UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION I

OFFICE OF REGIONAL DIRECTOR
Assistant for Alaska

2688
P. O. BOX 2990
JUNEAU, ALASKA

RECEIVED AUG 12 1957 D.M.E.A.

August 9, 1957

Memorandum

To: U. S. Department of the Interior
Defense Minerals Exploration Administration
Executive Officer, Region I, Northwest District
1201 North Division Street, Spokane, Washington
Attention: Mrs. Dorothy F. Long

From: DMEA Finance Officer, Juneau, Alaska

Subject: Contract Ids-R 668

Enclosed are the folders for the subject contract covering DMEA Voucher Number 35, $1219.67, and contract for $60075.00.

The Report of Review dated 7/1/57, pertaining hereto, has been included in the respective folders.

L. J. Wilcox

Attachments 2

Copy to: Chief, Division of Administration, Region I
Hyder Mines, Incorporated, 310 Stewart Street, Seattle 1, Washington
DMEA Contract Administration and Audits Division, Washington, D. C.

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Report of:

Hyder Mines, Incorporated
formerly known as
Alaska Mining & Exploration Co., Inc.
310 Stewart St., Seattle 1, Washington
assignee of
Pacific Northern Minerals Company
P. O. Box 1481, Spokane, Washington

pertaining to Exploration Project Contract No. Idm-E668, DMEA No. 3246, including Amendment Nos. 1 and 2, and a Termination Agreement dated April 24, 1957, for the period of May 25, 1954, to July 25, 1955, inclusive, covering a project for the exploration of Tungsten, Lead and Zinc on property, known as the Riverside Mine located in the Hyder Recording Precinct, First Division, Territory of Alaska.

My review included an examination of the Monthly Report (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Field Team reports and correspondence, 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 reasons:

(a) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible further disallowances thereunder;
(b) the Monthly Report was supported by documentary evidence of the costs incurred under the contract; and
(c) the Termination Agreement provides that the $1,219.67 paid by the Government is the only money due the Operator under the contract.

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

Total cost as billed by Contractor		$7,735.40
Exceptions:		
Prior to this review	$5,783.92	
Herewith	-0-	5,783.92
Total Accepted Cost		$1,951.48

The contract calls for a 62½ percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of One thousand two hundred nineteen and 67/100 Dollars

$1,219.67

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

July 1, 1957

E. D. Talbert, Auditor

C
O
P
Y

1201 N. Division St.
Spokane 2, Washington

July 24, 1957

Mr. L. J. Wilcox
Administrative Assistant
Bureau of Mines
Region I
P. O. Box 2688
Juneau, Alaska

Dear Mr. Wilcox:

In accordance with Mr. Jay L. Chambers letter of July 2, 1957, we are forwarding the original and one copy of each of the following Reports of Review:

Contract	Docket	Operator
Idm-E667	DMEA-3288	Alaska Copper Mines, Inc.
E668	3246	Hyder Mines, Incorporated
E857	3831	Moneta Procupine Mines, Ltd.

We concur with the facts stated in these reports.

By Field Team, Region I

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosures

cc: DMEA (2)
USGS (2)
Mr. Jay L. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

P. O. Box 2688
Juneau , Alaska

OFFICIAL FILE COPY
DMEA
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June 28, 1957

Mr. Jay L. Chambers, Director,
Contract Admin. & Audit Division,
Defense Minerals Exploration Administration,
Washington 25, D.C.

re: Docket DMEA-3246
Hyder Mines, Inc.,
Contract No. Idm-E668.

Dear Mr. Chambers:

Preliminary to a Report of Review in lieu of a final audit, as suggested by your letter of June 10, 1957, pertinent data relative to the final phases of the subject contract are outlined as follows:

Termination Agreement:

The contract was terminated by mutual agreement dated April 24, 1957. (Signed copies of the Termination Agreement were transmitted to the Administrator on May 2, 1957).

Final Report by Operator:

No work other than rehabilitation was completed under this contract. Under the terms of the Termination Agreement no final report by the Operator is required.

Units of Work:

Rehabilitation work by the Operator in the amount of $1,951.48 was approved by the Government and the perscribed portion of 62.5 percent or $1,219.67 was paid.

The Government has no interest in operating materials and supplies.

Sincerely yours,

J. A. Herdlick,
Acting Alternate Executive Officer,
DMEA Field Team,
Alaska District.

cc; Wilcox
USGS

JUN 1 8 1957

Mr. J. A. Hardlick
Acting Executive Officer
DMEA Field Team, Region I
Alaska District
P. O. Box 2668
Juneau, Alaska

Re: Docket DMEA-3288, Contract IGm-7667
Alaska Copper Mines, Inc.

Docket DMEA-3246, Contract IGm-7668
Hydro Mines, Inc.

Docket DMEA-3831, Contract IGm-7897
Nevada Pacific Mines Limited

Dear Mr. Hardlick:

It appears from the records of this Division that a Report of Review in lieu of a final audit is in order for each of the referenced terminated contracts. However, before such reports may be issued, it is required that this Division have a communication from you setting forth, for each of the projects, the information specified in my January 9, 1957, memorandum to all DMEA auditors, subject: Instructions on the Release of Audits and Reports of Review, copies of which were forwarded to the Field Team for compliance by the Operating Committee's letter of January 17, 1957.

Your cooperation in submitting the required communications would be appreciated.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

EDTalbert/vb
June 18, 1957

Copy to: Docket (3)
Admr. Reading File
L. J. Wilcox, Reg. I, Alaska Dist.
Mr. Chambers

Assignment March 22, 1955

May 25, 1954 - July 17, 1954	Work performed by Operator (Assignor)
July 17, 1954 - June 1, 1955	Authorized recess per Amend #2
June 1, 1955 - July 25, 1955	Unauthorized recess
(July 26, 1955 - Oct. ?, 1955	Work performed by Assignee

May 25 (1954) - July 25, 1955	Paid MF-104 (1954 omitted from heading) covers costs 5/25/54 to 7/17/54
August, September & October	Unpaid MF-104 (included payroll starting July 26, 1955)

Mr. Chambers

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

1956

Mr. S. N. Lorain
Executive Officer, Alaska District
DMEA Field Team, Region I
P. O. Box 960
Juneau, Alaska

Re: Docket No. DMEA-3246 Tungsten-Lead-Zinc
Alaska Mining and Exploration Co., Inc.
Riverside Mine
Ryder District, Alaska
Contract No. Idm-E668

Dear Mr. Lorain:

Reference is made to your letter of February 7, 1956, which requested this Division's opinion as to the propriety of the documentation submitted by the referenced Operator in support of the Monthly Report and Voucher, Form MF-104, for the months of August, September, and October, 1955. The following documents were enclosed with your letter and are returned herewith:

(incl. costs starting 9/24/55)

(a) A copy of your letter of February 7, 1956, to the Operator;
(b) The Fiscal Officer's memorandum of January 27, 1956, to the Field Team;
(c) A copy of your memorandum of January 5, 1956, to the Operating Committee;
(d) A copy of the Operator's letter of December 28, 1955, to you;
(e) The original and three copies of unpaid Voucher and Schedule of Payments, Form I-2017, in the amount of $2,003.62;
(f) The original and four copies of the Form MF-104;
(g) The original and four copies of the Form MF-104A;
(h) Fairbanks, Morse & Co. acknowledgment of order dated July 29, 1955;
(i) Northwest Motor Parts invoice No. 57137 for $27.76;
(j) Williams & Mamoth invoice No. 1074 for $2,686.00; and
(k) The Operator's certified copy of a "Distribution of Payroll and Checks".

It is the opinion of this Division that, of the total of $6,813.89 in costs claimed by the Operator, only the amount of $27.76 is adequately documented. It is recommended, therefore, that the Operator's claim be returned with a request for resubmission with documentary evidence of costs incurred under the "actual costs" provisions of the contract. Such documentation ordinarily should consist of:

(1) Certified copies or transcripts of payrolls. Where all payrolled employees are charged to project work, a certified copy (photostatic, typed or handwritten) should be submitted. Where some payrolled employees are engaged on other than project work, a certified transcript (typed or handwritten) is adequate, provided all payroll information applicable to project employees is indicated therein. Either a copy or transcript must list each employee by name, wage or salary rate, period (hours, days or months) of employment, gross earnings, itemized deductions, (withholding tax, employee's share of social security contribution, board and lodging or other employer's charges to employee, etc.), and net earnings.

(2) Original or certified copies of invoices, statements of account or purchase orders. Each such document, original or copy (carbon, photostatic, typed or handwritten) covering materials or services furnished by a vendor, should indicate date of order, shipment or receipt, adequately identify the items of material or service, and indicate quantities, unit prices, total charges and payment terms.

(3) Memoranda from Operator. Supplemental memoranda should be submitted by the Operator to explain the computation of other undocumented charges such as depreciation (when specifically authorized by the contract), Territorial and Federal Unemployment taxes (as applicable, but never in excess of 2.7% and .3%, respectively, on the payroll charged to the project), and employer's liability insurance costs (at rates set forth in the insurance policy applied to the payroll charged to the project). No statement is required as evidence of F. I. C. A. (social security) taxes, inasmuch as the employer's cost chargeable to the project is a matching amount to the employees' contributions as shown on the payroll copy or transcript.

It is suggested that you incorporate the above comments regarding documentation requirements in the transmittal letter returning the Operator's claim. Your letter also should advise the Operator that payment cannot be made unless the Form MF-104 is accompanied by an adequate narrative report of the work performed during the period covered by the claim.

With regard to the certification of the vouchers, as mentioned in the last paragraph of your letter, it is presumed that this matter has been cleared as indicated by the Administrator's telegram of February 7, 1956, and the Operating Committee's letter of February 10, 1956.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosures

EDTalbert/wb
February 14, 1956

Copy to: Docket
Admr. Reading File
Mr. Wilcox
Mr. Martin
Mr. Chambers

UNITED STATES,
DEPARTMENT OF THE INTERIOR,
Defense Minerals Exploration Administration

RECEIVED
FEB 10 1956

P. O. Box 560
Juneau, Alaska

February 7, 1956

E. D. Talbert, Acting Chief,
Contract Administration and Audit Division,
Defense Minerals Exploration Admin.,
Department of the Interior,
Interior Building,
Washington 25, D.C.

re: Docket No. DMEA-3246 (tungsten-lead-zinc)
Alaska Mining And Exploration Company, Inc.
Contract No. Idm-2668

Dear Mr. Talbert:

I am taking the liberty of sending you the MF-104s and "supporting documents" from the referenced operator. Also copies of a couple of office memos from Wilcox to me and a copy of a letter that I have just written to Mr. Boothe.

The company has submitted and resubmitted claims but we have felt that we could pay only a small part of the first claim. The enclosed material is their latest attempt which follows numerous letters of explanation from me and practically an entire day spent by me in their Seattle office trying to tell them how to do it. I can't make up my mind whether (assuming that we get a proper "narrative" from them) we would be justified in approving their labor claims on the basis of the "certified payroll transcript" which they submitted. I will appreciate your opinion.

It has developed that neither Wilcox nor I have a valid certifying officers bond; therefore we cannot sign even if we do approve. Please return the material with your comments and any suggestions for handling the certification.

Yours sincerely,

S. H. Lorain,
Executive Officer,
Alaska District,
Region I.

Attachments

cc: Wilcox

RECEIVED
FEB 10 1956

P. O. Box 560
Juneau, Alaska

January 27, 1956

Memorandum

To: Field Team, DMEA, Juneau, Alaska.

From: Fiscal Officer, DMEA, Juneau, Alaska.

Subject: MF-104 for August, September, and October 1955, Contract Idm-R668.

Attached MF-104 appears to have no particular supporting documents for the claim submitted. Two copies of invoices are included which appear to relate to item (d) Stage I of the contract. One of these for $27.76 has unit costs and extensions; the other does not. The attached breakdown of labor and other costs does not constitute a transcript of payrolls; no deductions, rate of pay, etc. to substantiate payroll taxes claimed. The liability insurance payment no doubt applies to the entire project, including unit cost phases and would probably be claimable as part of unit costs under those provisions of the contract, with a portion chargeable to "Actual Cost" phase of the contract. There is nothing here to provide a basis for such a division.

I would like to make the comment that if the certified transcript (yellow sheet) submitted by this company is an example of their record keeping, such records are probably very inadequate and will no doubt lead to trouble.

It would be appreciated if the Field Team would provide a statement indicating the specific items, by amount, approved on claims submitted for assisting the clerical employees in determining payments that are allowable.

Certification of payments cannot be made by the undersigned due to lack of bonding coverage resulting from the Zenda exceptions.

Lawrence J. Wilcox,
Fiscal Officer,
DMEA

Attachments

-C-O-P-Y-

Wash

ALASKA MINING & EXPLORATION CO., INC.

310 Stewart Street Seattle 1, Washington Main 9126

Mining Office:
Riverside Mine
Hyder, Alaska

December 28, 1955

Producing:
Tungsten
Gold
Silver
Copper
Lead

S. H. Lorain
Executive Officer
Alaska District
Region 1.

Re - Docket No. DMEA - 3246
Contract No. Idm - E 668

Dear Mr. Lorain:

In compliance with sub-section (e) Narrative supplemental to our last report covering August, September and October I willendeavor to give a brief resume of results accomplished and unusual and unusual difficulties encountered. We are still working on Stage 1, rehabilitation of mine and mine plant sub sections (a) (b) (c) (d) (e) (f)(g) this work was fairly well completed except for roofing the powerhouse and replacing some dimension timbers we have been unable to get delivered. We have the roofing on hand and and expect to put it on as weather conditions permit.

Now for the unusual conditions; on or about November 15, shortly after the men had their noonday meal and returned to the mine the mess house and bunkhouse caught fire and burned to the ground fortunately we had $3500.00 ins on building and contents which we believe will be ample to replace the building and contents. At the time it burned we had just completed putting it in shape to house and board the necessary crew. We immediately started planning to replace it, and now have about 10,000 feet of shiplap on the ground and several thousand feet of dimention timbers for frame work. We now have six men on the job two of them carpenters. It has been quite a problem getting them comfortably housed until a new mess house and bunk house can be built. The old mess house and bunk house was a three story affair and in case of a fire constituted quite a hazard to the men sleeping on the second and third floors.

We were quite fortunate in getting a prompt adjustment of the insurance and should have the new messhouse ready in time to house the necessary crew for stage 2 of DMEA contract. While the carpenters are rebuilding we have a crew sacking ore in and around the mill for shipment and cleaning broken ore from drifts and stopes and shipping where ever the ore is sufficiently high in grade to warrant shipping.

We believe our next report will show completion of rehabilitation work under stage 1, and we will be in a position to start doing the mining indicated on contract under Stage 1, on an agreed footage cost basis.

Yours sincerely,

/s/ James W. Boothe

RECEIVED
JAN 9 1956

James W. Boothe
Secretary-Treasurer
Alaska Mining And Exploration Co. Inc.

-C-O-P-Y-

Form MF-104 (Rev.)
(April 195[illegible])

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

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

Month of May 25 1954 to July 25 1955 Docket No. DMEA 3246

Operator's Name Alaska Mining & Exploration CO, INC.
Address 310 Stewart Street, Seattle 1, Wash. and Riverside Mine, Hyder, Alaska

Contract No. Idm - E 668
Minerals Tungsten (Scheelite) copper, lead, gold & silver

Contract Amount, $ 96,120.00 Government Participation: 62½ % Amount, $ 60,075.00

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						
Bulldozing						
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 2 mo.'s	5960.40	Nil	5960.40	1951.13	—	1951.13
(6) New Bldgs., Improvements, etc.	1776.00	Nil	1775.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
				1951.13	—	1951.13
TOTALS	7735.40		7735.40			

Covers work from May 25, 1954 to July 17, 1954 received from July 17, 1954 to July 25, 1954

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

Date July 25, 1955 *Payee ALASKA MINING & EXPLORATION CO., INC.

Per James W. Brooks Title Secretary-Treasurer

*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:

$ 112.67

Signature Lawrence Peterson (Authorized Certifying Officer)

Date 10/17/55 Vou. No. 35

(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 10/11/[illegible]

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date 10/11/[illegible]

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF 104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
OCT 20 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 25 to July 25 (2 mos.) 1955 Docket No. DMEA - 3246 Contract No. Idm - E 668

Operator's Name Alaska Mining & Exploration Co. Inc. Minerals scheelite, copper

Address 310 Stewart St. Seattle Wash. Mine Office Ryder Alaska, Riverside Mine lead, zinc, gold & silver

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					stage 1	7735.40	cost stage 1	$8000.00
Crosscutting							agreed	
Raising							costs	$35,000.00
Shafts							stage 2	$50,402.00
Winzes								
Drilling: Core							stage2	
Churn							est.cost	2,718.00
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total cost								$96,120.00
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased					Total contract			$96,120.00
Initial Rehabilitation and Repairs		5960.40		5960.40	stage 1,a,b,c,d,f,g,			8,000.00
New Buildings, Improvements, etc.								
Tools & repairs to equipment				1775.00				
TOTAL COSTS		5960.40		7735.40				

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 25, 1955 Operator Alaska Mining & Exploration Co. Inc. by

Per James W. Boothe Title Secretary - Treas.)

REMARKS: In allocating cost of rehabilita tion to buildings and repairs to machinery it is difficult to arrive at an actual cost figure for both tools and equipment will used on other stages of the contract. a true cost figure can only be arrived at, in the final stages of the contract.

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)

OK

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.~~

October 17, 1955

Memorandum

To: Operating Committee, Defense Minerals Exploration Admin., Department of the Interior, Washington 25, D. C.

From: Executive Officer, Alaska District, Region I.

Subject: Operator's Monthly Report.
Docket No. DMEA-3246 (tungsten, lead, zinc)
Alaska Mining & Exploration Co., Inc.

Enclosed herewith are two copies each of the Operator's MF-104 and MF-104A for the period May 25 1954 to July 25, 1955.

These vouchers were poorly "supported" and considerably confused; consequently most of the claims had to be withheld. We are struggling with this outfit in an effort to bring them into line - I hope that we will have some success but I cannot help but be pessimistic about them.

S. H. Lorain,
Executive Officer,
Alaska District,
Region I.

Enclosure-2

cc: Velikanje

-C-O-P-Y-

PACIFIC NORTHERN MINERALS CO.
Spokane, Washington
402 Symons Building.

Dec. 7, 1954

Mr. S. H. Lorain, Executive Officer,
Field Team, Region I,
P. O. Box 560,
Juneau, Alaska.

Dear Mr. Lorain:

Re: Docket No. DMEA-3246
Contract No. Idm-E 668

With further reference to your letters of November 16 & 23, and my reply of November 18, to the former, and our personal conference in Spokane during the past week, all relative to the above subject, I beg to advise the following:

The first applicable expense to the contract began on May 25, 1954 when Donald H. Duncan arrived at Riverside mine to take charge of operations.

That operations were begun immediately upon his arrival is evidenced by payroll ending June 5, 1954 when during the prior 2-weeks period, five workman were employed working an aggregate 364 hours regular time, and 56 hours overtime, exclusive of time for Duncan. Actual work on rehabilitation dates from May 24, 1954.

Work continued until the end of third week in July, or July 17th when Duncan was advised by Ketchikan Immigration Service that Canadians could not be employed on jobs in Alaska without first having been qualified through the Ketchikan office.

When representatives from your office and U.S.G.S. visited the property on August 28-30 they found work suspended for that reason.

Between initial date and July 17 when work was interrupted as aforesaid, the hours of direct labor performed under each classification under Stage-I of contract, together with wages paid and approximate percentage of completion of each job is shown following; In the labor costs there is included a dollar value proportionate amount for supervision at the rate of $500 a month for 2.5 months.

Stage-I	Classification	Hrs Labor	% complete	Amt.
	(a)	272	75	$ 841
	(b)	240	10	653
	(c)	104	65	295
	(d)	292	75	1018
	(e)	80	10	211
	(f)	256	5	706
	(g)	none	0	
	Totals	1244		$ 3724

-C-O-P-Y-

As previously advised, it was my understanding that as the contract was segregated into the several categories (a) to (g), that reimbursement would not be made until all of these jobs had been completed and reported on Form 104. This understanding accounts for the fact that these forms have not been submitted. If, however, they should be filed, I shall be pleased to conform with such request. Also, if it is in order to receive partial reimbursement while the work is still in progress, we would appreciate receiving same.

From date of interruption caused by Immigration action there has been no constructive work at the mine. Duncan has been kept at the property, anticipating resumption of operations.

There is now no assurance that work can be started before next spring. It is requested, therefore, that a shutdown period until June 1, 1955 be granted by which date it is expected that work will get underway and carried on to completion.

Please connumicate with me if additional information is required.

Yours very truly,

Pacific Northern Minerals Co.

/s/ By J. E. Van Gundy
J. E. Van Gundy

800

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

P. O. Box 560
Juneau, Alaska

November 23, 1954

Mr. J. E. Van Gundy
Pacific Northern Minerals Co.
402 Symons Building
Spokane, Washington

DMEA 3246

Dear Mr. Van Gundy:

Thanks for your prompt reply to my letter of November 16. If you actually did work that would qualify under the contract you could have submitted 104s; your letter of September 12 must have been overlooked during the rather "hectic" rush of that period. For several months this summer I scarcely had time to look at my mail.

The work that you did probably would qualify as a start under "rehabilitation"; however the long shutdown until January 1, 1955 (or later) will require official approval by the Washington office. If you will make an "official" letter request to the Field Team for a specific shutdown period we will be happy to arrange for a suitable amendment.

In view of the fact that I will be in Spokane the latter part of next week, it might be just as well to delay your request until we have had a talk. We all are pleased to learn that you expect to complete the contract.

Yours sincerely,

/s/ S. H. Lorain, E
Executive Officer
Field Team, Region I

cc: Oper. Comm. DMEA
USGS - Velikanje

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

January 20, 1959

Memorandum

To: Contract Administration & Audit Division

From: Chief, Iron & Ferro-Alloys Division

Subject: Closed DMA Files

The file~~s~~ on the contract~~s~~ listed below ~~were~~ was considered closed by this office as of December 31, 1958. No closing letter was written in ~~these~~ this case~~s~~ nor will any be written, however, the Government no longer has the right to certify and there is to the best of our knowledge no outstanding claim for royalty.

Docket No.	Contract No.
3246	668
~~4709~~	~~1117~~
~~3638~~	~~779~~

/s/
W. S. Martin

Approved:

Acting Director

W-Chamberlain:gjb 1/20/59
Copy to: Mail & Files
Docket
Mr. Talbert
DMF
Chron.

Audit Copy

TERMINATION AGREEMENT

It is agreed this 24th day of April, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Hyder Mines, Incorporated (formerly known as Alaska Mining and Exploration Co., Inc.), Assignee, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Idm-2668 (Docket No. DMEA-3246), dated May 3, 1954, as amended, hereinafter called the "Contract," that:

1. The Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall make no further contribution to the costs of work performed under the Contract, the sum of $1,219.67 previously paid by the Government being the only money due the Operator under the Contract.

3. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

4. All rights of the Government with respect to records and audits, as provided in the Contract, are preserved.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By O. Mitchell Dorr
Administrator, Defense Minerals
Exploration Administration

HYDER MINES, INCORPORATED

By James W. Boothe

Title Secretary

OFFICIAL FILE COPY
DMEA
RECEIVED
DATE

Government's copy

ASSIGNMENT OF CONTRACT

WHEREAS, Carl B. Warren and D. W. Walters, doing business as Pacific Northern Minerals Company (hereinafter called the "Assignor"), entered into Exploration Project Contract Idm-E 668 (Docket No. DMEA-3246), dated May 3, 1954 (hereinafter called the "Contract"); and

WHEREAS, ALASKA MINING AND EXPLORATION CO., INC. a Washington corporation, whose address is 813 Arctic Building, , Seattle, Washington (hereinafter called the "Assignee"), has acquired the Assignor's interest in the land which is the subject of the Contract and the Assignee desires to complete the work under the Contract; ~~and~~

~~WHEREAS, the Government has made a certification of discovery or development;~~ L.E.B

NOW, THEREFORE, the Assignor, in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration received from the Assignee does hereby assign, transfer, and convey to the Assignee all of their right, title and interest in the Contract including any and all property purchased for and the right to use any and all property devoted to the work under the contract, and the Assignor hereby releases the Government from any claims the Assignor may have by virtue of the Contract.

The Assignor consents to all future amendments and assignments of the Contract and waives notice thereof.

This Assignment is subject to the execution by the Assignee of the acceptance form set forth below and to the written consent of the Government.

DATED this 22nd day of March, 1955.

PACIFIC NORTHERN MINERALS COMPANY

By C B Warren

D W Walters

STATE OF WASHINGTON }
COUNTY OF SPOKANE } SS.

I, the undersigned, a Notary Public in and for the above named County and State, do hereby certify that on this 22nd day of March, 1955, personally appeared before me CARL B. WARREN and D. W. WALTERS, to me known to be the individuals described in and who executed the within instrument, and acknowledged that they signed and sealed the same as their free and voluntary act and deed, for the uses and purposes herein mentioned.

GIVEN under my hand and official seal the day and year last above written.

Alma B. Wonch
NOTARY PUBLIC for the State of Washington, residing at Spokane.

ASSIGNEE'S ACCEPTANCE

The Assignee, ALASKA MINING AND EXPLORATION CO., INC. hereby accepts the above Assignment and agrees to be bound by the terms, provisions and conditions of the Contract.

DATED this 25th day of March, 1955.

ALASKA MINING AND EXPLORATION CO., INC.

By S. E. Brigham
President

James C. Clearly
Secretary

James W. Booth
Sec-Treas

* *

GOVERNMENT'S CONSENT

The Government, this 6th day of May, 1955, hereby consents to the above Assignment without releasing the Assignor, Pacific Northern Minerals Company, from any of the terms, provisions and conditions of the Contract.

THE UNITED STATES OF AMERICA

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

Government's copy

EXPLORATION PROJECT CONTRACT
PACIFIC NORTHERN MINERALS COMPANY
DOCKET NO. DMEA-3246

AMENDMENT NO. 2

It is agreed this 4th day of February, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Pacific Northern Minerals Company, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E668 (Docket No. DMEA 3246), dated May 3, 1954, hereinafter called the "Contract," that:

1. (a) Work under the Contract shall be suspended during the period beginning July 17, 1954, and ending not later than June 1, 1955. ?

(b) The Operator at his own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work and any property in which the Government has an interest, and the Government shall not contribute to any costs of rehabilitation or repair which, in its opinion, would not have occurred if there had been no suspension of the work.

2. The time fixed for the completion of the work is extended to three years.

3. In Article 10, that part of the second sentence beginning with the word "Provided" is deleted.

4. In Annex I attached to the Contract, in paragraph "b," delete the words "ten years" and substitute the words "eleven years."

This agreement shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute

under the provisions of the Contract, nor the agreed unit cost of any item of work.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Administrator, Defense
Minerals Exploration
Administration

PACIFIC NORTHERN MINERALS
COMPANY

By _____

_____

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the ~~xxxxxx~~Hyder District, Territory~~xxxx~~ of Alaska, described as follows:1/ Patented Lode Mining Claims, namely: RIVERSIDE, CARIBOU, RIVERVIEW, SPRUCE, SUNSHINE, SUNSHINE NO. 1, PINE & HILLSIDE. United States Mining Survey Nos. 1530, 1562 & 1563, Territory of Alaska, recorded in Book 2, pages 173-5, in office of Hyder Recording Precinct, District and Territory of Alaska, Division No. 1,

which is the subject of an ~~xxxxxxxx~~ exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Pacific Northern Minerals Company

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production 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 Amendment No. 2 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.

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.

(OVER)

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 In paragraph 2, the words "the period fixed in the contract or any amendment thereof has" are substituted for the words "ten years have."

Dated this 21st day of February, 1955.

[Seal]

[Seal]

[Seal]

Government's copy

EXPLORATION PROJECT CONTRACT
PACIFIC NORTHERN MINERALS COMPANY
DOCKET NO. DMEA-3246

AMENDMENT NO. 1

It is agreed this 2nd day of June, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Pacific Northern Minerals Company, that Exploration Project Contract Idm-E668 (Docket No. DMEA-3246), dated May 3, 1954, is amended, effective May 3, 1954, as follows:

In Exhibit "A," under "Description of the Work":

a. On the second line of the first paragraph, delete the words "to be performed successively;"

b. In the fourth paragraph delete the second sentence reading: "Work under Stage II shall be undertaken only if approved in advance by the Government;" and

c. Delete the Time Schedules under Stage I and Stage II.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the amount of any item designated as "allowable maximum."

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O Mittendorf
Administrator, Defense Minerals
Exploration Administration

PACIFIC NORTHERN MINERALS COMPANY

By Alex Watts

DMEA Form 14

Contract No. Idm-E 668

Docket No. 3246

DEPARTMENT OF THE INTERIOR

Terminated contract

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

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

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
May 3, 1954	I	Alaska	Tungsten

Name and Address of Operator: Alaska Mining & Exploration Co., Inc.
P. O. Box 1481
Spokane, Washington

	Reserve	Obligation
Prior Amount	0	60,075.00
Increase	0	0
Decrease	0	58,855.33
Revised Amount	0	1,219.67

Remarks:

ALLEN S. DAKAN
(Name)
Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date Delivered to Bureau of Mines, Washington 7/29/57

16416

Docket No. 3246

Commodity Tungsten

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 668

Date of Contract ~~or Amendment~~: May 3, 1954

Name and Address of Operator:
Pacific Northern Mineral Co.
P.O. Box 1481
Spokane, Washington

Amount of Government participation $60,075

Percent of Government participation 62 1/2%

Region: Hyder District State: Alaska

(Name)

(Title)

Date Delivered to Bureau of Mines, Washington.

54458

MF-200
(June 1951)
(Revised Feb. 1952)

DOCKET NO. DMEA 3246

COMMODITY Tungsten-Lead-Zinc
IBM - 668

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

EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this 3 day of May, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Pacific Northern Minerals Company, a partnership consisting of Carl B. Warren and D. W. Walters, P. O. Box 1481, Spokane, Washington, as set forth in Annex I, attached hereto and made a part hereof, and as follows: 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~~ Territory of Alaska, ~~County of~~ Hyder District, described as follows:[3] 8 Patented Lode Mining Claims, namely: Riverside, Caribou, Riverview, Spruce, Sunshine, Sunshine No.1, Pine, and Hillside, U.S. Mining Surveys Nos. 1530, 1562, and 1563, recorded in Book 2, Pages 173-5, Hyder Recording Precinct, District and Territory of Alaska, Division I, hereinafter called "the land," 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:~~

and optionee,

(*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 days from the date of this contract shall commence work on a project of exploration for[5] Tungsten-Lead-Zinc in or upon the described land; and shall bring the project to completion within a period of Two (2) Years 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.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—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 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to ~~the following:~~ those agreed unit costs set forth in Exhibit "A" and to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related ~~initial~~ allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

[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*) The Government's payments in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred 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 costs incurred 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.

(*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 operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 62-1/2 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $ 60,075.00, which is 62-1/2 percent of $ 96,120.00, 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 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.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *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 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. See Annex I, substituted for Article 9.

ARTICLE 10. *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. See Article 13.

ARTICLE 11. *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.

ARTICLE 12. *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. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* In Article 10, that part of the second sentence beginning with the word "Provided" is deleted.

Executed in sextuplicate the day and year first above written.

PACIFIC NORTHERN MINERALS COMPANY
(Operator)

By [signature] (Partner)

By [signature] (Partner)

THE UNITED STATES OF AMERICA

By [signature]
Administrator, Defense Minerals Exploration Administration

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

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

EXPLORATION PROJECT CONTRACT
PACIFIC NORTHERN MINERALS COMPANY
DOCKET NO. DMEA-3246

ANNEX I

The following provisions are in lieu of Article 9 :

Repayment by Operator.--a. Certification.--If the Government considers that a discovery or development from which production may be made has resulted from the 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. Royalty on production.--The Operator, as principal, if the Operator is the producer, or as surety, if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, 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, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, for a period of ten 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.

c. Basis for computation.--The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight paid by the buyer to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the

Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the raw ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

d. Unsold production.--If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

e. Percentages of royalty.--The percentages of the Government's royalty shall be as follows:

> One and one-half ($1\frac{1}{2}$) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half ($\frac{1}{2}$) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.
>
> (For instance: the royalty on an amount of five dollars ($5.00) per ton, would be one and one-half ($1\frac{1}{2}$) percent; on an amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) percent.)

f. Lien for payment.--To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

g. Notice to purchasers.--The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

h. No obligation to produce.--Nothing in this contract is 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.

i. Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

58694

EXPLORATION PROJECT CONTRACT
PACIFIC NORTHERN MINERALS COMPANY
DOCKET NO. DMEA-3246

EXHIBIT "A"

Description of the Work

The exploration work is divided into two stages to be performed successively, and is indicated, in part, on the maps attached hereto entitled "Plan Map, Riverside Mine, Showing Proposed Exploration," and "Riverside Group, Patented Mining Claims, Hyder District, Alaska."

All drifts shall be timbered where necessary and shall be not less than 4 feet by 6½ feet in cross section in the clear. All raises shall be 2-compartment and shall be not less than 4 feet by 8 feet in cross section. The location of raises shall be approved in advance by the Government.

Each sample taken concurrently with the advance in mineralized ground, as required by the contract, shall be divided into at least two parts, one of which shall be furnished to the Government.

The location, direction, and extent of all work is subject to approval of the Government. Work under Stage II shall be undertaken only if approved in advance by the Government.

The work to be performed is as follows:

Stage I

Time Schedule, 0 - 8 months

1. The mine workings and plant shall be rehabilitated to the extent essential to the exploration project.

2. Drift approximately 500 feet southeasterly on the mill level from the present face.

3. Raise approximately 230 feet from the mill level to the intermediate (530-foot) level from a point approximately 250 feet southeast of the present face.

The Government will contribute to the costs of drifting, raising, and diamond drilling on the basis of the agreed unit costs set forth above, as they accrue, in lieu of the actual costs set forth in Article 6(a) of the contract form. The rest of the described work will be contributed to by the Government on the basis of those actual costs specified in Article 6(a) of the contract form up to the allowable maximum cost indicated for such work below:

Actual Costs
(*Indicates allowable maximum)

Stage I

Rehabilitation of mine and mine plant (individual items are not to be maxima):

8000
1220
6780

(a) Rehabilitate camp buildings and put into shape to house and board necessary crew; new material excluded. Includes 4-apartment building.	$1,000.00	
(b) Recover and repair powerhouse; new roof and rebuild building.	1,800.00	
(c) Repair water-supply line and rebuild intake.	300.00	
(d) Rehabilitate power machinery—power units, compressor, etc.—by installing new rings, new bearings, etc.	1,000.00	
(e) Rehabilitate mine equipment by cleaning, oiling, and general repairs to mine cars, hoists, and supply equipment.	600.00	
(f) Rehabilitate mill level by clearing muck from drifts, timbering, laying new track and pipe lines.	2,900.00	
(g) Rehabilitate underground water and air lines	400.00	
Total cost - Stage I		$8,000.00*

Stage II

Unwater and rehabilitate winze and hoist station on Cross vein	$2,718.00
Total Estimated Cost of Project	$96,120.00*
Government Participation @ 62-1/2%	$60,075.00*

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

Bureau of Mines Administration

WHEREAS, the undersigned, as owner, ~~co-owner~~ and, lessor, ~~or lessee~~ has an interest in certain property in the ~~State of~~ Hyder District, Territory, ~~County of~~ Alaska, described as follows:1/

Patented Lode Mining Claims, namely: RIVERSIDE, CARIBOU, RIVERVIEW, SPRUCE, SUNSHINE, SUNSHINE NO.1, PINE & HILLSIDE. United States Mining Survey No's 1530, 1562 & 1563, Territory of Alaska, recorded in Book 2, Pages 173-5, in office of Hyder Recording Precinct, District and Territory of Alaska, Division No. 1.

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/ Pacific Northern Minerals Company, an unincorporated partnership consisting of Carl B. Warren and D. W. Walters.

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

Dated this 6th day of November, 1953.

[Seal]

Subscribed and Sworn ~~to before~~ me this

6th day November 1953

[Seal]

Viola G. Garrison ~~Notary Public~~

[Seal]

in and for the City and County of San Francisco, State of California

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) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent 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) per cent of such net amounts.

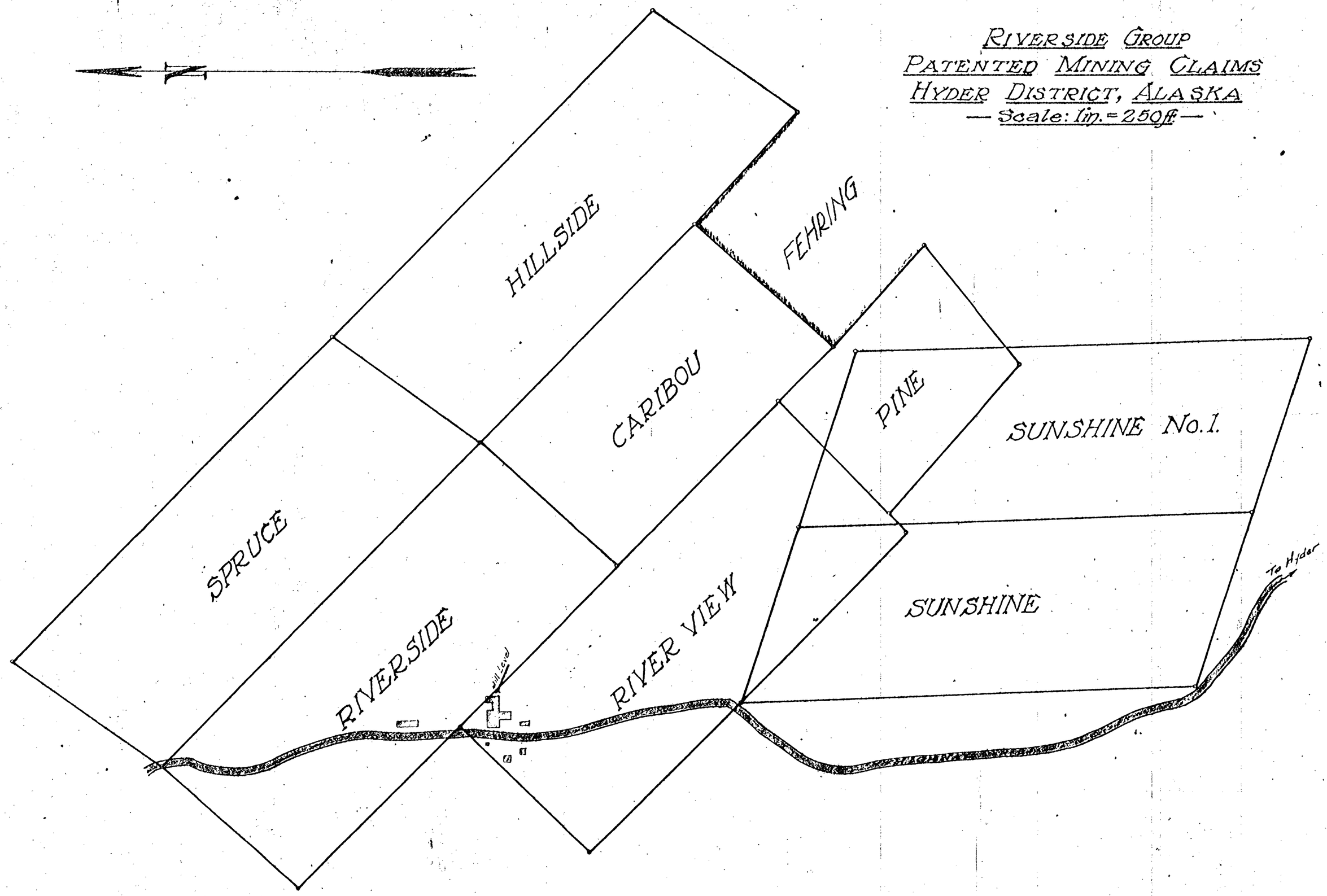
(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

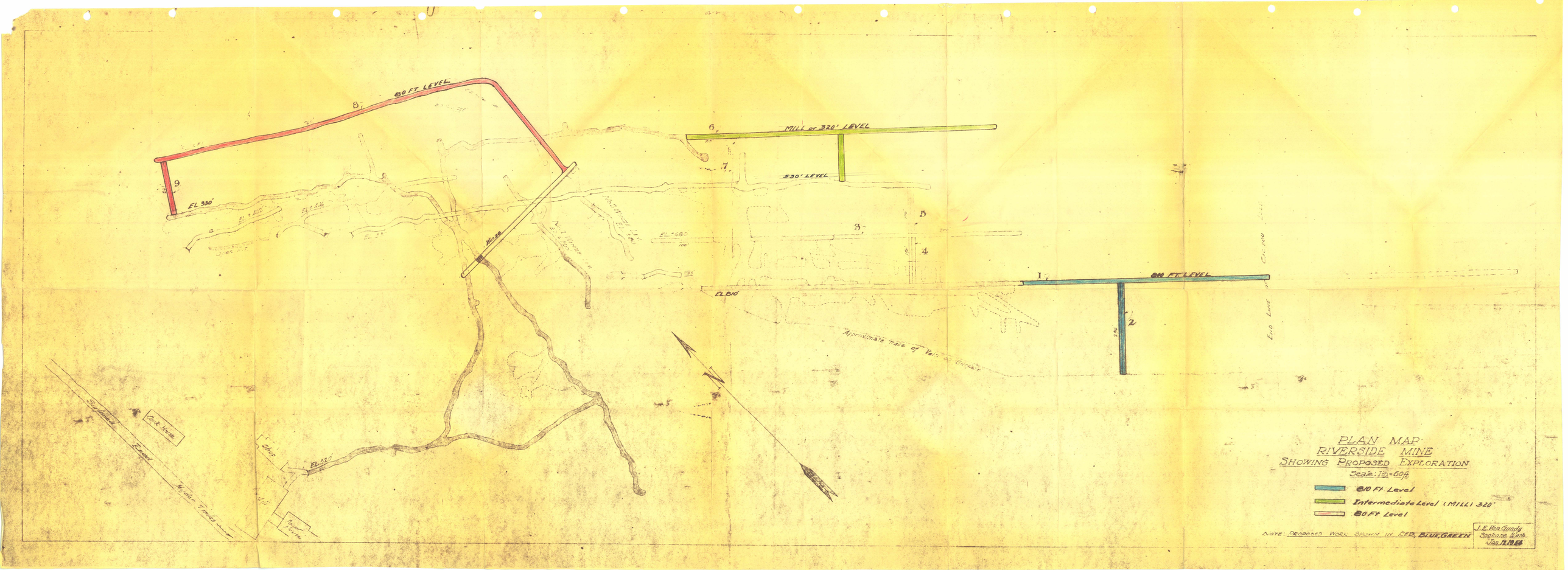
c. Definitions.--As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. 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.


RIVERSIDE GROUP
PATENTED MINING CLAIMS
HYDER DISTRICT, ALASKA
— Scale: 1in. = 250ft —
HILLSIDE
FEHRING
CARIBOU
PINE
SUNSHINE No.1.
SPRUCE
RIVERSIDE
RIVER VIEW
SUNSHINE
Jill Level
To Hyder


80 FT. LEVEL
MILL or 320' LEVEL
330' LEVEL
810 FT. LEVEL
EL 330'
EL 320'
EL 810'
Approximate Trace of Vein
Shop
Mill
Power House
Co. X House
Southern Pacific
Work Trailer
Line of Claims
PLAN MAP
RIVERSIDE MINE
SHOWING PROPOSED EXPLORATION
Scale: 1in = 60ft
810 Ft Level
Intermediate Level (MILL) 320'
80 Ft Level
NOTE: PROPOSED WORK SHOWN IN RED, BLUE, GREEN
J. E. Van Grady
Superior, Ariz.
Jan. 11, 1964