DIVISION COPY

NOTICE OF RESCISSION OF EXPLORATION PROJECT CONTRACT, UNDER THE TERMS OF THE CONTRACT, BEFORE WORK IS BEGUN

Mr. W. F. Moenke
1416 Downing Street
Denver, Colorado

Operator under Exploration Project Contract Ida-2568,
Docket No. DMEA 64, dated July 3, 1952.

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, under the terms of the above mentioned contract, hereby rescinds the contract on the following grounds:

In the opinion of the Government, you have failed to prosecute operations pursuant to the terms of the contract in that you have failed to commence work under the terms of the contract or Amendment No. 2 dated July 10, 1953.

Dated this 1st day of October, 1953.

UNITED STATES OF AMERICA

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

No. 2

AMENDMENT OF CONTRACT: No. Idm-E368

Contract Docket No. IMEA 64, dated July 3, 1953, between the United States of America and W. F. Moenke is hereby amended as follows, effective June 19, 1953:

> Referring to "Article 3. Exploration Project" of Exploration Project Contract Form MF-200 as amended, to the words "one year" add "and two months".

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "allowable maximum".

Dated July 10, 1953.

UNITED STATES OF AMERICA

W. F. Moenke

W. F. Moenke

By W. H. King

W. H. King, Executive Officer
IMEA Field Team, Region IV

Denver 15, Colorado
1416 Dorning St.
June 14, 1953

Mr. W. D. King, Executive Officer
Mile Zero, Region IV
224 Post Custom House
Denver 2, Colorado

Re: Docket NMA 64
Contract IDr-1303

Dear Mr. King:

Your letter of June 10th., 1953 mentions that I must start operations under the above contract by July 3, 1953 or ask for an amendment for extension of starting date. I will not be able to start operations by July 3, 1953 and therefore request an extension of time to start work not later than Sept. 1st., 1953. The reason is that by that time I will be properly financed to complete the contract.

Very truly yours,

W. B. Meade

W. B. Meade

Div. Cy.

No. 1

AMENDMENT OF CONTRACT: No. Idm-E368

Contract Docket No. DMEA 64, dated July 3, 1952, between the United States of America and W.F. Moenke is hereby amended as follows, effective as of the date of said contract:

> Referring to "Article 3. Exploration Project" of Exploration Project Contract Form MF-200, delete "ninety (90) days" and in lieu thereof insert "one year"; delete "six (6) months" and in lieu thereof insert "eighteen (18) months".

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "allowable maximum".

Dated January 15 1953.

UNITED STATES OF AMERICA

W F Moenke
W. F. Moenke

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 8 1952

Duplicate Copy

DOCKET NO. D[redacted]A 64

COMMODITY Lead-Zinc

Idm-E368

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

EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this 3rd day of July, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2]

W. F. Moenke, an individual
1416 Downing Street
Denver 3, Colorado

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 Colorado, County of Summit, described as follows: [3]

See Appendix I, attached to and made a part hereof

the Operator represents and undertakes: [4]

~~(a) That the Operator is in possession and entitled to possession, and the property is subject only to the following liens, encumbrances, and restrictions of record:~~

under agreement to purchase Landlord's Subordination Agreement

(*b*) That the Operator is ~~not~~ in possession and entitled to possession, and the ~~[illegible]~~ 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 ninety (90) days from the date of this contract shall commence work on a project of exploration for [5] Lead-Zinc

in or upon the described land; and shall bring the project to completion within a period of six (6) months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

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:

(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 fifty (50) percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $ 1,500.00, which is 50 percent of $ 3,000.00, 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.

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.

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.* ----------

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

W. F. Moenke
(Operator)

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

By ----------

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

APPENDIX I

The Carbonate group of unpatented mining claims, Minnesota and Breckenridge Mining Districts, in sec. 3, T. 7 S., R. 77 W., Summit County, Colorado.

Name of lode mining claim	Summit County Records	
	Book	Page
Carbonate, also called Carbonate #1	15	296
Carbonate #2	17	106
Carbonate #3	16	363
Carbonate #4	16	364
Carbonate #5	20	444
Carbonate #6	20	445
Little Tommie #1	10	450
Little Tommie #2	10	450
Little Tommie #3	10	451
Little Tommie #4	10	451
Doubtful	16	228
Highland Mary	10	449
Gold King	10	448
Gold Nugget	10	543
New Era	16	210
New Era #1	16	211

EXPLORATION PROJECT CONTRACT
W. F. Moenke
DOCKET NO. DMEA-64

EXHIBIT "A"

Description of the Work

The vein slump areas, identified as B, C and D on the attached map (Fig. 2) shall be stripped by bulldozer to expose the vein structure for examination and sampling. Sampling and assaying shall be done in connection with this work.

Shallow winzing and test pitting shall be done in the most favorable areas exposed by stripping. Sampling and assaying shall be done in connection with this work.

The location, direction and extent of all work, including the sampling and assaying, shall be subject to prior approval of the Government.

Estimated Costs of the Project

(Items followed by an asterisk are allowable maximums)

Independent Contracts

Bulldozer, complete with operator, and all maintenance and operating costs - 125 hours @ $12.00 per hour	$ 1,500.00

Labor, Supervision, Consultants

Labor for cleaning trenches, test pitting and sampling (Wage rates are to be paid at rates prevailing in district, including overtime. One miner may be paid leadman rate)	600.00
Supervision	100.00*
Consultants - None	

Operating Materials and Supplies

Any supplies and materials necessary to complete this project	250.00

Operating Equipment

To be purchased:

None

To be rented:

Portable compressor, jackhammer, hoses and necessary attachments for drilling	300.00

To be furnished by operator:

None

Rehabilitation and Repairs

None

New Buildings, Improvements, Installations

None

Miscellaneous

None

Contingencies

Total Contingencies	$ 250.00
Total estimated cost of project	$3,000.00
Government's participation at 50%	$1,500.00

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of [illegible], State of [illegible], described in a certain Exploration Project Contract dated July 3, 1952, between [illegible], the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated [illegible] 1, 1947 [illegible], does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this [illegible] day of [illegible], 195[illegible]

Clarence E. Moon

Earl A. Stephenson

Vera S. Pike

Albert E. Stephenson

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 8 1952

224 New Customhouse
Denver 2, Colorado

September 5, 1952

REGISTERED

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Contract Idm-E368, Docket DMEA 64, W. F. Moenke, (Lead-Zinc)

Enclosed are the original and two copies of an Exploration Project Contract between the Government and W. F. Moenke. All copies have been signed by the applicant and by the Executive Officer, DMEA Field Team, Region IV.

The contract covering this docket was prepared in the Washington office and submitted unsigned to Region IV. The method of payment for the winzing and test pitting as submitted in the original contract was ambiguous and would cause trouble in administering the contract, therefore the contract was rewritten in this office.

W. H. King
W. H. King

Enclosures

MAP

BELONGS

HERE

#14

1 map

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

RECEIVED
OCT 2 1953

224 New Customhouse
Denver 2, Colorado

October 2, 1953

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMEA 64 (Lead-Zinc), Contract Idm-E368, W. F. Moenke, Summit County, Colorado

Enclosed are three copies of "Notice of Rescission of Exploration Project Contract, Under the Terms of the Contract, Before Work is Begun" which has been executed by this office in conformance with authority contained in your teletype dated October 2, 1953.

The original of the notice has been forwarded to the operator, a copy has been given to the Fiscal Officer, Region IV, and a copy retained for our files.

W. H. King

W. H. King

Enclosures

[illegible] BY: DMEA, U.S. Department of Interior
Originator: [illegible]riswold/bjl
Ext. 3669 Room: 4058

Agency: 14X[illegible]3.970 Working Fund, Interior, DMEA
Date: October 1, 1953
To: [illegible]. H. Zinn, Executive Officer, DMEA Field Team, Region IV, Denver, Colorado

Effective September 30, 1953, Contract I4m-36[illegible], Docket DMEA-64, [illegible]. F. [illegible]oenke. You are authorized to rescind contract as requested.

George C. Selfridge
Chairman, Operating Committee

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals Division, DWEA
Audits
Mr. Bishop Room 4058
Mr. Kinkel
Chron.

SENT
OCT 2 1953
Clerical Service Section

C
O
P
Y

DN 235 BUR MINES 9/30/53 2:05

C O MITTENDORF

REFERENCE DOCKET DMEA-64 (Lead-Zinc) Contract IDN-E-368, W. F. MOENKE, SUMMIT COUNTY, COLORADO. OPERATOR HAS NOT COMMENCED WORK IN CONFORMANCE WITH ARTICLE 3 AS AMENDED BY AMENDMENTS NUMBERS 1 AND 2. PLEASE TELETYPE AUTHORITY TO RESCIND CONTRACT FOR REASON ARTICLE #12 B.

W. H. KING

Griswold
Betty

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

500

SEP 25 1953

W. F. Moenke, Summit County, Colorado
Docket No. DMA 64, Contract No. Idm-E368

Contract dated July 3, 1952, total amount $3,000.00.

Contract calls for bulldozing, test pitting on vein and sampling.

No work has been started. By amendment starting time extended to September 1, 1953. Considered unlikely that work will be started as such date is unfavorable due to approaching winter conditions at high altitude. If not started as promised, believe we should terminate.

W. R. Griswold

W. R. Griswold

P. S. The project must be classified as falling into the category of "prospecting", to bulldoze, test pit, and sample along the strike of a vein, in hopes of locating presently unknown ore bodies. Even if such ore bodies were actually located, the normal expectancy would be for ore shoots of limited size and vertical range.

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

224 New Customhouse
Denver 2, Colorado

July 10, 1953

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Amendment No. 2 to Contract Idm-E368, Docket DMEA-64, W. F. Moenke (Lead-Zinc)

Enclosed are the original and two copies of Amendment No. 2 to Contract Idm-E368. Copies of this amendment have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

Also enclosed are three copies of a letter from the operator requesting this amendment.

W. H. King
W. H. King

Enclosures

Greenwold
Betty

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

124 New Customhouse
Denver 2, Colorado

June 22, 1953

Memorandum

To: George C. Selfridge, Chairman, Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Inactive DMEA Projects, Region IV

In reference to item "12. W. F. Moenke, DMA 64, Idm-2368," of our memorandum dated June 11, 1953, we are enclosing a copy of a letter from W. F. Moenke dated June 14, 1953, in reply to our letter of June 10.

The operator states that he will be unable to commence operations prior to September 1, 1953. We will execute an amendment to extend the starting time as he has requested. However, it is doubted that he will be in a position to commence operations by that time. Moreover, if he does start work by then winter weather conditions will soon force a termination of the project activities.

W. H. KING

W. H. King

Enclosure

JWT:lk

cc: Traver
Koschmann
Townsend
sub
chron

C O P Y

Denver 18, Colorado
1416 Downing St.
June 14, 1953

Mr. W. H. King, Executive Officer
Field Team, Region IV
224 New Custom House
Denver 2, Colorado

Re: Docket DMEA 64
Contract Idm-E368

Dear Mr. King:

Your letter of June 10th., 1953 mentions that I must start operations under the above contract by July 3, 1953, or ask for an amendment for extension of starting date. I will not be able to start operations by July 3, 1953, and therefore request an extension of time to start work not later than Sept. 1st., 1953. The reason is that by that time I will be properly financed to complete the contract.

Yours very truly,

/s/ W. F. Moenke

W. F. Moenke

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

224 New Customhouse
Denver 2, Colorado

June 10, 1953

Registered Mail

Mr. W. F. Moenke
1416 Downing Street
Denver 3, Colorado

Re: Docket DMEA 64
Contract Idm-E368

Dear Mr. Moenke:

Your attention is directed to article "3. Exploration Project" of Exploration Project Contract, Form ME-200, as amended by Amendment No. 1 dated January 15, 1953, which stipulates that work must be commenced by July 3, 1953.

Please advise at your earliest convenience the date you expect to start operations under the contract. If some condition will not permit the starting of work by that date it will be necessary for you to obtain an amendment to extend the starting date in order to keep the contract in force beyond July 3, 1953.

Any request for an amendment to the contract must be submitted in sextuplicate and contain an adequate justification for the amendment.

Yours very truly,

W. H. King
Executive Officer
Field Team, Region IV

JWT:ld
CC: Chairman, Operating Committee
Townsend
Koschmann
Traver
Contract
Chron.

April 2, 1953

MEMORANDUM to G. C. Selfridge

From: W. R. Griswold, Chief, Base Metals Division

Subject: Docket No. DMA-64, W. F. Moenke, The Carbonate group of unpatented mining claims, Minnesota and Breckenridge Mining Districts, Summit County, Colorado, Contract No. Idm-E368 (Lead-Zinc)

This appears to be a simple matter of recession due to the severity of high-altitude winters, during which work on a small scale can only be carried out in the June - November period.

Equipment rentals should not be allowed during idle period. Amendment extends starting date to July 3, 1953, and terminal date to January 3, 1954.

W. R. Griswold

C O P Y

No. 1

AMENDMENT OF CONTRACT: No. Idm-E368

Contract Docket No. DMEA 64, dated July 3, 1952, between the United States of America and W. F. Moenke is hereby amended as follows, effective as of the date of said contract:

> Referring to "Article 3. Exploration Project" of Exploration Project Contract Form MF-200, delete "ninety (90) days" and in lieu thereof insert "one year"; delete "six (6) months" and in lieu thereof insert "eighteen (18) months".

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "allowable maximum".

Dated January 15 1953.

UNITED STATES OF AMERICA

/s/ W. F. Moenke
W. F. Moenke

By /s/ W. H. King
Executive Officer, DMEA
Field Team, Region IV

C O P Y

Denver 18, Colorado
1416 Downing St.
Dec. 18, 1952.

Mr. W. H. King, Executive Officer
Field Team, Region IV
U. S. Dept. of Interior
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Dear Sir:

Your letter, dated December 9, 1952 with reference to DMEA Docket 64, Contract Idm-E368 in which you advise that above contract will expire Jan. 3, 1953 unless it is amended to extend the expiration date.

This letter is my request for extension of the expiration date to not later than Sept. 1, 1953. The reason being the Carbonate mine is at high altitude where work cannot be started before June 1st 1953, and work as described in the contract was not known until I received the contract about Sept. 6th 1952. About this time I had completed all the work I contemplated for 1952, but you advised me that work done did not conform to the contract, therefore I request the extension of the expiration date as above.

Very truly yours,

/s/ W. F. Moenke

April 2, 1953

MEMORANDUM to G. C. Selfridge

From: W. R. Griswold, Chief, Base Metals Division

Subject: Docket No. DMA-64, W. F. Moenke, The Carbonate group of unpatented mining claims, Minnesota and Breckenridge Mining Districts, Summit County, Colorado, Contract No. Idm-E368 (Lead-Zinc)

This appears to be a simple matter of recession due to the severity of high-altitude winters, during which work on a small scale can only be carried out in the June - November period.

Equipment rentals should not be allowed during idle period. Amendment extends starting date to July 3, 1953, and terminal date to January 3, 1954.

W. R. Griswold

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

224 New Customhouse
Denver 2, Colorado

January 15, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 20 1953

Memorandum

To: C. O. Mittendorf

From: Executive Officer, Field Team, Region IV

Subject: Amendment No. 1, DMEA Docket 64, Contract Idm-E368, W. F. Moenke

Enclosed are the original and two copies of Amendment No. 1. Copies of this amendment have been given to the Operator, the Fiscal Office of Region IV, and a copy has been retained for our file. Also enclosed are three copies of a letter from the Operator requesting this amendment.

W. H. King
W. H. King

Enclosures

Denver 18, Colorado
1416 Downing St
Dec.18,1952

Mr. [illegible] Executive Officer
Field Team, Region IV
U.S. Dept. of Interior
Defense Atomic Exploration Administration
236 Sou. Grotonduse
Denver 2, Colorado.

Dear Sir:-

Your letter, dated Dec 9, 1952 with reference to D.A.E.A. Docket 64, contract Idm-U 328 in which you advise that above contract will expire on Jan. 3, 1953 unless it is amended to extend the expiration date.

This letter is my request for extension of the expiration date to not later than Sept. 1, 1953. The reason being the Gaborite claim is at high altitude where work cannot be started before June 1st., 1953, and work as described in the contract was not known until I received the contract about Sept. 8th, 1952. About this time I had completed all the work I contemplated for 1952, but you advised me that work done did not conform to the contract, therefore I request the extension of the expiration date as above.

Very truly yours,

W. F. Moenke

W. F. Moenke

Mr. W. H. King
Executive Officer, Region IV
DMEA Field Team
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA - 64 (Lead-Zinc)
W. F. Hoenke

Dear Mr. King:

We are enclosing the original and five copies of the above contract, together with Appendix 1 (1 page), Exhibit "A" (1 page), Landlord's Subordination Agreement and one map.

The application and field team report were reviewed by the Commodity Group here in Washington. As a result of this review, the Commodity Group has agreed on an exploration project in the amount of $3,000. Although this application was made out on January 15, 1951, it has not been possible to process it more expediently because of the delay in obtaining the necessary Landlord's Subordination Agreements. These documents were finally received by this Agency on June 9, 1952.

This project falls within your delegated authority; however, we have prepared a contract in this office in order to expedite its completion. If this contract meets with your approval, kindly sign it under your delegated authority and present it to the applicant for approval and signature. When completed, distribute in the usual manner.

It will be necessary to insert in the contract in the space provided under Article 3, the number of the days from the date of the contract in which work shall commence.

If the proposed contract is not satisfactory to you or to the applicant, it is suggested that you process another contract under your delegated authority.

Sincerely yours,

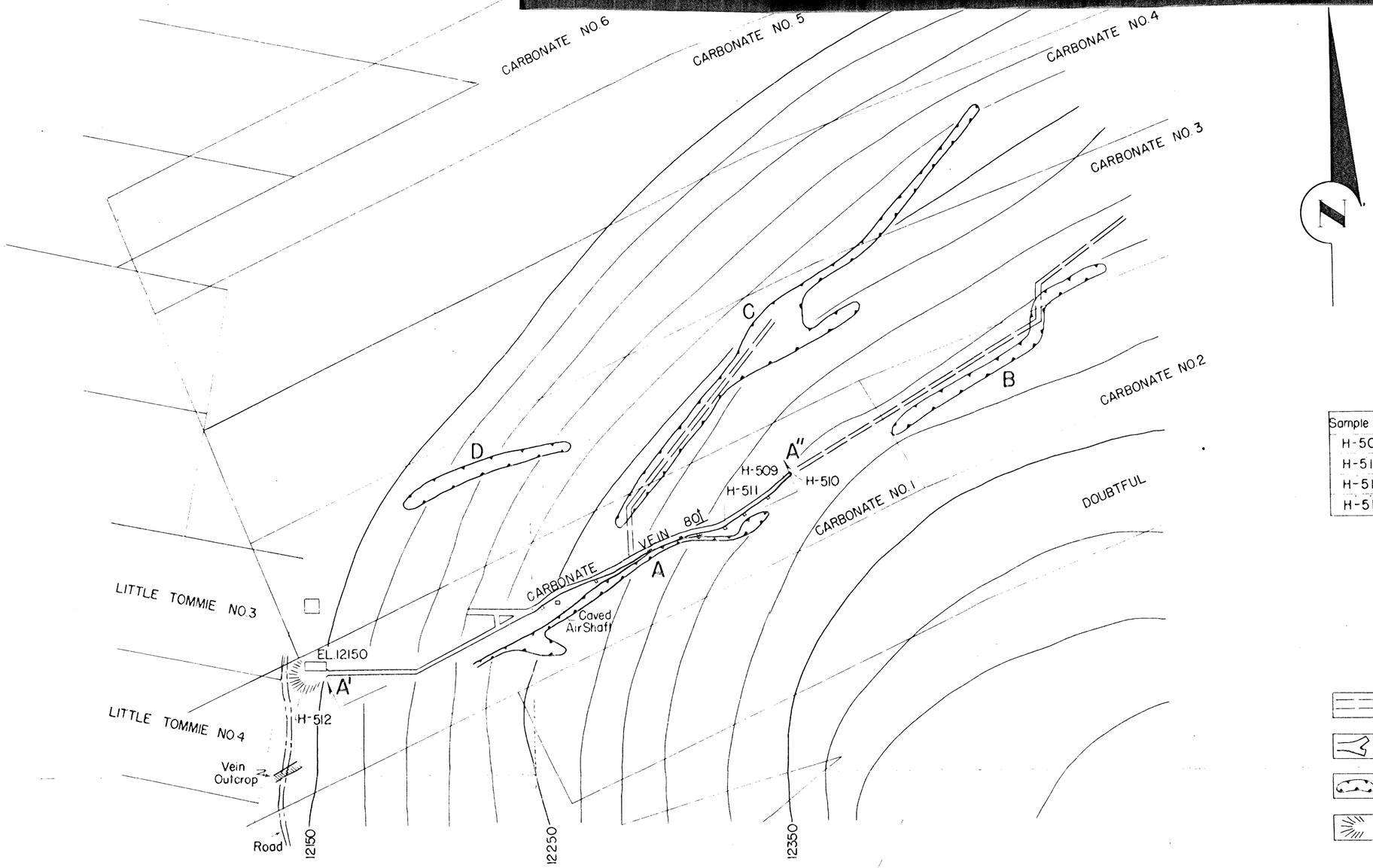
(signed) FRANK E. JOHNSON
Chairman, Operating Committee
Defense Minerals Exploration
Administration

JWAlt/mb
6/30/52
cc to: Docket
Adm. R. File
Opp. Comm.
Mr. Keller
Mr. Alt
Mr. McKnight
Mr. Bishop
Region IV

Enclosures-6
APPROVED:

J. H. Hedges
Member, Bureau of Mines

L. M. Lemmon
Member, Geological Survey



Sample No	Width	Au Oz	Ag Oz	Pb %	Zn %	Oxide Pb %	Oxide Zn %
H-509	0.8'	<.005	0.4	0.25	0.95	< .1	0.05
H-510	0.6'	<.005	0.4	0.4	0.25	< .1	< .05
H-511	0.7'	0.18	0.6	1.0	0.6	< .1	< .05
H-512	Grab	0.03	1.3	1.85	0.45	0.4	< .05

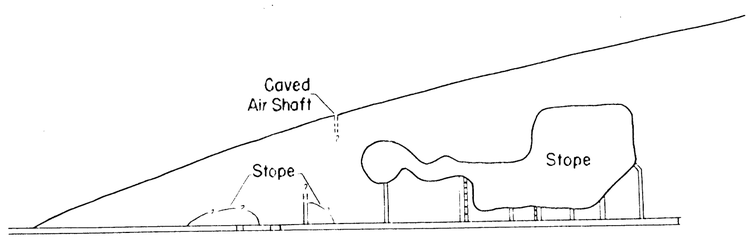
< Less Than

LEGEND

- Proposed Exploration
- Underground Workings
- Slump Area Over Inferred Ore Zones
- Dump

0 100 200 300

SCALE OF FEET



SECTION A'-A" ALONG PLANE OF VEIN

Fig.2-MAP OF CARBONATE MINE, SUMMIT COUNTY, COLORADO (DMA-64)