DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Southeastern Mining and Exploration Company, Inc.
Juneau, Alaska

pertaining to Exploration Project Contract No. Idm-E1090, Docket No. DMEA 4710, dated May 27, 1957, without Amendments, for the months of June 1957 to December 1957 inclusive, covering a project for the exploration of uranium, columbium and rare earths on property known as the Lucky Six Group of Claims, located in the Juneau Mining District, Territory of Alaska.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Government representative who visited and examined the project, and a determination of the reasonableness and propriety of the costs.

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

> All of the costs incurred ($19,210.00) were under a contract provision for payment by the Government on the basis of fixed unit costs of units of work actually performed.

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

Total cost claimed by Operator		$19,225.00
Exceptions per schedule		
By Finance Officer	$ None	
By Audit	15.00	15.00
Total accepted cost claimed		$19,210.00

The contract calls for a 75 percent participation of accepted costs. Therefore, payments as follows are valid and proper:

Amount payable on audited claim	$14,407.50
Amount reimbursed	14,116.25
Balance due Operator	$ 291.25

C. A. Turner, Auditor

May 16, 1958

Schedule of Exceptions

Southeastern Mining and Exploration Company, Inc. DMSA-4710 Kdm-E1090

Claimed by Operator

Final Operator's Monthly Report on Voucher Form MF-104 for December 1957 signed by Operator April 10, 1958 $19,225.00

Accepted Costs

Fixed Unit Costs

Diamond Drilling	1356' @ $14.00	$18,984.00		
Cementing, Reaming, Casing	57' @ 3.00	171.00		
Analyses	11 @ 5.00	55.00		
Total accepted costs				19,210.00

Disallowed

Analyses	3 @ 5.00	$ 15.00

Three analyses were disallowed because the determinations were made of minerals not authorized under the terms of the contract.

C. A. Turner, Auditor

May 16, 1958

So. 157 Howard Street
Spokane 4, Washington

800

June 3, 1958

Air Mail

Southeastern Mining and Exploration Co., Inc.
Juneau, Alaska

Re: Docket No. DMEA-4710 (Uranium-Columbium-Rare Earths)
Lucky Six Group of Claims
Juneau Mining District, Alaska
Contract No. Idm-E1090

Gentlemen:

Enclosed for your information and files is a copy of a Report of Review dated May 16, 1958 by C. A. Turner, DMEA Auditor. This Report of Review covers the period of June to December 1957 inclusive.

This report shows a balance due Southeastern Mining and Exploration Company as $291.25. This money was scheduled for release June 2, 1958 and you should receive payment shortly.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I

Enclosure

cc: DMEA (3)
USBM (2)
USBM (AD)
Turner

MAY 20 1958

Mr. Charles A. Turner
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Idm-E1055, DMEA-4504 (Tungsten)
Cordero Mining Company

and

Idm-E1090, DMEA-4710 (Uranium)
Southeastern Mining & Exploration
Co., Inc.

Dear Mr. Turner:

Your reports of review covering the above-cited contracts are acceptable and normal distribution is authorized.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

AMAlley/ama
May 19, 1958

Copy to: Docket
Admr. Reading File
Mr. Chambers

1201 N. Division St.
Spokane 2, Washington

May 26, 1958

800

Mrs. Dorothy Long, Certifying Officer
DMEA Field Team, Region I
1271 N. Division Street
Spokane 2, Washington

Re: Docket No. DMEA 4710 (uranium-columbium-rare earths)
Southeastern Mining & Exploration Co., Inc.
Lucky Six Group
Juneau Mining District, Alaska
Contract No. Idm-E1392

Dear Mrs. Long:

The project work under the referenced contract was completed on September 10, 1957. All the work performed was done to the satisfaction of the Government. A final report evaluating the results of the exploration program has been presented by the Operator and accepted by the Executive Officer.

The Government has no equity in equipment, materials or supplies used at the project.

A certification of discovery or development was not recommended in the Field Team final report.

A final Report of Review dated May 16, 1958 by DMEA Auditor C. A. Turner has been received.

As all contract requirements have been met, it is requested that final settlement of our account with the Operator be made.

Sincerely yours,

A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region I

cc: DMEA (2)
USGS (2)

EXTRA COPY
DMEA
RECEIVED MAY 5 1958
DATE CODE
8C-C

1201 N. Division St.
Spokane 2, Washington

April 25, 1958

Mr. C. A. Turner
DMEA Auditor, Region I
1201 N. Division Street
Spokane 2, Washington

Re: Docket No. DMEA-4710 (uranium-columbium-rare earths)
Southeastern Mining & Exploration Co., Inc.
Lucky Six Group
Juneau Mining District, Alaska
Contract No. Idm-X1090

Dear Mr. Turner:

The project work under the referenced contract was completed on September 10, 1957. All the work performed was done to the satisfaction of the Government.

A final inspection report on the completed work was submitted by E. W. Parsons on April 22, 1958.

The Operator's final engineering and geological report was received on April 7, 1958. It is considered as having met the requirements of Article 5(e) of the contract.

The Government has no equity in equipment, materials or supplies used at the project.

A certification of discovery or development was not recommended in the Field Team final report.

Work units completed within the terms of the contract are:

Item	Authorized	Completed
Diamond drilling	1,500 ft.	1,356 ft.
Cementing, reaming, casing	500 ft.	57 ft.
Chemical analyses and spectrographic	300	11

It is now in order for you to issue your Report of Review.

By Field Team, Region I

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

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

cc: DMEA (3)
USBM (AD)
USGS (2)

Standard Form No. 1034a—Revised
Form prescribed by
Comptroller General, U. S.
September 7, 1950
(Gen. Reg. No. 51, Supp. No. 11)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. .....

Bu. Vou. No. 2172

U. S. .....
(Department, bureau, or establishment)

Voucher prepared at Spokane, Washington 6/2/58
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idn-E1090

To Southeastern Mining & Exploration Co., Inc.
(Payee)

P. O. Box 1121 (Address) Juneau (City) Alaska (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	December 1957	As per attached certified form MF-104 dated April 10, 1958				41	25
		Funds withheld from Voucher No. 2079, dated December 2, 1957				250	00
PAYMENT: Complete ☐ Partial ☐ Final ☐		FINAL PAYMENT					
		Use continuation sheet(s) if necessary					
Shipped from	to	Weight	Government B/L No.		Total	291	25

(Payee must NOT use this space)

Differences .....

Account verified; correct for 291 25

(Signature or initials) A. A.

Contract No. Date Req. No. Date Invoice Rec'd.

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. ..... dated ....., 19....., for $..... } on Treasurer of the United States in favor of payee named above.
{ Cash, $....., on ....., 19.....

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐.
2. (*a*) Advertising by circular letters sent to ..... dealers.
   (*b*) And by notices posted in public places Yes ☐ No ☐.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.)

ABSENCE OF ADVERTISING

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with .....
5. Without advertising, it being impracticable to secure competition because of .....

.....

.....

.....

.....

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, as amended.)

☆ U. S. GOVERNMENT PRINTING OFFICE : 1950 O—75805

16—22900a-2

TF-104 (Rev.)
April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED JUN 9 1958

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1957 Docket No. DMEA 4710 Contract No. Idm-E1090
Operator's Name Southeastern Mining & Exploration Co., Inc. Minerals Uranium
Address P. O. Box 1121, Juneau, Alaska Columbium & Rare Earths
Contract Amount, $ 24,000.00 Government Participation: 75% Amount, $ 18,000.00

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		18,984.00	18,984.00		18,984.00	18,984.00
Bulldozing						
Crosscutting						
Drifting						
Casing, reaming & cementing		171.00	171.00		171.00	171.00
(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	70.00					
Sampling and Analysis	~~14~~	None	70.00	55.00	—	55.00
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS		19,155.00	19,225.00	55.00	19,155.00	19,210.00

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

Date Apr 10, 1957 *Payee Southeastern Mining & Exploration Co., Inc.

Per [signature] Title Secretary

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

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

(Instructions on reverse)

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

$ 41.25

Signature [signature]
(Authorized Certifying Officer)

Date 6/2/58 Vou. No. 2172

(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. E 1090 in accordance with the terms of the contract.

Signature /s/ Stephen W. Zoldok Title Mining Engr Date 5-29-58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ W. E. Weissenborn Title Exec. Officer Date May 29, 1958

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.

MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED JUN 9 1958 D.M.E.A.

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1957 Docket No. DMEA 4710 Contract No. Idm-E1090

Operator's Name Southeastern Mining & Exploration Co., Inc. Minerals Uranium

Address P. O. Box 1121, Juneau, Alaska Columbium & Rare Earths

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	Ft.			18,984.00	1356	14.00	1500	14.00/ft.
Churn								
Auger								
~~Stripping~~ Reaming, ~~Trenching~~ Casing, Cementing	Ft.			171.00	57	3.00	500	3.00/ft.
Test Pits								
Roads and Trails								
Assays	Each	70.00	14	70.00	14	5.00	300	5.00/ea.
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date Apr 10, 1958 Operator Southeastern Mining & Exploration Co., Inc.

Per R. P. Lowell Title Secretary

REMARKS:

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

(Instructions on reverse)

(For Government use only)

5-29-58
/s/ Stephen W. Zoldok
Mining Engr.

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 872894

COPY

THE BROWN LABORATORY

2263 Broadway

Phone CHapel 2-4589

GRAND JUNCTION, COLO.

Customer's Order No. _____ Date 12 - 18 195 7

Howard Hays

Address Douglas, Alaska

Sold By Cash X

Quan.	Description	Price	Amount
5	U_3O_8 Assay	3.50	17.50
3	V_2O_5 "	1.50	4.50
3	pb "	2.50	7.50
2	ag "	2.00	4.00
1	Br "	3.50	3.50
			$37.00

"PAID"

No. 10262

THE BROWN LABORATORY
2208 Broadway
GRAND JUNCTION, COLORADO

ANALYTICAL DEPARTMENT

CHapel 2-4589

CERTIFICATE OF ANALYSIS

TO

Howard Hayes
P. O. Box 1136
Douglas, Alaska

Date 12-20-57
Order No. 10262-S

Material: Ore Samples
Received: 12-18-57
For: Analysis

Lab. No.	Your No.	Description	Ounces ~~Per Ton~~ ~~Ag~~	% U_3O_8	% V_2O_5	% Pb	% Ba
10262-1	1			0.012			
10262-2	2			0.015		Trace	
10262-3	3			0.012	0.03		
10262-4	4		Trace	0.022	0.02	Trace	
10262-5	5			0.015			
10262-6	6		Trace		0.02	Trace	0.07

Analyst.

SMITH-EMERY COMPANY
Chemists - Engineers
HEAD FINISHED WORK TESTS
78 EAST WASHINGTON BLVD
LOS ANGELES 21 CALIFORNIA
TELEPHONE RICHMOND 9 3411

December 18,1957

Southeastern Mining & Exploration Co.,
Box 1136
Douglas Alaska,

Att: Howard C. Hayes.

Lab.No. 443862-866 Determining Columbium & Tantalum in three samples of Pulp -- $12.50 each ------	$37.50
Determining Titanium Oxide in one sample ----------	7.50
Determining Iron in one sample ----------	5.00
Spectrographic Examination of one sample ----------	7.00
Total Rare Earths in two samples - $15.00 each ---------	30.00
	$87.00

COPY

LABORATORY REPORT

SMITH-EMERY COMPANY

ESTABLISHED 1880

CHEMISTS - ENGINEERS

781 EAST WASHINGTON BOULEVARD

LOS ANGELES 21, CALIFORNIA

ALL REPORTS ARE SUBMITTED AS THE CONFIDENTIAL PROPERTY OF CLIENTS, AUTHORIZATION FOR PUBLICATION OF OUR REPORTS, CONCLUSIONS, OR, EXTRACTS FROM OR REGARDING THEM IS RESERVED PENDING OUR WRITTEN APPROVAL AS A MUTUAL PROTECTION TO CLIENTS, THE PUBLIC AND OURSELVES.

LABORATORY No. 443862-63 & 443865-66 *Date* December 18, 1957

Sample Pulps

Received 12-9-57 *Marked*

Submitted by Southeastern Mining & Exploration Co.,
Box 1136
Douglas, Alaska

Att: Howard C. Hayes.

REPORT OF DETERMINATIONS

"Sample No. 1"

Columbium & Tantalum (Cb_2O_5+ Ta_2O_5) ---	Nil

"Sample No. 2"

Titanium Oxide (TiO_2) ----------	Trace
Iron (Fe) ----------	1.68%

"Sample No. 4"

Columbium & Tantalum (Cb_2O_5+Ta_2O_5) ----	Nil
Total Rare Earth Oxides ----------	Nil

"Sample No. 5"

Columbium & Tantalum (Cb_2O_5+Ta_2O_5) ----	Nil
Total Rare Earth Oxides ----------	Nil

Respectfully submitted,

Smith - Emery Co.

CHEMISTS AND ENGINEERS

G.L.C.

COPY

SMITH-EMERY COMPANY

ESTABLISHED 1880

CHEMISTS - ENGINEERS
METALLURGICAL AND TESTING ENGINEERS
781 EAST WASHINGTON BOULEVARD
LOS ANGELES 21
CALIFORNIA

LABORATORY
No. 443864

Date December 18,1957

Sample Pulp

Received 12-9-57 Marked "Sample No. 3"

Submitted by Southeastern Mining & Exploration Co.,
Box 1136
Douglas, Alaska

REPORT OF QUALITATIVE SPECTROGRAPHIC EXAMINATION

Element	Approximate Quantity
Silicon, Calcium --------	Major Constituents
Aluminum, Potassium, Sodium ----------	Intermediate Constituents

Minor Constituents	
Barium ----------	1%
Iron ----------	1%
Strontium ----------	0.5%
Magnesium ----------	0.1%
Manganese ----------	0.1%
Titanium ----------	0.1%
Zirconium ----------	0.05%
Copper ----------	0.005%
Gallium ----------	0.005%
Lead ----------	0.005%
Vanadium ----------	0.005%
Boron ----------	0.001%
Chromium ----------	0.001%
Columbium ----------	None found
Tantalum ----------	None found
Tungsten ----------	None found
Rare Earths ---------	None found

Respectfully submitted,

Smith-Emery Co.
CHEMISTS AND ENGINEERS

All reports are submitted as the confidential property of clients. Authorization for publication of our reports, conclusions, or extracts from or regarding them is reserved pending our written approval as a mutual protection to clients, the public and ourselves.

G.L.C.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED DEC 9

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August 1957 Docket No. DMEA 4710 Contract No. 10-90
Operator's Name Southeastern Mining & Exploration Co., Inc. Minerals Uranium
Address P.O. Box 1121, Juneau, Alaska Columbium & rare earths
Contract Amount, $ 24,000 Government Participation: 75 % Amount, $ 18,000

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:	$6146 ~~439~~	$12,838	$18,984			
Drilling				6146.00	12,838.00	18,984.00
Bulldozing						
Crosscutting						
Drifting, casing, reaming & cementing	36	$135 ~~xxx~~	171	36.00	135.00	171.00
(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	~~$6182~~	~~$12,973~~	~~$19,155~~	6182.00	12,973.00	19,155.00

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

Date Sep. 30 *Payee Southeastern Mining & Exploration Co., Inc.

Per [signature] Title Secretary

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

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

(Instructions on reverse)

4242.00
5487.75
4636.50
14,366.25
Withheld 250.00

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

4636.50

$ 4636.50

Signature [signature] (Authorized Certifying Officer)

Date 12/2/57 Vou. No. 2079

(See other side)

Pay — $14,116.25

(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. E 1090 in accordance with the terms of the contract.

Signature /s/ Edward W. Parsons Title Mining Engr. Date Nov. 22, 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ A. E. Wiesenburg Title Exec. Officer Date Nov. 25, 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form ME-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED DEC 9 1957 D.M.E.A.

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

Month of August 7, 1957 Docket No. DMEA 4710 Contract No. 10-90

Operator's Name Southeastern Mining & Exploration Co., Inc. Minerals Uranium & rare earths

Address P.O. Box 1121, Juneau, Alaska

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	ft.							
Winzes	~~439~~	$6146	439	$18,984 ~~12,838~~	1356	$14	1500	@$14
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	ft	36	12	$171	57	$3	500	@$3
~~Casing, reaming & cementing~~								
Total Distributed Costs		$6186 6182	451	$19,155			Total Costs Authorized by Contract	$24,000
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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

Date Sep. 30 Operator Southeastern Mining & Exploration Co., Inc.

Per [signature] Title Secretary

Remarks: Hole#3 completed to 400 ft and Hole #4 drilled to 300 ft at locations indicated on maps submitted with application. Core barrel stuck in n #4 & DMEA authorized terminatio of drilling. Assays to be made after core brought to Juneau as per instructions of DMEA.

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)

/s/ Edward W. Parsons

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 872894

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S NARRATIVE REPORT

Month of August, 1957 Docket No. DMEA 4710 Contract No. 10-90

Operator's Name: Southeastern Mining & Exploration Co., Inc. Minerals Uranium
Address: P. O. Box 1121, Juneau, Alaska Columbium & Rare Earths

Contract Amount $ 24,000.00 Government Participation: 75%

Drilling was commenced at a depth of 261 feet. Difficulties were encountered with caving and sand in the hole. At 300 feet very hard material was encountered. Between 317 feet and 345 feet hard and broken material was encountered. Continued difficulties pertaining to water complicated the drilling problems. On August 13 Hole No. 3 was completed to a depth of 400 feet. Bears again had chewed the hose and also had mauled the pump. On August 14 the drill was torn down and move started for setting up for the fourth hole. August 15, the move was finished and drilling and cementing was performed, finishing the set-up. The location of Hole No. 4 is shown on the attached map. Hard material was encountered between 134 and 203 feet and between 203 and 258 feet hard and broken material were encountered. At 287 feet a conrod was burned out on August 20, 1957. After repairs were made, drilling was recommenced on August 25 and at the depth of 300 feet a core barrell became stuck in the hole. The drillers had also again run out of water and due to the unprecedented dry summer, it would require a great deal of extra equipment to secure water from the next nearest available source. On September 3 permission was obtained from Mr. Weissenborn, Executive Officer of the U. S. Geological Survey on behlaf of the Defense Miniterals Exploration Administration, to terminate the drilling in view of the fact that there had been no significant findings and the cost of drilling the additional 100 feet did not appear warranted. Attached hereto are copies of the drillers' logs for the period August 1 through August 31st as well as maps of the drilling completed.

RECEIVED
NOV 21 1957
U. S. G. S.
SPOKANE, WASH

DATED at Juneau, Alaska this 15th day of November, 1957.

SOUTHEASTERN MINING & EXPLORATION CO., INC.

By R. Boochever

R. Boochever, Secretary

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R...

RECEIVED DEC 9 D.E.M.E.A.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Contract No. 1017 Docket No. DMEA 195

Operator Name Southeastern Mining & Exploration Co., Inc. Minerals Uranium

Address P. O. Box 1121, Juneau, Alaska Columbium & Rare Earths

Contract Amount, $ $24,000 Government Participation 75 % Amount, $ 18,...

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 To Date
Contracts						
Drilling	$7182	$5656	$12,838	7182.00	5,656.00	12,838.00
Bulldozing						
Crosscutting						
Drifting						
Lag, Cementing &	$ 135	none	135	135.00	—	135.00
Labor and Supervision:						
Labor						
Supervision						
Technical Services						
Operating Mat'ls and Supplies:						
Lumber						
Explosive						
Fuel						
Truck						
Operating Equipment:						
Rental						
Purchase						
Transportation						
Initial Rehabilitation and Repairs						
New Bldgs., Improvements, etc.						
Miscellaneous						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Contingencies (specify):						
Totals	$7317	$5656	$12,973	7317.00	5,656.00	12,973.00

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

Date 12-2-57 Payee Southeastern Mining & E. Co., Inc.

By [signature] Title Secretary

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

$ 5487.75

Signature [signature] (Authorized Certifying Officer)

Date 12/2/57 Vou. No. 2075 (See other side)

Note: If a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the corporate name, as well as the capacity in which he signs, must appear. For example: "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)

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. E 1090 in accordance with the terms of the contract.

Signature /s/ Edward W. Parsons Title Mining Engr. Date 11-22-57

APPROVAL by DMEA Executive Officer or Alternate:

Signature /s/ W. E. Weissenborn Title Exec. Officer Date Nov. 25, 1957

Form MF-204A
(Rev. Jan. 1952)

Budget Bureau No. 42-R1151.2

RECEIVED DEC 9 1957 D.M.E.A.

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

Month of May 1957 Docket No. DMEA 4710 Contract No. 10-20

Operator's Name Southeastern Mining & Exploration Co., Inc. Minerals Uranium

Address P.O. Box 1121, Juneau, Alaska columbium & rare earths

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								
Winzes								
Ordinary Core	ft.	$7182	513	$12,838	917	$14	1500	@$14
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Casing	ft.	$81	27	$81	27	$3	500	@$3
Cementing	ft.	$45	15	$45	15	$3		
Total Distributed Costs		$7308	555	$12,964	959			Total Costs Authorized by Contract
Operating Equipment Purchased								$24,000
Total Rehabilitation and Repairs								
Buildings, Improvements, etc.								
Supervision		$9	3	$9	3	$9	500	@3
Total Costs		$7317	558	$12,973				

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

Date May 30, 57 Operator Southeastern Mining & Exploration Co., Inc.

Per [signature] Title Secretary

Casing cementing total authorization @$3.

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: Hole #1 completed to 405Ft. Hole #3 drilled to 561 ft. at locations indicated on maps submitted with application. Difficulties encountered due to unprecidented dry summer. Assays to be made on completion of project in accordance with instructions of DMEA officials.

(Instructions on reverse)

(For Government use only)

/s/ Edward W. Parsons

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DATE | CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S NARRATIVE REPORT

Month of July, 1957 Docket No. DMEA 4710 Contract No. 10-90

Operator's Name: Southeastern Mining & Exploration Co., Inc.
Address: P. O. Box 1121, Juneau, Alaska

Minerals Uranium Columbium & Rare Earths

Contract Amount $24,000.00 Government Participation: 75%

Drilling continued on Hole No. 1 commencing at a depth of 153 feet. Various problems concerning water were encountered and further difficulties due to bears chewing up water hose complicated this problem. At a depth of 311 feet the hole apparently intersected a fault zone. Difficulty was encountered with the hole caving in. On July 7 the hole started to clean up after penetrating this fault zone at a depth of between 355 feet and 388 feet. The hole was completed on July 8 to a depth of 405 feet. The drill was then moved to commence the drilling of Hole No. 3 as per the attached map. On July 10 the set-up for Hole No. 3 was completed. On July 13 it was found necessary to cement the casing. Material was very broken in the early stages of this hole. Serious water problems were encountered due to an unprecedented dry summer. Additional hosing and pump had to be flown to the site. On July 29 a very broken area was encountered and caving was very bad. By July 31, 1957 261 feet had been completed of this hole. Attached hereto are copies of the drillers' logs indicating the drilling completed.

DATED at Juneau, Alaska, this 15th day of November, 1957.

SOUTHEASTERN MINING & EXPLORATION CO., INC.

RECEIVED
NOV 21 1957
U. S. G. S.
SPOKANE, WASH

By R. Boochever
R. Boochever, Secretary

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

RECEIVED DEC 1957 D.M.E.A.

Month of June 1957 Docket No. DMEA 9210 Contract No. 10-90
Operator's Name Southeastern Mining & Exploration Co., Inc. Minerals Uranium
Address P. O. Box 1121, Juneau, Alaska Columbium & Rare Earths
Contract Amount, $ 24,000.00 Government Participation Amount, $ 18,000.00

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	$5,656	None	$5,656	5,656.00	—	5,656.00
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						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	5,656	—	5,656	5,656.00	—	5,656.00

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

Date Aug 6, 1957 *Payee Southeastern Mining & Exploration Co.

Per [signature] Title Secretary

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

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

(Instructions on reverse)

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

$ 4242.00

Signature [signature]
(Authorized Certifying Officer)

Date 12/2/57 Vou. No. 2079

(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. E 1090 in accordance with the terms of the contract.

Signature /s/ Edward W. Parsons Title Mining Engr. Date Nov. 22, 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ A. E. Weissenborn Title Exec. Officer Date Nov. 25, 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

DMEA 104A
(Apr. 22)

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

RECEIVED DEC 9 DMEA

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

Month of Nov. 1957 Docket No. DMEA 4710 Contract No. 10-A

Operator's Name Southeastern Mining & Exploration Co., Inc. Minerals Uranium, Columbium & Rare Earths

Address P. O. Box 1121, Juneau, Alaska

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	ft.	$5,656	404	$5,656	404	$5,656	1500	[illegible]
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs		$5,656	404	$5,656				Total Costs Authorized by Contract
Mining Equipment Purchased								
Rehabilitation and Repairs								
Buildings, Improvements, etc.								
Total Costs		$5,656	404	$5,656				[illegible]

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 Dec 6, 1957 Operator Southeastern Mining & Exploration, Co., Inc.

Per R. Boucher Title Secretary

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

(Instructions on reverse)

Remarks: Hole #2 was completed to a depth of 251 ft. and Hole #1 to a depth of 153 ft. at locations indicated on maps submitted with Application. Assays to be made upon completion of project in accordance with instructions of DMEA officials.

(For Government use only)

/s/ Edward W. Parsons

Extra

~~OFFICIAL~~ FILE COPY
DMEA
RECEIVED DEC 9 1957
DATE | CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S NARRATIVE REPORT

Month of June, 1957 Docket No. DMEA 4710 Contract No. 10-90

Operator's Name: Southeastern Mining & Exploration Co., Inc. Minerals Uranium
Address: P. O. Box 1121, Juneau, Alaska Columbium & Rare Earths

Contract Amount $24,000.00 Government Participation: 75% Amount, $

On June 10, 1957 supplies and equipment were assembled for this job. They were moved to the job site by means of barge and helicopter. The equipment was delivered to the job site on June 15, 1957, by which time the camp was set up. The drill was assembled on June 16 and June 17, on which latter date drilling was commenced. Hole designated No. 2, as indicated on the attached map, was the first one drilled. Drilling of this hole was completed on June 26, 1957 and on the following day the drill was moved to the location designated as Hole No. 1 on the attached map. 153 feet of this hole was completed by the end of June 30, 1957. Attached hereto are copies of the drillers' logs for this period.

DATED at Juneau, Alaska, this 15th day of November, 1957.

SOUTHEASTERN MINING & EXPLORATION CO.,INC.

By _____
R. Boochever, Secretary

DMEA Form 7
(3-56)

Hold until 10/8/58

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Date	Surname	Code
		700
		700
		900
		120
		110
		100
		200
		700

10-9-58

Mr. Howard C. Hayes, President
Southeastern Mining and Exploration Company, Inc.
P. O. Box 1121
Juneau, Alaska

Re: Docket No. DMEA-4710
(Uranium-columbium-rare earths) 10M-E 1890
Lucky Six Group
Juneau Mining District, Alaska

Dear Mr. Hayes:

Reference is made to your completed exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this project. Your attention, however, is called to the provisions of the contract which require the operator to keep and preserve certain records for the period indicated.

Your interest in the DMEA exploration program and participation therein are fully appreciated.

Sincerely yours,

(fw)

Director

FMMurphy/gla
(5-21-58) rewritten 9-30-58
cc to: Director's Reading File
Contract Adm. & Audit Division
Mr. Murphy
OME Field Team, Region I (2)

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION I

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DMEA
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DATE	INITIALS	CODE
		800

OFFICE OF
REGIONAL DIRECTOR

Asst.
for Alaska

2600
P. O. BOX 2990
JUNEAU, ALASKA

July 5, 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: DMEA Fiscal Officer.

From: DMEA Finance Officer, Juneau, Alaska.

Subject: DMEA Contract No. Idm-E1090.

There is enclosed the folder containing the contract with Southeastern Mining and Exploration Company, Inc. This is a new contract and no payments have been made in connection with it.

A copy of this transmittal is being forwarded to the contractor in order to provide him with the information as to where his correspondence, reports and claims will have to be submitted in connection with this project.

Lawrence J. Wilcox

Copy to: Southeastern Mining & Exploration Company, Inc., Juneau, Alaska.
Chief, Division of Administration, Region I, Albany, Oregon.
DMEA Contract Administration and Audits Division, Washington D.C.

DMEA Form 14

Contract No. Idm-E 1090

Docket No. 4710

Terminated Contract

DEPARTMENT OF THE INTERIOR

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 27, 1957	I	Alaska	Uranium

Name and Address of Operator: Southeastern Mining & Exploration Co., Inc.
P. O. Box 1121
Juneau, Alaska

	Reserve	Obligation
Prior Amount	0	18,000.00
Increase	0	0
Decrease	0	3,592.50
Revised Amount	0	14,407.50

Remarks:

(Name)
Allen S. Dokan, Chief Operations Control and Statistics Division

(Title)

Date delivered to Bureau of Mines, Washington 6/5/58

22845

DMEA Form 14

Contract No. Idm-E 1090

Docket No. 4710

DEPARTMENT OF THE INTERIOR

Executed 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 27, 1957	I	Alaska	Uranium-Columbium-Rare Earths

Name and Address of Operator: Southeastern Mining & Exploration Co., Inc.
P. O. Box1121
Juneau, Alaska

	Reserve	Obligation
Prior Amount	$18,000.00	0
Increase	0	$18,000.00
Decrease	$18,000.00	0
Revised Amount	0	$18,000.00

Remarks:

ALLEN S. DAKAN
(Name)

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

Date Delivered to Bureau of Mines, Washington 6/13/57

16416

MF-200A
(Rev. April 1956)

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DATE | INITIALS | COL
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UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	*Commodity*	*Contract No.*		
4710	Uranium Columbium Rare Earths	*Idm–E* 1090	Juneau Mining District	Territory of Alaska

It is agreed 27 MAY 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and SOUTHEASTERN MINING AND EXPLORATION COMPANY, INC., organized under the laws of the Territory of Alaska,

whose mailing address is P. O. Box 1121
Juneau, Alaska
hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before June 20, 1957, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 3 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $24,000.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $18,000.00, in accordance with the provisions of Articles 4 and 5.

(c) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: none

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached, as follows: none

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after certification of discovery or development, to inspect production operations and underground workings. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. *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 a sufficient final report (see Article 5), 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 (for example, if the Operator either transfers or fails to retain his interest in the land), 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, 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, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(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 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 (1½) 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 (½) 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 (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this Article.

(g) *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.

(h) *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.

(i) *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 production operations.

(j) *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.

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *Notices to be given by the Government* may be delivered to the Operator or may be sent by registered mail addressed to the Operator at the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

SOUTH MINING AND EXPLORATION COMPANY, INC.
(Operator)

By Howard C. Hayes

Title President

THE UNITED STATES OF AMERICA

By O. Mittendorf

Administrator, Defense Minerals Exploration Administration

I, R. Boochever, certify that I am the secretary of the corporation named as Operator herein; that Howard C. Hayes, 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.

R. Boochever

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE: 1956—O-383069

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DATE | INITIALS | CODE

EXPLORATION PROJECT CONTRACT
SOUTHEASTERN MINING AND EXPLORATION CO., INC.
DOCKET NO. DMEA-4710

ANNEX I

The land referred to in Article 2 of the contract consists of nine (9) unpatented lode mining claims situate in the Juneau Mining District, Territory of Alaska, about two miles northwest of William Henry Bay and about one and one-half miles southeast from Endicott River. Notices of location and amended locations of the claims have been recorded in the Office of the Recorder, Juneau Recording District of Alaska, as follows:

Claim	Date recorded	Volume of lodes	Page
Lucky 6 No. 1	Sept. 10, 1955	30	263-264
Lucky 6 No. 2	Sept. 10, 1955	30	264
Lucky 6 No. 3	Sept. 10, 1955	30	264-265
Lucky 6 No. 4	Sept. 10, 1955	30	265
Lucky 6 No. 5	Sept. 10, 1955	30	265-266
Lucky 6 No. 6	Sept. 10, 1955	30	266
Lucky 6 No. 7	Discovered August 22, 1955	30	266
Lucky 6 No. 8	Discovered July 12, 1956	30	289-290
Lucky 6 No. 9	Discovered July 12, 1956	30	290

The approximate location of the claims is shown on the map entitled "Figure 1 - Map of Radioactive Area near William Henry Bay, Southeastern Alaska," attached hereto and made part hereof.

The Operator is the owner of the claims.

RECEIVED

EXPLORATION PROJECT CONTRACT
SOUTHEASTERN MINING AND EXPLORATION CO., INC.
DOCKET NO. DMEA-4710

EXHIBIT A

Description of the Work

The object of this project is to explore a radioactive diorite stock area for uranium, columbium, and rare earths, by means of core drilling.

The work shall consist of drilling four (4) diamond drill holes from the locations, and approximately on the bearings and inclinations, shown on the map entitled "Figure 2 - Sketch Lucky Six Claim No. 1," attached hereto and made part hereof. With previous Government approval the location, inclination, and depth of D.D.H. 2 may be changed to that shown for D.D.H. 2 (Alt.).

The Government will not contribute to the cost of an incompleted hole, nor to a hole that bottoms less than EX core size.

All diamond drilling core and cuttings shall be saved and checked for radioactivity. Mineralized sections of the core shall be split into halves, the Operator using one half for assay purposes and the other half shall be stored with the rest of the core for Government inspection and possible use. The core shall be stored in boxes properly identified as to hole number and with markers placed in the core sections to indicate the depth represented. The cuttings shall be stored in suitable containers properly identified as to hole number and depth represented, for possible check assaying purposes by the Operator, if the Government so requests.

With previous Government approval the Operator may dispose of the core and cuttings. The Operator shall transport and deliver to the DMEA office in Juneau, Alaska, such portions of the core and/or cuttings requested by the Government.

Not in excess of four (4) holes totaling 1,500 feet shall be diamond drilled, not in excess of 500 feet of cementing and drilling out or reaming and casing of holes, and not more than 300 chemical analyses for the uranium, columbium,* or rare earth* content of core or cutting samples shall be performed under this contract.

The direction, extent, and manner of performing the work under this contract shall be subject to prior Government approval.

Fixed Unit Costs

(1) 1,500 feet of diamond drill hole @ $14.00[1]/ft.	$21,000.00	
(2) Cementing and drilling out and/or reaming and casing holes 500 feet @ $3.00/ft.	1,500.00	
(3) Chemical analyses for uranium, columbium*, or rare earths* content of samples 300 analyses @ $5.00/each	1,500.00	
Total Estimated Cost of Project		$24,000.00
Government Participation @ 75%		$18,000.00

1/ Includes all costs whatsoever that are not included in items (2) and (3) and covers such costs as transporting equipment, materials, and personnel to and from project area; supervision, labor, and technical services; payroll taxes; drilling; etc.

* Analyses may be made spectrographically with previous written Government approval.

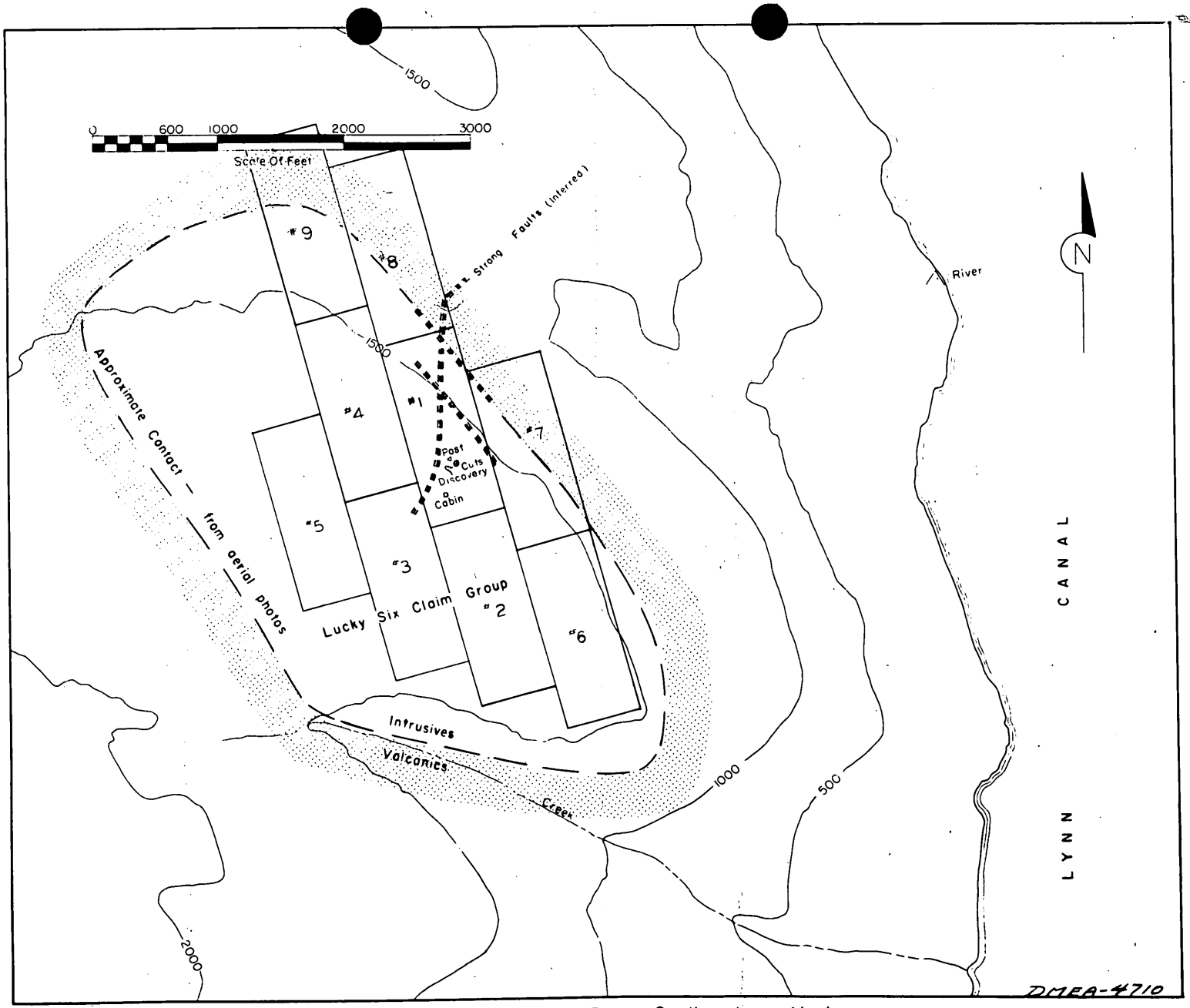

Figure I — Map of Radioactive Area near William Henry Bay, Southeastern Alaska

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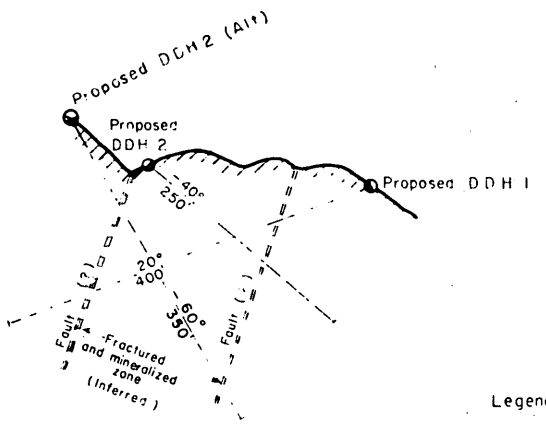
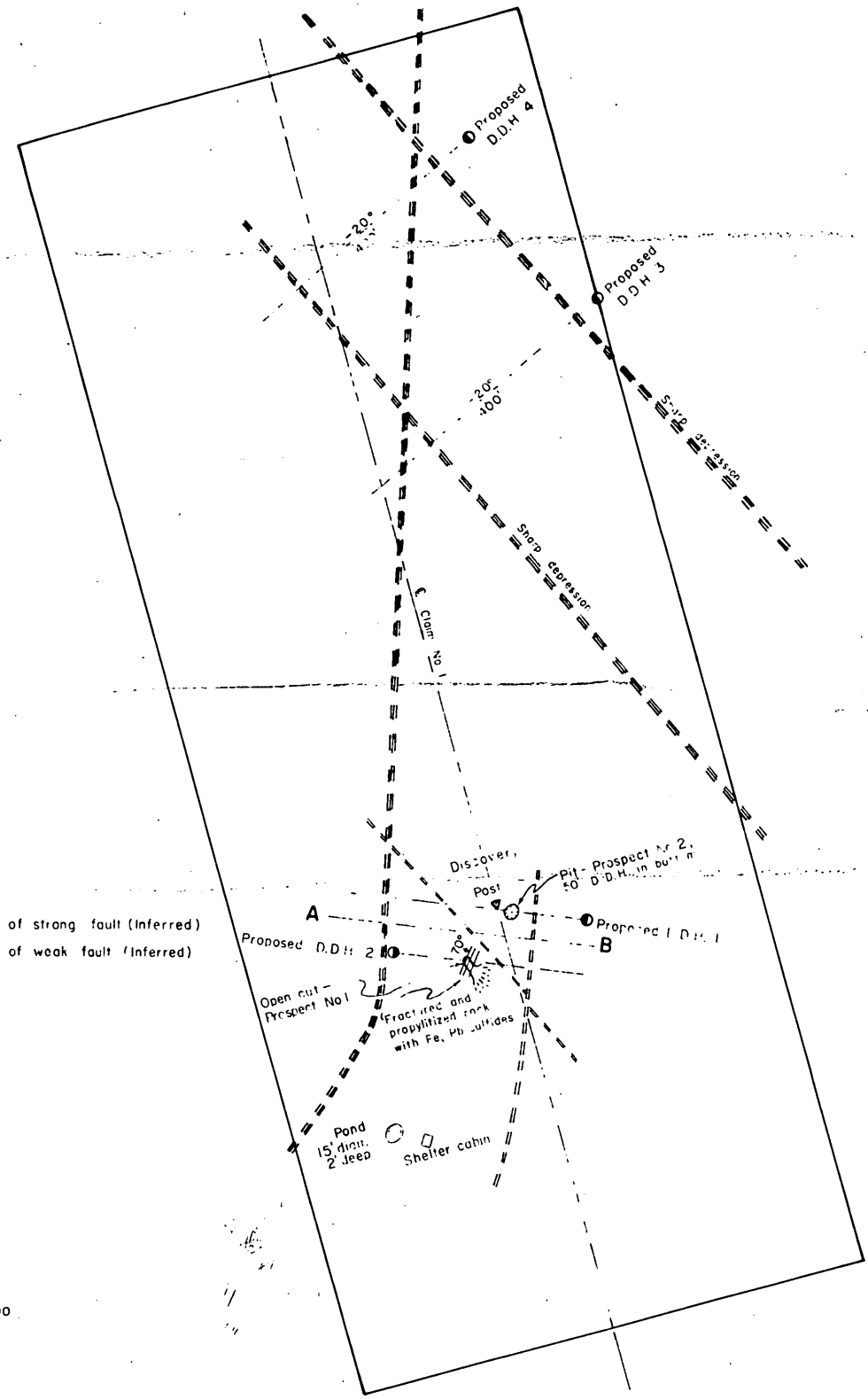


Section A — B

Legend

Surface trace of strong fault (Inferred)

Surface trace of weak fault (Inferred)



Sketch-Figure-2
Lucky Six Claim No. 1
Showing
Prospect Working and Proposed
Diamond Drill Holes

Scale of Feet

0 100 200 300 400

DMEA-4710-

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DMEA Form 14

Contract No. Idm-E 1090

Docket No. 1710

DEPARTMENT OF THE INTERIOR

Approved 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 27, 1957	I	Alaska	Uranium-Columbium-Rare Earths

Name and Address of Operator: Southeastern Mining and Exploration Company, Inc.
P. O. Box 1121
Juneau, Alaska

	Reserve	Obligation
Prior Amount	0	0
Increase	$18,000.00	0
Decrease	0	0
Revised Amount	$18,000.00	0

Remarks:

ALLEN S. DAKAN
(Name)

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

Date Delivered to Bureau of Mines, Washington 5.27.57

16416