OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Amended Contract Idm-E223, Docket DMA-1959 (zinc-lead), dated June 3, 1953, with

Wylie M. Gardner and L. R. Vance
d/b/a Hoodoo Mines
Box 1286
Wallace, Idaho

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as the Hoodoo Mine located in Custer County, Idaho, during the period July 1, 1955, through November 8, 1961.

A certification of discovery or development was issued on May 14, 1953, and, in accordance with Article 9 and Annex II of the Amended Contract and an April 27, 1954, Termination Agreement, royalty is payable on all minerals mined or produced from the land described in Article 2 of the contract for a period of 10 years from January 24, 1952, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated June 7, 1954, indicated accepted costs under the contract amounting to $7,736.12 with the Government's contribution on a 50 percent basis being $3,868.06.

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

This review established no sales of production subsequent to the period covered by a prior Report of Royalty Review, which found no sales subject to Government royalty through June 30, 1955. Accordingly, the royalty account as of November 8, 1961, was found to be:

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

November 14, 1961

E. D. Talbert, OME Auditor

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

The Operators performed no work on the property after termination in October 1952 of the diamond drilling under the exploration project contract. After abandonment of the lease by the Operators, the Fairway Uranium Corporation, Twenty-Three-Twenty South Main, Salt Lake City, Utah, leased the property in 1955 and performed some exploratory underground work during 1955 and 1956. No ore was produced during either the contract or subsequent exploration work. The property was inactive from 1956 until 1961, when it was leased to The Bunker Hill Company, Kellogg, Idaho, who did some diamond drilling during the summer of 1961.

The obligations of the Operator under this contract for the payment of royalty on future production, if any, possibly may have been lost to the Government under the so-called "abandonment" provision of Article 10 of the Amended Contract. Furthermore, as the Owner's Consent to Lien executed on March 21, 1953, by David A. Fisher, Marjorie D. Fisher, Frank L. Fisher, Constance M. Fisher, R. M. Black, and Lillian Black, all of Clayton, Idaho, merely secures the payment of royalty "provided for under the terms of said exploration project contract", the Government's lien on the land and production therefrom may not be enforceable.

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

(1) Periodical examinations of the property by field representatives have disclosed no production from the property under the contract; and

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

~~3848~~ Box
1959-393

MME Form 22
Dec. 60

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name and Address

Mr. Ralph M. Black

Clayton, Idaho

Contract No.	Docket No.
Idm-E223	**DMEA-1959 (Lead-Zinc)**
Prepared by (Signature) O.W. Jackson	Date **11/ 8/61**

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

8. Current status of property. (Check one).

- [x] Operating.
- [ ] Inactive.
- [ ] Abandoned.

_____ Date of last production if not operating.

Comment on items 1(b), 2(b), 3(b), and 4 to 6, if answer is No:

Mr. Black replied on the back of our letter to him dated August 24, 1961, as follows: "We gave Bunker-Hill of Kellog, Ida., a Bond and Lease on the Hoodoo Property. They have been diamond drilling this summer. There has been no ore shipped from the property. There is no place around here I can get a Photostat Copy made. But am sure if you write Bunker Hill they will get you one."

84861-60

OFFICIAL FILE COPY O. M. E. RECEIVED NOV 24 1961		
DATE	INITIALS	CODE
		800

Sa. 157 Howard Street
Spokane 4, Washington
November 21, 1960

Memorandum

To: Chief, Fiscal Section, Division of Administrative Services
Office of the Secretary, Department of the Interior

From: Acting Field Officer, OME, Region I

Subject: DMA-1959 (Zinc-Lead)
Gardner and Vance
Keokee Mine
Custer County, Idaho
Amended Contract Ida-8225

Enclosed is the original of a Report of Royalty Review dated November 14, 1961, for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as the Keokee Mine located in Custer County, Idaho, during the period July 1, 1955, through November 8, 1961.

This Report of Royalty Review is for record purposes only and no copy has been provided for the Operator.

D. R. Maclaren

Enclosure

MLSmelser:mls
cc: CA&A Div., OME
OME
Reading copies to:
Nolan
Hobbs
Guild

NOV 15 1961

Memorandum

To: Acting Field Officer, Region I

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

Subject: DMA-1959 (Zinc-Lead)
Gardner and Vance
Hoodoo Mine
Custer County, Idaho
Amended Contract Idm-5223

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

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

(b) One copy for your files.

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

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

Attachments

EDTalbert/ama
November 15, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Mr. Rethrock

OCT 3 1 1961

Memorandum

To: Acting Field Officer, Region I

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

Subject: DMEA-1959 (Lead-Zinc)
Gardner and Vance
Hoodoo Mine
Custer County, Idaho
Contract Idm-8223

This Division is preparing a Report of Royalty Review on the subject contract. Accordingly, your submission of an original and one copy of MME Form 22, Check Sheet of Examining Engineer, will be appreciated.

It appears that this project has been inactive since 1956. If this is so, please make an appropriate statement under item 8 of MME Form 22.

EDTalbert/ama
October 31, 1961

Copy to: Docket
Director's Reading File
CA & A Division

EXTRA COPY
O. M. E
RECEIVED AUG 28 1961

DATE	INITIALS	CODE
		800

Sc. 157 Howard Street
Spokane 4, Washington
August 24, 1961

Mr. Ralph N. Black
P. O. Box 11
Clayton, Idaho

Re: DMEA-1959 (Lead-Zinc)
Hoodoo Mine
Custer County, Idaho
Contract Ida-8225

Dear Mr. Black:

During a recent field trip into the Challis-Clayton area I was advised that you have leased the Hood mine. If this report is correct, will you please furnish us with a photostat or true copy of the lease and advise us whether or not any ore has been shipped from the property.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

DRMacLaren:mls
cc: OME(2)
CPF
Reading copies to:
Nolan, Hobbs, Guild

August 2, 1961

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: Royalty inspections

Docket No. DMEA-1959X (Zinc-Lead), Gardner and Vance, Hoodoo Mine, Custer County, Idaho, Contract No. Idm-E223 (There has been no production from the Hoodoo mine but Settle believes that it too has been taken over by Bunker Hill.)

See E1108 for full memo.

RECEIVED		INS.
		800

No. 157 Second Street
Spokane 8, Washington
April 12, 1961

Mr. Ralph M. Black
P.O. Box 11
Clayton, Idaho

Re: DMRA-1959 (Lead-Zinc)
Evelina Mine
Custer County, Idaho
Contract 14s-2085

Dear Mr. Black:

The effective date of the reimbursement contract is January 24, 1958, and, as set forth in Annex II of an Amended Contract dated June 5, 1959, the period of royalty repayment will terminate January 24, 1968, unless the funds contributed by the Government shall have been repaid before that date. A Report of Review in lieu of a final audit indicates that the Government contributed $5,868.06, none of which has been repaid.

I enjoyed talking with you on April 7 and hope this information which you requested will be helpful to you.

Sincerely yours,

D. R. Maclaren
Acting Field Officer, OMM
Region I

cc: OMM(3)
CFF
Director
Econ. Anal.
BLM

So. 157 Howard Street
Spokane 4, Washington

8.00

April 22, 1958

Messrs. Ralph Black, Frank Fisher
and David Fisher
Clayton, Idaho

Re: Docket No. DMEA-1959X (Lead-Zinc)
Gardner & Vance
Hoodoo Mine
Custer County, Idaho
Contract No. Idm-E223 (Term.)

Gentlemen:

This is in reply to your letter of April 8, 1958, in which you ask about the status of an affidavit you gave to Fairway Uranium Corporation giving them permission to get a Government loan on the Hoodoo group of claims in Custer County, Idaho, and for the results of drilling done by Gardner and Vance under a DMEA contract in 1952 and 1953.

Fairway Uranium Corporation requested DMEA aid to explore the Hoodoo claims and sent us a recorded copy of a Mining Lease, a recorded copy of an Option, and six copies of a Consent to Lien signed by each of you. I presume that the Consent to Lien is the affidavit to which you refer. Because the Fairway Uranium Corporation failed to send us certain necessary information regarding their proposal, the application was withdrawn and the copies of the lease and the option were returned to them. The Consent to Lien never became effective.

However, on July 19, 1951, before a DMEA contract was given to Gardner and Vance, a Landlord's Subordination Agreement was signed by Ralph M. Black, Lillian Black, David A. Fisher, Marjorie D. Fisher, Frank L. Fisher, and Constance M. Fisher. Again on March 21, 1953, before the same gentlemen were given an amended contract, an Owner's Consent to Lien was signed by the same six parties. Under the Landlord's Subordination Agreement and the Owner's Consent to Lien the signers as owners of the property agree to secure the payment to the Government of the percentage royalty on production provided for under the terms of the contract and grant to the Government a lien upon the land described in the contract and upon any production of minerals therefrom until the royalty claim is fully paid or until

ten years from the date of the contract has elapsed.

As a result of the drilling done by Gardner and Vance, a Certification of Discovery or Development was made on May 14, 1953 and therefore the Owner's Consent to Lien cannot be cancelled. The Government's contribution to the project was $3,868.06 and the date of the contract, which determines the royalty period, is January 24, 1952. Therefore, if any ore is produced from the Hoodoo claims 1 through 12 and the Hoodoo Millsite, royalty is due the Government until the sum of $3,868.06 has been repaid or until January 24, 1962, whichever occurs first. As Gardner and Vance have given up their lease, it is the obligation of the claim owners to see that royalty on any production is paid. If you lease your claims, you may protect your liability for royalty payments by including an appropriate clause in the lease.

We regret that Government regulations prevent us from giving anyone a copy of our reports, drill logs, maps or other information in our DMEA files. However, if you contemplate doing any further work and care to call at our Spokane office, we would be glad to discuss the property with you.

Sincerely yours,

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

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

USAM
AD
DMEA

Clayton, Idaho
April 8, 1956

D.M.E.A.
South 157 Howard Street
Spokane, Washington

Dear Sir:

In 1955 we entered into an option and lease with the Fairway Uranium Corporation of Salt Lake City, Utah. We signed an affidavit giving them permission to get a government loan on the Hoodoo group of claims located on Slate Creek in Boulder mining district, Custer county, state of Idaho. If this affidavit is still good we would like to have it cancelled as this company let these claims by default.

In 1952 and 1953 Mr. I. Vance and Mr. Gardner had a lease on these claims and did considerable diamond drilling, some of it with government money.

We are the owners of these unpatented mining claims and would like to have the engineers report on the drilling of this property. Someone told me they seen a pamphlet on these claims but I have never seen one. If you have any I would like one or any information on the Hoodoo group of claims. If there is any charges for this information I would gladly pay for it. Thank you very much.

Very truly yours,

Ralph M. Black
Frank L. Fisher
David A. Fisher

The attending engineer was Mr. N. Nicholson.

REPORT OF
ROYALTY REVIEW

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, DMEA Field Team, Region I, N. W. District, pertaining to Contract Idm-E223, Docket No. DMA-1959X, with:

Wylie M. Gardner and L. R. Vance, partners
d/b/a Hoodoo Mines
Clayton, Idaho

for the purpose of determining the amount of royalties due the U. S. Government on sales of zinc and lead from property referred to as Hoodoo Mine located in Custer County, Idaho, during the period January 24, 1952, to June 30, 1955.

The original contract was dated January 24, 1952, and was superseded and amended by Amended Contract dated June 3, 1953. Termination Agreement dated April 27, 1954, provided for termination of all work and operations under the Amended Contract as of May 1, 1953, and that the royalty repayment period shall be for a period of 10 years from the date of the original contract (January 24, 1952). According to report of review in lieu of final audit prepared by Mr. C. A. Turner, Auditor, under date of June 7, 1954, total accepted costs under the contract amounted to $7,736.12 with the Government's participation, on a 50 percent basis, being $3,868.06.

No royalties have been paid to the Government to date in connection with this contract.

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

(1) According to Semi-Annual Report of Certified Project for the period January 1 to June 30, 1955, there are no underground workings on the Hoodoo Mine, the only exploration work has been diamond drilling under the DMEA program, and there has been no further attempt to develop the property, and

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

C. E. Fisher
C. E. Fisher, Auditor

August 5, 1955

REPORT
OF REVIEW

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Wylie M. Gardner, P. O. Box 1286, Wallace, Idaho
L. R. Wanne, Clayton, Idaho, partners
doing business as the

Koodoo Mines,
Clayton, Idaho

pertaining to Exploration Project Contract No. Idm-[illegible], Docket No. DMA-1959K, including Amendments Nos. 1 and 2, dated January [illegible], 1952, and Amended Contract No. Idm-[illegible], Docket No. 1959K without amendments, dated June 3, 1953, for the period of January [illegible], 1952 to May [illegible], 1954, covering a project for the exploration of zinc and lead, on property known as the Koodoo Mines, located in Custer County, Idaho.

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 Executive Officer of the DMEA Field Team, 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:

(a) The accepted costs ($7,736.12) of all work on an actual cost basis were covered by an interim Audit Report and Audit Certificate, dated July 7, 1953, issued by C. A. Turner, DMEA auditor.

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

Total cost as billed by Contractor		$9,522.10
Less salvage proceeds on property		800.00
Net Cost claimed		$8,722.10
Exceptions:		
Prior to this review	$1,585.98	
During this review	none	1,585.98
Total Accepted Costs		$7,736.12

The contract calls for a 50 percent participation of exploration expense by the United States Government. Therefore, payment to the contractor by the Government in the amount of Three thousand eight hundred sixty eight and 06/100 Dollars

—$3,868.06—

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

C. A. Turner, Auditor

June 7, 1954

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

JUN 11 1954

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

Re: Idm-223, DMA-1059X
Voodoo Mines
and
Idm-200, DMA-1466X
Addy Mining Company

Dear Mr. Turner:

Receipt is acknowledged of the Washington copies of the Report of Review covering contract Idm-223 and the Audit Report and Certificate covering contract Idm-200.

After insertion of the word "Supplemental" in the title of the Audit Certificate, normal distribution of the subject reports may be effected. This correction has been made on the copies submitted to this Division.

Sincerely yours,

(Signed) E. D. Talbert

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

MDorovies/wb
June 11, 1954

Copy to: Docket
Admr. Reading File
Mr. Chambers

SEP 17 1954

Mrs. Myrtle I. Purdy
Certifying Officer
Bureau of Mines
1201 North Division Street
Spokane 2, Washington

Re: Idm-2223, Docket No. DMA-1959X
Hoodoo Mines

Dear Mrs. Purdy:

Reference is made to the above cited Exploration Project Contract for which a Report of Review in the amount of $3,868.06 was issued by Mr. C. A. Turner, DMEA Auditor, on June 7, 1954.

It appears that the Washington office has not received all of its copies of payment documents on this contract. We are listing those documents received and would appreciate it if you would review them and, where necessary, furnish us two copies of any pertinent vouchers or schedules (showing voucher numbers, dates of payment, and amounts paid) in order that our records will be complete.

Date	Doc. No.	Month	Amount Paid
10-3-52	DMA-401	July	$1,602.15
10-13-52	DMA-418	August	397.95
10-27-52	DMA-490	September	1,916.82
12-8-52	-	October	326.26
8-13-53	-	November	- 474.82
8-13-53	-	December	- 115.79
8-13-53	-	January	- 197.59
8-13-53	-	February	- 72.33
8-13-53	-	March & April	13.94
8-13-53	S.C.- 71	Repay. of salvaged supplies	- 100.00
6-15-54	S.C.-143	Refund of overpayment	- 275.12
		Total	$3,021.47

Sincerely yours,

Jay L. Chambers, Chief
Contract Administration
and Audit Division

AMAlley/ama
September 17, 1954

Copy to: Docket
Admr. Reading File
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington

Defense Minerals Administration
RECEIVED
SEP 27 1954

September 23, 1954

Mr. Jay L. Chambers, Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Contract Idm-E223
Docket No. DMA-1959X
Hoodoo Mines

Dear Mr. Chambers:

This is in reference to your letter of September 17, 1954 regarding payments made under the subject contract.

I have checked our records and find that you do not show the amount of $471.47 which was withheld from the October 1952 MF-104. This voucher was approved in an amount of $1,595.45- or an amount due the operator of $797.73. $326.26 was paid the operator under voucher No. 568 on December 8, 1952, and $471.47 was withheld pending audit and final settlement. This amount, of course, was never actually paid so there is no voucher to cover. It was taken into consideration in arriving at the final settlement.

I am enclosing a reconcilliation statement I hope will give you the information needed for your files.

Sincerely,

Myrtle Purdy

Myrtle Purdy
DMEA Certifying Officer,
Region II

XXXXXXXXXXXXXXXXXX
1201 N. Division St.
Spokane 2, Washington

SEP 27 1954

September 23, 1954

Mr. Jay L. Chambers, Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Contract Idm-E223
Docket No. DMA-1959X
Hoodoo Mines

Dear Mr. Chambers:

This is in reference to your letter of September 17, 1954 regarding payments made under the subject contract.

I have checked our records and find that you do not show the amount of $471.47 which was withheld from the October 1952 MF-104. This voucher was approved in an amount of $1,595.45- or an amount due the operator of $797.73. $326.26 was paid the operator under voucher No. 568 on December 8, 1952, and $471.47 was withheld pending audit and final settlement. This amount, of course, was never actually paid so there is no voucher to cover. It was taken into consideration in arriving at the final settlement.

I am enclosing a reconcilliation statement I hope will give you the information needed for your files.

Sincerely,

Myrtle Purdy
DMEA Certifying Officer,
Region II

DEPARTMENT OF THE INTERIOR
Bureau Mines Administration
RECEIVED
SEP 27 1954

Docket No. DMA-1959X
Contract No. Idm-E223
Hoodoo Mines

Actual payments to Operator		$4,243.18
Checks received from Operator:		
Salvage proceeds	$100.00	
Refund check	275.12	375.12
Net amount paid operator		$3,868.06

Paid Operator		$4,243.18
Unpaid MF-104 balances:		
October 1952- amount withheld	$471.47	
November 1952 - credit balance	-474.82	
December 1952 - " "	-115.79	
January 1953 - " "	-197.59	
February 1953 - " "	- 72.33	
March & April 1953	13.94	
Due from Operator		-375.12
Approved by audit		$3,868.06

Docket No. DMA-1959X
Contract No. Idm-E223
Hoodoo Mines

Actual payments to Operator		$4,243.18
Checks received from Operator:		
Salvage proceeds	$100.00	
Refund check	275.12	375.12
Net amount paid operator		$3,868.06

Paid Operator		$4,243.18
Unpaid MF-104 balances:		
October 1952- amount withheld	$471.47	
November 1952 - credit balance	-474.82	
December 1952 - " "	-115.79	
January 1953 - " "	-197.59	
February 1953 - " "	- 72.33	
March & April 1953	13.94	
Due from Operator		-375.12
Approved by audit		$3,868.06

E-223

For Schedule of Collections No. DMA-143, dated June 15, 1954, giving refund of overpayment of $275.12, see E-115.

INTERIM
AUDIT REPORT

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

INTERIM AUDIT CERTIFICATE

I have examined the records and transactions of

Wylie M. Gardner, Box 1286, Wallace, Idaho, and
L. R. Vance, Clayton, Idaho, partners

doing business as the

Hoodoo Mines,
Clayton, Idaho

pertaining to Exploration Project Contract Idm-E223 with Amendments No. I and 2, Docket No. DMA 1959X, and Amended Contract Idm-E223 (subject to Exhibit "A", Annex I and Annex II) Docket No. DMA 1959X, for the period of January 24, 1952 to May 12, 1953.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

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

Total cost as billed by contractor			$9,522.10
Less salvage proceeds on property			200.00
Net cost claimed			9,322.10
Exceptions: (see audit report for details)			
Prior to this audit		$291.35	
During this audit	$1,326.64		
Less reinstatements	32.01		
		1,294.63	
			1,585.98
Total accepted cost			$7,736.12

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Three Thousand Eight Hundred Sixty Eight and 06/100 Dollars

$3,868.06

is valid and proper.

This certificate is issued on the provision that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

C. A. Turner
Auditor

July 7, 1953

I INTRODUCTION

On April 16 and 17, 1953 an interim audit (covering the period of January 24, 1952 to May 12, 1953) was made of the records and accounts of operations pertaining to Contract No. Idm-E223 with Amendments Nos. 1 and 2, Docket No. DMA 1959X, and Amended Contract Idm-E223 (subject to Exhibit "A", Annex I and Annex II) Docket No. DMA 1959X,

Wylie M. Gardner, Box 1286, Wallace, Idaho, and
L. R. Vance, Clayton, Idaho, partners

doing business as the

Hoodoo Mines,
Clayton, Idaho

covering a project of exploration for zinc and lead.

The accounting records under this contract are in the possession of Wylie M. Gardner, partner, Box 1286, Wallace, Idaho. Mr. Gardner is assisted with the reports by H. F. Magnuson & Co., a firm of Certified Public Accountants, Wallace, Idaho.

During the course of the audit Mr. Wylie M. Gardner and Mr. H. F. Magnuson were consulted as required and their assistance greatly facilitated the audit.

II GENERAL INFORMATION ON RECORDS

The accounting records for the exploration contract consist of supplier's invoices, payroll records, and paid bank checks. A general ledger or cost ledger is not maintained.

The source documents covering the cost of the project are recorded on monthly work sheets which form the basis for preparation of the monthly

MF-104 Operator's Monthly Report and Voucher. Therefore, this audit involved in general a check of the source documents against the monthly work sheets. All costs were recorded on a cost basis.

III SCOPE OF AUDIT AND FINDINGS

(1) Independent Contracts

Not applicable to this contract.

(2) Labor and Supervision

All charges under this item were checked against the recordings on the monthly work sheets. In order to verify the labor time, rates and charges, the labor costs charged to the project were checked back from the work sheets through the monthly payrolls which are supported by the daily time record kept at the mine. The mine record is made daily recording the hours worked, rates of pay, and classification of labor. Rates of pay are in conformance with the terms of the contract and those prevaling in the area. Payment was verified by paid bank checks.

The audit disclosed that costs shown under this item properly chargeable and allowable under the terms of the contract to be:

Labor	$3,530.08
Supervision	500.00
Allowed by audit	$4,030.08

Supervision

1952			
June	Wylie M.	Gardner	$ 50.00
July	"	"	100.00
August	"	"	100.00
September	"	"	100.00
October	"	"	100.00
November	"	"	50.00
Total supervision claimed			$500.00

The following deletions were made by the Certifying Officer because of deficient payrolls.

July labor	$1,066.94
August labor	705.09
August supervision	100.00

The above amounts were reclaimed by the Operator in Septemlner and supported by acceptable payrolls.

A deletion of $0.09 was made in September because of error in addition on payroll.

(3) Operating Materials and Supplies

All charges against this category were checked against the monthly work sheets to determine propriety of items charged. These items were verified by examination of supplier's invoices and paid bank checks.

A stores account was not maintained. All supplies charged to the project were from direct purchases.

The total costs properly chargeable and allowable under this item were found to be:

Bits, Core Barrels, Casings	$3,183.61	
Less returned to the supplier for credit	2,233.44	$ 950.17
Drill Supplies		207.31
Oil, Lube, Gasoline	206.76	
Less Gas Tax refund	18.24	188.52
Hose and Fittings		80.00
Cable and Clamps		50.29
Chain		12.84
Tires for Jeep		85.04
Tire Repairs		14.60
Small Tools		58.46
Pipe and Fittings		83.08
Miscellaneous		32.75
Allowed by audit		$1,763.06

The operator on April 30, 1953 made an offer of $100.00 for the Government's equity in the remaining small tools and supplies on hand, The offer was accepted May 12, 1953 by M. E. Volin, Acting Executive Officer, DMEA Field Team, Region II. Copies of these letters are attached. After this transaction no supplies remain on hand.

The operator's April 1953 MF-104 item of supplies is corrected on Exhibit "A" as follows:

April 1953 MF-104, Other Supplies		$3,134.97
Additions:		
Repairs to equipment	$37.28 (b)	
To cancel duplicate credit for bits and steel	204.11 (c)	
Error carrying October totals forward to November MF-104	.15 (d)	241.54
		3,376.51
Deductions:		
November credit for bits and steel not entered	$1,571.93 (e)	
Error carrying February total forward to March-April MF-104	.17 (f)	
Deletions not taken into account on MF-104		
Lumber	26.40 (g)	
Miscellaneous	12.95 (h)	
Repairs	2.00 (i)	
		1,613.45
Supplies allowed by audit		$1,763.06

The Certifying Officer made the following deletions due to improper documentation. These items were reclaimed on the December MF-104 properly documented.

July	- Gasoline	$29.27
August	- Gasoline	27.10
		$56.37

The Certifying Officer made the following deletions due to improper documentation. These deletions were not taken into account on the

MF-104 submitted by the operator and are as follows:

October	
Lumber	$26.40
Miscellaneous	12.95
Repairs	2.00
	$41.35

(4) Operating Equipment

All charges for operating equipment were checked against the monthly work sheets and the rates specified in the contract. There were no daily time logs or other records covering the use on the project of equipment. The time charged was based on estimates which were compared with the labor payroll hours worked and appeared to be most reasonable.

The proper and allowable costs for operating equipment were found to be:

Rental:	
Diamond Drill, 105 days at $10.00 per day	$1,050.00
Depreciation:	
Jeep Pickup, 4-1/2 months at $20.00 per month	90.00
Allowed by audit	$1,140.00

(5) Initial Rehabilitation and Repairs

Not applicable to this contract.

(6) New Buildings and Improvements

Not applicable to this contract.

(7) Miscellaneous

Sampling and Analysis

All charges for assaying were checked against the monthly work sheets. An analysis was made to determine propriety of the items charged which were verified by invoices rendered by the assayers. Payment was verified by paid bank checks.

The total costs properly chargeable and allowable under this item were found to be:

September	$30.60
October	6.40
November	7.20
Allowed by audit	$44.20

The operator claimed on his April MF-104 $37.00. This should have been $44.20. The MF-104 November total for assaying, $44.20, was carried forward to the December MF-104 as $37.00. This is corrected on Exhibit "A" by addition of $7.20 (k)

Payroll Taxes - Industrial Insurance

All charges for payroll taxes and industrial insurance were checked by computation at rates shown by the company's files to be in effect. These rates were

Old Age Benefit Tax	1.5%	
Unemployment Insurance, Idaho	1.9	
Unemployment Insurance, Federal	-0-	
Total payroll taxes		3.4%
Industrial Insurance		7.0%

The amount claimed by the operator was found to be well within the above limits and allowed by the audit as follows:

Claimed April MF-104	$284.92
Deletion September MF-104 reinstated by audit Schedule "A" (L)	32.01
Allowed by audit	$316.93

The Certifying Officer deleted from the September MF-104 industrial insurance in the amount of $32.01 because of the operator's method of computation. This audit disclosed that the amount claimed which had been deleted was within the amounts allowable and was therefore reinstated.

Rehabilitation, Etc.

The items under this category were found to be "The cost of clearing the access road, preparing drill sites and transportation of the drilling equipment to the property," as provided for in Amendment No. 2.

The costs allowable and propertly chargeable to this item were found to be:

Clearing access roads - bulldozing	$128.00
Transportation of drilling outfit, pipe and equipment to drilling site	322.00
Allowed by audit	$450.00

The operator claimed $250.00 for the transportation of the drilling outfit from the mine. This item was disallowed by the Certifying Officer due to the fact that such an expense was not provided for in the contract. The Operator failed to take the deletion of $250.00 into account on his MF-104 Totals to Date. It is therefore disallowed by this audit.

(8) Contingencies

Accounting

Items under this category were found to be invoices covering the accounting services rendered by a firm of public accountants for their work pertaining to the project. Payment was verified by paid bank checks.

The proper and allowable costs were found to be

August 1952	$27.50
September	20.00
October	47.50
November	34.00
December	25.35
February 1953	27.50
April	10.00
Allowed by audit	$191.85

The operator's November work sheets included an item of $34.00 which he failed to include on the MF-104. This item of $34.00 (N) is added as it is a proper and allowable charge.

IV CONCLUSIONS AND RECOMMENDATIONS

This audit has disclosed that all costs, as charged to this project, with the exception of the disallowances made by the certifying officer under Items (3) Operating Materials and Supplies, and (7) Transportation, of the preceding section of this report, are reasonable and proper under the terms of the contract.

C. A. Turner, Auditor

HOODOO MINES
Idaho-E223
EXHIBIT "B"

Maximums Allowable - Amendment No. 2

	Maximum Allowable	Total Costs	Balance
Depreciation Jeep Pickup	$120.00	$ 90.00	$30.00
Clearing Access Road) Preparing Drill Sites) Transporting Equipment) to the mine)	450.00	450.00	---
	$570.00	$540.00	$30.00

COPY

Hoodoo Mine
Box 1286
Wallace, Idaho

April 30, 1953

Mr. Thomas E. Howard
DMEA Field Team, Region II
U. S. Bureau of Mines
Department of the Interior
1201 North Division
Spokane 2, Washington

Dear Mr. Howard:

As you know we still have some supplies and small tools left on hand from our diamond drilling project at the Hoodoo Mine. In order to complete the closing of our account I have solicited several bids from machinery dealers in this vicinity and find that they are not interested in acquiring this equipment and supplies. I am therefore of the opinion that my offer of $100.00 is the best offer available at this time.

You may consider this letter as my firm offer of $100.00 for the purchase of the Government's share in this equipment.

We are getting eager to hear some more about the amendment to our contract concerning our upper tunnel contract. How about getting some action on it from Washington?

Very truly yours,

HOODOO MINE

By /s/ Wylie M. Gardner
Wylie M. Gardner

WMG:MF

C O P Y

1201 N. Division St.
Spokane 2, Washington
May 12, 1953

Mr. Wylie M. Gardner
Hoodoo Mines
Box 1286
Wallace, Idaho

Subject: Docket No. DMEA 1959 (zinc-lead)
Contract Idm-E223
Disposal of small tools and supplies

Dear Mr. Gardner:

This is in reply to your letter of April 30, 1952, to Mr. Howard, in which you offer $100 for the Government's interest in certain small tools and supplies purchased under the subject contract. This offer is acceptable to the Government.

We regret that we have had no information from the Washington, D. C. office regarding the proposed amendment to the contract. If we do not hear within the next few days we intend to wire for the information.

Sincerely yours,

M. E. Volin
Acting Executive Officer
DMEA Field Team, Region II

cc:

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

JUL 30 1953

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

Re: Idm-E223, DMA-1959X
Hoodoo Mines

Dear Mr. Turner:

Reference is made to your transmittal letter of July 27, 1953, submitting copies of the Audit Reports and Certificates for the above-cited contract.

The revised Report and Certificate have been accepted by this office and may be distributed in the usual manner.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/wb
July 30, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
July 27, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 28 1953

AIR MAIL

Mr. Jay L. Chambers, Chief,
Contract Administration and Audit Division,
Defense Minerals Exploration Administration,
Department of the Interior,
Washington 25, D. C.

Dear Mr. Chambers:

Transmitted herewith are 2 copies of the Audit Report and 3 copies of the Audit Certificate pertaining to Wylie M. Gardner, Box 1286, Wallace, Idaho, and L. R. Vance, Clayton, Idaho, partners, doing business as Hoodoo Mines, Clayton, Idaho, Contract No. Idm-E223, Docket No. DMA 1959X.

Yours very truly,

C. A. Turner
Auditor

Enclosures

OK.
7/30/53

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

JUL 21 1953

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

Subject: Idm-E223, DMA-1959X
Hoodoo Mines

Dear Mr. Turner:

A more complete review of the interim Audit Report and Certificate covering the subject project indicates that certain corrections are necessary.

One of the basic principles that we follow in our audits is to use the total costs claimed by the Operator on the last MF-104 covering the period under audit as the amount which must be reconciled. The statement of facts on the Audit Certificate must always start with the amount claimed by the Operator. Accordingly, it appears that in the case under consideration this statement should be similar to the following:

Total cost as billed by contractor			$9,522.10
Less: Salvage proceeds on property			200.00
Net cost claimed			9,322.10
Exceptions (see Audit Report for details):			
Prior to this audit	$323.36		
Less: Reinstatements	32.01	$ 291.35	
During this audit		1,326.64	1,617.99
Total accepted cost			$7,704.11

The Audit Certificate, as prepared by you, indicates that you have taken no exceptions. However, an analysis of your Audit Report indicates that you actually disallowed a net amount of $1,326.64 (as indicated above), after offsetting certain additional allowances against your gross disallowances. The net exceptions consist of the following:

Bits returned for credit:			
Nov. credit not given by Operator		$1,571.93	
Less: Credit duplicated by Operator		204.11	$1,367.82
Differences in totals forwarded:			
Plus: Oct. to Nov.	$ .15		
Nov. to Dec.	7.20	$7.35	
Less: Feb. to Mar/Apr		.17	-7.18
Nov. accounting not charged			-34.00
Net audit exceptions			$1,326.64

In addition to rewriting your Audit Certificate you also should correct the Exhibit "A" attached to your Audit Report. The disallowances and additional allowances, which you have included in the "Distribution Corrected" column, should be under the "Disallowed by Audit" column. Also the $32.01, covering a prior exception reinstated by your audit, should be shown as a minus amount in the column headed "Disallowed Prior to Audit" rather than in the "Distribution Corrected" column.

You will note that the accepted cost according to my figures is $32.01 less than shown on your Audit Certificate. It appears that possibly you have duplicated the reinstatement of this amount. Since I have neither the pertinent Forms MF-104 or your work sheets I cannot be sure of the amounts indicated above; therefore please feel free to correct or amend as deemed necessary.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Attachment

EDTalbert/wb
July 21, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

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

Contract Admin. & Audit Division

Defense Minerals Exploration Admin.

14X3923.970 Working Fund, DMEA

July 21, 1953

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

Re my letter of approval Contract E223, July 16, 1953. Error found in audit. Please hold distribution of reports and certificates. Letter follows.

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/wb
July 21, 1953

Copy to: Mails & Files
Admr. Reading File
Mr. Chambers

HOODOO MINES
Idm-R223
EXHIBIT "A"

	Totals April 30, 1953 MF-104	Distribution Corrected Increase	Distribution Corrected Decrease	Distribution Corrected Total	Disallowed Prior to Audit	Disallowed By Audit	Allowed By Audit
(1) Independent Contracts							
Bulldozing	$ 128.00	$	$ 128.00	-0-	$	$	$ -0-
(2) Labor and Supervision							
Labor	3,530.08			3,530.08			3,530.08
Supervision	500.00			500.00			500.00
(3) Operating Materials & Supplies							
Other	3,134.97	37.28 b	1,763.06 j	1,409.19	2.00 i 12.95 h 26.40 g	- .15 d) + .17 f) - 204.11 c) +1,571.93 e)	-0-
Bits, Steel		950.17 j		950.17			950.17
Drill Supplies		207.31 j		207.31			207.31
Oil, Lube, Gasoline		188.52 j		188.52			188.52
Hose and Fittings		80.00 j		80.00			80.00
Cable and Clamps		50.29 j		50.29			50.29
Chain		12.84 j		12.84			12.84
Tires for jeep		85.04 j		85.04			85.04
Tire Repairs		14.60 j		14.60			14.60
Small Tools		58.46 j		58.46			58.46
Pipe and Fittings		83.08 j		83.08			83.08
Miscellaneous		32.75 j		32.75			32.75
(4) Operating Equipment							
Rental Diamond Drill	1,050.00			1,050.00			1,050.00
Depreciation, Jeep	90.00			90.00			90.00
(5) Initial Rehabilitation and Repairs							
(6) New Buildings							
7) Miscellaneous							
Repairs to Equipment	37.28		37.28 b	-0-			
Sampling and Analysis	37.00			37.00		- 7.00 k	30.00
Payroll Taxes	284.92			284.92		- 32.01 l	316.93
Liability Insurance							
Rehabilitation	572.00		322.00 m	250.00	250.0		-0-
Transportation of Equipment		322.00 m 128.00 n		450.00			450.00
8) Contingencies							
Accounting	157.85			157.85		- 34.00 n	191.85
	$9,522.10	$2,250.34	$2250.34	$9,522.10	$ 291.35	$1,294.63	$7,936.12
Salvage sale of Supplies	200.00			200.00			200.00
	$9,322.10	$2,250.34	$2250.34	$9,322.10	$ 291.35	$1,294.63	$7,736.12

JUL 16 1953

Mr. Charles A. Turner
DIA Auditor
1211 North Division Street
Spokane 2, Washington

Re: Idm-1223, DA-1959X
Woodoo Mines

Dear Mr. Turner:

Reference is made to your transmittal letter of July 9, 1953, submitting copies of the Audit Reports and Certificates for Contract Idm-1223, Docket No. DA-1959X, Woodoo Mines.

The Certificate and Report have been accepted by this office and may be distributed in the usual manner.

Sincerely yours,

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/ama
July 16, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
July 9, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 13 1953

7/16/53

Mr. Jay L. Chambers, Chief,
Contract Administration and Audit Division,
Defense Minerals Exploration Administration,
Department of the Interior,
Washington 25, D. C.

Dear Mr. Chambers:

Transmitted herewith are 3 copies of the Audit Certificate and 2 copies of the Audit Report concerning

Hoodoo Mines
Contract Idm-E223
Docket No. DMA 1959X

7/20/53

Sincerely yours,

C. A. Turner, Auditor

Enclosures

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Wash.

Schedule No.
Sheet No.

RECEIVED
AUG 17 1953

(Department or Establishment) (Bureau or Office)

Received by (Name) (Title) at (Station)

Period (Month or quarter ended) D. O. Symbol No.

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
			Total,		

Received , subject to collection. Forwarded

(Disbursing clerk or accountable officer) By

By (Name)

Title

Certificate of Deposit No. dated

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

1201 N. Division St.
Spokane 2, Washington
May 12, 1953

Mr. Wylie M. Gardner
Hoodoo Mines
Box 1286
Wallace, Idaho

Subject: Docket No. DMEA 1959 (zinc-Lead)
Contract Idm-E223
Disposal of small tools and supplies

Dear Mr. Gardner:

This is in reply to your letter of April 30, 1952, to Mr. Howard, in which you offer $100 for the Government's interest in certain small tools and supplies purchased under the subject contract. This offer is acceptable to the Government.

We regret that we have had no information from the Washington, D. C. office regarding the proposed amendment to the contract. If we do not hear within the next few days we intend to wire for the information.

Sincerely yours,

M. E. Volin
Acting Executive Officer
DMEA Field Team, Region II

cc: Certifying Officer
C. A. Turner, DMEA Auditor
DMEA, Wash. (2)
USGS (2)

(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Mar.-Apr., 1953 Docket No. DMEA _____ Contract No. Idm - B223

Operator's Name Hoodoo Mines

Address c/o Wylie M. Gardner, Wallace, Idaho

Minerals Lead & Zinc

Contract Amount, $14,000.00 Government Participation: 50 % Amount, $7,000.00

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						
Bulldozing		$128.00	$128.00	128.00	128.00	-0-
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor		3,530.08	3,530.08		3530.08	3530.08
Supervision		500.00	500.00		500.00	500.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Other	$(18.24)	3,153.21	3,134.97	224.15	1561.91	1763.06
(4) Operating Equipment:						
Rental Diamond Drill		1,050.00	1,050.00		1050.00	1050.00
Purchase		90.00	90.00		90.00	90.00
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		37.28	37.28	35.28	35.28	-0-
Sampling and Analysis		37.00	37.00		44.20	44.20
Payroll Taxes		284.92	284.92	32.01	284.92	316.93
Liability Insurance						
Rehabilitation, etc.		572.00	572.00	322.00	322.00	-0-
Trans. of Equipment				450.00		450.00
(8) Contingencies (specify):						
Accounting	10.00	147.85	157.85	10.00	181.85	191.85
Less Salvage				(200.00)		(200.00)
TOTALS	$(8.24)	$9,530.34	$9,522.10	22.88	7708.24	7736.12

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

Date 4/30/53 *Payee Hoodoo Mines

Per Wylie M. Gardner Title Partner

*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:

$ 13 94

Signature _____ (Authorized Certifying Officer)

Date 8/13/53 Vou. No. _____ (See other side)

Costs redistributed to conform to audit
See accompanying sheet. Operator owes total to date of $375.12. See Mr. Turner's Audit dated 7/1/53.

(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-223 in accordance with the terms of the contract.

Signature S/ V. E. Johnson Title Mn. Eng Date 5/6/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S/ P. E. Howard Title Mn. Eng Date 5/6/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Mar.-Apr. 1953 Docket No. DMEA 1959X Contract No. Idm-B223

Operator's Name Hoodoo Mines Minerals Lead & Zinc

Address c/o Wylie M. Gardner, Wallace, Idaho

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	Feet	$(8.24)	-0-	$7,950.00	1,631.7	$4.872		
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
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 4/30/53 Operator Hoodoo Mines

Per Wylie M. Gardner Title Partner

REMARKS:
Net cost previously reported $7,958.24
Less - Credits Mar. and April 8.24
$7,950.00

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Wash

DMEA Field Team, Region 11 8/13/53

R. J. Hindman, Certifying Officer, Region 11.

Sept, 1952, Nov. 1952, Dec. 1952, Jan. 1953, Feb. 1953, March & April 1953 MF-104, Hoodoo Mines, Contract Idm-E223.

An interium audit was made by Mr. C. A. Turner on all MF-104s thru April 1953. As a result of this audit and also the several hundred dollars in credit due to returned bits, the operator owes the government $275.12. The charges & credits on the above MF-104s are as follows:

October 1952 MF-104, balance withheld.	Plus	$ 471.47
November 1952 MF-104, credit balance.	Minus	474.82
December 1952 MF-104, credit balance.	Minus	115.79
January 1952 MF-104, credit balance.	Minus	197.59
February 1952 MF-104, credit balance.	Minus	72.33
March & April 1952 MF-104.	Plus	13.94
Total amount owed government by operator.		$375.12
Less operators check dated 6/1/53.		100.00
Balance still owed government by operator.		$275.12

The contract was rewritten June 3, 1953. If the operator resumes work under this new contract then the $275.12 can be withheld from the first MF-104 submitted. If work is not resumed, then a check in that amount should be forth coming.

R. J. Hindman

CC: DF
DMEA
AD
USGS
Operator
2 copies Wash.

MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February 1953 Docket No. DMEA 1959X Contract No. Idm - B223
Operator's Name Hoodoo Mines Minerals Lead & Zinc
Address c/o Wylie M. Gardner, Wallace, Idaho
Contract Amount, $14,000.00 Government Participation: 50% Amount, $7,000.00

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						
Bulldozing		$128.00	$128.00		128.00	128.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor		3,530.08	3,530.08		3530.08	3530.08
Supervision		500.00	500.00		500.00	500.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Other	$(172.17)	3,325.21	3,153.04	(172.17)	1714.08	1541.91
(4) Operating Equipment:						
Rental Diamond drill		1,050.00	1,050.00		1050.00	1050.00
Purchase		90.00	90.00		90.00	90.00
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		37.28	37.28		35.28	35.28
Sampling and Analysis		37.00	37.00		44.20	44.20
Payroll Taxes		284.92	284.92		284.92	284.92
Liability Insurance						
Rehabilitation, etc.		572.00	572.00		322.00	322.00
(8) Contingencies (specify):						
Accounting	27.50	120.35	147.85	27.50	154.35	181.85
TOTALS	$(144.67)	$9,674.84	$9,530.17	(144.67)	7852.91	7708.24

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

Date 3/17/53 *Payee Hoodoo Mines

Per Wylie M. Gardner Title Partner

*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)

See accompanying sheet.

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

Credit $33.72

Signature (Authorized Certifying Officer)

Date 8/13/53 Vou. No. (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 223 in accordance with the terms of the contract.

Signature Verda J. Shaver Title Mining Engr. Date 3-18-53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E. Howard Title Mining Engr. Date 3/19/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

STEM MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1953 Docket No. DMEA 1959X Contract No. Idm - E-223
Operator's Name Hoodoo Mines Minerals Lead & Zinc
Address c/o Nylie M. Gardner, Wallace, Idaho

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	Feet	$(144.67)	-0-	$7,958.24	1631.7	$4.877		
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
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 March 17, 1953 Operator Hoodoo Mines

Per Nylie M. Gardner Title Partner

REMARKS:

Net cost previously reported $8,102.91
Less - credits February 144.67
$7,958.24

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Hoodoo Mines
Wallace, Idaho

March 17, 1953

PROGRESS REPORT
February 1953

We are submitting invoices covering credits received during February, 1953 which are the final credits on all diamond products used on our project.

As far as we can determine the account is now ready for audit by your personnel.

HOODOO MINES

By Wylie M. Gardner
Wylie M. Gardner

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

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

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

Month of January, 1953 Docket No. DMEA 1959x Contract No. Idm - E223
Operator's Name Hoodoo Mines Minerals Lead and zinc
Address c/o Wylie M. Gardner, Wallace, Idaho
Contract Amount, $ Government Participation: % Amount, $ 7,000.00

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						
Bulldozing		$128.00	$128.00		128.00	128.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor		3,530.08	3,530.08		3530.08	3530.08
Supervision		500.00	500.00		500.00	500.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Other	$(395.17)	3,720.38	3,325.21	395.17	2109.25	1714.08
(4) Operating Equipment:						
Rental Diamond drill		1,050.00	1,050.00		1050.00	1050.00
Purchase Pickup		90.00	90.00		90.00	90.00
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		37.28	37.28		37.28	37.28
Sampling and Analysis		37.00	37.00		47.00	47.00
Payroll Taxes		284.92	284.92		284.92	284.92
Liability Insurance						
Rehabilitation, etc.		572.00	572.00		372.00	372.00
(8) Contingencies (specify):						
Accounting		120.35	120.35		120.35	120.35
TOTALS	$395.17)	$10,070.01	$9,674.84	395.17)	8248.08	7852.91

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

Date 2-19-53 *Payee Hoodoo Mines

Per L. R. Vance Title Partner

*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)

See accompanying sheet.

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

$ 197.59

Signature
(Authorized Certifying Officer)

Date 8/13/53 Vou. No.
(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-123 in accordance with the terms of the contract.

Signature J. V. E. Johnson Title M. Eng. Date 2/10/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature J. P. E. Howard Title M. Eng. Date 2/10/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1953 Docket No. DMEA 1959x Contract No. Idm - R223
Operator's Name Hoodoo Mines Minerals Lead and zinc
Address c/o Wylie M. Gardner, Wallace, Idaho

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	Feet	(395.17)	-0-	$8,102.91	1631.7	$4,965		
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
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 2-19-53 Operator Hoodoo Mines

Per L. R. Vance Title Partner

REMARKS:
Net cost previously reported $8,498.08
Less - credits January 395.17
$8,102.91

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Hoodoo Mines
Wallace, Idaho

February 19, 1953

PROGRESS REPORT
January 1953

We are submitting invoices covering credits received during January, 1953. Although we did hope to have all credits in by this time, we are waiting for a few to complete our files in preparation for your audit.

The tunnel proposal which we consider the next step toward development of the Hoodoo property is not yet completed, but we expect to have it ready to submit to you within a very short time.

HOODOO MINES

By L R Vance

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

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

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

Month of December, 1952 Docket No. DMEA 1959X Contract No. Idm-E223

Operator's Name Hoodoo Mines Minerals Lead & Zinc

Address c/o Wylie M. Gardner, Wallace, Idaho

Contract Amount, $ 14,000.00 Government Participation: 50% Amount, $ 7,000.00

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						
Bulldozing		$128.00	$128.00		128.00	128.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor		3,530.08	3,530.08		3530.08	3530.08
Supervision		500.00	500.00		500.00	500.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Other	(256.93)	3,977.31	3,720.38	(256.93)	2366.18	2109.25
(4) Operating Equipment:						
Rental Diamond drilling		1,050.00	1,050.00		1050.00	1050.00
Purchase Pickup		90.00	90.00		90.00	90.00
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		37.28	37.28		37.28	37.28
Sampling and Analysis		37.00	37.00		44.20	44.20
Payroll Taxes		284.92	284.92		284.92	284.92
Liability Insurance						
Rehabilitation, etc.		572.00	572.00		322.00	322.00
(8) Contingencies (specify):						
Accounting	25.35	95.00	120.35	25.35	129.00	154.35
TOTALS	(231.58)	10,301.59	10,070.01	(231.58)	8479.66	8248.08

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

Date 1/12/53 *Payee Hoodoo Mines

Per Wylie M. Gardner Title Partner

*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:

Updated $ 115.79

Signature
(Authorized Certifying Officer)

Date 8/13/53 Vou. No.
(See other side)

See accompanying sheet.

(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 223 in accordance with the terms of the contract.

Signature Verde J. Johnson Title Mining Engr. Date 1-13-53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ E. A. Magill Title Mining Engr. Date 1/13/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-101A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1952 Docket No. DMEA 1959X Contract No. Idm - E223

Operator's Name Hoodoo Mines Minerals Lead & Zinc

Address c/o Wylie M. Gardner, Wallace, Idaho

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	Feet	(231.58)	-0-	$8,498.08	1631.7	$5.21		
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
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 1/12/53 Operator Hoodoo Mines

Per Wylie M. Gardner Title Partner

REMARKS:

Net cost previously reported $8,729.66

Less - credits for December 231.58

$8,498.08

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Hoodoo Mines
Wallace, Idaho

January 12, 1953

Mr. Thomas E. Howard
Chief DMEA Section
Bureau of Mines, Region II
1201 North Division Street
Spokane 2, Washington

PROGRESS REPORT
December 1952

Dear Mr. Howard:

Although we areinactive as far as the diamond drilling program on our Hoodoo property is concerned, we are continuing to file our monthly reports. During the month of December we have received all credits due us from Christensen Diamond Products Company. We still have credits due from Joy Manufacturing Co. and R. S. McClintock Co. I have personally contacted the R. S. McClintock Co. and they have assured me that the credit check for returned products would reach me during the month of January.

As you will recall from our conversation of January 5th I requested you to defer the auditing of this account until all the credits were in which may not be for a month or so. I will then notify your office to that effect.

Mr. Vance will take care of the correspondence for the ensuing months as I am planning on a trip which will require my absence for some length of time. Mr. Vance will also submit a tunnel proposal which we feel is the next step toward development of the Hoodoo property.

As I recall from our last conversation, it was your opinion that an amendment to our present contract would fulfill the necessary requirements as we have already established the preliminary requirements for a loan of this type.

We enclose copies of the Jensen Oil Company invoices.

Very truly yours,

HOODOO MINES

By Myke M. Gardner

WMG:MF

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1952 Docket No. DMEA 1959X Contract No. Idm-E223
Operator's Name Hoodoo Mines Minerals Zinc & Lead
Address Wylie M. Gardner, Wallace, Idaho
Contract Amount, $ 14,000.00 Government Participation: 50 % Amount, $ 7,000.00

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						
Bulldozing		$128.00	$128.00		128.00	128.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor		3,530.08	3,530.08		3530.08	3530.08
Supervision	50.00	450.00	500.00	50.00	500.00	500.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Other Credit on Drill	$822.29	3,155.02	3,977.31	531.09 (1591.93)	3407.02	2366.18
(4) Operating Equipment:						
Rental Diamond drill		1,050.00	1,050.00		1050.00	1050.00
Purchase		90.00	90.00		90.00	90.00
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		37.28	37.28		37.28	37.28
Sampling and Analysis		37.00	37.00	7.20	37.00	44.20
Payroll Taxes		284.92	284.92		284.92	284.92
Liability Insurance						
Rehabilitation, etc.		572.00	572.00		322.00	322.00
(8) Contingencies (specify):						
Accounting		95.00	95.00	34.00	95.00	129.00
TOTALS	872.29	9,429.30	10,301.59	949.64	9422.30	8472.94

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 12/19/52 *Payee Hoodoo Mines
Per Wylie M. Gardner Title Partner

*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)

See accompanying sheet.

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 474.82 Cr.
Signature [illegible]
(Authorized Certifying Officer)
Date 8/13/53 Vou. No.
(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 223 in accordance with the terms of the contract.

Signature Wanda J. Johnson Title Mining Engineer Date 12-23-52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature J. L. E. Howard Title M. Eng. Date 12/23/52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1952 Docket No. DMEA 1959X Contract No. Idm-E223

Operator's Name Hoodoo Mines Minerals Lead & Zinc

Address Wylie M. Gardner, Wallace, Idaho

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	Feet	872.29	-0-	$8,729.66	1631.7	$5.35		
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
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 12/19/52 Operator Hoodoo Mines

Per Wylie M. Gardner Title Partner

REMARKS:

Costs previously reported	$9,429.30
November costs	872.29
Total expenditures	10,301.59
Less - credits	1,571.93
Net cost (above)	$8,729.66

→ 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)

Hoodoo Mines
Wallace, Idaho

PROGRESS REPORT
November, 1952

Diamond drilling was ceased the last week in October and equipment was removed from the hill just prior to a severe storm which closed the road to the drilling site.

On November 3 one load of equipment was brought to Wallace for storage by Mr. Black, a farmer from the Clayton area, and a second load was hauled back by the Success Lease truck.

The diamond drill project is now inactive and as soon as all credits are received a final accounting will be made. We are enclosing a Reconciliation of Expenditures and Credits dated December 19, 1952 together with an itemized listing of credits allowed to date by Christensen Diamond Products Co.

We have not yet received from your office the copies of Jenson Oil Company original invoices which were forwarded to you during the life of this project. Without these invoices it is impossible for us to secure a refund for non-taxable gas. Will you please check your files and return these originals so we may file for the refund before the expiration date.

HOODOO MINES

By Wylie M. Gardner
Wylie M. Gardner

Wallace, Idaho
December 19, 1952

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 15 1952

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

Month of October, 1952 Docket No. DMEA Contract No. Idm - E223
Operator's Name Hoodoo Mines Minerals Zinc & Lead
Address Wylie M. Gardner, Wallace, Idaho
Contract Amount, $ 14,000.00 Government Participation: 50 % Amount, $ 700.00

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						
Bulldozing	-0-	$128.00	$128.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	$783.16	2,746.92	3,530.08			
Supervision	100.00	350.00	450.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Other	326.29	3,120.08	3,446.37	286.94		
(4) Operating Equipment:						
Rental Diamond drill	270.00	780.00	1,050.00			
Purchase Pickup	20.00	70.00	90.00			
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	2.00	35.28	37.28	-0-		
Sampling and Analysis	6.40	30.60	37.00			
Payroll Taxes	81.45	203.47	284.92			
Liability Insurance						
Rehabilitation, etc.	250.00	322.00	572.00	-0-		
(8) Contingencies (specify):						
Accounting	47.50	47.50	95.00			
TOTALS	1,886.80	7,833.85	9,720.65	1595.45	7833.85	9429.30

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

Date 11/17/52 *Payee Hoodoo Mines

Per Wylie M. Gardner Title Partner

*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)

797.12
10% 471.46
326.26

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

$ 326.26

Signature [illegible]
(Authorized Certifying Officer)

Date 12/8/52 Vou. No.
(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. E223 in accordance with the terms of the contract.

Signature Verle G. Johnson Title Mining Engineer Date 11-20-52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Thomas E. Howard Title Min Engr Date 11-20-52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 15 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1952 Docket No. DMEA 1959X Contract No. Idm - E223
Operator's Name Hoodoo Mines Minerals Lead & Zinc
Address c/o Wylie M. Gardner, Wallace, Idaho

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		1595.45		8979.30		5.502		
Drilling: Core	Feet	~~$1,886.80~~	335.3	~~$9,720.65~~	1,631.7	~~$5.957~~		
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1595.45 ~~$1,886.80~~	335.3	8979.30 ~~$9,720.65~~				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		-0-		450.00				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		~~$1,886.80~~ 1595.45		~~$9,720.65~~ 9429.30				

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 11/17/52 Operator Hoodoo Mines

Per Wylie M. Gardner Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Hoodoo Mines
Wallace, Idaho

November 17, 1952

PROGRESS REPORT
October 1952

During the month of August we drilled several blank holes due to the fact that we were taking too much of a bite from the outcrops. Realizing what we were doing we moved back near the known ore in the outcrop and drilled holes No. 11 and No. 12 which proved to be very satisfactory as far as commercial ore is concerned. We refer you to the log attached for details.

In hole No. 11 you will note from the log that between 105 feet and 123 feet, we had ore of commercial grade totaling about 16 feet.

In hole No. 12 ore was encountered between 167 feet and 170 feet. This was a very high grade band of zinc. The ore did not core very well and approximately only 30% of the slime was recovered due to difficulties in settling the slime.

The core for holes No. 11 and No. 12 are stored in the garage at the home of W. M. Gardner in Wallace in case Mr. Killsgaard wishes to see them. Other cores are in boxes on the ground at the Hoodoo property in a safe place where they will not be disturbed by snow slides.

The drilling program has, in our opinion, outlined an important body of commercial zinc and we cannot see where further diamond drilling will be of any benefit.

We think this property warrants further development in crosscuts and drifting at about 7700 elevation which would give about 400 feet of depth under the outcrops. These drifts and crosscuts would later serve as a ventilation adit in case we drive a lower haulage tunnel in the future.

HOODOO MINES

By Hyde M. Gardner

* * * * * * * *

Day Mines, Inc.
ASSAY OFFICE

Vance & Gardner

11/19/52

		Oz. Ag.	Pb.	Zn.
Hole No. 12	160-170		--	13.5
	170-180		--	8.35
	180-190		--	1.55
	Special	--	--	--

Assayer E. S.

HOODOO MINES
Clayton, Idaho

Hole # 11
Logged by
Vance and Johnson

Run	0 - 6.7	Argillite with oxidized fractures
Run	6.7 - 11.9	Argillite with oxidized fractures Pyrite cementing 10.4 some calcite
Run	11.9 - 12.7	Brittle Argillite Oxidation stain
Run	12.7 - 17.0	Argillite hard brittle Pyrite at 12.7 on fractures
Run	17.0 - 21.8	Argillite at 19 sulfides and calcite cement fracture at 20 scum of pyrrhotite
Run	21.8 - 24.	Argillite at 23 calcite cementing fractures
Run	24 - 26.5	Argillite grading to Hornfel oxidation stains
Run	26.5 - 27.6	Banded Hornfel calcite cementing fractures
Run	27.6 -29	Banded Hornfel (lost water)
Run	29. - 33.3	Banded Hornfels Few fractures good core
Run	33.3 - 38	Banded Hornfels at 35 pyhhorite 37 - 38 Limey Hornfel with sulphides
Run	38 - 42	Limey Hornfel
Run	42 - 44	Very Limey oxidation and Iron sulfides
Run	44 - 50	Hornfel or Limestone few fractures, little oxidation
Run	50 - 60	Limey Hornfel bands of calcite

Hole # 11 (continued)

Run	60 - 70	Hornfel with less calcite pyrite specks.
Run	70- 80	Hornfel with less calcite pyrite specks at 74 few large crystals of pyrrhotite
Run	80 - 90	Hornfel sulfide specks.
Run	90 - 100	Hornfel at 98 streak of sulfides
Run	100 - 104	Hornfel with more fracturing
Run	104 - 106.5	Hornfel and Gray Limestone 105 Resin Jack to 106.5 also Galena
Run	106.5 - 109	Hornfel Zn, S, Qtz, calcite 2 1/2 ft. ore
Run	109 - 112	Gray Limestone 109 - 110 High grade Zn S. 110 - 112 Streaks of Zn S.
Run	112 - 117	Gray Limestone 112 - 113 Good Zn S 1/2 Zn S. 113 - 117 Spots at Zn S. and calcite bands
Run	117 - 123	Gray Limestone disseminated Zn S thru entire run
Run	123 - 131	Dark Gray Limestone 131 Total depth

Hole # 12

Run	0 - 28	Overburden and broken material
Run	28 - 31.7	Argillite with limey bands
Run	31.7 - 34.6	Argillite with limey bands Oxidation stains on fractures
Run	34.6 - 41.0	Fractured Argillite less lime considerable oxidation stains

Hole # 12 (continued)

Run 41.0 - 44.3	Argillite Qtz scum at 41.5 Pyrite fills fractures 41.5 - 43.0
Run 44.3 -48	Argillite grading to Hornfels very few fractures
Run 48 - 51.5	Hornfel fractured. little oxidation stain at 50'
Run 51.5 - 61.7	Hornfels Pyrrhotite filling fractures thru entire run
Run 61.7 - 65.5	Hornfel Pyrrhotite on fractures
Run 65.5 - 73.3	Hornfels disseminated pyrrhotite qtz streak at 72.5
Run 73.3 - 83.3	Hornfels occassional bunches of pyrrhotite
Run 83.3 - 93.3	Hornfels at 88' one small pyrrhotite mass
Run 93.3 - 101.1	Hornfel no sulfides
Run 101.1 - 111.2	Hornfels scum filling clacite also pyrrhotite and pyrito
Run 111.2 - 121.4	Hornfels limey bands with bunches of pyrrhotite
Run 121.4 - 131.6	Hornfels with limey bands
Run 131.6 - 141.9	Dark Hornfel sulfides and calcite in fractures
Run 141.9 - 152	141.9 - 143 Hornfel Dark Gray 143 - 143.3 Calcite band 143.3 - 145.5 Limey rock with disseminated Fe S 145.5 - 152 Dark Grey Hornfel
Run 152 - 162	Dark Grey Hornfel few calcite bands
Run 162 - 170	Dark Grey Hornfel 162 - 167 167 - 170 Zn S (30% recovery)

Hole # 12 (continued)

Run 170 - 177.4	Hornfel with calcite bands 170 - 176 bands of Zn S some 3" - 4" good looking ore 176 - 177.4 Zn S disseminated in limey Hornfel
Run 177.4 - 180.2	Limey Hornfel bands and disseminated Zn S
Run 180.2 - 185.3	Hornfel with more lime 180 - 182 disseminated Zn S
Run 185.3 - 187.3	Grey Limestone calcite some disseminated Zn S
Run 187.3 - 192.6	Hornfel - Grey Limestone calcite scums 187.3 - 190 disseminated and fracture filling Zn S
Run 192.6 -203	Dark Grey Limestone band of calcite

Total Depth 203

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. 015490

Defense Minerals Administration
Fas

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

Voucher prepared at Spokane, Wash.
(Give place and date)

PAID BY

12

(For use of Paying Office)

THE UNITED STATES, Dr., Payee's Account No. Idm-L223

To Hoodoo Mines
(Payee)

C/O Mylie H. Gardner, Wallace, Idaho
(Address) (City) (State)

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.
	September 1952	as per attached certified form MF-104 dated 10/15/52.				1,916.82	
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					

Shipped from to Weight Government B/L No. Total 1,916.82

(Payee must NOT use this space)

Differences .....

Account verified; correct for 1,916.82

(Signature or initials) .....

Contract No. Idm-L223 Date Req. No. Date Invoice Rec'd.

1,916.82

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior.	1,916.82	1,916.82

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—22000a-2

104 (Rev.)
(April 1952)

Wash

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Defense Minerals Administration
RECEIVED
NOV 3 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1952 Docket No. DMEA 1959X Contract No. Icm-223
Operator's Name Doodoo Mines Minerals Zinc & Lead
Address Kylie M. Gardner, Wallace, Idaho
Contract Amount, $14,000.00 Government Participation: 50 % Amount, $7,000.00

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						
Bulldozing	-0-	0128.00	0128.00		128.00	128.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	2,747.01	-0-	2,747.01	2746.92		2746.92
Supervision	200.00	150.00	350.00	200.00	150.00	350.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Other	403.25	2,822.03	3,225.28	383.25	2736.83	3120.08
(4) Operating Equipment:						
Rental Diamond drill	260.00	520.00	780.00	260.00	520.00	780.00
Purchase Pickup	20.00	50.00	70.00	20.00	50.00	70.00
Depreciation				↓	↓	↓
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	-0-	35.28	35.28		35.28	35.28
Sampling and Analysis					30.60	30.60
Payroll Taxes	235.48	-0-	235.48	203.47		203.47
Liability Insurance						
Rehabilitation, etc.	-0-	322.00	322.00		322.00	322.00
(8) Contingencies (specify): Accounting				20.00	27.50	47.50
TOTALS	3,865.74	4,027.31	7,893.05	3833.64	4000.21	7833.85

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

Date 10/15/52 *Payee Doodoo Mines

Per Kylie M. Gardner Title Partner

*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:

$ 1916.82

Signature (Authorized Certifying Officer)

Date 10/27/52 Vou. No. (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. ..... in accordance with the terms of the contract.

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form [illegible]F-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 3 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1952 Docket No. DMEA 1959X Contract No. Idm - 1223
Operator's Name Hoodoo Mines Minerals Lead and Zinc
Address c/o Wylie M. Gardner, Wallace, Idaho

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	Feet	$3,865.14	368.5	$7,443.05	1,296.4	$5.74		
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$3,865.14	368.5	$7,443.05				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs		-0-		450.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		$3,865.14		$7,893.05				

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 10/15/52 Operator Hoodoo Mines

Per Wylie M. Gardner Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. BUREAU OF MINES
Received
OCT 9 - 1952
Albany, Oregon

GPO 83-38475

Hoodoo Mines
Wallace, Idaho

October 15, 1952

PROGRESS REPORT
Month of September

During the month of September Holes Nos. 8, 9 and 10 were drilled. Hole No. 7 drilled during the month of August proved to be in a different structure from the ore bearing limestones. Mr. Vance and I were at a loss to figure this difference and could not see why this hole had not at least cut the limestones. Mr. Vance learned that Mr. Thor Killsgaard was in Hailey, Idaho and called him by telephone and asked for help on the subject. Mr. Killsgaard and Mr. Fuller came up and ran a small geological survey of the area involved. From Mr. Killsgaard's map we learned that the ore bearing limestone beds make a modified S curve and was about 100 feet wide. From this map we learned that Hole No. 7 was not in the limestone structure but was alongside of it. Holes Nos. 8 and 9 were attempts to drill through a broken, shattered surface structure to get back into the ore bearing limestones.

After a great amount of cementing and driving of casing, Hole No. 8 was finally lost at 55 feet. The sharp angular fragments cut off the bit and ruined a lot of casing. Hole No. 9 was a further attempt to penetrate this shattered zone, but at another angle. The result was to cut off the casing bit at approximately 15 feet and this hole was lost.

In a telephone call from Mr. Vance we decided to move back to the zone where we knew we would be at least drilling the limestone beds. This decision resulted in Hole No. 9 which cut 18 inches of fine inch or 3 inch bands and streaks.

We are accompanying this report with a map and drill log of holes drilled on this DMEA project. Our map to you for the October progress report

will, no doubt, show the geology as taken from Mr. Killsgaard's survey if Mr. Vance has the time to put it on.

The new Joy 12-B drill purchased for this project continues to operate beautifully and no time has been lost due to drill or pump breakdowns.

HOODOO MINES

By Wylie M. Gardner
Wylie M. Gardner, Partner

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

O. Vou. No. .....

Bu. Vou. No. DMA-418

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

Voucher prepared at Albany, Oregon 10/13/52
(Give place and date)

PAID BY

(For use of Paying Office)

THE UNITED STATES, Dr., Payee's Account No. Idm-E223

To Hoodoo Mines,
(Payee)

c/o Wylie M. Gardner, Wallace, Idaho
(Address) (City) (State)

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 net	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	August 1952	As per attached certified form MF-104 dated September 18, 1952				397	95
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					
Shipped from	to	Weight	Government B/L No.		Total	397	95

(Payee must NOT use this space)

Differences .....

Account verified; correct for 397 95

(Signature or initials) .....

Contract No. Idm-E 223 Date Req. No. Date Invoice Rec'd.

397.95

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	397.95	397.95

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.....

OCT 3 1952

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—22000a-2

Form MF-204 (Rev.)
(April 1952)

Wash

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August 1952 Docket No. DMEA Contract No. Ida -1223
Operator's Name Doodoo Mines Minerals Zinc & Lead
Address Lylie M. Gardner, Wallace, Idaho
Contract Amount, $ 14,000.00 Government Participation: 50 % Amount, $ 7,000.00

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						
Bulldozing		128.00	128.00		128.00	128.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	705.09	1,066.94	1,772.03	-0-	-0-	-0-
Supervision	100.00	150.00	250.00	-0-	150.00	150.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Other	563.00	2,288.30	2,851.30	477.80	2259.03	2736.83
(4) Operating Equipment:						
Rental Diamond Drill	240.00	280.00	520.00	240.00	280.00	520.00
Purchase						
Depreciation Pickup	20.00	30.00	50.00	20.00	30.00	50.00
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	-0-	35.28	35.28		35.28	35.28
Sampling and Analysis				30.60		30.60
Payroll Taxes						
Liability Insurance						
Rehabilitation, etc.	-0-	322.00	322.00		322.00	322.00
(8) Contingencies (specify): Accounting				27.50	-0-	27.50
TOTALS	1,628.09	4,300.52	5,928.61	795.90	3204.31	4000.21

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

Date 9/18/52 *Payee Doodoo Mines

Per Lylie M Gardner Title Partner

*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:

$ 397.95

Signature Wash (Authorized Certifying Officer)

Date 10-9-52 Vou. No. (See other side)

OCT 2 1952

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

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1952 Docket No. DMEA 1959X Contract No. Idm-1223
Operator's Name Doodoo Mines Minerals Zinc & Lead
Address Mylie M. Gardner, Wallace, Idaho

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	Feet	1,628.09	405.1	5,478.61	927.9	5.904		
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
								TOTAL COSTS AUTHORIZED BY CONTRACT
TOTAL DISTRIBUTED COSTS		1,628.09	405.1	5,478.61				
Operating Equipment Purchased								
Initial Rehabilitation and Repairs		450.00		450.00				
New Buildings, Improvements, etc.								
TOTAL COSTS		1,628.09		5,928.61				

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 9/28/52 Operator Doodoo Mines

Per _____ Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Hoodoo Mines
Wallace, Idaho

PROGRESS REPORT
August 1952

Drilling operations for the month of August continued to be in shattered ground which prevents our making as much footage as was originally anticipated.

During August 405.1 feet were drilled bringing our total for the project to date to 927.9 feet. The reduced cost for the month of August as compared to July brought the cost per foot to $5.90 from $7.36 for the first period reported.

There have been no mechanical failures on the new drill and it is operating very satisfactorily. Our apparent slow progress is due to difficult ground which requires considerable casing and cementing.

HOODOO MINES

By Kyle M. Gardner

Wallace, Idaho
Sept. 25, 1952.

Mr. M. E. Volin, Member
DMEA Field Team, Region 11.
1201 W. Division St.
Spokane 2, Wash.

Subject.
August 1952 Invoice
ContractIdm. E223
Docket 1959X (zinc lead)
Hoodoo Mines, Custer County, Ida.

Dear Mr. Volin:

Your communication of Sept. 23, 1952 was received and I shall be glad to furnish more data to comply with your request for a more adequate narrativeconcerning our drilling operation at the Hoodoo Mines.

Drilling during the Month of August included holes #6 and #7

Hole #6- 122.8' to 242.5' 119.7
Hole #7 0 to 285.4 285.4
405.1' drilled

Hole # 6 was drilled near the ridge at an elevation of approx. 9000' and was an attempt to connect the ore in outcrops at 8100' El. and an outcrop 1800' Westerly at about 8300' El., this hole was a blank as far as ore was concerned. However, it did prove that the same country rock(grey limestone)persists between the outcrops. Hole # 7 was drilled to prove the Easterly extension of these above mentioned outcrops, it too proved to be a blank as far as ore was concerned and to quote from L. R. Vance's letter to me of Sept. 5, 1952,"Finished hole #7 yesterday at 376' and not a sign of ore. There is something entirely wrong in that area. Instead of having the same sequence of beds that we had last year, we had something entirely different. We had run after run of that conglomerate that we see in float some places, but seldom see it in place. There must be a fault through there some place, maybe an overthrust that has pushed the Milligan over the Idaho. When Killsgaard comes down again I'll get him interested in it. Looked again today and there is no sign of the conglomerate on the surface."

Maps showing the location of holes in relation of surface outcrops, depth and inclination of holes will be sent to your office with the September invoices.

Trusting this additional data will comply with your request I am

Sincerely yours,

Vylie M. Gardner

Vylie M. Gardner

Albany, Oregon

Region II

October 10, 1952

Mr. Wylie M. Gardner,
Hoodoo Mines,
Wallace, Idaho.

Reference: August Invoice MF-104, Idm-L-223

Dear Sir:

Your August Invoice MF-104 has been approved for $795.90 and payment will be made in the amount of $397.95.

In addition to the payroll for labor being disallowed we have deleted the allowance for Supervision in the amount of $100.00. No receipt was furnished for the payment of such services. These may be reclaimed upon presentation of the claims in proper form.

We have also deleted $27.10 from Other Charges inasmuch as the invoice from the Jensen Oil Company was not furnished.

Very truly yours

W. Rulon Lee
Finance Officer

wmh
cc: R/F
Contract File
August Voucher
Wash. (2)
Velin (2)

Wash

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

P. O. Vou. No. .....

Bu. Vou. No. DMA-401

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

Voucher prepared at Albany, Oregon 10/3/52
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E 223

To Hoodoo Mines,
(Payee)

c/o Wylie M. Gardner, Wallace, Idaho
(Address) (City) (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.
	July 1952	As per attached certified form MF-104 dated August 20, 1952				1,602	15
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					
Shipped from	to	Weight	Government B/L No.		Total	1,602	15

(Payee must NOT use this space)

Differences .....

Account verified; correct for 1,602 15

(Signature or initials) .....

Contract No. Idm-E 223 Date Req. No. Date Invoice Rec'd.

1,602.15

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	1,602.15	1,602.15

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

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

Wash.

DEPARTMENT OF THE INTERIOR
Bureau Office Symbol
Budget Bureau No. 42-R1036.3.1.5
Approval expires 6-30-53.

RECEIVED
OCT 8 52

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

Month of July, 1952 Docket No. DMEA 1959X Contract No. Idm-1223
Operator's Name Doodoo Mines Minerals Zinc, Lead
Address c/o Kylie M. Gardner, Wallace, Idaho
Contract Amount, $14,000.00 Government Participation: 50% Amount, $7,000.00

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						
Bulldozing	128.00	-0-	128.00	128.00	—	128.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1,066.94	-0-	1,066.94	—	—	—
Supervision	150.00	-0-	150.00	150.00	—	150.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Other	2,288.30	-0-	2,288.30	2259.03	—	2,259.03
(4) Operating Equipment:						
Rental Diamond Drill	280.00	-0-	280.00	280.00	—	280.00
Purchase						
Depreciation Pickup	30.00	-0-	30.00	30.00	—	30.00
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	35.28	-0-	35.28	35.28	—	35.28
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Rehabilitation, etc.	322.00	-0-	322.00	322.00	—	322.00
(8) Contingencies (specify):						
TOTALS	4,300.52	-0-	4,300.52	3,204.31	—	3,204.31

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 8/20/52 *Payee Doodoo Mines

Per Kylie M. Gardner Title Partner

*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:

$ 1,602.15

Signature Wash
(Authorized Certifying Officer)

Date 10-1-52 Vou. No.
(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. 223 in accordance with the terms of the contract.

Signature _____ Title _____ Date _____

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Thomas E Howard Title Mining Engr Date 8/22/52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 1 1952

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

Month of July 1952 Docket No. DMEA 1959X Contract No. Idm-E223

Operator's Name Hoodoo Mines Minerals Zinc, Lead

Address c/o Wylie M. Gardner, Wallace, Idaho

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		2,754.31		2,754.31		5.268		
Drilling: Core	Feet	~~3,850.52~~	522.8	~~3,850.52~~	522.8	~~7.365~~		
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2,754.31 ~~3,850.52~~	522.8	2,754.31 ~~3,850.52~~				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs		450.00		450.00				450.00
New Buildings, Improvements, etc.								
		3,204.31		3,204.31				
TOTAL COSTS		~~4,300.52~~		~~4,300.52~~				450.00

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

Date 1/20/52 Operator Hoodoo Mines

Per Wylie M. Gardner Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

Hoodoo Mines
Wallace, Idaho

PROGRESS REPORT
June 15 to July 31, 1952

Commencing June 15 supplies which had been assembled for the drilling operation by L. R. Vance and Wylie M. Gardner were moved to Torrey's Cabins, Challis, Idaho and then to the drilling site.

Considerable difficulty was encountered securing an adequate pump and drilling supplies because of the steel strike with the result that the commencement of operations was delayed from our original starting date of June 1 to June 15.

During the period June 15 to July 31, 1952 a total of 522.8 feet were drilled. While the footage does not seem great for the period of operations, it is explained by the fact that the sites chosen were in a faulted area with the result that considerable cementing was necessary to hold the drill holes. It is anticipated that footages may be rather low in the future as we are still experiencing difficulty in drilling this faulted ground.

The new drill purchased for the operation is functioning very satisfactorily and no time has been lost due to break downs.

HOODOO MINES

By Wylie M. Gardner

Mr. Ralph M. Black and
Mrs. Hilldan Black,
Mr. Frank L. Fisher and
Mrs. Constance M. Fisher
Mr. David A. Fisher and
Mrs. Marjorie B. Fisher
c/o Mr. Ralph M. Black
Clayton, Idaho

Re: MMA-1950X (Lead-Zinc)
Gardner and Vance
Meade Mine
Custer County, Idaho
Amended Contract Ida-8223

Dear Sirs and Mesdames:

By the terms of the subject Exploration Project Contract and the certification of discovery or development, dated May 14, 1953, all minerals mined or produced from January 24, 1952, to January 24, 1962, were subject to the Government's percentage royalty as set forth in said contract.

As the period during which production subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract.

This relates to the Landlord's Subordination Agreement and the Owner's Consent to Lien, signed by you on July 19, 1955, and March 21, 1956, respectively, under the Defense Minerals Administration and Defense Minerals Exploration Administration programs which have been succeeded by the Office of Minerals Exploration program.

Sincerely yours,

George Fumich, Jr.

Director

GLault/m
8-28-62
cc to: Director's Reading File
Region I (2) w/1 cy MMX Form 63 completed by R.M.Black 6/14/62
Contract Division
Bankar
Code 500

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

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

To: Mr. Wylie F. Gardner, Partner
Hoodoo Mines
Box 1286
Wallace, Idaho

Pursuant to the provisions of Exploration Project Contract No. Idm-3223, dated January 24, 1952, Docket No. DMA 1959, hereinafter called the "Contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that a discovery or development has resulted from the work from which commercial production of ore may be made.

The Government's estimate of said discovery or development is particularly described and delimited as follows: Diamond drilling which was done has indicated zinc ores in a vein occurring on tracts of land in Custer County, Idaho, such tracts being particularly described in the contract.

Dated MAY 1 4 1953

THE [illegible] AND TOM

By C. D. Mitchell
Administrator, Defense Minerals
Exploration Administration

WMGriswold/hmj
(5/6/53)
CC to: Docket
Cont. Admin & Audit Div.
Region II (2)
Finance Office
Base Metals Division
Russell Forbes, Acting Adm. DMPA
Adm. R. File
Op. Committee
Mr. Hedges, Rm 4604
Mr. Thayer, Rm 5216, GSA Bldg.
Mr. Griswold
Chron.

500

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

MAY 1 4 1953

Mr. Wylie L. Gardner, Gardner
Hoodoo Mines
Box 1286
Wallace, Idaho

Re: Docket No. DMA 1959 (Lead-Zinc)
Hoodoo Mines
Custer County, Idaho
Contract No. Idm-1223

Dear Mr. Gardner:

Transmitted herewith is a "Certification of Discovery or Development" related to the Contract No. Idm-1223 on the subject mine.

By the terms of the Exploration Project Contract and of the Certification, all production from the property described in the contract, after January 24, 1952, the date of the contract, is subject to the Government's percentage royalty as set forth in the said contract until such sums as the Government may advance as its participating interest have been repaid or until January 24, 1962.

Payments should be made to Mr. A. H. Heissenborn, Executive Officer, DMEA Field Team, Region II, South 157 Howard Street, Spokane 8, Washington. Checks should be drawn in favor of the Treasurer of the United States. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward the checks to the Executive Officer.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets, showing quantity and grade of the products sold, the name of the purchaser and the price and charges, certified to be correct by the purchaser.

You are requested to notify Mr. Heissenborn of any changes in ownership or production rights that might affect the Government's right to its percentage royalty. Also, if production ceases at any time for an extended period, please notify Mr. Heissenborn at six-month intervals that such is the case.

WRGriswold/hmj (5/6/53)

Sincerely yours,

C. O. Mittendorf
Administrator

CC to Docket
Cont. Admin & Audit Div.
Region II (2)
Russell Forbes, Act. Adm. DMPA
Adm. R. File
Op. Committee
Mr. Hedges, Rm 4604
Mr. F. E. Johnson
Mr. Thayer, 5216, GSA Bldg.
Mr. W. R. Griswold

Enclosure

Chron

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

MAY 14 1953

Mr. Russell Forbes, Acting Administrator
Defense Materials Procurement Agency
General Services Administration Building
Washington 25, D. C.

Re: Docket No. DMA-1959 (Lead-Zinc)
Hoodoo Lines
Custer County, Idaho
Contract No. Adm-1223

My dear Mr. Forbes:

Enclosed is one copy each of a "Certification of Discovery or Development" related to Exploration Project Contract No. Adm-1223.

The contract was dated January 24, 1952, with the Government participating to the extent of 50 per cent in an exploration project estimated to cost $14,000.00. Of such amount $9,429.30 had been expended, the Government's share being $4,714.65 as of December 1, 1952.

The total program of work done on the project consisted of 1,632 feet of diamond drilling.

The discovery may be described as zinc ores occurring in a wide vein, over a length of at least 400 feet and a vertical range of at least 400 feet in extent.

The final Field Team report, with an estimate of the ore reserve, has not yet been received. A copy of this report will be sent you when it is received by this office.

Sincerely yours,

C. O. Mittendorff

Administrator

WRGriswold/jmj
(5/6/53)

CC to: Docket
Cont. Admin. & Audit Div.
Region II (2)
Base Metals Division
Enclosure Adm. R. File
Op. Committee
Mr. Hedges, Rm 4604
Mr. Thayer, Rm 5216, GSA Bldg.
Mr. Griswold
Chron.
Frank E. Johnson

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

Memorandum

To: The Administrator

From: Chief, Base Metals Division

Subject: Certification, Docket No. [illegible] 1959 (Lead-Zinc)
Hoodoo Mines, Custer County, Idaho
Contract No. Idx-223

The Exploration Project Contract was executed January 24, 1952, with a total cost of $14,000.00. Final audit total of approved expenditures has not yet been received, but will probably be $9,429.30.

The contract provided for 3,000 feet of diamond drilling of which 1,632 feet were actually done.

As a result of such work zinc ores of various grades (up to a maximum of 15 per cent) were indicated, occurring in a wide vein over a total minimum length of 400 feet (probably much longer) and to at least a depth of 400 feet below the highest point of outcrop.

No ore reserve estimates can be calculated until final field reports are received.

W. R. Griswold

W. R. Griswold

Attachments
WRGriswold/hmj
(5/6/53)
CC to: Docket
Op. Committee
Base Metals
Mr. Chambers
Mr. Griswold
Chron.

Government's copy

TERMINATION AGREEMENT

It is agreed this 27th day of April, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Wylie M. Gardner and L. R. Vance, partners, doing business as the Hoodoo Mines, hereinafter called the "Operator," parties to that certain Amended Exploration Project Contract Idm-E223 (Docket No. DMEA-1959), dated June 3, 1953, effective January 24, 1952, hereinafter called the "Amended Contract," that:

1. All work and operations provided for in said Amended Contract shall be terminated as of May 1, 1953.

2. The Operator shall promptly perform all winding-up and settlement actions provided for in the Amended Contract, including the disposal of any buildings, fixtures, equipment, or other items to the cost of which the Government has contributed and in which it has an equity; and shall promptly render to the Government a final report and final accounting.

3. Any work or operations prosecuted or costs incurred by the Operator after May 1, 1953, shall be for the sole account of the Operator without contribution by the Government, except for necessary and reasonable costs and expenses incurred in (a) preserving and disposing of property, and (b) making and rendering reports, accounts, and winding-up and settlement actions provided for in the Amended Contract.

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

5. All rights of the Government with respect to percentage royalty and lien for its payment under the Amended Contract are preserved.

6. In Articles 9 and 10 of the Amended Contract form the words "the date of this contract" are deleted, and the words "the date of the Prior Contract (January 24, 1952)" are substituted.

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

THE UNITED STATES OF AMERICA

By O O Mittendorf
Administrator, Defense Minerals
Exploration Administration

HOODOO MINES

By Myles M. Gardner (Partner)

By L R Vance (Partner)

P.O. Box 1286
Wallace, Idaho.
May 15, 1954

Mr Wing G. Agnew
Acting Executive Officer
U. S. Bureau of Mines
So. 157 Howard St.
Spokane 4, Washington.

Re: Docket No. DMEA-1959
Hoodoo Mines
Custer County, Idaho
Contract No. Idm-E223

Gentlemen:

In compliance with Section 14 of our original contract, we wish to submit the following as a finalreport on the above project.

A small amount of building and repairing roads, and preparing diamond drill stations, on the property, was allowed in a supplement to the original contract. The remainder of the money was used for diamond drilling. Seven holes were drilled for a total of 1672.2 ft.

Ore of good grade was indicated in four of the holes and ore of lower grade in one other hole. Certain outcrops and surface float had suggested the possibility of considerable lead in parts of the ore zone. Our diamond drilling failed to disclose such values of lead but show the probability of an important body of zinc ore.

The total expenditure of $ 9,995.12 has been accounted for and an audit of this account has been made and accepted. The enclosed check for $ 275.12 is to reimburse the Government for overpayment on monthly invoices. All items in which the Government had an equity have been disposed of, to the satisfaction of the auditor. All major items of equipment were used on a rental basis, and no buildings were constructed on the property.

Because of the low price for zinc, we will be unable to continue with the development of the property at this time. For the same reason, we have been unable to interest private capital, or any of the major operating companies, in a project that indicates main values in zinc.

May we express our sincere appreciation to the personnel of the various departments, for the help and cooperation given us in this matter.

Yours truly,

Wylie M. Gardner

Wylie M. Gardner

L. R. Vance

L. R. Vance

RECEIVED
MAY 20 1954
U. S. G. S.
SPOKANE, WASH

Government Copy

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Idaho, County of Custer, described as follows:1/

Fisher, Fisher & Black:

Hoodoo Claims #1,2,3,4,5, and 6,	Book 11,	Pages 353, 354, 355, 356, 357, 358
Hoodoo Claims #7, 8	Book 13	Pages 576, 577
Hoodoo Claims #9, 10, 11, 12	Book 14	Pages 54, 55, 56, 57
Hoodoo Millsite	Book 1	Page 9

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Wylie M. Gardner, Box 1286, Wallace, Idaho and

L. R. Vance, Wallace, Idaho, Partners, doing business as the Hoodoo Mines,

Clayton, Idaho

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 22,625.00, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 21st day of March, 195 3.

x David A Fisher [Seal] Marjorie M. Fisher

x Frank L. Fisher [Seal] Constance M Fisher

x R M Black [Seal] Dellman Black

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

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

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

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

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

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

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

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

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

September 1, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMA-1959 (lead-zinc)
Hoodoo Mines
Custer County, Idaho
Contract No. Idm-E223 (Amended)

Dear Mr. Selfridge:

Enclosed are the original and two signed copies of Owner's Consent to Lien to the above-captioned contract. These forms were returned to the Operator for additional signatures in accordance with your letter of June 3 forwarding the Amended contract to us. Reference is also made to the 2nd paragraph of our letter dated July 7, 1953, forwarding the signed copies of the Amended contract to your office.

As per usual, we are retaining a copy of the Owner's Consent to Lien for our files, the Finance Officer's copy is being distributed by a carbon copy of this letter, and a copy has been forwarded to the Operator.

Sincerely yours,

Thor H. Kiilsgaard

Thor H. Kiilsgaard
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosure

cc: Finance Officer w/encl.
USBM (2)
Kiilsgaard

Docket No. ~~[illegible] - 1959~~

Commodity Lead - Zinc

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 223

Date of Contract or ~~Amendment~~: June 3, 1953

Name and Address of Operator:
Hylee M. Gardner, and L.A. Vance,
d/b/a/ Meadow Mines,
Clayton, Ohio

Amount of Government participation $ 23, 135.00

Percent of Government participation 50 %

Region: 11 State: Idaho

Note: Please release $ 19,266.94; Advise Contract Administration and Audit Division

E. D. Talbert
(Name)
E. D. Talbert
Acting Chief, Contract Administration and Audit Div.
(Title)

Date Delivered to Bureau of Mines, Washington. 6/17/54

54458

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

DOCKET NO. DMA-1959X

COMMODITY Zinc, lead

UNITED STATES OF AMERICA Government's Copy
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
AMENDED
EXPLORATION PROJECT CONTRACT[1]

IDM-E 223

Department of the Interior
Defense Minerals Administration
RECEIVED

IT IS AGREED this 3rd day of June, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Wylie M. Gardner, Box 1286, Wallace, Idaho, and L. R. Vance, Clayton, Idaho, partners, doing business as the Hoodoo Mines, Clayton, Idaho

hereinafter called the "Operator," as follows: and as set forth in Annex I and Annex II

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 Idaho, County of Custer, described as follows:[3] Unpatented mining claims Hoodoo No. 1 to Hoodoo No. 12 inclusive, and Hoodoo Millsite in the Boulder Creek Mining District T.10N.,R.15E.,B.M.(unsurveyed) and recorded in Book 11 at pages 353,354,355,356,357, and 358, in Book 13 at pages 576,577, in Book 14 at pages 54,55,56,57, in Book 1 at page 9 respectively, of Mining Records of Custer County, Idaho

the Operator represents and undertakes:[4]

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, shall continue work on a project of exploration for[5] zinc and lead in or upon the described land; and shall bring the project to completion prior to July 1, 1954. 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: and as set forth in Article 13

(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 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 payment 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 50 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $23,135.00, which is 50 percent of $46,270.00, 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.* To the extent that costs are set forth in Exhibit "A" as "agreed unit costs" they are in lieu of the actual costs of the project as provided in Article 6(a) of the contract form.

Executed in sextuplicate the day and year first above written.

HOODOO MINES

By Nyle M. Gardner ~~Operator~~ Partner

By L. R. Vance Partner

THE UNITED STATES OF AMERICA

By O. Mittendorf
Administrator, Defense Minerals Exploration Administration

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

[CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
HOODOO MINES
DOCKET NO. DMA-1959X

EXHIBIT "A"

Description of the Work

This exploration project consists of:

(1) 1,632 feet of diamond drilling (already performed) to determine the extent and grade of the ore exposed in the adit and in the outcrop shown on the map attached to the Prior Contract.

(2) As indicated on the map attached hereto and entitled "Hoodoo Property, Custer County, Idaho - DMEA Docket No. 1959- Idm E-223," the mineralized zone shown by the diamond drilling done under the Prior Contract shall be explored by means of the following work:

a. Improve the present road and construct a new section thereof to provide access to the drifts and crosscuts.

b. Crosscut (5 x 7 feet in the clear) approximately 350 feet to intersect the vein.

c. Drift (5 x 7 feet in the clear) approximately 500 feet on the vein.

The location, direction and extent of all work is subject to the prior approval of the Government engineers.

Estimated Costs of the Project
(*Indicates allowable maximum)

Actual cost of diamond drilling under the Prior Contract	$9,720.00 1/
Agreed Unit Costs	
850 feet of drifting and crosscutting @ $35/ft.	29,750.00

1/ This figure is subject to final audit.

The Government will contribute to the costs of the drifting and crosscutting on the basis of these agreed unit costs per foot, as they accrue, for units of work actually performed, in lieu of actual costs. These agreed unit costs include all costs of the work, except the items estimated below, to the cost of which the Government will contribute on the basis of actual costs as specified in Article 6(a) of the contract form.

Estimated Actual Costs

(1) Independent contracts

None

(2) Labor, supervision, consultants

None

(3) Operating materials and supplies

None

(4) Operating equipment

To be purchased

4 side dump mine cars @ $400/ea.	$1,600.00	
2 Atlas rock drills @ $700/ea.	1,400.00	
1 Ventilation fan with 5 HP engine	200.00	
1 30" chain saw	300.00	$ 3,500.00*

(5) Rehabilitation and repairs

None

(6)	New buildings, improvements, installations	
	Improve present road and construct new section	$3,000.00[2] *
(7)	Miscellaneous	
	Assaying	300.00
(8)	Contingencies	
	None	
	Estimated total cost of Work under the Amended Contract	$36,550.00*

S U M M A R Y

Estimated total cost of Work under the Amended Contract	$36,550.00*	
Estimated total cost of Work under the Prior Contract	9,720.00*	
Estimated total cost of Project		$46,270.00*
Government Participation @ 50%		$23,135.00*

2/ Includes cost of labor, supplies, equipment rental, and all other costs of the work.

EXPLORATION PROJECT CONTRACT
HOODOO MINES
DOCKET NO. DMA-1959X

ANNEX I

Materials and Supplies: For the purpose of determining the Government's interest in materials or supplies remaining upon any termination of the work, they shall be considered in groups or categories (such as pipe, or explosives, or rails, or drill steel), and if the original cost of the remaining unexpended portion of any such group or category exceeded $50, the Government shall have an interest therein as provided in Article 11 of the contract form.

Equities in Equipment. Unless expressly permitted by provisions in Exhibit "A", the operator shall not procure equipment or any other item under a rental-purchase agreement, an installment-purchase agreement, any agreement which creates or builds up an equity or interest in the thing procured which can be converted to legal title only by further payment or some other consideration, or any agreement other than for straight rental or cash purchase and delivery.

Preservation of Property. Until the final disposal of any equipment or other property in which the Government has an interest or equity, the operator shall preserve and protect same for the mutual best interests of the parties, any reasonable and necessary cost thereof to be treated as an allowable cost of the exploration work to which the Government will contribute.

EXPLORATION PROJECT CONTRACT
HOODOO MINES
DOCKET NO. DMA-1959X

ANNEX II

WHEREAS, the parties to this agreement are also parties to Contract Idm-E223, Docket No. DMA-1959X, dated January 24, 1952, as amended, executed on Contract Form MF-200 (June 1951), hereinafter called the Prior Contract; and

WHEREAS, of the 3,000 feet of diamond drilling provided for in the Prior Contract only 1,632 feet thereof have been completed and the parties desire to discontinue the said diamond drilling and in its place to crosscut and drift as hereinafter indicated; and to add various mining claims to those mentioned in Article 2 of the Prior Contract; and

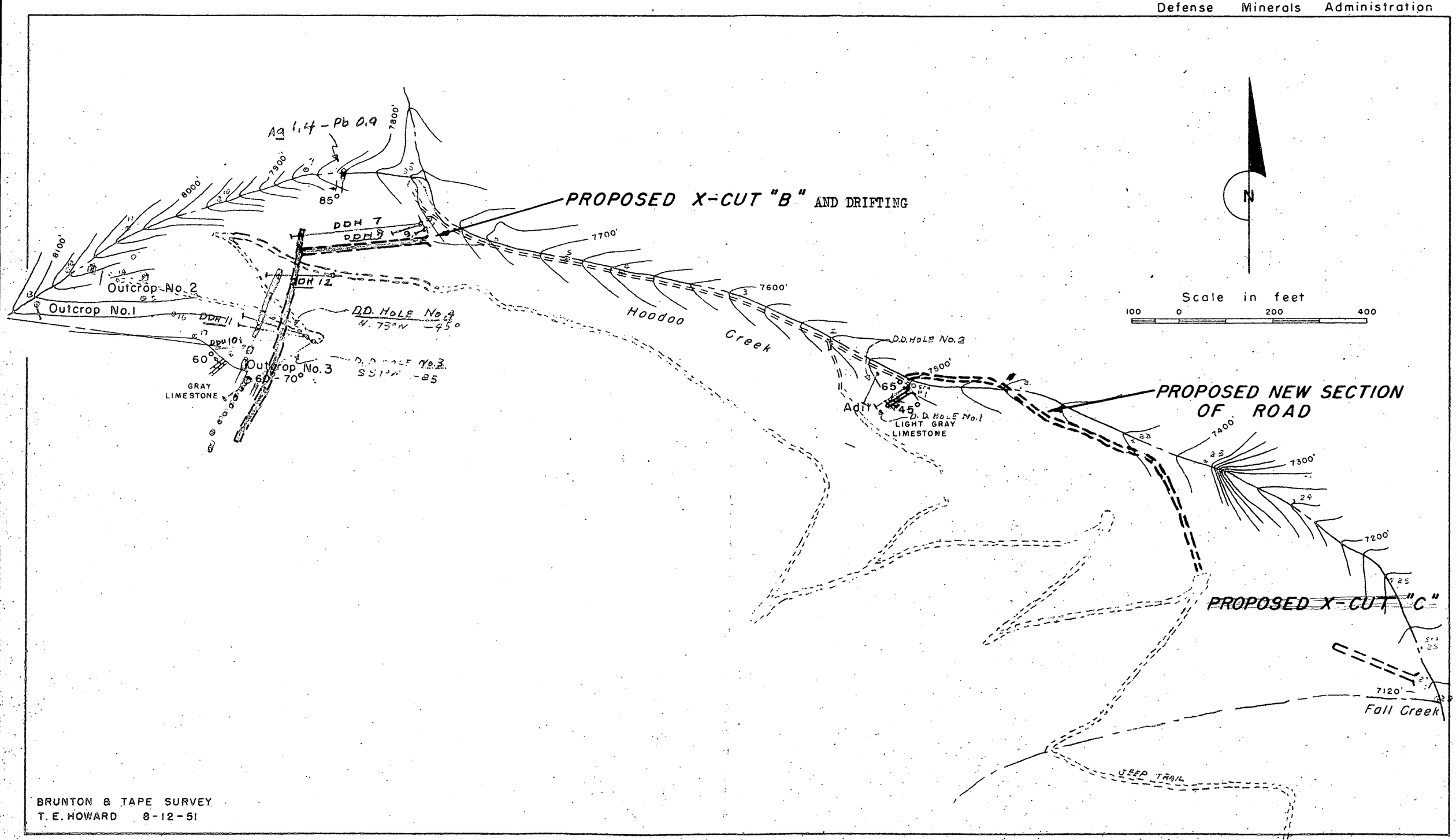
WHEREAS, the parties desire to restate their agreement on a new contract form and to change the basis for the payment of part of the work to be done to a unit cost basis instead of an actual cost basis;

NOW THEREFORE, it is mutually agreed as follows:

1. Effective as of the date of its execution, the Prior Contract is amended and superseded by this Amended Contract executed on Form MF-200 (revised February 1952), which shall govern the Government's claim and lien for percentage royalty and in which the rights and obligations of both parties are fully merged.

2. All work performed under the Prior Contract having been fully paid for, the Operator hereby agrees to and hereby releases and saves harmless the Government from all claims and demands arising out of the Prior Contract.

Defense Minerals Administration



BRUNTON & TAPE SURVEY
T. E. HOWARD 8-12-51

Hoodoo property, Custer County, Idaho

D.M.E.A. Docket No. 1959 Idaho E-223

AMENDMENT NO. 2

It is agreed this 30th day of July, 1952, between the the United States of America, acting through the Department of the Interior, Defense Minerals Administration and Wylie M. Gardner and L. R. Vance, partners, doing business as the Hoodoo Mines, Clayton, Idaho, (Docket No. 1959X, zinc-lead) each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E223 of Jan. 24, 1952 between the parties hereto be modified and amended as described in Exhibit "F", attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be June 1, 1952.

This amendment is made by authority granted the Executive Office, DMA Field Team, Region II in Order No. 2684 by the Acting Secretary of the Interior.

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".

Executed in sextuplicate the day and year first above written.

Hoodoo Mines
(Operator)

By Wylie M. Gardner

The United States of America

By A. E. Weissenborn
A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region II

DEPARTMENT OF THE ATTORNEY GENERAL
Business Licensing Division
RECEIVED
SEP 2 1992

Hoodoo Mines
Exploration Project Contract Idm-E223

Amendment No. 2

Exhibit "F"

Changes and modifications

1. In exhibit "A" of the contract, page 1, under Operating Equipment add the following:

"To be furnished by Operator:

Item	Monthly depreciation Allowance	Period of use	Total
1 - 1951 Jeep Pickup	$20.00	6 mo.	$120.00*

*Maximum allowable

2. To exhibit "A" of the contract, page 2 add the following sentence:

"The cost of clearing the access road, preparing drill sites and transporting the drilling equipment to the property shall be allowable as a cost of the project to a maximum total of $450.00."

This amendment shall not increase the cost of the project. The costs provided for above are considered to be included in the estimated total cost of the project

M. E. Volin, Member, DMEA Field Team, Region II August 19, 1952

T. E. Howard, Mining Engineer, Mining Division, Region II

Initial inspection, Hoodoo mines, Contract Idm-E223, Docket No. DMEA 1959, (Zinc-lead) Custer County, Idaho

The subject inspection was made July 30, 1952, with Dean Holt, Bureau of Mines, and L. R. Vance, one of the partners.

Work under the contract was started in June. During June the access road was cleared of small rock slides caused by the severe winter, a drill site was prepared and the drilling equipment transported to the property.

Actual drilling was begun on July 1, 1952. The first, drilled to test at depth the zones exposed in Outcrops Nos. 1 and 2, was drilled to a depth of 400 feet. Drilling was in progress on the second hole. This hole had reached a depth of 80 feet on the date of the inspection. It is being drilled east from a point south of Outcrop No. 2 to test the zone exposed in Outcrop No. 3.

The first hole encountered two ore zones, presumed to be the downward extensions of Outcrops No. 1 and 2. However, core recovery was poor in both zones and the sludge had not been assayed so no information as to grade was available. The Operator stated that he has ordered a new type core barrel which has been used successfully in the Coeur d'Alene mining district and with which he hopes to obtain better results.

The Operator requested that the contract be amended to allow for the preparatory work done during June. A portion of it, clearing the access road, was occasioned by the delayed start of the project. No provision was made for road clearance as it was anticipated that the work would be done last fall. Preparing the drill sites and transporting the drilling equipment were also necessary so that the work could proceed.

In addition the Operator requested that depreciation be allowed for his 1951 Jeep pickup used for transporting supplies for the drilling. It is valued at $1200.00 and a monthly depreciation allowance of $20.00 for 6 months would not be out of line.

These costs all are considered direct costs of the work and should be allowable under the contract. Mr. Vance is doing the drilling himself with the help of one laborer. As he performs the supervisory and engineering work also drilling costs should be low. He stated that the unit cost of drilling for holes completed to

date has been near $4.00 per foot. This cost was obtained by prorating these added costs over the total anticipated amount of drilling and adding them to the other direct costs of drilling such as supplies, equipment rental, labor, etc.

Therefore, an amendment to provide for these added costs would not increase the total amount of the contract. Such an amendment has been prepared and is attached for your consideration.

The operator appears to be doing a conscientious job and standards of work are satisfactory.

T. E. Howard

Enclosure

CC: 2-Wash.
2-USGS
TEH

June 1959
Land Zone

AMENDMENT NO. 1

It is agreed this 24th day of March 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and Wylie M. Gardner and L. R. Vance, Partners, doing business as the Hoodoo Mines, Clayton, Idaho.

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E223 of January 24 1952 between the parties hereto be modified and amended as described in Exhibit "F", attached hereto, which, with any maps or drawings attached therto, is made a part of this aggrement. The effective date of this amendment shall be March 24 1952.

This amendment is made by authority granted the Executive Office, DMA Field Team, Region II in Order No. 2653 by the Acting Secretary of the Interior.

This amendment shall not be constued to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of costs which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

Executed in sextuplicate the day and year first above written.

Department of the Interior
Defense Minerals Administration
Received
APR 1 1952

HOODOO MINES
(Operator)

Wylie M. Gardner

By L. R. Vance

The United States of America

By A. E. Weissenborn

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

RECEIVED
APR 15 1952
U. S. G. S.
SPOKANE, WASH.

HOODOO MINES

Exploration Project Contract Idm-E223

Amendment No. I

EXHIBIT "F"

Changes and Modifications

1. In article 3 of the contract entitled "Exploration Project", line I, after "within" delete "60 days" and substitute "5 months", and in line 4 delete "6 months" and substitute "9 months".

RECEIVED
APR 15 1952
U. S. G. S.
SPOKANE, WASH.

Docket No. [illegible] 1050

Commodity Zinc, lead

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

AMENDED CONTRACT

Contract No. Idm-E 203

Date of ~~Contract or Amendment~~ Amendment: June 3, 1953

Name and Address of Operator:
Willis M. Gardner, and L. E. Vance,
d/b/a Rodeo Mines,
Clayton, Idaho

Amount of Government
participation ____ $ 29,195.00

Percent of Government
participation 50 %

Region: II State: Idaho

NOTE: This document establishes the obligation shown above and cancels the previous obligation of $7,000.00

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

(Title)

Date Delivered to Bureau of Mines, Washington. June 3, 1953

13908

Docket No. ~~1959~~

Commodity ~~Lead-Zinc~~

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

REVISED FOR CONTRACTION
Contract No. Idm-E-~~223~~

Date of Contract ~~or Amendment~~: December 7, 1951

Name and Address of Operator:

Moodoo Mines
Lylie H. Gardner and L.E. Vance
Wallace, Idaho

Amount of Government participation $7,000.00

Percent of Government participation 50 %

Region: II State: Idaho

NOTE: This document cancels the previous obligation of $49,350.00, which was in error, and establishes the obligation shown above.

(Name)
E.D. Talbert
(Acting) Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. May 12, 1952

13908

MF-200
(June 1951)

Docket No. DMA 1959X
Commodity Zinc, lead
Idm-E223

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

GOVERNMENT'S COPY

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 24 day of January, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] Wylie M. Gardner, Box 1286, Wallace, Idaho, and L. R. Vance, Clayton, Idaho, partners, doing business as the Hoodoo Mines, Clayton, Idaho.

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Idaho, County of Custer described as follows: [3] Unpatented mining claims Hoodoo No. 1, Hoodoo No. 2, Hoodoo No. 3, Hoodoo No. 4, Hoodoo No. 5 and Hoodoo No. 6 in the Boulder Creek Mining District T.10N., R.15E., B.M. (unsurveyed).

with respect to which the Operator represents and undertakes: [4]

(*a*) ~~That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:~~

(*b*) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within 60 days from the date of this contract shall commence work on a project of exploration for [5] zinc and lead; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] 6 months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. 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.

5. *Fixtures and improvements.* 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. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[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.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of prop[illegible].* All facilities, buildings, fixtures, equipme[illegible]or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, 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.

11. *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.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 50 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $7,000.00, which is 50 percent of the agreed estimated total cost of this project, $14,000.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *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 worthwhile 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 render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

Hoodoo Mines, a partnership

Wylie M. Gardner

(Operator)

Wylie M. Gardner, partner

By L. R. Vance

L. R. Vance, partner

THE UNITED STATES OF AMERICA

By C. O. Mattendorf

Acting Administrator
Defense Minerals Exploration
Administration

U. S. GOVERNMENT PRINTING OFFICE 16-[illegible]

Docket No. DMA 1959X
Wylie M. Gardner, partner
L. R. Vance, partner

EXHIBIT "A"

Exploration Project:

The exploration project consists of diamond drilling to determine the extent and grade of the ore exposed in the adit and in the outcrops shown on the attached map. At least one hole shall be drilled to sufficient depth to test the outcrop extension at an elevation of approximately 7100 feet. Drilling sites are to be determined by surface topography, progressive drilling data, and the most feasible method of testing the outcrops by drill holes. The estimated total amount of drilling is 3,000 feet.

The drilling may be performed by contract at a price not in excess of $4.50 per foot, including all labor, supervision, materials, supplies, equipment rental and other direct costs of performing the drilling work. Assaying and engineering expense of mapping, logging and reports connected with the drilling shall be allowed to a maximum of $500.

Fixtures and Improvements:

None

Operating Equipment:

Following is a list of equipment that may be rented and purchased by the Operator for use on the project, with the estimated rental or purchase price for each item:

To be rented:

1 Diamond-drill outfit @ $10.00 per day is allowable.

In event the drilling is to be done on contract, the estimated contract price per foot is to include equipment for drilling and the above rental will not be allowable under such a contract.

Labor and Supervision:

The following schedule sets forth the material called for in Article 8 of the contract form:

1 Supervisor-engineer @ $500 per month

The labor required for drilling may be employed at not more than the rates of pay for such classifications prevailing in the area, and to the extent if necessary for the performance of the project as outlined in this exhibit, but the aggregate amount to be paid by the Government under this contract shall not thereby be increased over that stipulated in Article 13 thereof. In event the drilling is done on contract the estimated contract price is to include all labor except supervision.

Rehabilitation and Repairs:

No rehabilitation or repair of existing facilities is required for this project.

Estimated Total Cost of the Project:

The costs of the project in which the Government will participate are limited to those stated in Article 10 of the contract form. The following estimate of costs is for the purpose of determining the maximum liability of the Government under Article 13 of the contract form:

	3,000 feet diamond drilling @ $4.50 per foot	$13,500
1/	Assaying and engineering	500
	Total	$14,000

The estimated total costs set forth above include all labor, supervision, materials, supplies, equipment purchase and rental, tools, incidentals, office expense, assaying and engineering connected with this exploration project.

1/ The allowance for assaying and engineering is to include the expense incurred for all reports in satisfactory form and content to the Government as called for in the contract form.

ME-202

6

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 Custer, State of Idaho, described in a certain Exploration Project Contract dated December 7th, 1951, between

_____,

the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated May, 5 1951, 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.

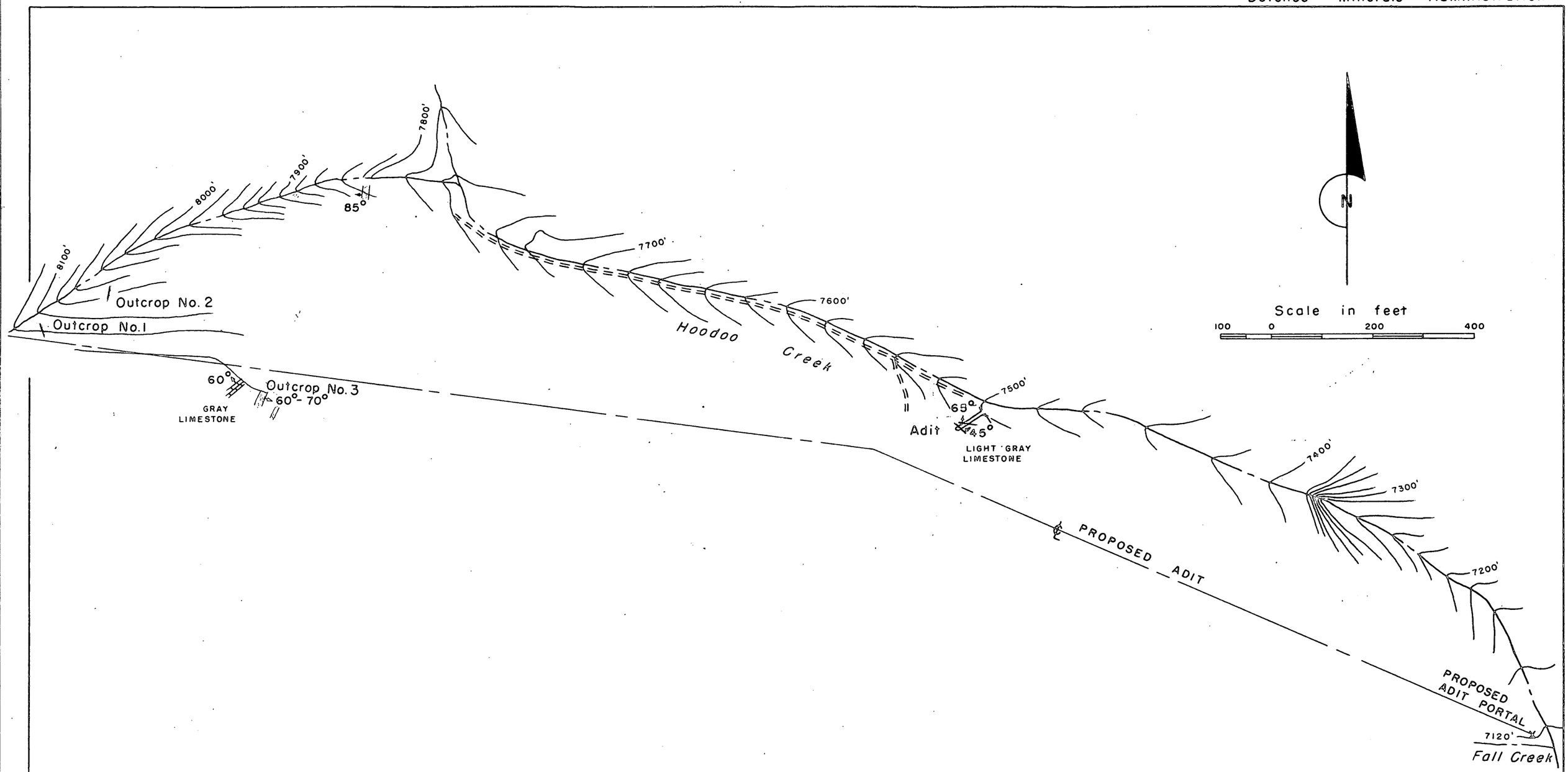
This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 19th day of July, 1951

Ralph M Black
Billion Black
David A. Fisher
Marjorie U. Fisher
Frank L. Fisher
Constance M. Fisher

U. S. GOVERNMENT PRINTING OFFICE 940768

Defense Minerals Administration



BRUNTON & TAPE SURVEY
T. E. HOWARD 8-12-51

Hoodoo property, Custer County, Idaho

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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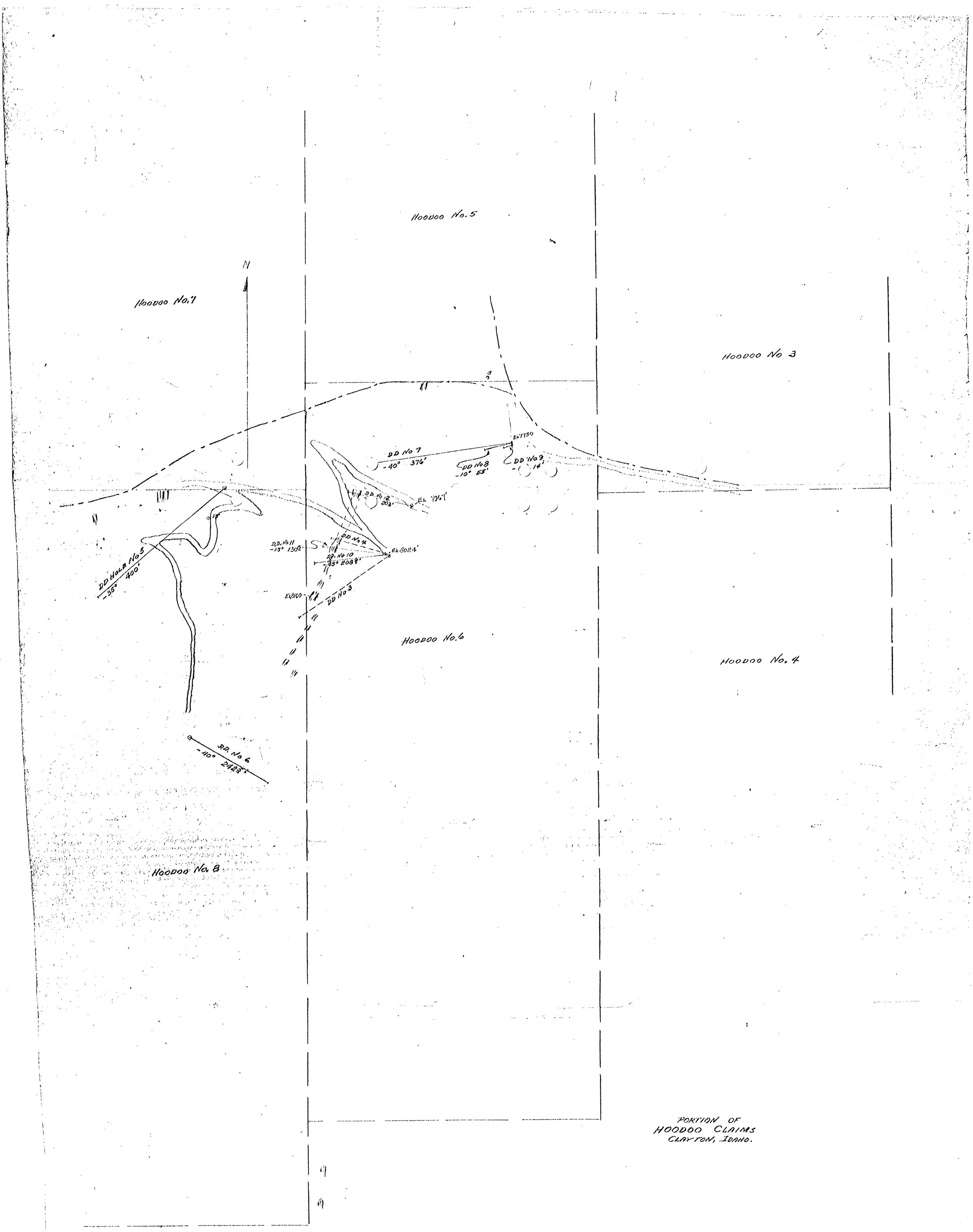
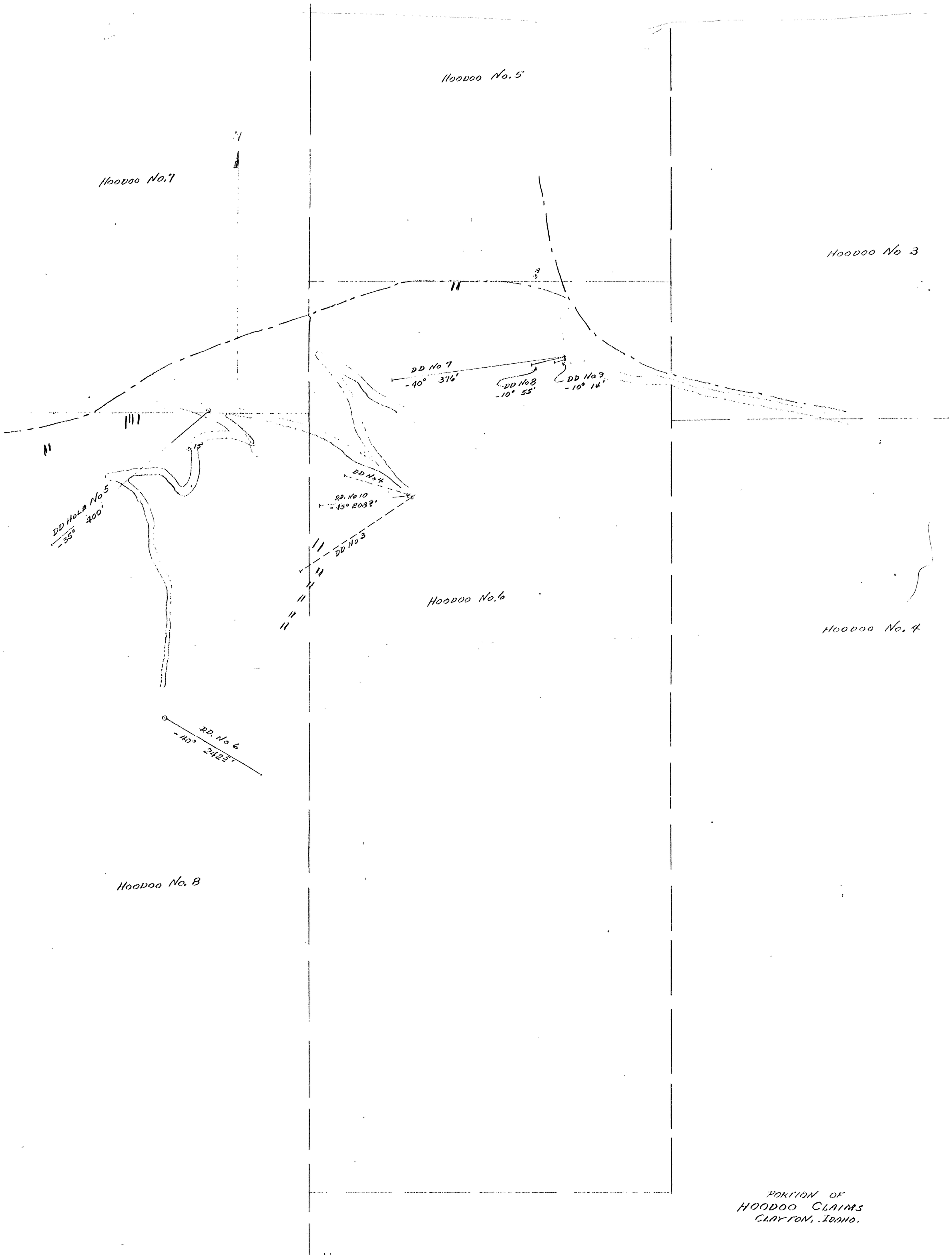


PORTION OF
HOODOO CLAIMS
CLAYTON, IDAHO.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DD No 9
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DD No 4
D.D. No 10
-15° 203'
DD Hole No 5
-35° 400'
DD No 3
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Hoodoo No. 4
D.D. No 6
-40° 242'
Hoodoo No. 8
PORTION OF
HOODOO CLAIMS
CLAYTON, IDAHO.