Operator's Name UROVA CO. Minerals Uranium
Address 620 South Saddle Creek Road, Omaha, Nebraska

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger Wagon	Feet	1425.72	1,308	1,425.72	1,308	1.09	8,500	9,265.00
Stripping								
Trenching								
Test Pits								
Roads and Trails, site prep.	hr	75.00	6	75.00	6	12.50	16	200.00
Sample analysis	Ea.	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1,500.72		1,500.72				

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

Date November 7, 1953 Operator UROVA COMPANY

Per J. H. Smig Title Sec - Treas.

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: Attached are sketches showing location of holes and depths drilled. These holes have not yet been probed as our geiger counter has only a 17' probe. That will soon be done in company with U.S.G.S. geologists, and advice as to the results will be furnished you.

(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

2 2

HOLE NO.	FEET DRILLED	TESTS AT VARIOUS DEPTHS AND COMMENTS
#1	40'	None
#2	40'	"
#3	80'	

(Set forth above any information pertaining to claim which you think may be of interest, such as comments of USGS geologists, unusual formations, change in drilling program, weather, etc.).

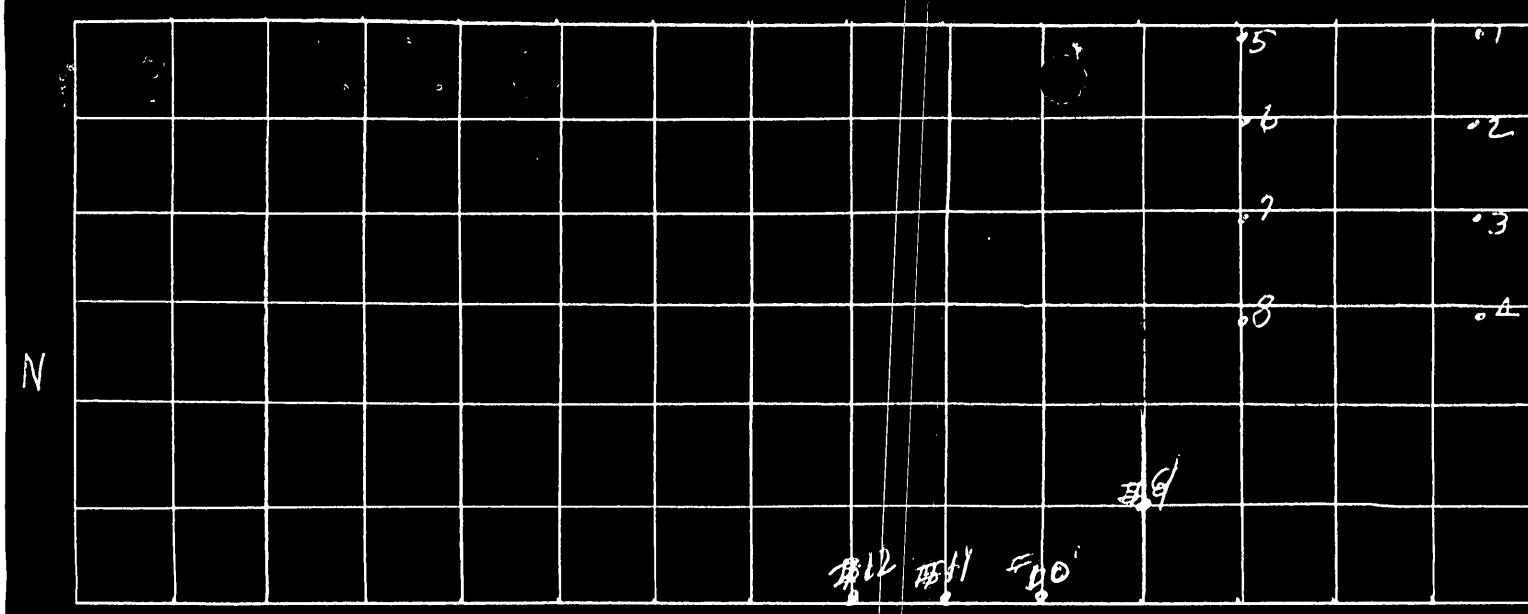
CERTIFICATE

I certify that the work outlined above has been completed, and that is is proper to request reimbursement from D. M. E. A. Samples are being retained in properly labeled containers.

Signed [illegible]

Date Oct. 31. 1953

PERIOD FROM Oct. 31 TO Nov. 1st. CLAIM Lakota Lode #8



HOLE NO.	FEET DRILLED	TESTS AT VARIOUS DEPTHS AND COMMENTS
#1	10'	None
#2	20'	"
#3	30'	"
# 4	30'	"
# 5	30'	"
# 6	50'	"
#7	40'	"
# 8	30'	"
#9	50'	"
#10	50'	"
#11	50'	"
#12	30'	"
#13	470'	

(Set forth above any information pertaining to claim which you think may be of interest, such as comments of USGS geologists, unusual formations, change in drilling program, weather, etc.).

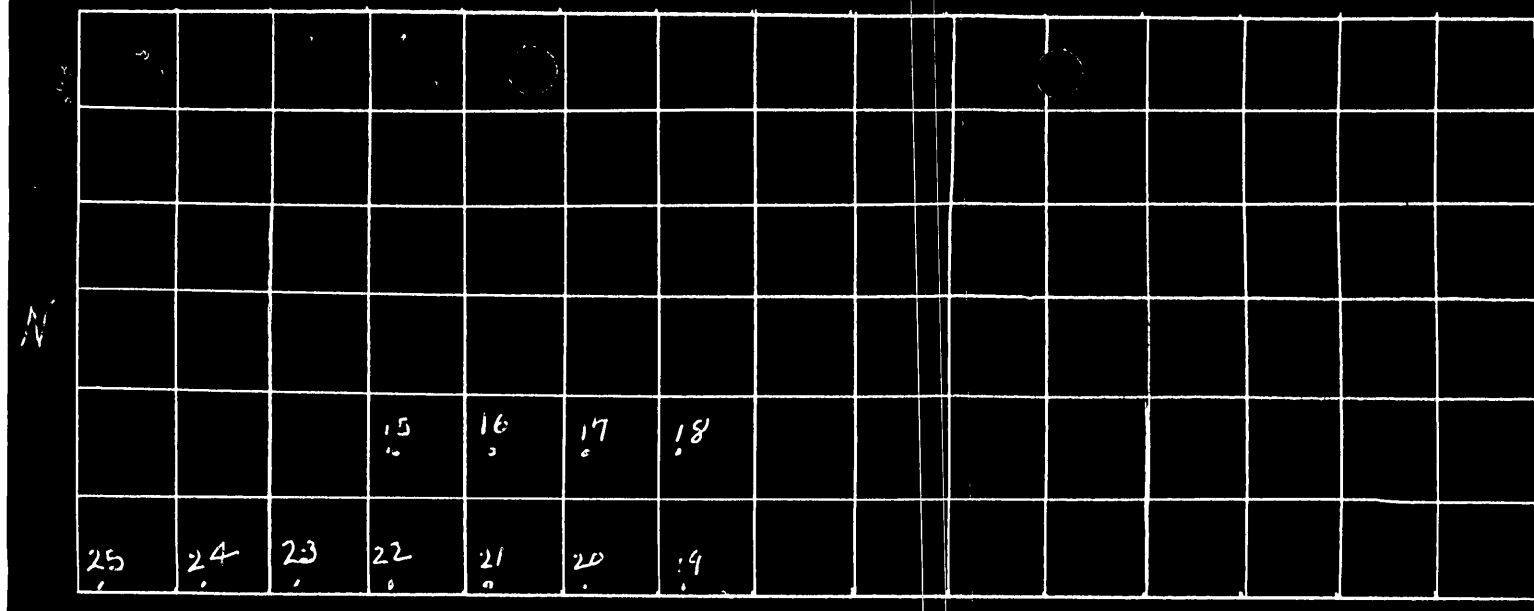
CERTIFICATE

I certify that the work outlined above has been completed, and that is is proper to request reimbursement from D. M. E. A. Samples are being retained in properly labeled containers.

Signed [illegible]

Date Oct. 31, 1953

PERIOD FROM Oct. 28 thru TO 30, 1953 CLAIM Lakota Lode #10



HOLE NO.	FEET DRILLED	TESTS AT VARIOUS DEPTHS AND COMMENTS
#15	30'	None
#16	30'	"
#17	30'	"
# 18	30'	"
# 19	30'	"
# 20	30'	"
# 21	30'	"
# 22	30'	"
# 23	30'	"
# 24	30'	"
# 25	30'	"
	330'	

(Set forth above any information pertaining to claim which you think may be of interest, such as comments of USGS geologists, unusual formations, change in drilling program, weather, etc.).

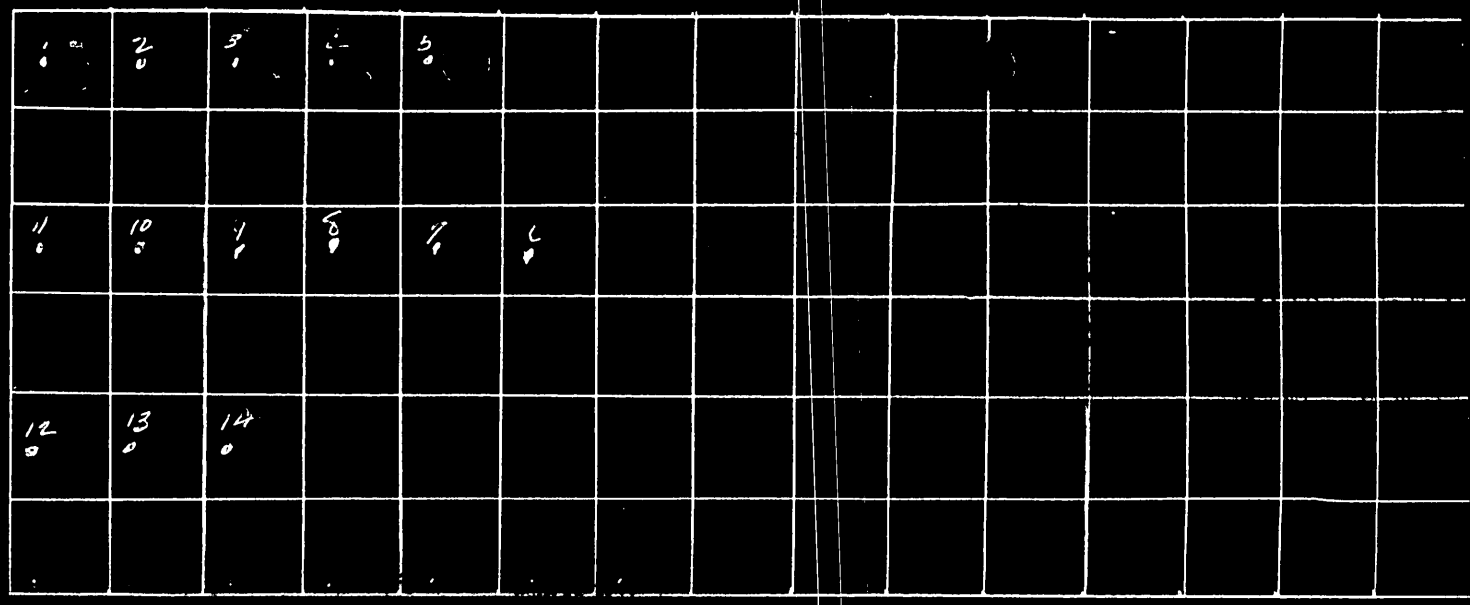
CERTIFICATE

I certify that the work outlined above has been completed, and that is is proper to request reimbursement from D. M. E. A. Samples are being retained in properly labeled containers.

Signed C. R. Kennedy

Date Oct.31st. 1953

PERIOD FROM Oct.21 TO thru Oct.28 CLAIM Lakota Lode # 12



HOLE NO.	FEET DRILLED	TESTS AT VARIOUS DEPTHS AND COMMENTS
# 1	40'	None
#2	38'	"
#3	35'	"
#4	30'	"
#5	30'	"
#6	25'	"
# 7	40'	"
#8	40'	"
# 9	30'	"
#10	40'	"
#11	40'	"
#12	30'	"
# 13	30'	"
#14	30'	"
	478'	

(Set forth above any information pertaining to claim which you think may be of interest, such as comments of USGS geologists, unusual formations, change in drilling program, weather, etc.).

CERTIFICATE

I certify that the work outlined above has been completed, and that is is proper to request reimbursement from D. M. E. A. Samples are being retained in properly labeled containers.

Signed [illegible]

Date October 12th, ~~thru Oct. 25~~, 19[illegible]

PERIOD FROM Oct. 12th. TO Oct. 25 CLAIM Lakota Lode #12

FEB 1 1 1955

Mr. [illegible] Schneider, President
Green Company
620 South Paddle Creek Road
Casper, Wyoming

Re: Contract No. [illegible] (Overview)
Contract No. [illegible]
Green Company
Roberts Lake Group of claims
Carbon County, North Dakota

Dear Mr. Schneider:

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

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

We regret that the exploration work performed did not result in a certification of discovery or development. Your participation in the exploration program, however, is sincerely appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

FIMcCune/ela
2-8-55
cc to: Admr.'s Meeting File
Operating Committee
Docket
Messrs. J. E. Crawford, Rm. [illegible]
T. H. Fillingsand, Rm. [illegible]
J. [illegible] Hurtad, Rm. [illegible], GSA
Code 700
Mr. Evans
Contract Adm. & Audit Division
DMA FE, Region III (2)

GOVERNMENT COPY

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

It is agreed this 6th day of July, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Urova Company
620 South Saddle Creek Road
Omaha, Nebraska,
hereinafter called the "Operator," parties to that certain Exploration Project Contract I-dm-E 603, Docket No. DMEA-3054, dated Sept. 21, 1953, that the said contract shall be and is hereby terminated as of the first date above written.

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

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

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

UNITED STATES OF AMERICA

By [signature]

Urova Company
(Operator)

By [signature]

Defense Minerals Administration
APR - 9 1954

Amendment No. 1

Docket 3054, Contract Idm E-603, dated September 21, 1953, between the United States of America and Urova Company is hereby amended as follows:

Completion date is extended to June 21, 1954.

This amendment shall not be construed to increase the estimated cost of the project, the aggregate total amount which the Government may pay, or the percentage of the costs which the Government may pay, under the provisions of Article 4 of the Contract form.

Dated April 2, 1954

UNITED STATES OF AMERICA

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

UROVA COMPANY

By W. L. Schaefer Pres

Work on Stage one of this contract was completed November 15, 1953.

Operator requested to furnish analysis data in order that field team could determine feasibility of proceeding with Stage 2. This determination being made, and if approved this amendment would provide sufficient time to complete contemplated work under Stage 2.

Docket No. [illegible]

Commodity [illegible]

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E ~~538~~ 603

Date of Contract ~~or Amendment:~~ Sept. 21, 1953

Name and Address of Operator:
Urova Company
620 South Saddle Creek Road
Omaha, Nebraska

Amount of Government participation _____ $ 8,802.00

Percent of Government participation 90 %

Region: V State: South Dakota

Note: Please release @ 5,280.91

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

(Title)

Date Delivered to Bureau of Mines, Washington.

9/28/54 54458

Docket No. 3054

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-E 603

Date of Contract ~~or Amendment~~: September 21, 1953

Name and Address of Operator:
Urova Company
620 South Saddle Creek Road
Omaha, Nebraska

Amount of Government participation $ 8,802.00

Percent of Government participation 90 %

Region: V State: South Dakota

(Name)

V. L. Chambers, Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. Sept. 21, 1953

13908

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 3054

COMMODITY Uranium

Idm-E603
Government's Copy

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

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 21st day of September, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Urova Company, a corporation duly organized and existing under and 620 South Saddle Creek Road by virtue of the laws of the Omaha, Nebraska State of Nebraska

hereinafter called the "Operator," as follows: and as set forth in Annexes I and II attached hereto and made a part hereof:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of South Dakota, County of Custer, described as[3] the Lakota Lode Group of claims, consisting of the property described in Annex I and shown on map Exhibit "B" attached hereto and made a part hereof,

the Operator represents and undertakes:[4]

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

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 90 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $8,802.00, which is 90 percent of $9,780.00 the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

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

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

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

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

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

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

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

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts. See also Article 9.

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

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

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

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

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

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

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

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

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

UROVA COMPANY
(Operator)

By W R Schaefer Pres

I, J. H. IMIG, certify that I am the secretary of the corporation named as Operator herein; that W. R. SCHAEFER who signed this contract on behalf of the Operator, was then PRESIDENT 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.

J. H. Imig

[CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
UROVA COMPANY
DOCKET NO. DMEA-3054

ANNEX I

The land referred to in Article 2 is located in sections 23 and 26, Township 6 South, Range 1 East, Black Hills B & M, Custer County, and consists of the following unpatented lode mining claims:

Lakota	Lode	No.	8
"	"	"	9
"	"	"	10
"	"	"	11
"	"	"	12
"	"	"	13
"	"	"	14
"	"	"	15
"	"	"	16
"	"	"	17
"	"	"	18

All the claims are recorded with the Register of Deeds at Custer, Custer County, South Dakota, in Location Book No. 17 at pages 522, 523, 524, 541, 542, 543, 545, and 551.

EXPLORATION PROJECT CONTRACT
UROVA COMPANY
DOCKET NO. DMEA-3054

ANNEX II

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

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

EXPLORATION PROJECT CONTRACT
UROVA COMPANY
DOCKET NO. DMEA-3054

EXHIBIT "A"

Description of the Work

The purpose of the work is to explore, for uranium-bearing ore, two mineralized parallel horizons of Dakota Sandstone that are approximately 30 feet apart. The exploration shall be done by drilling holes from the surface through these mineralized horizons with a wagon-mounted percussion drill to an average hole depth of 35 feet.

This work is to be done in two stages. If, in the opinion of the Government, the results of Stage I warrant it, and the Government approves it in writing in advance, all or part of the work outlined in Stage II may be done.

The drilling is to be done in Stage I, as indicated in the areas shown on the attached map, "Exhibit 'B', Plane Table Survey—Claims on Pass Creek Mesa, Lakota Prospecting Co., Hot Springs, S. Dak., Urova Co. (Application), Omaha, Neb.," unless modified with the prior written consent of the Government; and in Stage II, as subsequently indicated by the Government.

Drill sites and approach roads are to be prepared with a Model D-8 Caterpillar tractor with angledozer or an equivalent sized unit used not in excess of 8 hours in each stage.

Not in excess of 40 sample analyses in Stage I and 50 in Stage II shall be made, and the Operator shall furnish the Government the quantity of samples specified by it.

All drill-hole diameters shall be not less than $2\frac{1}{4}$ inches at the bottom of each hole. The drill-hole depths, the method of all sampling, the method of sample determinations, and the method of recovering drill cuttings are all subject to the approval of the Government.

The drilling to be done consists of the following:

Stage I

Mining Claims	Number of Drill Holes	Approximate Average Drill-Hole Depth (Ft.)	Grid Spacing (Ft.)	Drill-Hole Footage
Lakota Lode No. 15	28	35	100	980
Lakota Lode No. 12	29	35	100	1015
Lakota Lode No. 11	8	35	100	280
Lakota Lode No. 10	23	35	100	805
Lakota Lode No. 8	12	35	100	420
Total	100			3500

Stage II

Not to exceed 5000 feet of wagon drilling shall be performed; a part of this may be offset holes surrounding holes drilled in Stage I which contain encouraging mineralization, but no drill hole shall be closer than 50 feet to any other drill hole.

Agreed Unit Costs

Stage I

3500 feet of wagon-drill hole @ $1.09/ft.	$3,815.00	
40 sample analyses @ $3.50/analysis 1/	140.00	
8 hours of drill-site and approach-road preparation with tractor-dozer @ $12.50/hr.	100.00	
Total Stage I		$4,055.00

1/ Includes all freight costs.

Stage II

5000 feet of wagon-drill hole @ $1.09/ft.	$5,450.00	
50 sample analyses @ $3.50/analysis 1/	175.00	
8 hours of drill-site and approach-road preparation with tractor-dozer @ $12.50/hr.	100.00	
Total Stage II		$5,725.00
Total Agreed Unit Cost of Project		$9,780.00
Government Participation at 90%		$8,802.00

1/ Includes all freight costs.

MF-203
(Revised July 1, 1953)

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 South Dakota, County of Fall River and Custer, described as follows:1/

In an amended lease dated August 19, 1953, and recorded in Book 33 of Misc. on page 311 of the official records of the Register of Deeds of Fall River County, South Dakota, and in Book 18 of Misc. on page 363 of the official records of the Register of Deeds of Custer County, South Dakota.

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/ Urova Co.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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.

4. Changes and added provisions None

Dated this 27th day of August, 1953.

LAKOTA PROSPECTING COMPANY, INC. [Seal]

By H. J. Catt [Seal]
President

ATTEST: Allen G. Wilson [Seal]
Secretary

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.

RELEVANT CONTRACT PROVISIONS

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

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

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

(b) 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.

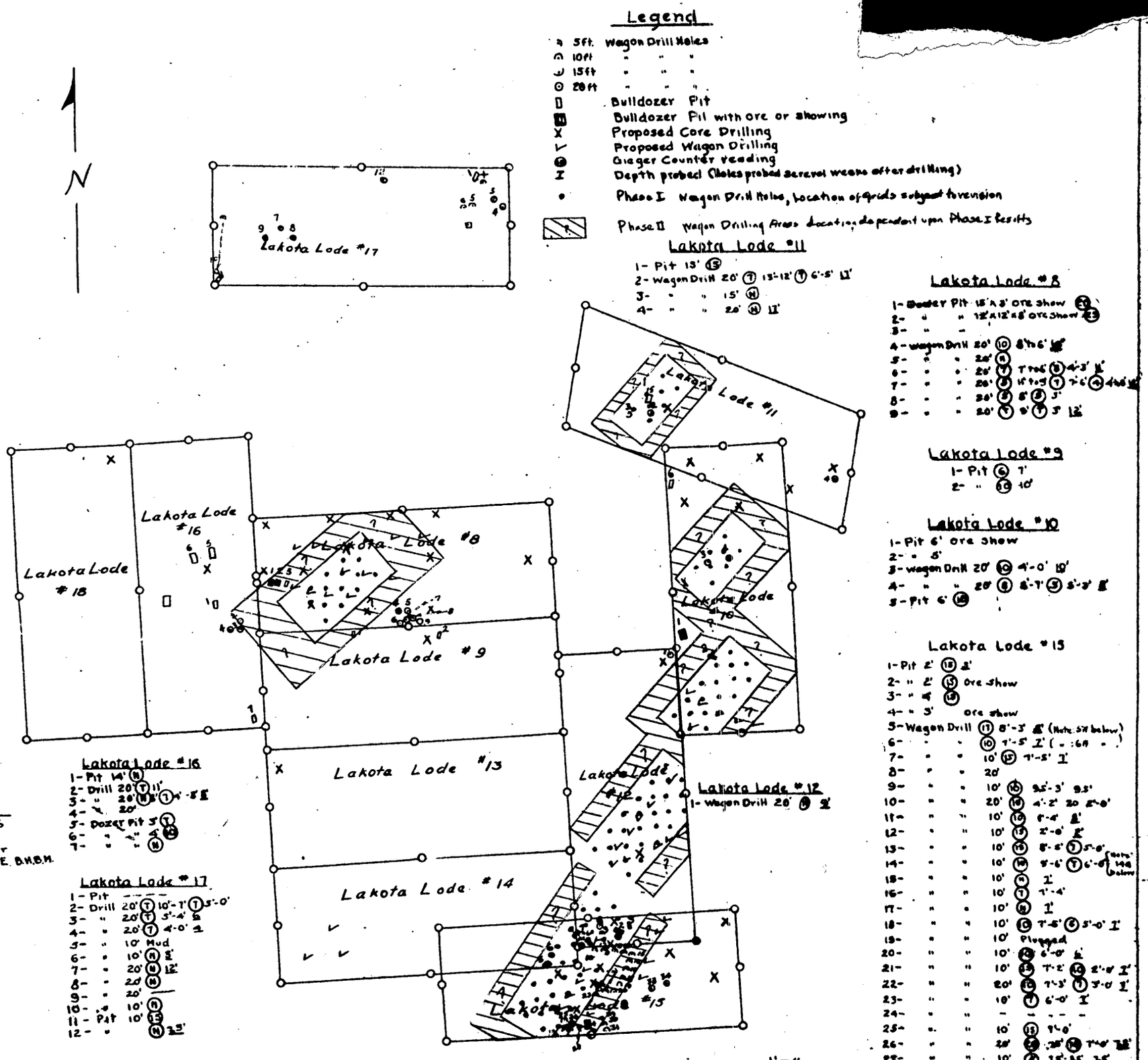
(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

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

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

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

f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.



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