220

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

GEOLOGICAL SURVEY

JAN 14 1966

Mr. and Mrs. Arnold Fuller

Grass Valley, California

Re: DMEA-3664 (Lead-Zinc)
Highland-Surprise Consolidated
Mining Company
Deer Trail Mine
Custer County, Idaho
Contract Idm-E819

Dear Mr. and Mrs. Fuller:

Enclosed is a copy of a self-explanatory letter of today to the Operator under the subject contract.

This correspondence relates to the Owner's Consent to Lien signed by you on December 30, 1954.

Sincerely yours,

Frank E. Johnson

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosure

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

GEOLOGICAL SURVEY

MAY 1 4 1968

Highland-Surprise Consolidated Mining Company
Box 889
Wallace, Idaho

Re: DMEA-3664 (Lead-Zinc)
Highland-Surprise Consolidated Mining Company
Deer Trail Mine
Custer County, Idaho
Contract Idm-E819

Gentlemen:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development dated May 20, 1957, all minerals mined or produced from June 17, 1955, to June 17, 1965, were subject to the Government's royalty as set forth in said contract.

As the period during which production was 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. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

(signed) FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON, D. C. 20240

OFFICIAL BUSINESS

GEOLOGICAL SURVEY

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF THE INTERIOR

Mr. and Mrs. Arnold Fuller

~~Grass Valley, California~~

RETURNED TO WRITER

REASON CHECKED
Unclaimed
Unknown
Refused
Insufficient address
Moved, Left no address
No such post office in state
Do not remail in this envelope

40

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

Centennial Comp

~~March 15, 1963~~

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 15 1963

DATE		CODE
4/15		800
		~~120~~
7-16		100
4/15		~~110~~
		~~500~~
		220

Re: DMEA-3664 (Lead-Zinc)
Highland-Surprise Consol.
Mining Co.
Deer Trail Mine
Custer County, Idaho
Contract Idm-E819

Mr. F. L. Persons
2300 W. Hy. 66
Grants, New Mexico

Dear Mr. Persons:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

The only copy of the lease with Robert Rice is held by A.C. Millhollard of Smelterville, Idaho. The only work done has been assessment work.
In fact, with the administrations attitude on mining, the D.M.E.A is welcome to the whole damn property.

MME Form 63
Revised 3-62

DMEA-3664
Idm-E819

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since January 31, 1959, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes [✓] No [ ]

lease to Robert Rice of Osborne, Idaho

2. Since October 5, 1960, has there been any production from the land subject to the contract? Yes [ ] No [✓]

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since 1/1/55, has any production been transported through workings (see of contract)? Yes [ ] No [✓]

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name F. L. Persons Title Agent

Address Box 214, Challis, Idaho Date 2/7/63

over

4511

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

August 20, 1962

Re: DMEA-3664 (Lead-Zinc)
Highland-Surprise Cons.
Mining Co.
Deer Trail Mine
Custer County, Idaho
Contract Ida-3819

Highland-Surprise Cons. Mining Co.
P. O. Box 889
Wallace, Idaho

Gentlemen:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-3664 (Lead-Zinc)
Idm-8819

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since September 8, 1959, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since September 8, 1959, has there been any production from the land subject to the contract? Yes ☐ No ☐

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value
_____	_____	_____
_____	_____	_____

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

3. Since _____, has any production been transported through workings (see _____ of contract)? Yes ☐ No ☐

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
No. 157 Howard Street
Spokane 4, Washington
August 2, 1961

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 4
DATE

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: Royalty inspections

File DMEA-3644

220

Docket No. DMEA-4659 (Lead-Zinc), Clayton Silver Mines, Clayton Silver Mine, Custer County, Idaho, Contract No. Idm-R1108:

The Clayton mine was visited July 22, 1961. Richard Settle, Superintendent, was interviewed. The mill was undergoing routine repairs. The purpose of this visit was primarily to inquire about possible activity at other Certified Projects in the area that time did not permit visiting. Mr. Settle was able to give me some information on the following mines:

Docket No. DMEA-1894 (Lead), Buchanan, Brecham and Hendon, Red Bird Mine, Custer County, Idaho, Amended Contract No. 866 (There have been no shipments from the Red Bird mine which Settle believes has been leased by Bunker-Hill.)

Docket No. DMEA-1975X (Zinc-Lead), Gartner and Wanne, Hoolon Mine, Custer County, Idaho, Contract No. Idm-[illegible] (There has been no production from the Hoolon mine but Settle believes that it too has been taken over by Bunker Hill.)

Docket No. DMEA-2215 (Lead-Zinc), Hecla Mining Company, Livingston Mine, Custer County, Idaho, Amended Contract No. Idm-R973 (Elmer H. Swanson, present owner of the Livingston mine by virtue of a Receiver's Sale is doing some bulldozer trenching in an effort to find some shallow ore that can be mined by open cut or shallow workings. To date, no shipments have been made.

Docket No. DMEA-2215 (Zinc), Elmer Ridenlin, Sunday View Claims, Custer County, Idaho, Contract No. Idm-1894 (Settle has not heard of any shipments being made but believes that Bunker-Hill has leased the property. He has no information on what activity there may be.

Docket No. DMEA-3664 (Lead-Zinc), Highland-Surprise Consolidated Mining Company, Deer Trail Mine, Custer County, Idaho, Contract No. Lin-2819 (Settle has no positive information on activity at the Deer Trail Mine but believes something is being done there.

I shall write to the various Operators or owners of the above properties for more definite information.

D. R. MacLaren

One (3)

C O P Y

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 21 1961

DATE	INITIALS	CODE
4/18	gad	VVO
4/21	[illegible]	800
"	[illegible]	500
		220

April 17, 1961

Dear Sir:

I have your letter of April 10. I only have one copy of the lease you mention and do not like to mail it in. At my earliest convenience, I will bring the copy of the lease in. I should be in Spokane within the next ten days and will drop in. My address now is Box 726, Smelterville, Idaho. The street address is 302 Wash., in case you happen out this way.

Very Truly,

ALBERT C. MILHOLLAND

The above was sent in by Mr. Milholland in reply to our letter of April 10, 1961, re:

DMEA-3664 (Lead-Zinc)
Highland-Surprise Consolidated
Mining Co.
Deer Trail Mine
Custer County, Idaho
Contract Idm-E819

Mra (3)

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 13 1961

DATE	INITIALS	CODE
4-13	gad	VVO
4/19	[illegible]	800
"	[illegible]	500
		220

No. 157 Sunset Street
Spokane 4, Washington
April 10, 1961

Mr. A. C. Mikkelsen

Coeur d'Alene, Idaho

Re: DMA-364 (Lead-Zinc)
Highland-Surprise Consolidated
Mining Co.
Bear Trail Mine
Custer County, Idaho
Contract Ida-2819

Dear Mr. Mikkelsen:

In reference to our letter of January 18, 1961, I tried to call on you in Orfalds during a recent trip into Idaho but was advised that you have moved to Coeur d'Alene. I was unable to obtain your address.

In connection with the above-referenced DMA contract, you, F. L. Ferguson, Chester Baker, and Paul Rupkens signed an Owner's Consent to Lease in behalf of the Government. By this document you can all be liable for payment of royalty on any production from the property until June 17, 1965, unless the Government's participation should be repaid before that date. Therefore, it is to the interest of yourself and the others that we have a copy of the lease in our files.

Sincerely yours,

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

cc: OME(3)
CFF
Director
Econ. Geol.
DAFM

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/28	[illegible]	120
	[illegible]	500
3/28	Talbot	800
		~~130~~
3/28	Johnson	110
		220

MAR 2 8 1961

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: DMEA-3664 (Lead-Zinc)
Highland-Surprise Consolidated
Mining Company
Deer Trail Mine
Custer County, Idaho
Contract Idm-E819

We presume you have had no reply to your January 18 letter to Mr. Milholland in which you requested a copy of a lease. This particular contract form does not permit us to require that we be provided with such copies. We suggest that you write Mr. Milholland again, stating that a copy of the lease will be appreciated and again point out to him that it is to his own interest and the others who signed the Owner's Consent to Lien in behalf of the Government as all can be liable for royalty on any production from the property until June 17, 1965, unless the Government's participation is repaid sooner.

/s/
George C. Selfridge

(GHB)

WRGriswold/gla (3/27/61)
Rewritten by GCSelfridge/hb (3/28/61)
Copy to: Director's Reading File
Review Committee
Docket DMEA-3664
G.C.Selfridge
Code 500

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/27	Griswold	500
3/27	Talbot	800
		130
		110
		220

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: D MKA-3664 (Lead-Zinc)
Highland-Surprise Consolidated
Mining Company
Deer Trail Mine
Custer County, Idaho
Contract Idm-2819

We presume you have had no reply to your January 18 letter to Mr. Milholland in which you requested a lease copy. This particular contract form does not permit us to require that we be provided with such copies. We suggest you write Mr. Milholland again, requesting a lease copy, and again pointing out to him that it is to his own interest because of the agreements signed by him in behalf of the Government.

WRGriswold/gla
3-27-61
cc to: Director's Reading File
Review Committee
Docket
Code 500

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/27	Kramer	500
3/27	Talbot	800
		130
		110
		220

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: DMEA-3664 (Lead-Zinc)
Highland-Surprise Consolidated
Mining Company
Deer Trail Mine
Custer County, Idaho
Contract Idm-E819

We presume you have had no reply to your January 18 letter to Mr. Milholland in which you requested a lease copy. ~~For the purpose of the record, we suggest you write him again.~~ This publication [illegible] requires that we be provided with such copies. [illegible] you [illegible] Mr. Milholland again, requesting a lease copy, and a [illegible] with his own [illegible], because the agreement signed by him [illegible] the government.

WRGriswold/gla
3-27-61
cc to: Director's Reading File
Review Committee
Docket
Code 500

43683

Mre (3)

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 23 1961

DATE	INITIAL	
1-23	gad	VVO
1/23	[illegible]	800
"	[illegible]	500
		220

So. 157 Howard Street
Spokane 4, Washington
January 18, 1961

Mr. A. C. Milholland

Cataldo, Idaho

Re: DMRA-3664 (Lead-Zinc)
Highland-Surprise Consolidated
Mining Co.
Deer Trail Mine
Custer County, Idaho
Contract Idm-8819

Dear Mr. Milholland:

In our letter of October 11 and November 30, 1960, as well as in a form "Request for Information" dated September 21, 1960, we requested F. L. Persons to furnish us with a copy of the lease on the referenced property which we have been advised was executed about a year ago.

Mr. Persons advised us on December 5, 1960, that he was sending our request to you as you have the only copy of the lease, so far as he knows and that we should hear from you soon.

I assure you that it is to your interest that we receive a copy of the lease, because of the Subordination Agreement and Consent to Lien which you as well as Mr. Persons, Chester Sater, and Paul Rayburn signed in connection with the above-cited DMRA contract.

Your early attention to this matter will be greatly appreciated.

Sincerely yours,

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

cc: OME(3)
CPF
Director
Econ. Geol.
B&FM

Omel(3)

Re: DMEA-3664 (Lead-Zinc)
Highland-Surprise Consolidated
Mining Co.
Deer Trail Mine
Custer County, Idaho
Contract Idm-E819

The following notation was made by Elmer Enderlin on the bottom of our letter dated November 30, 1960, sent to him:

Dec. 14, 1960

Clayton, Idaho

Gentlemen:

The only part of this property that I have any interest in that was included in the DMEA contract was the Confidence and Silver Dollar Claims which I gave lease and option to Highland-Surprise and which this questionaire would cover as I don't have any interest in Deer Trail Claims.

/s/ E. ENDERLIN

AL FILE COPY
O. M. E
RECEIVED DEC 27 1960

DATE	INITIALS	CODE
12 27	cou	210
12/29	[illegible]	800
"	[illegible]	500
		220

One (3)

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
86. 157 Howard Street
Spokane 4, Washington
November 30, 1960

OFFICIAL FILE COPY
O. M. E
RECEIVED DEC 13 1960

DATE	INITIALS	
12-13	gad	VVO
12/14	[illegible]	800
12	[illegible]	500
		220

Mr. F. L. Persons
2300 W. Hy. 66
Grants, New Mexico

Re: DMEA-3664 (Lead-Zinc)
Highland-Surprise Consolidated
Mining Co.
Deer Trail Mine
Custer County, Idaho
Contract Idm-E019

Dear Mr. Persons:

In our letter of October 11, 1960, we requested a copy of the lease on the referenced property which you told us had been executed about a year ago.

Because of the Subordination Agreement and Consent to Lien which you signed in connection with the above-cited project, it is to your interest that we receive a copy of the requested lease.

Sincerely yours,

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

December 5, 1960

[illegible] Mr. [illegible] C. Milholland, Cutaldo, Idaho your letter [illegible] for a copy of the signed lease. [illegible] were in New Mexico [illegible] the time the lease was made, and Mr. Milholland has the only copy as far as I know.
You should be hearing from Mr. Milholland regarding this matter.

Sincerely,

F. L. Persons

DEC [illegible]

OFFICIAL FILE COPY
O. M. E
RECEIVED DEC 5 1960

DATE	INITIALS	COPY
12-5	gad	VVO
12/5	[illegible]	800
"	[illegible]	500
		220

No. 157 Howard Street
Spokane 4, Washington
November 30, 1960

Mr. Elmer Ruderlin

Stanley, Idaho

Re: DMEA-5664 (Lead Zinc)
Highland-Surprise Consolidated
Mining Co.
Deer Trail Mine
Custer County, Idaho
Contract Ida-2819

Dear Mr. Ruderlin:

On September 21, 1960, we sent you two copies of a Request for Information from Operator on Certified Project and Project Under Royalty Agreement, requesting that you complete the forms and return one copy to this office. We have not received a reply.

We have been advised that the property has been leased for about a year. As a signer of a Subordination Agreement and Consent to Lien in connection with the above DMEA project, it is to your interest that we receive the information requested, including a copy of the lease.

In case you might have misplaced the request we sent you, we are enclosing two more copies of the form.

Sincerely yours,

D. H. Maclaren
Acting Field Officer, OME
Region I

Enclosures

cc: OME(3)
CPT
Director
Econ. Geol.
MPM

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 5 1960

DATE	INITIALS	CODE
12-5	gad	VVO
12/5	[illegible]	800
"	Received	500
		220

No. 157 Howard Street
Spokane 4, Washington
November 30, 1960

Mr. Rupert L. Nixon

Stanley, Idaho

Re: DMRA-3664 (Lead-Zinc)
Highland-Surprise Consolidated
Mining Co.
Deer Trail
Custer County, Idaho
Contract Ida-2819

Dear Mr. Nixon:

On September 21, 1960, we sent you two copies of a Request for Information from Operator on Certified Project and Project Under Equity Agreement, requesting that you complete the form and return one copy to this office. We have not received a reply.

We have been advised that the property has been leased for about a year. As a signer of a Subordination Agreement and Consent to Lien in connection with the above DMRA project, it is to your interest that we receive the information requested, including a copy of the lease.

In case you might have misplaced the request we sent you, we are enclosing two more copies of the form.

Sincerely yours,

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

Enclosures

cc: OMM(3)
CPP
Director
Econ. Geol.
MFN

OFFICIAL FILE COPY
O. M. E
RECEIVED DEC 5 1960

DATE	INITIALS	CODE
12-5	gad	220
12/5	[illegible]	800
"	[illegible]	500
		2.20

No. 157 Howard Street
Spokane 4, Washington
November 30, 1960

Mr. F. L. Parsons
8300 W. Hy. 66
Grants, New Mexico

Re: DMEA-3664 (Lead-Zinc)
Highland-Surprise Consolidated
Mining Co.
Bear Trail Mine
Custer County, Idaho
Contract Ida-8619

Dear Mr. Parsons:

In our letter of October 11, 1960, we requested a copy of the lease on the referenced property which you told us had been executed about a year ago.

Because of the Subordination Agreement and Consent to Lien which you signed in connection with the above-cited project, it is to your interest that we receive a copy of the requested lease.

Sincerely yours,

D. H. Maclaren
Acting Field Officer, OME
Region I

cc: OME(3)
CFF
Director
BLM
Econ. Geol.

Ore (3)

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 14 1960

DATE	INITIALS	CODE
10-14	gad	220
10/14	[illegible]	800
	[illegible]	500
		220

So. 157 Howard Street
Spokane 4, Washington
October 11, 1960

Mr. F. L. Parsons
2300 W. Hy. 66
Grants, New Mexico

Re: DMEA-3664 (Lead-Zinc)
Highland-Surprise Consolidated
Mining Co.
Deer Trail Mine
Custer County, Idaho
Contract Idm-2819

Dear Mr. Parsons:

Thank you for returning our Request for Information regarding the Deer Trail mine. We would greatly appreciate it if you would send us a true or signed copy of the lease you executed about a year ago.

We do not survey in any claim corners and therefore cannot give you much information regarding the true corners of the Fraction claim. According to the application for DMEA assistance, the location of the Deer Trail claim is recorded in Book B, page 488, and that of the Deer Trail fraction in Book 14, page 299, at the Custer County Recorder's Office at Challis.

Sincerely yours,

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

cc: OME(3) w/cys incoming
DRF
CFF

[illegible] FOR INFORMATION
[illegible] OPERATOR ON CERTIFIED PROJECT
[illegible] PROJECT UNDER ROYALTY AGREEMENT

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

[illegible]: Field Officer, OME, Region I
[illegible] 157 Howard Street
Spokane 4, Washington

Concerning:
Docket No. DMEA-364 (Lead-Zinc)
Property Deer Trail Mine
Location Custer County, Idaho

Date: September 21, 1960

Mr. F. L. Parsons
P. O. Box 745
Challis, Idaho

[illegible]

With the certification of the exploration project [illegible] were asked to [illegible] our office about changes in the status of the property [illegible] from it.

To assist you to furnish this information and to [illegible] our records, we ask that you answer the questions below and return one copy of this office with copies of any pertinent documents.

[illegible] Region I

1. Since [illegible] 61, has there been a change in ownership [illegible] or subleased about which the OME has not been notified? If yes, please state details of the transaction below and provide a [illegible] signed copy of the pertinent documents. Yes ☑ No ☐

[illegible]

2. Since March [illegible] 1957 has there been any production from the property? Yes ☐ No ☑

A. If so and it was shipped, give name and address of purchaser?

	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

Submitted by:

Name F. L. Parsons Title Partner

Address 300 W. Hx 66 Grants, New Mex. Date 10/5/60

OME Form 3 8-60 * Property means land subject to the contract. 79340-60

(Owner)

RECEIVED
OCT 10 1950
U.S.D.A.

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

500

August 4, 1958

MEMORANDUM

To: Mr. Wingfield H. Chamberlain
Division of Operation Control & Statistics

From: Director, Division of Base Metals

Subject: Semi-Annual Reports of Certified projects for the period January 1, 1958 thru June 30, 1958.

The following projects were inactive during the cited period.

Project No.	Contract No.	Name
DMEA-3112	Idm-2651	Centralia Mines, Inc.
DMEA-432	Idm-K1	Mines Management, Inc.
DMEA-81	Idm-K18	United Minerals Corporation
DMEA-1166	Idm-K76	American Zinc, Lead & Smelting Co.
DMEA-390	Idm-263	Highland-Surprise Cons. Mining Co.
DMEA-125	Idm-281	Bennett Mining Company
DMEA-981	Idm-K88	Idaho Mining Company
DMEA-525	Idm-K137	Spokane Mining Syndicate
DMEA-1877	Idm-K155	William Mulcahy
DMEA-652	Idm-K177	South Mt. Mining & Concentrating Co.
DMEA-1596	Idm-K184	Nabob Silver-Lead Company

DMEA-2166	Idm-E208	Farmer Mine Enterprises
DMEA-1959	Idm-E223	Wylie M. Gardner and L. R. Vance
DMEA-2123	Idm-E228	Pacific Northwest Mining Company
DMEA-1831	Idm-E242	William Seren
DMEA-1175	Idm-E251	Amador Mining Company (assignee of Kootenay Copper Mines)
DMEA-1894	Idm-E266	Buchman, Breckon and Nordan
DMEA-2213	Idm-E294	Elmer Enderlin
DMEA-2388	Idm-E301	American Zinc, Lead & Smelting Co.
DMEA-2269	Idm-E308	Mines Management, Inc.
DMEA-2420	Idm-E380	Hypothesk Mining & Milling Co.
DMEA-2237	Idm-E421	Signal Mining Company
DMEA-2637	Idm-E475	Golconda Lead Mines
DMEA-2862	Idm-E482	Spokane-Idaho Mining Co.
DMEA-2612	Idm-E489	Gramore Company (assignee of Index Mining Company)
DMEA-2929	Idm-E587	Grandview Mines
DMEA-3142	Idm-E644	Howe Sound Company
DMEA-3288	Idm-E667-	Alaska Copper Mines, Inc.
DMEA-3664	Idm-E819	Highland-Surprise Cons. Mining Co.

W. R. Griswold

WRG/dl 8-4-58
cc to: Dockets (28)
Admr. R. File
Chonr.

[illegible] NW Everett Street
[illegible] 5, Washington
November 20, 1962

Memorandum

To: Files

Subject: Various certified RMMA projects

November 12, 1962, en route from Challis to Boise, I stopped at the Clayton Hotel in Clayton and talked to a miner who was having breakfast. According to him, there has been no work done at the Hubbard, Eureka, Bear Trail, or Sunday View mines. These are, respectively, RMMA-1694, 1970, 3604, and 3613. At the Livingston mine, RMMA-[illegible], only some surface assessment work has been done. The Clayton Silver mine is operating two shifts. Because of uncertain weather to be expected between Clayton and Boise, a visit was not made to any of the above mines.

Mikkelsen:ccy

cc: GSE

OFFICIAL FILE COPY
DMEA
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"	COM	100

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: July 1 to December 31, 1957

Date of report: December 2, 1957

Operator: Highland-Surprise Cons. Mining Company
Wallace, Idaho

Mine name: Deer Trail

County and State: Custer County, Idaho

Docket number
and commodity: DMEA-3664 (lead-zinc)

Contract number: Idm-E819

Date of contract: June 17, 1955

Date of certification: May 20, 1957

Expiration date of royalty payments: June 17, 1965

Total amount of contract: $67,840.00

Total expenditures under contract: $60,300.73

Amount of Government participation at 50%: $30,150.36

Royalty payments this period: $7.40

Previous royalty payments: none

Total royalty payments to date: $7.40

Percent Government participation repaid: nil

Royalty due on production to date: none

Royalty remarks: none

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT

Date 1/28

Referred to:

1. ~~Mr. Wathandorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. Docket Control Mails and Files
5. Division
6. ~~Docket Control Mails and Files~~
7. 500

Note comments in report regarding:

1. Assumed Inactive
2.
3.
4.

and take appropriate action.

- - - - - - - - -

Action taken by Division:

3664

Robert E. Adams

Semi-annual report
Contract No. Idm-E819, page 2

	Tons	Analysis
Original estimate of DMEA reserves (from Field Team final report) Mines ____ Survey ____ Joint X	40,850	0.75 oz. Ag 2.8% Pb 11.3% Zn
Revised estimate of DMEA reserves (Field Team) Mines ____ Survey ____ Joint ____		
Increase of reserves by work performed subsequent to DMEA project work:	none	
Production of DMEA ore (this period):	82 tons	
(previous):	none	
(to date):	82 tons	
Production of Operator's ore found subsequent to DMEA work (this period)	none	
(previous)	none	
(to date)	none	
Percent of revised reserves mined:	none	

grades - etc - Is this all the leaders could salvage from 40000 tons?

Production remarks: Production was by two lessees during the summer.

Signed: John D. Bardill (Engineer)

Distribution:
DMEA (4)
USGS (2)
USBM (2)
USBM (AD)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: January 1 to June 30, 1957 Date of exam: June 7, 1957

Operator: Highland-Surprise Cons. Mining Company, Box 889, Wallace, Idaho

Mine name: Deer Trail

County and State: Custer County, Idaho

Docket number and commodity: DMEA-3664 (lead-zinc)

Contract number: Idm-E819

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DMEA
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DATE		CODE
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7/15		500

Date of contract: June 17, 1955

Date of certification: May 20, 1957

Expiration date of royalty payments: June 17, 1965

Total amount of contract: $67,840.00

Total expenditures under contract: $60,300.73

Amount of Government participation at 50%: $30,150.36

Royalty payments this period: none

Previous royalty payments: none

Total royalty payments to date: none

Percent Government participation repaid: none

Royalty due on production to date: none

Royalty remarks:

Semi-annual report
Contract No. Idm-E819, page 2

	Tons	Analysis
Original estimate of DMEA reserves (from Field Team final report) Mines ___ Survey ___ Joint X	40,850	0.75 oz. Ag 2.8% Pb 11.3% Zn
Revised estimate of DMEA reserves (Field Team) Mines ___ Survey___ Joint ___		
Increase of reserves by work performed subsequent to DMEA project work:	none	
Production of DMEA ore (this period):	none	
(previous):	none	
(to date):	none	
Production of Operator's ore found subsequent to DMEA work		
(this period)	none	
(previous)	none	
(to date)	none	
Percent of revised reserves mined:	none	

Production remarks: The Operator relinquished the leases to the owners. Recent correspondence from the owners indicates the property is inactive.

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
USBM (2)

Signed: J. D. Bardill (Engineer)

OFFICIAL FILE COPY
DMEA

RECEIVED 22 1957

DATE	INITIALS	CODE
4/22	C	220
4/22	[illegible]	800
4/22	[illegible]	500

1201 N. Division St.
Spokane 2, Washington

March 26, 1957

MEMORANDUM

To: Dorothy F. Long, Certifying Officer, ~~Region I, NW Dist.~~

From: John D. Bardill, Bureau of Mines

Subject: Final inspection of work completed under Contract No. Idm-3819 and Amendments Nos. 2 and 3, Docket No. DMEA-3664 (lead-zinc), Highland-Surprise Consolidated Mining Company, Deer Trail Mine, Custer County, Idaho

In addition to the work completed under the subject contract and amendments and reported in my final inspection report dated October 12, 1956, the following work was also done for which the Operator should be reimbursed.

Item			Allowed Cost
10 hours bulldozing	@	$12.00/hr.	$ 120.00
83 samples	@	3.00/sample	249.00
369 ft. d. d.	@	7.45/ft.	2,749.05
131 ft. d. d.	@	7.20/ft.	943.20
150 ft. d. d.	@	7.70/ft.	1,155.00

John D. Bardill

Distribution:
DMEA (4)
USGS (2)
Docket
Turner
Bardill

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1956 Docket No. DMEA 3664 Contract No. Idm-E819

Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc

Address Box 889, Wallace, Idaho

Contract Amount, $ 67,840.00 Government Participation: 50 % Amount, $ 33,920.00

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	3,267.85	11,554.41	14,822.26	5089.62	11554.41	16,644.03
Bulldozing		685.00	685.00		685.00	685.00
Crosscutting } Salois &						
Drifting } Zittel		26,949.78	26,949.78	[illegible]	26949.78	25,128.00
(2) Labor and Supervision:						
Labor						
Supervision		5,200.00	5,200.00		5200.00	5200.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		409.86	409.86		409.86	409.86
~~Explosives~~ Ties		198.12	198.12		198.12	198.12
Pipe		231.38	231.38	156.99	231.38	388.37
Track		76.56	76.56	360.47	76.56	437.03
Ventilation pipe		202.72	202.72	[illegible]	202.72	166.78
Other		3,726.30	3,726.30	277.41	3726.30	3453.69
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation		2,787.56	2,787.56		2787.56	2787.56
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		300.00	300.00		300.00	300.00
(7) Miscellaneous:						
Repairs to Equipment		2,747.56	2,747.56	[illegible]	2747.56	2746.68
Sampling and Analysis		249.00	249.00		249.00	249.00
Payroll Taxes				64.29	-0-	64.29
Liability Insurance		187.50	187.50	94.95	187.50	282.45
Equipment transportation		1,201.93	1,201.93	[illegible]	1201.93	1159.87
(8) Contingencies (specify):						
TOTALS	3,267.85	56,707.68	59,975.53	3593.05	56707.68	60300.73

RECEIVED MAY 10 1957 D.M.E.A.

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

Date 11-21-56 *Payee Highland-Surprise Consolidated Mining Company

Per H. A. Calloway Title Secretary-Treasurer

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

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

(Instructions on reverse)

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

$ 1796.51

Signature Dorothy F. Long (Authorized Certifying Officer)

Date 5/6/57 Vou. No. 1973

(See other side)

1 ea 10 ga-[illegible] Adjusted to final audit report by C.A. Turner dated 4/19/57

(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 819 in accordance with the terms of the contract.

Signature /s/ John D. Lardill Title Metallurgist Date 5/3/57

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ A. E. Weissenborn Title Exec. Officer Date 5/3/57

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.

xxxxxxxxxxxxxxxxxxx
1201 N. Division St.
Spokane 2, Washington

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NOV 5 1956
DMEA

October 30, 1956

Highland-Surprise Consolidated Mining Co.
Box 889
Wallace, Idaho

Re: Docket No. DMEA 3664
Contract No. Idm-E819
Monthly operating report
for September 1956

Gentlemen:

This is to inform you that payment of the subject voucher could not be made in the full amount claimed. The attached copy of a memorandum to the Field Team from the Certifying Officer, Region I, explains the difference in the amount claimed and the amount approved for payment.

By Field Team, Region I, NW District

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

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

cc: DMEA (2)
USGS (2)

DMEA Field Team, Region I, NW District October 30, 1956

DMEA Certifying Officer, Region I

Docket No. DMEA 3664, Contract No. Idm-2819, Highland-Surprise Consolidated Mining Co.

The subject monthly operating report has been received and processed for payment. Costs claimed by the Operator were $2,777.50. Costs approved were $1,560.72. The difference is explained below:

$1,078.10 was suspended from costs claimed for drilling. Hole No. 27 was drilled to a depth of 350 ft; 212 ft. of this being AX size and the balance BX size. Payment was made for the 212 ft. of AX drilling. An amendment has been requested to permit BX size drilling. If this amendment is executed, the Operator may reclaim the amount suspended.

A further check of the salvage values claimed by the Operator on the MF-104s and those approved by the Field Team has been made and reveals that the salvage allowance should be increased by a net amount of $138.68. This has been done. Details of the adjustment are given below:

	Pipe & Accessories	Truck & Accessories	Vent Pipe	Other	Building	Totals
Field Team	$495.85	$874.06	$333.56	$220.57	$100.00	$2,024.04
Operator	489.09	513.59	369.50	493.18	100.00	1,885.36
	$ 86.76 +	$360.47+	$ 35.94-	272.61-	-0-	$ 138.68

Myrtle Purdy

cc: Operator
DMEA (2)
USGS (2)

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OCT 25 1956

xxxxxxxxxxxxxxxxxxxx
1201 N. Division St.
Spokane 2, Washington
October 12, 1956

MEMORANDUM

To: Mrs. Myrtle Purdy, Certifying Officer, Region I, NW Dist.

From: John D. Bardill, Bureau of Mines

Subject: Final inspection of work completed under Contract No. Idm-8819 and Amendment No. 1, Docket No. DMEA-3664, Highland-Surprise Consolidated Mining Company, Deer Trail Mine, Custer County, Idaho.

I made an inspection on August 24, 1956 of the work completed under the subject contract and Amendment No. 1 to the contract.

The following measurements of drifting, crosscutting and diamond drilling were made:

Item	Authorized	Completed	Allowed cost
Drifting and crosscutting @ $20.94/ft.	1,200 feet	1,203 feet	$25,128.00
Crosscutting for diamond drill stations @ $20.94/ft.	110 feet	87 feet	1,821.78
20 diamond drill holes @ $4.75/ft.	2,100 feet	2,308 feet	9,975.00
56½ hours bulldozing @ $10.00/hr.	56½ hrs.	56½ hrs.	565.00

The following materials and supplies are salvageable:

440 feet of used 10" galvanized vent pipe @ $0.21/ft.	$ 92.40
150 feet of new 12" rubber ventube	156.52
Fittings	84.64
	$333.56
Less 50% salvage	$166.78

2,144 feet of used 20 lb. rail @ $0.22/ft.	$471.68
348 feet of new 20 lb. rail @ $0.7126/ft.	247.98
3 switches, fishplates, etc.	154.40
	$874.06
Less 50% salvage	$437.03
1,014 feet of used 2" water pipe and fittings @ $0.079/ft.	$ 80.11
1,014 feet of used 4" air water pipe and fittings @ $0.4104/ft.	415.74
	$495.85
Less 50% salvage	$247.92
Miscellaneous small tools, cost	$220.57
Less 50% salvage	$110.28
Compressor house and shop 15 ft. by 40 ft. - allowed	$400.00
Less 25% salvage	$100.00

John D. Bardill

The Field Team concurs with the above allowable footages. The salvage values shown are those called for in the contract. You are hereby authorized to make settlement accordingly.

By Field Team, Region I, NW District

A. E. Weissenborn, Executive Officer

Wing G. Agnew, Member

Distribution:
DMEA (4)
USGS (2)
Docket
Turner
Bardill

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
October 11, 1956

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OCT 23 1956

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: John D. Bardill, Bureau of Mines

Subject: Routine inspection report, Docket No. DMEA-3664 (lead-zinc), Highland-Surprise Consolidated Mining Co., Custer County, Idaho, Contract No. Idm-E819

This project was visited August 24, 1956, accompanied by Tibor Klobusicky, for the purpose of making a final inspection of the work completed under the original contract and Amendment No. 1 and to make an accounting of the salvageable track, pipe and rail.

Twelve hundred feet of drifting and crosscutting and 100 feet of crosscutting for diamond drill stations were allowed under the contract. The following drifting and crosscutting footages were completed:

Survey Stations	Footage
Start of contract to Sta. 30	39.00
30-31	188.36
31-32	65.14
32-36	116.18
36-face	94.00
31-33	98.24
33-34	82.95
34-35	81.44
35-37	44.08
37-38	174.10
38-face	160.50
34-face	59.00
Total	1,202.99

Crosscutting for diamond drill stations

Station	Footage
DDH No. 6	13
DDH Nos, 8, 9 and 10	13
DDH Nos. 11 and 12	10
DDH No. 13	7
DDH No. 16	5
DDH No. 18	20
DDH No. 20	9
DDH No. 21	6
DDH No. 22	4
	87

Twenty-one hundred feet of diamond drilling was authorized under the contract. The following holes were drilled:

Hole	Depth - feet
6	101.0
7	85.0
8	20.9
9	46.2
10	200.8
11	178.8
12	235.8
13	261.0
14	30.8
15	81.0
16	82.0
17	53.8
18	160.9
19	92.0
20	100.2
21	100.0
22	250.0
23	71.4
24	130.0
25	27.0
	2,308.6

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OCT 23 1956

The following supplies are salvageable:

440 feet 10" gal. vent pipe and fittings
150 feet 12" rubber vent pipe and fittings
2,492 feet of 20 lb. rail, 3 switches, fishplates, spikes, etc. of which 348 feet of rail was new
1,014 feet 2" water pipe and fittings
1,014 feet 4" air pipe and fittings
Miscellaneous small tools
15'x40' compressor-shop building

Amendment No. 2, dated August 10, 1956, increases the contract $8,270.00, and provides for two diamond drill holes underground, two diamond drill holes drilled from the surface, bulldozing drill sites, and assaying.

John D. Bardill

John D. Bardill

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
Docket
Bardill

The operator has
moved his equipment
off the property and
will ask for a
termination.
Payment is being
held up.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

Approved
Klug
Boty

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1956 Docket No. DMEA 3664 Contract No. Idm-E819

Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc

Address Box 889, 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)	Ft.			44,168.27	1,287	34.32	1,200	
Crosscutting)								
Raising								
Shafts								
Winzes								
Drilling: Core	Ft.			9,975.01	2,100	4.75	2,100	4.75
~~Churn~~ Core	Ft.	2,224.25	300	4,847.25	650	7.303	700	
Auger								
~~Stripping~~ Bulldozing	Hr.			565.00	56.5	10.00	56.5	10.00
~~Trenching~~ Bulldozing	Hr.			120.00	10	12.00	10	12.00
Test Pits								
Roads and Trails								
D. D. Stations - Units and costs included in drifting and crosscutting							110	
TOTAL DISTRIBUTED COSTS		2,224.25		59,675.53				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				300.00				
TOTAL COSTS		2,224.25		59,975.53				

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 Nov. 21, 1956 Operator Highland-Surprise Consolidated Mining Company

Per H. A. Calloway Title Secretary-Treasurer

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)

RECEIVED DEC 1 1956

INSTRUCTIONS

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

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

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

GPO 872894

HIGHLAND-SURPRISE CONSOLIDATED MINING COMPANY
Deer Trail Mine, Custer County, Idaho
Docket No. DMEA-3664 (Lead-Zinc)
Contract No. Idm-E819

PROGRESS REPORT
October, 1956

Diamond Drill Hole No. 28:

As shown on the enclosed location sketch the collar of this hole was located about 200 feet northeast of the originally planned location in order to avoid penetrating again the barren zone cut in the corresponding area by Hole No. 27. This area contained several pockets of quick sand and posed a real drilling problem. Another reason for the new location of this hole was to try to reach out farther to the east and explore for parallel mineralization.

The hole was collared in altered limestone formation with brecciated fragments of argillite in the first 20 feet and occasional traces of zinc, with substantial ipidot and some garnet. This limestone formation appeared in the hole from 0' to 136'.

Traces of mineralization, namely zinc, pyrite and occasional specks of lead occurred from 52' to 60', at 66', 68', 75', 79', 95', 100' to 110' and 115' to 136'.

136' to 143'	rhyolite porphyry dike
143' to 146'	sand
146' to 231'	rhyolite porphyry dike with occasional fragments of argillite from 203' to 231'.

After the appearance of a sand zone in this hole as well, the caving hole had to be cased and the core size was reduced from AX to EX at 157 feet.

231' to 301'	heavily broken, carbonaceous argillite, with occasional pyrite seams. Quartz bands from 284' to 295'.

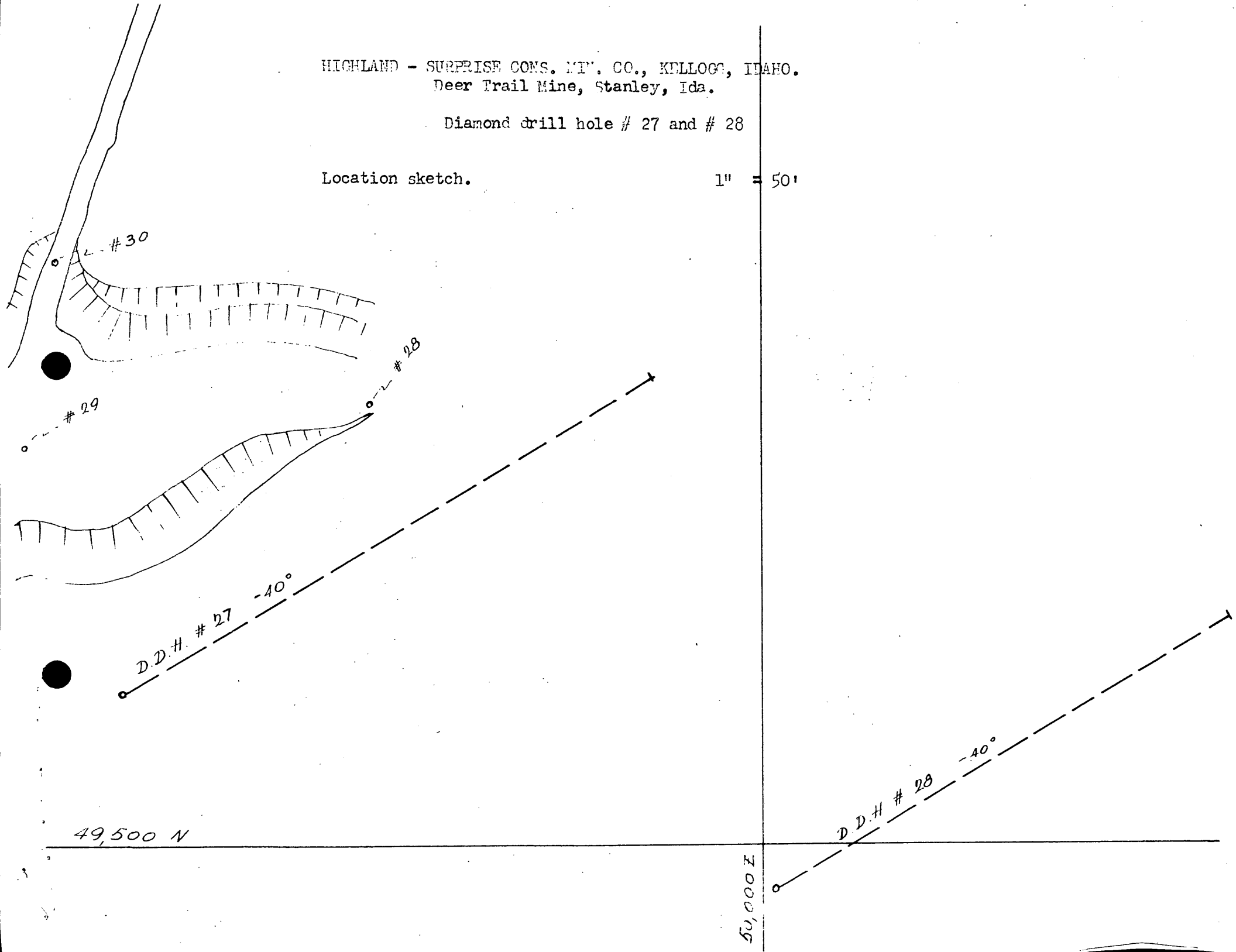
Core recovery:

0' to 120'	100%
120' to 231'	55%
231' to 301'	25%
Average	66%

HIGHLAND - SURPRISE CONS. MIN. CO., KELLOGG, IDAHO.
Deer Trail Mine, Stanley, Ida.

Diamond drill hole # 27 and # 28

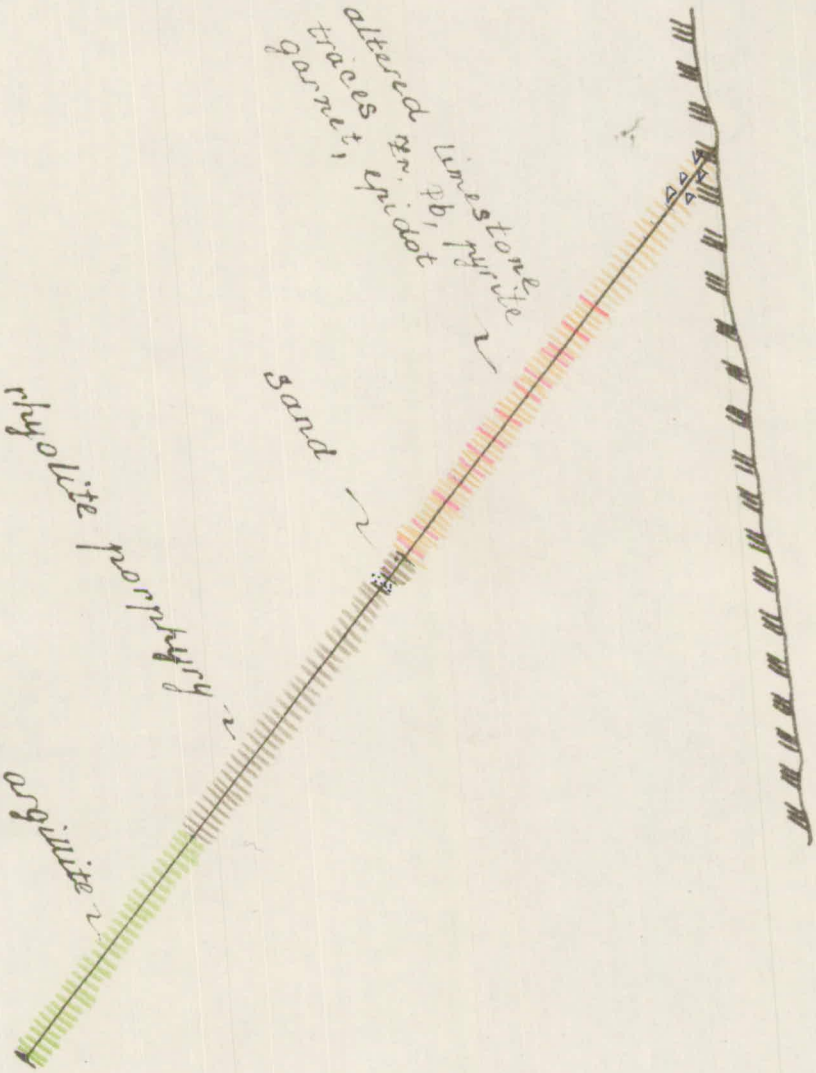
Location sketch. 1" = 50'



LEVEL Surface MINE Highland-Surprise DATE 10-6-56 BY T.K.

SCALE 1" = 50 OPERATION Deer Trail Mine, Stanley, Ida.

Diam. drill. hole	# 28	Length	301-ft
Bearing	N 60° E	Ave. core rec.	66 %
Dip	-40°	Core size	0 - 157' AX
			157 - 301 EX



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

Budget Bureau No. 42-R1036.5

RECEIVED 5 1956 D.M.E.A.

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

Month of September, 1956 Docket No. DMEA 3664 Contract No. Idm-E819

Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc

Address Box 889, Wallace, Idaho

Contract Amount, $67,840.00 Government Participation: 50 % Amount, $33,920.00

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:				11/14/56		
Drilling	2,657.50	9,975.01	12,632.51	1579.40	9975.01	11554.41
Bulldozing	120.00	565.00	685.00	120.00	565.00	685.00
Crosscutting } Salois &						
Drifting } Zittel		26,949.78	26,949.78		26949.78	26949.78
(2) Labor and Supervision:						
Labor						
Supervision		5,200.00	5,200.00		5200.00	5200.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		409.86	409.86		409.86	409.86
~~Explosives~~ Ties		198.12	198.12		198.12	198.12
Pipe		318.14	318.14	26.76	318.14	231.38
Track		437.03	437.03	360.47	437.03	76.56
Ventilation pipe		166.78	166.78	35.94	166.78	202.72
Other		3,453.69	3,453.69	272.61	3453.69	3726.30
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation		2,787.56	2,787.56		2787.56	2787.56
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		300.00	300.00		300.00	300.00
(7) Miscellaneous:						
Repairs to Equipment		2,747.56	2,747.56		2747.56	2747.56
Sampling and Analysis		249.00	249.00		249.00	249.00
Payroll Taxes						
Liability Insurance		187.50	187.50		187.50	187.50
Equipment transportation		1,201.93	1,201.93		1201.93	1201.93
(8) Contingencies (specify):						
TOTALS	2,777.50	55,146.96	57,924.46	1560.72	55146.96	56707.68

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

Date 10-18-56 *Payee Highland-Surprise Consolidated Mining Company

Per H. A. Galloway Title Secretary-Treasurer

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

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

(Instructions on reverse)

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

$ 780 36

Signature M. O. P.
(Authorized Certifying Officer)

Date 10/31/56 Vou. No. 1895
(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 819 in accordance with the terms of the contract.

Signature /s/ John D Bardill Title Metallurgist Date Oct 22-1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ A. E. Weissenborn Title Executive Officer Date Oct 26-1956

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

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

RECEIVED 5 1956

Month of September 1956 Docket No. DMEA 3664 Contract No. Idm-E819
Operator's Name Highland-Surprise Consolidated Mining Company Minerals Lead-Zinc
Address Box 889, 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)	Ft.			44,306.95	1,287	34.43	1,200	
Crosscutting)								
Raising								
Shafts								
Winzes								
Drilling: Core	Ft.			9,975.01	2,100	4.75	2,100	4.75
~~Churn~~ Core	Ft.	2,657.50	350	2,657.50	350	7.5929	700	7.5929
Auger								
~~Stripping~~ Bulldozing	Hr.			565.00	56.5	10.00	56.5	10.00
~~Trenching~~ Bulldozing	Hr.	120.00	10	120.00	10	12.00	10	12.00
Test Pits								
Roads and Trails								
D. D. Stations	Units and costs included in drifting and crosscutting						110	
Total Distributed Costs		2,777.50		57,624.46				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				300.00				
Total Costs		2,777.50		57,924.46				

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 10-18-56 Operator Highland-Surprise Consolidated Mining Company

Per H. A. Calloway Title Secretary-Treasurer

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)

/s/ John D Bardill

INSTRUCTIONS

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

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

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

GPO 872894

DMEA Field Team, Region I, NW District October 30, 1956

DMEA Certifying Officer, Region I

Docket No. DMEA 3664, Contract No. Idm-8819, Highland-Surprise Consolidated Mining Co.

The subject monthly operating report has been received and processed for payment. Costs claimed by the Operator were $2,777.50. Costs approved were $1,560.72. The difference is explained below:

$1,078.10 was suspended from costs claimed for drilling. Hole No. 27 was drilled to a depth of 350 ft; 212 ft. of this being AX size and the balance BX size. Payment was made for the 212 ft. of AX drilling. An amendment has been requested to permit BX size drilling. If this amendment is executed, the Operator may reclaim the amount suspended.

A further check of the salvage values claimed by the Operator on the NF-104s and those approved by the Field Team has been made and reveals that the salvage allowance should be increased by a net amount of $138.68. This has been done. Details of the adjustment are given below:

	Pipe & Accessories	Track & Accessories	Vent Pipe	Other	Building	Totals
Field Team	$495.85	$874.06	$333.56	$220.57	$100.00	$2,024.04
Operator	409.09	514.59	369.50	493.18	100.00	1,885.36
	$ 86.76 +	$360.47+	$ 35.94-	272.61-	-0-	$ 138.68

Myrtle Purdy

cc: Operator
DMEA (2)
USGS (2)
Wash.-2
AD
JDB

HIGHLAND-SURPRISE CONSOLIDATED MINING COMPANY
Deer Trail Mine, Custer County, Idaho
Docket No. DMEA-3664 (Lead-Zinc)
Contract No. Idm-E819

RECEIVED NOV 5 1956

PROGRESS REPORT
September, 1956

Diamond Drill Hole No. 27:

This surface drill hole was collared southeast of the main tunnel as proposed and as shown on the enclosed diagram. Log of the hole is as follows:

0 - 11'	Badly fractured, black, carbonaceous argillite.
11 - 94'	Rhyolite porphyry dike.
94 - 102'	Sand.
102 - 108'	Dacite dike.
108 - 111'	Sand.
111 - 112'	Dacite dike.
112 - 125'	Sand.
125 - 130'	Dacite dike.
130 - 134'	Sand.
134 - 164'	Dacite dike.
164 - 166'	Sand.
166 - 179'	Sand and broken rhyolite porphyry dike.
179 - 182'	Sand.
182 - 202'	Granitic breccia.
202 - 226'	Rhyolite porphyry dike.
226 - 232'	Dacite dike.
232 - 280'	Heavily broken argillite with disseminated pyrite, quartz seams (238 - 240' mud, fault).
280 - 305'	Altered limestone, disseminated pyrite, brecciated argillite, traces of zinc and lead, with epidot and garnet.
305 - 350'	Black, laminated argillite.

This hole was started with an AX size bit and the core size was reduced to EX from 212' to 350'.

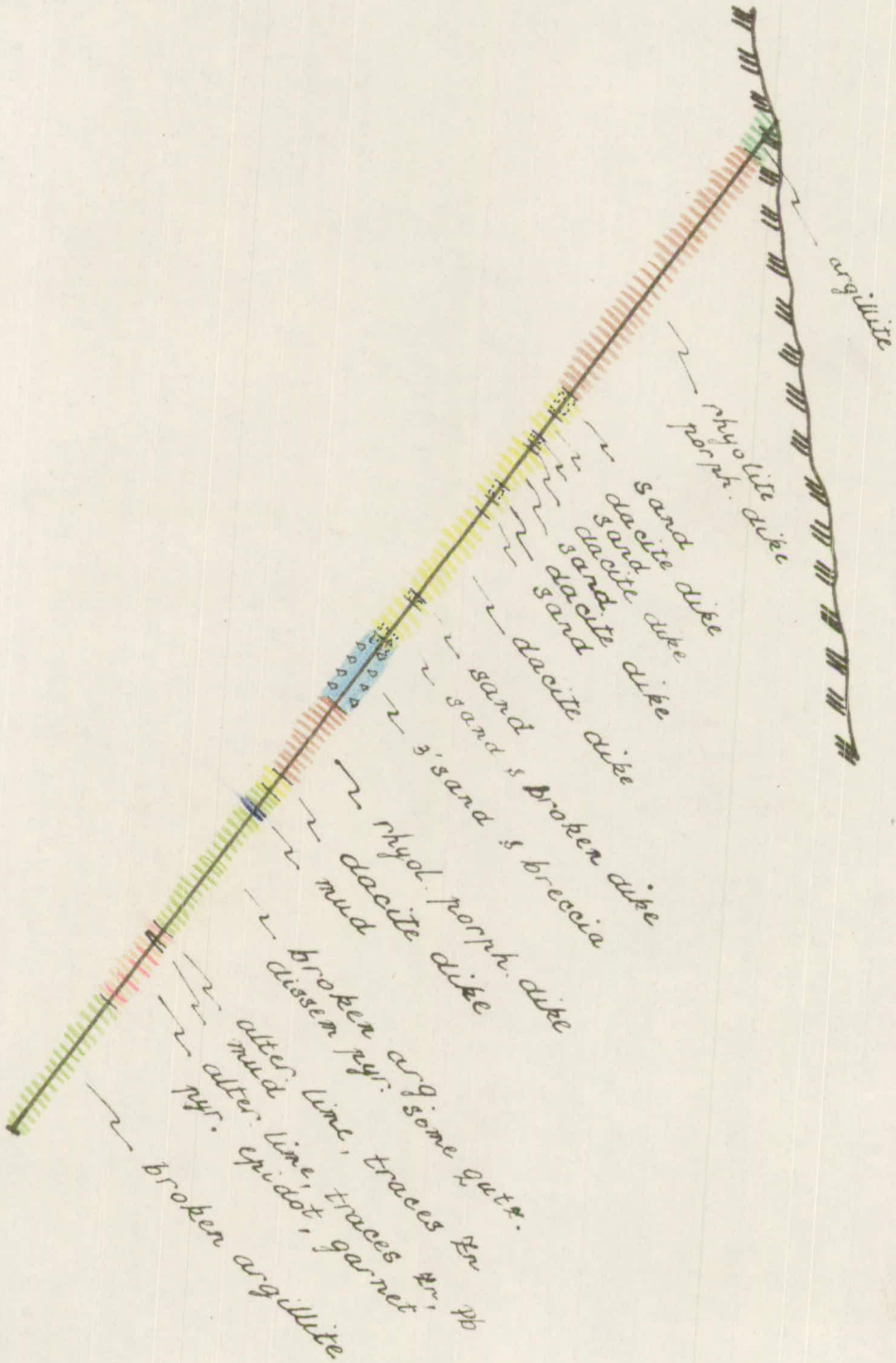
The quicksand pockets encountered in the dike formation caused loss of water circulation and caving of the hole. Cementing deviated the hole, part of which had to be re-drilled, and thus did not solve the problem. It was expedient therefore to case the hole from) to 212 feet and reduce the core size for the remainder of the hole to EX. Otherwise it would have been necessary to ream 212 feet of hole to BX size in order to complete the hole with an AX bit.

LEVEL Suface MINE Highland - Surprise DATE 10-6-56 BY T.K.

SCALE 1" = 50' OPERATION Deer Trail Mine, Stanley, Ida.

Diam. drill hole # 27
Bearing N 60° E
Dip - 40°

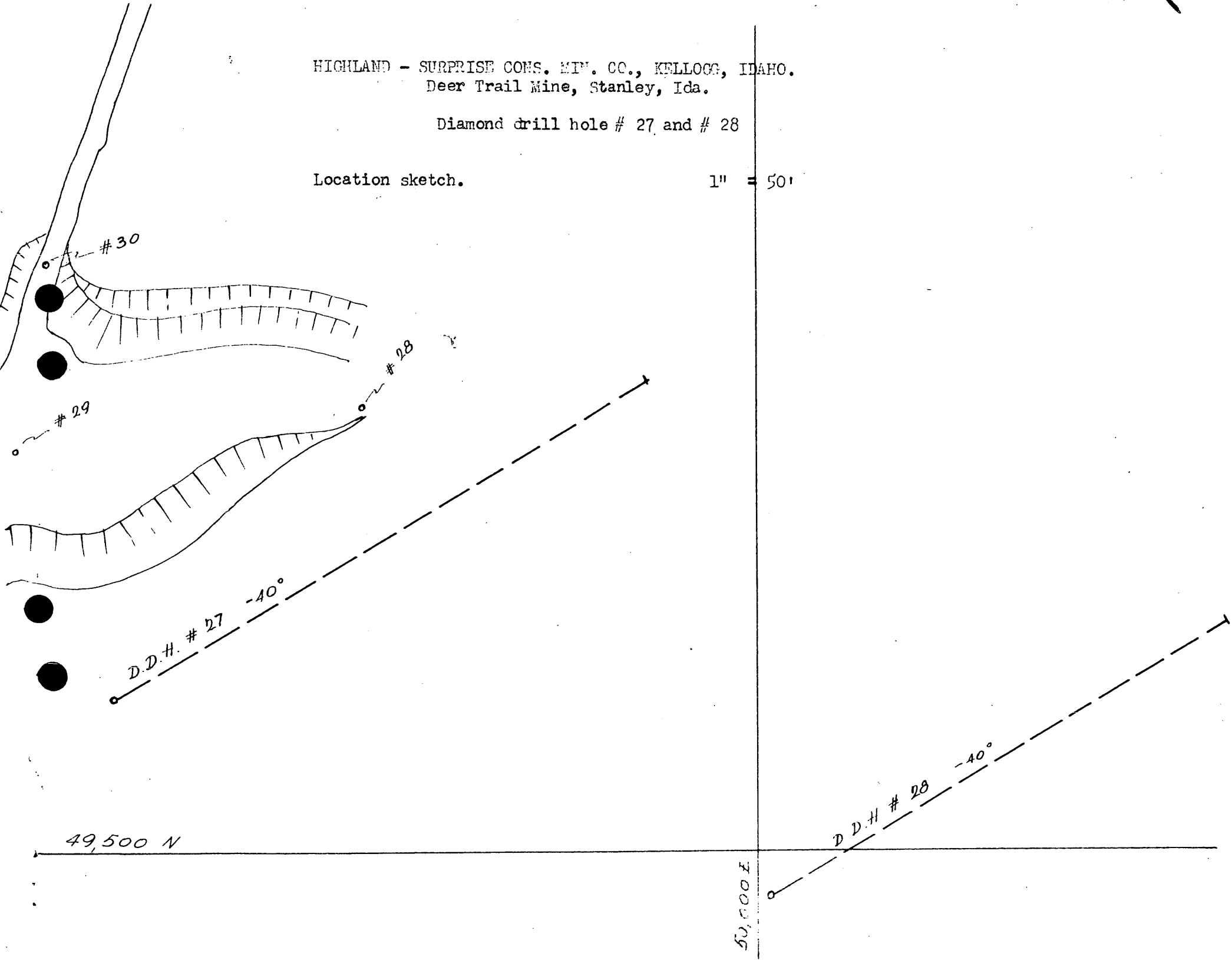
Length 350'
Ave. core rec. 80%
Core size 0 - 212 AX
212 - 350 EX



HIGHLAND - SURPRISE CONS. MIN. CO., KELLOGG, IDAHO.
Deer Trail Mine, Stanley, Ida.

Diamond drill hole # 27 and # 28

Location sketch. 1" = 50'



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

Budget Bureau No. 42-R1036.5

RECEIVED OCT 22 1956

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

Month of August, 1956 Docket No. DMEA 3664 Contract No. Idm-E819

Operator's Name Highland-Surprise Consolidated Mining Company Minerals Lead-Zinc

Address Box 889, Wallace, Idaho

Contract Amount, $67,840.00 Government Participation: 50 % Amount, $33,920.00

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		9,975.01	9,975.01	10/26/56.	9975.01	9975.01
Bulldozing		565.00	565.00		565.00	565.00
Crosscutting) Salois &						
Drifting) Zittel		26,949.78	26,949.78		26949.78	26949.78
(2) Labor and Supervision:						
Labor						
Supervision		5,200.00	5,200.00		5200.00	5200.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		409.86	409.86		409.86	409.86
~~Explosives~~ Ties		198.12	198.12		198.12	198.12
Pipe and accessories	-40.58	358.72	318.14	40.58	358.72	318.14
Track and accessories	-38.28	475.31	437.03	38.28	475.31	437.03
Ventilation pipe	-101.36	268.14	166.78	101.36	268.14	166.78
Other		3,453.69	3,453.69		3453.69	3453.69
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation		2,787.56	2,787.56		2787.56	2787.56
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		300.00	300.00		300.00	300.00
(7) Miscellaneous:						
Repairs to Equipment		2,747.56	2,747.56		2747.56	2747.56
Sampling and Analysis		249.00	249.00		249.00	249.00
Payroll Taxes						
Liability Insurance		187.50	187.50		187.50	187.50
Equipment transp.		1,201.93	1,201.93		1201.93	1201.93
(8) Contingencies (specify):						
TOTALS	-180.22	55,327.18	55,146.96		55327.18	55146.96

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

Date Sept. 12, 1956 Payee Highland-Surprise Consolidated Mining Company

Per N. A. Calloway Title Secretary-Treasurer

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

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

(Instructions on reverse)

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

$ —o—

Signature MGP
(Authorized Certifying Officer)

Date 10/15/56 Vou. No. 1887
(See other side)

Deducted on voucher #1887

(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 819 in accordance with the terms of the contract.

Signature /S/ John D. Bardill Title Metallurgist Date 9-17-56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ A. E. Weissenborn Title Exec. Officer Date 9-21-56

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED
OCT 22 1956

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

Month of August 1956 Docket No. DMEA3664 Contract No. Idm-E819
Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc
Address Box 889, 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	Ft.	-180.22	-	44,306.95	1,287	34.43	1,200	
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	Ft.		-	9,975.01	2,100	4.75	2,100	4.75
Churn								
Auger								
~~Stripping~~ Bulldozing	Hr.		-	565.00	56.5	10.00	56.5	10.00
Trenching								
Test Pits								
Roads and Trails								
D. D. Stations	Units and costs included in drifting and crosscutting						110	
TOTAL DISTRIBUTED COSTS		-180.22		54,846.96				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				300.00				
TOTAL COSTS		-180.22		55,146.96				

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 Sept. 12, 1956 Operator Highland-Surprise Consolidated Mining Company

Per N. A. Calloway Title Secretary-Treasurer

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)

/s/ John D Bardill

INSTRUCTIONS

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

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

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

GPO 872894

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

Budget Bureau No. 42-R1036.5

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

RECEIVED OCT 22 1956

Month of March, 1956 Docket No. DMEA 3664 Contract No. [illegible]
Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc
Address Box 609, Wallace, Idaho
Contract Amount, $ 52,570.00 Government Participation: 50% Amount, $ 29,785.00

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		9,975.01	9,975.01	10/26/56 9975	9975.01	9975.01
Bulldozing		565.00	565.00		565.00	565.00
Crosscutting } Galois & Drifting } Sittel			26,949.78		26949.78	26949.78
(2) Labor and Supervision:						
Labor						
Supervision	625.00	4,575.00	5,200.00	625.00	4575.00	5200.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		409.86	409.86		409.86	409.86
~~Explosives~~ Fiss		198.12	198.12		198.12	198.12
Pipe & accessories		358.72	358.72		358.72	358.72
Track & accessories		475.31	475.31		475.31	475.31
Ventilation pipe		268.14	268.14		268.14	268.14
Other	29.15	3,424.54	3,453.69	29.15	3424.54	3453.69
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation		2,787.56	2,787.56		2787.56	2787.56
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		300.00	300.00		300.00	300.00
(7) Miscellaneous:						
Repairs to Equipment	24.00	2,723.56	2,747.56	24.00	2723.56	2747.56
Sampling and Analysis		249.00	249.00		249.00	249.00
Payroll Taxes						
Liability Insurance		187.50	187.50		187.50	187.50
Equip. transportation	216.93	985.00	1,201.93	216.93	985.00	1201.93
(8) Contingencies (specify):						
TOTALS	895.08	54,432.10	55,327.18	895.08	54432.10	55327.18

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

Date 4-23-56 *Payee Highland-Surprise Consolidated Mining Company

Per N. A. Galloway Title Secretary-Treasurer

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

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

(Instructions on reverse)

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

$ 447.54

Signature MJP
(Authorized Certifying Officer)

Date 10/15/56 Vou. No. 1887
(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 819 in accordance with the terms of the contract.

Signature /S/ John D. Bardill Title Metallurgist Date 9-17-56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ A. E. Weissenborn Title Exec Officer Date 9-21-56

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

Greenwold
RECEIVED
MAY 5 1956
Klingscheid
Betty

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

Month of March 1956 Docket No. DMEA 366 Contract No. [illegible]
Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc
Address Box 809, 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 }	Ft.	635.08	-	44,147.18	1,287	34.57	1,200	
Crosscutting }								
Raising								
Shafts								
Winzes								
Drilling: Core	Ft.	-	-	9,675.01	2,100	4.75	2,100	4.75
Churn								
Auger								
~~Stripping~~ Bulldozing	Hr.	-	-	565.00	56.5	10.00	56.5	10.00
Trenching								
Test Pits								
Roads and Trails								
[illegible] Stations	Units and costs included in drifting and crosscutting 100							
Total Distributed Costs		635.00		55,627.18				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				300.00				
Total Costs		635.00		55,927.18				

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 4-23-56 Operator Highland-Surprise Consolidated Mining Company

Per H. A. Calloway Title Secretary-Treasurer

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)

Project completed.
Payment held for final inspection and audit

INSTRUCTIONS

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

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

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

GPO 872894

RECEIVED
APR 9 - 1956

Groenfeld
Belly

xxxxxxxxxxxxxxxxxx
1201 N. Division St.
Spokane 2, Washington
March 29, 1956

Dmea-3664

Highland-Surprise Consolidated Mining Co.
Box 889
Wallace, Idaho

Re: Contract Idm-E319
Monthly operating report
for January 1956

Gentlemen:

The subject operating report has been processed and forwarded to the Disbursing Officer at Portland, Oregon, for payment.

A small deletion has been made from the amount claimed and is explained in the attached copy of a memorandum to the Field Team from the DMEA Certifying Officer, Region I.

By Field Team, Region I, NW Dist.

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

cc: DMEA (2)
USGS (2)

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

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

Budget Bureau No. 42-R1036.5

RECEIVED OCT 22 1956

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

Month of February, 1956 Docket No. DMEA 3664 Contract No. Idm-8919
Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc
Address Box 889, Wallace, Idaho
Contract Amount, $ 59,570.00 Government Participation: 50 % Amount, $ 29,785.00

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:				10/26/56 [illegible]		
Drilling	2,669.50	7,305.51	9,975.01	2669.50	7305.51	9975.01
Bulldozing		565.00	565.00		565.00	565.00
Crosscutting Solois &						
Drifting Zittel	397.86	26,551.92	26,949.78	397.86	26551.92	26949.78
(2) Labor and Supervision:						
Labor						
Supervision	600.00	3,975.00	4,575.00	600.00	3975.00	4575.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	-	409.86	409.86		409.86	409.86
~~Explosives~~ Ties	-	198.12	198.12		198.12	198.12
Pipe and accessories	-368.51	727.23	358.72	[illegible]	727.23	358.72
Track " "	-475.31	950.62	475.31	475.31	950.62	475.31
Ventilation pipe	-268.14	536.28	268.14	[illegible]	536.28	268.14
Other	-493.18	3,918.57	3,425.39	493.18	3917.72	3424.54
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation	333.69	2,453.87	2,787.56	333.69	2453.87	2787.56
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	-100.00	400.00	300.00	100.00	400.00	300.00
(7) Miscellaneous:						
Repairs to Equipment	180.99	2,542.57	2,723.56	180.99	2542.57	2723.56
Sampling and Analysis	102.00	147.00	249.00	102.00	147.00	249.00
Payroll Taxes						
Liability Insurance	-	187.50	187.50		187.50	187.50
Equip. transportation	-	985.00	985.00		985.00	985.00
(8) Contingencies (specify):						
TOTALS	2,578.90	51,854.05	54,432.95	2578.90	51853.20	54432.10

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 3-21-56 *Payee Highland-Surprise Consolidated Mining Company
Per N. A. Calloway Title Secretary-Treasurer

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

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

(Instructions on reverse)

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

$ 1289 45

Signature [illegible]
(Authorized Certifying Officer)

Date 10/15/56 Vou. No. 1887
(See other side)

104a, narrative
and drill info on holes
21 through 25 sent to Wash. 4/18/56

(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. E819 in accordance with the terms of the contract.

Signature /S/ John D. Bardill Title Metallurgist Date 9-17-56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ A. E. Weissenborn Title Executive Officer Date 9-21-56

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.

FY[illegible]-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
APR 2 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1956 Docket No. DMEA 3664 Contract No. Idm-E819
Operator's Name Highland-Surprise Consolidated Mining co. Minerals Lead-Zinc
Address Box 889, 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)	Ft.	9.40	19	43,592.94	1,287	33.87	1,200	
Crosscutting)								
Raising								
Shafts								
Winzes								
Drilling: Core	Ft.	2,669.50	562	9,975.01	2,100	4.75	2,100	4.75
Churn								
Auger								
~~Stripping~~ Bulldozing	Hr.			565.00	56.5	10.00	56.5	10.00
Trenching								
Test Pits								
Roads and Trails								
D. D. Stations	Units and costs included in drifting & crosscutting						110	
TOTAL DISTRIBUTED COSTS		2,678.90		54,132.95				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		-100.00		300.00				
TOTAL COSTS		2,578.90		54,432.95				

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 3-21-56 Operator Highland-Surprise Consolidated Mining Company

Per H. A. Calloway Title Secretary-Treasurer

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)

Payment is being held up for final inspection and audit

INSTRUCTIONS

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

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

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

GPO 872894

HIGHLAND-SURPRISE CONSOLIDATED MINING COMPANY
[illegible] Trail Mine, Custer County, I[illegible]
[illegible]ocket No. DMEA-3664, (Lead-Zi[illegible]
Contract No. Idm-E319

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APR 2 6 1956

PROGRESS REPORT
February, 1956

Drifting and crosscutting (excluding drill stations) during February.	None
Previously reported	1,219 feet
Total to Feoruary 29, 1956	1,219 feet
Crosscutting for diamond drill stations during February	19 feet
Previously reported	68 feet
Total to February 29, 1956	87 feet
Diamond drilling during Feoruary	770.6 feet
Previously reported	1,538.0 feet
Total to February 29, 1956	2,308.6 feet

Crosscutting for drill stations during February consisted of the following:

Station for hole No. 20	9 feet
" " " No. 21	6 feet
" " " No. 22	4 feet
Total	19 feet

Diamond drilling during February consisted of the following:

Hole No. 19	92.0 feet
Hole No. 20	100.2 feet
Hole No. 21	100.0 feet
Hole No. 22	250.0 feet
Hole No. 23	71.4 feet
Hole No. 24	130.0 feet
Hole No. 25	27.0 feet
Total	770.6 feet

The diamond drilling was directed toward two separate targets; the exploration of the area between the lead and zinc veins and exploration of the possibility of southward extension of the mineralization.

Hole No. 19:

An attractive mineralized zone was cut from 78.5 feet to 88.5 feet. Five feet on the footwall section of the structure assayed 4.2% lead and 7.8% zinc.

Hole No. 20:

Several altered limestone zones were penetrated by this hole. The zone from 58.8 feet to 64 feet assayed 0.3% lead and 12.5% zinc.

Hole No. 21:

This hole cut a structure similar to that penetrated by Hole No. 20. Commercial mineralization was encountered from 23 feet to 30 feet, assaying 7.3% lead and 5.0% zinc.

Hole No. 22:

This hole was directed to explore the southward extension of the mineralized zone. No appreciable ore was cut by the hole. There are two altered limestone zones, one from 101 feet to 106 feet and the other from 239 feet to 244 feet, assaying traces of lead and zinc. A dacite dike zone appeared from 196 feet to 220 feet in the vicinity where the lead vein had been projected. The hole was drilled at -22° in order to avoid the fractured zone close to the surface.

Hole No. 23:

This hole was drilled from the face of our drift on the "Lead vein" to explore the extension of the quartz monzonite zone. After penetrating 63 feet of quartz monzonite, a dacite dike was reached. The contact yielded a heavy flow of water and drilling had to be suspended. The end of the hole is in dike.

Hole No. 24:

We drilled this hole from the old drift east of our main tunnel. Fractured argillites were cut and a slightly mineralized zone encountered from 113 feet to 115 feet.

Hole No. 25:

This hole was aimed toward the southward extension of the lead vein. Closeness of the surface greatly handicapped the drilling which was in fractured argillite formation. Drilling had to be suspended after 27 feet because of caving of the hole.

According to the instructions from representatives of the DMGA Field Team, all diamond drill core sections containing traces of ore, the tactitic zones included, were split and assayed. We are enclosing copies of the assay results.

This concludes the exploration project and a final report will be submitted as soon as the results of the operation have been evaluated.

LEVEL Main adit MINE Highland-Surprise Cons. Min. Co. DATE Feb.56 BY T.K.

SCALE 1" = 20' [redacted] OPERATION Stanley, Idaho. Di[redacted]d drill hole # 21

Collar coordinates : 50,179 N
49,713 E

Bearing : S 78° W

Length : 100.0-ft
Dip : horiz.
Ave. core recov. 55%

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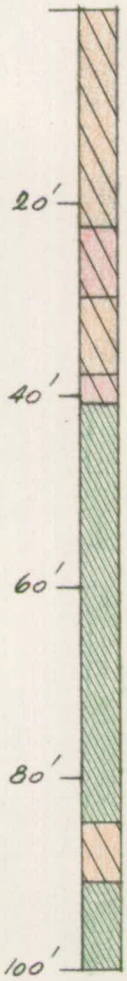
APR 26 1956



0-23-ft altered limestone a heawy sheare zone. Recov. from section 18-23-ft 10%

23-30-ft 7.3% Pb, 5.0% Zn

30-38-ft heawily broken, altered limestone

38-41-ft 0.2% Pb, 4.4% Zn. Core recov. from this zone 30%

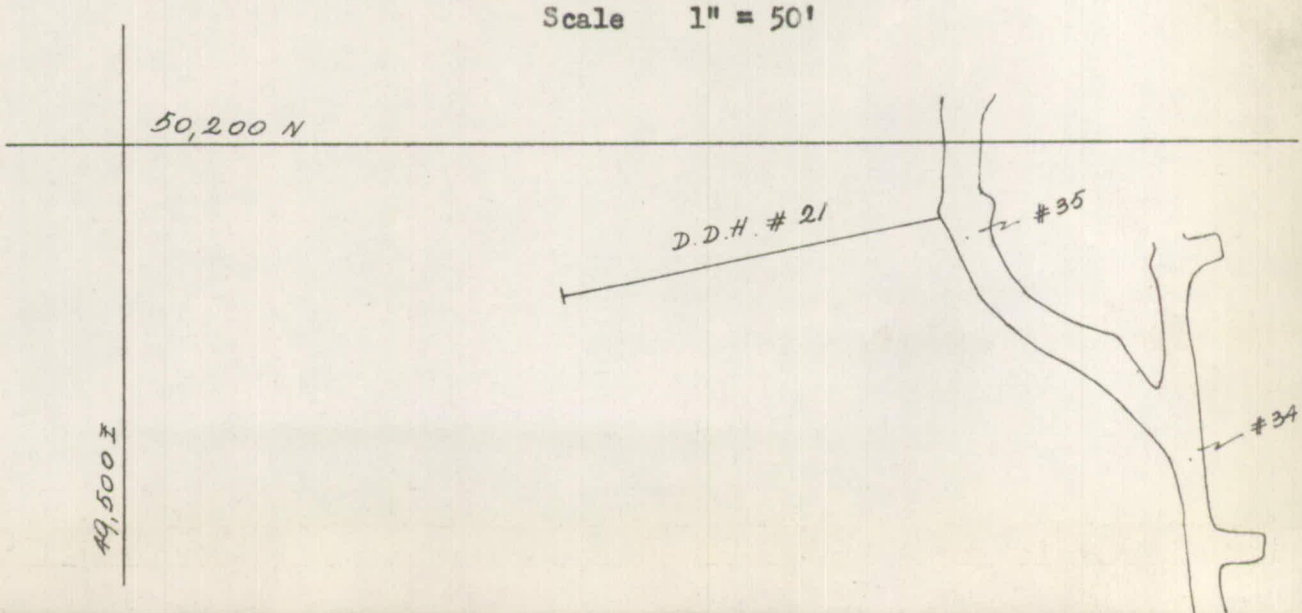
41-85-ft hard, black argillite

85-91.5-ft altered limestone with 0.2% Pb, 0.7% Zn

limy argillite

Location sketch.

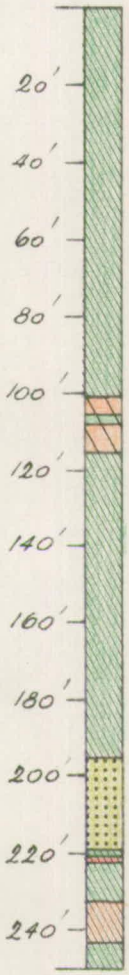
Scale 1" = 50'



LEVEL Main adit MINE Highland-Surprise Cons. Min. Co. DATE Feb.56 BY T.K.

SCALE 1" = 50' OPERATION Stanley, Idaho. Diamond drill hole # 22

Collar coordinates	: 49,813 N 49,715 E	Length	: 250.0-ft
		Dip	: - 22-deg.
		Ave. core recov.	85%
Bearing	: N 66° E		



0-101-ft hard, black argillite with 3" pyrite vein at 5-ft

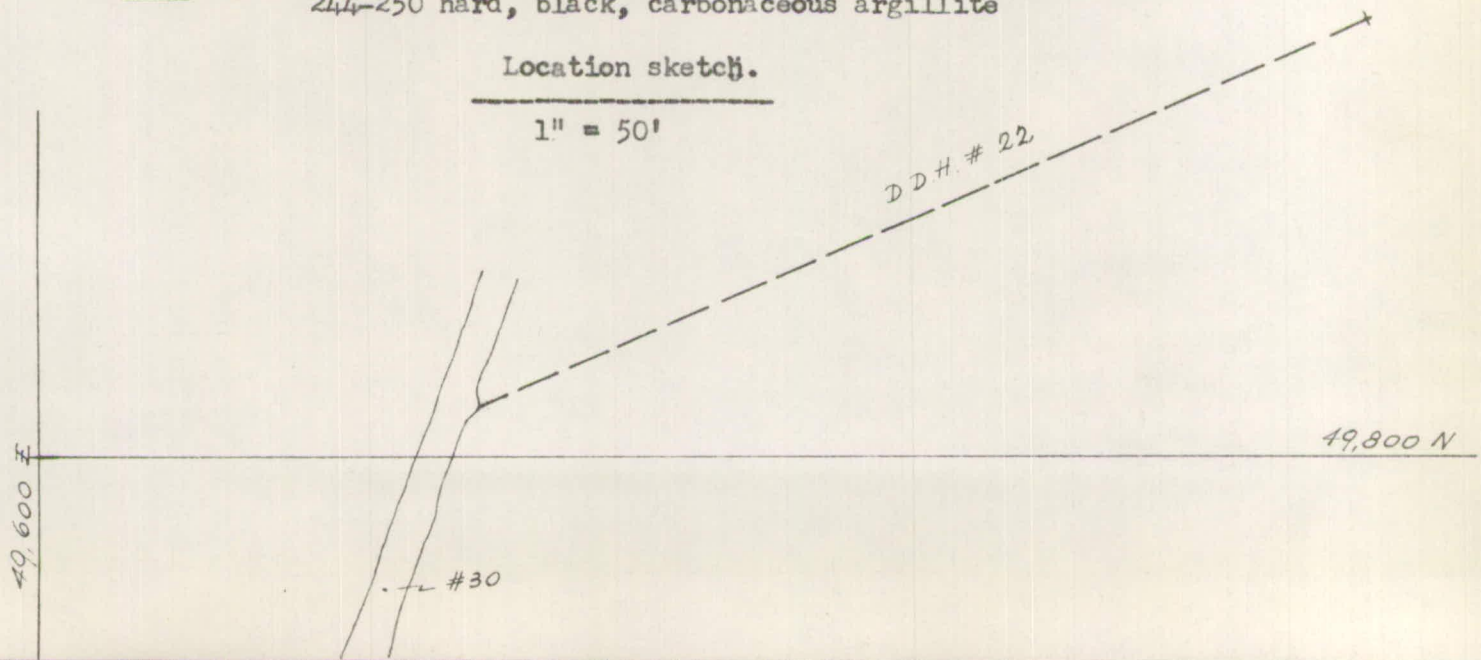
101-106 altered limestone with trace Pb,Zn
106-108 black argillite
108-116 altered, broken limestone. Recovery from this section 25%

116-196 black argillite

196-220 dacite dike
220-222 black argillite
222-223 iron pyrite with traces of Pb and Zn
223-233 argillite
233-244 altered limestone with traces of Zn, Pb
244-250 hard, black, carbonaceous argillite

Location sketch.

1" = 50'

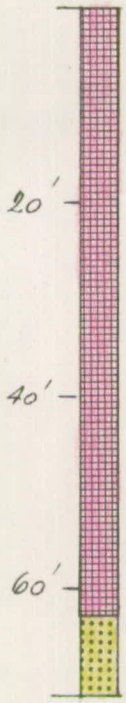


LEVEL Main adit MINE Highland-Surprise Cons. Min. Co. DATE Feb.56 BY T.K.

SCALE 1" = 20' OPERATION Stanley, Idaho, Diamond drill hole # 23

Collar coordinates : 49,490 N
49,522 E

Bearing : N 37° W
Length : 71.4-ft
Dip : horizontal
Ave. core recov.: 90%

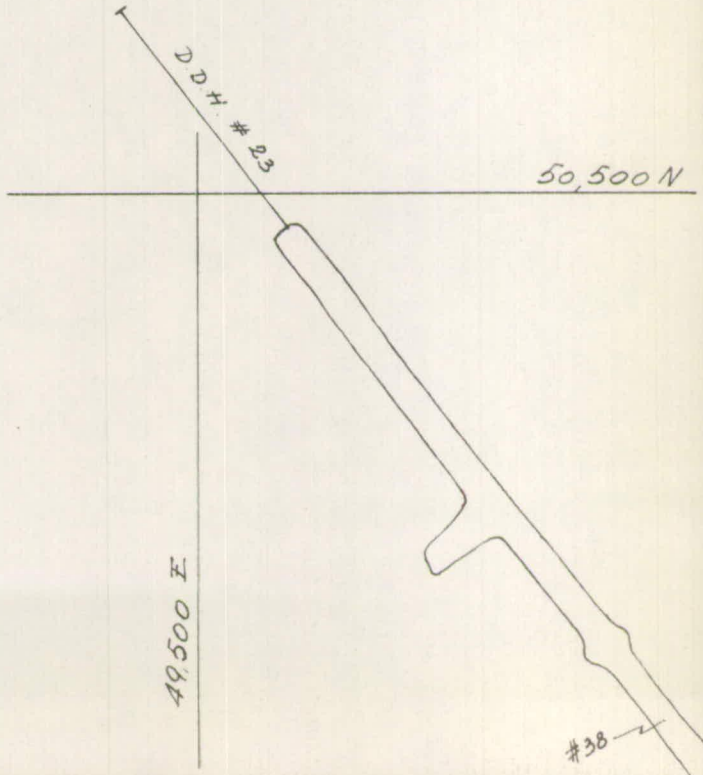


0-63-ft quartz monzonite of the Challis volcanic formation

63-end of hole dacite dike. Heavy water flow from contact.
further drilling had to be suspended.

Location sketch.

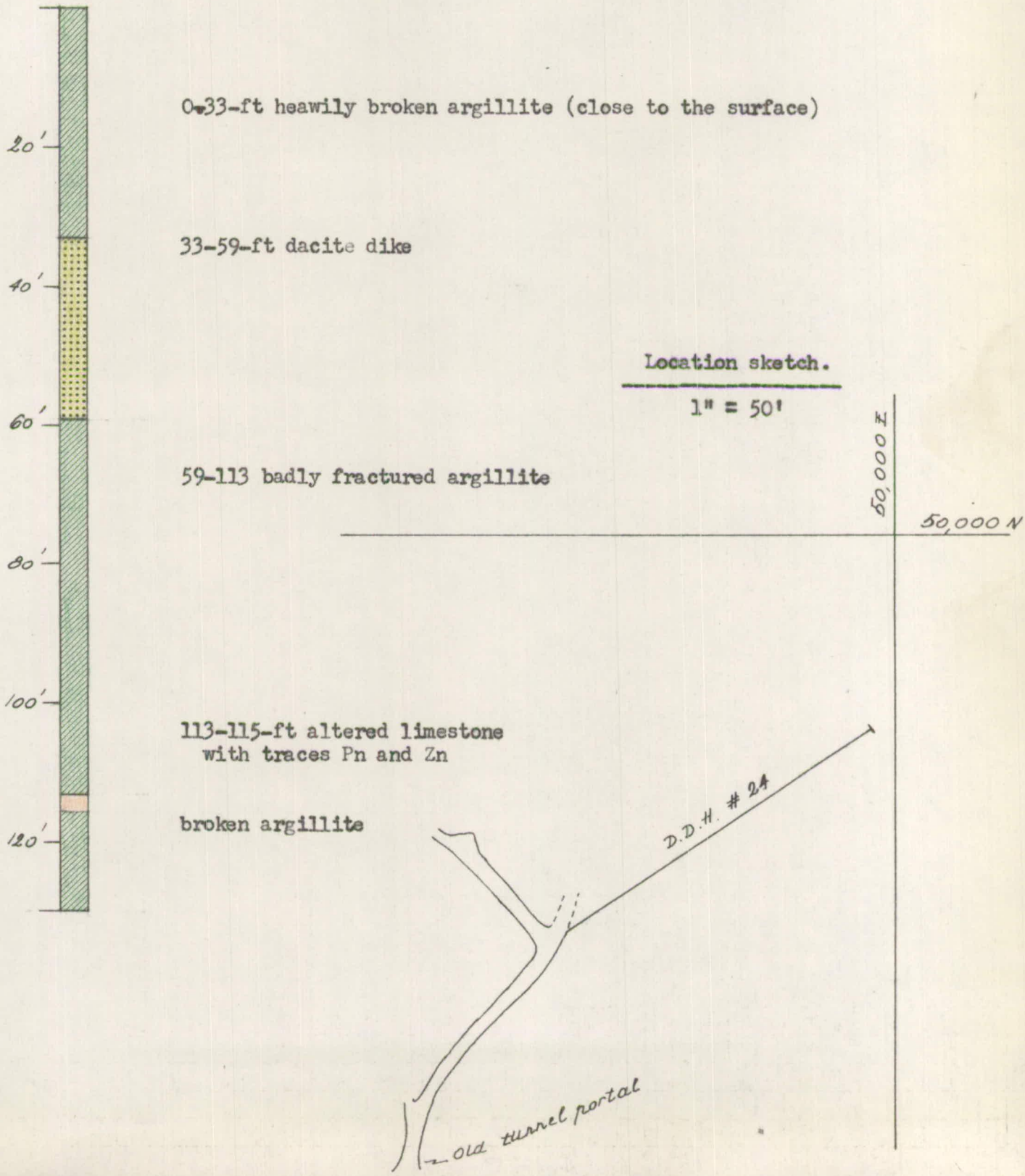
1" = 50'



LEVEL Main adit MINE Highland-Susprise Cons. Min. Co. DATE Feb.56 BY T.K.

SCALE 1" = 20' OPERATION Stanley, Idaho. Diamond drill hole " 24

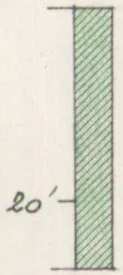
Collar coordinates	: 49,858 N 49,883 E	Length	: 130.0-ft
		Dip	: horizontal
		Ave. core recov.	: 85%
Bearing	: N 55° E		



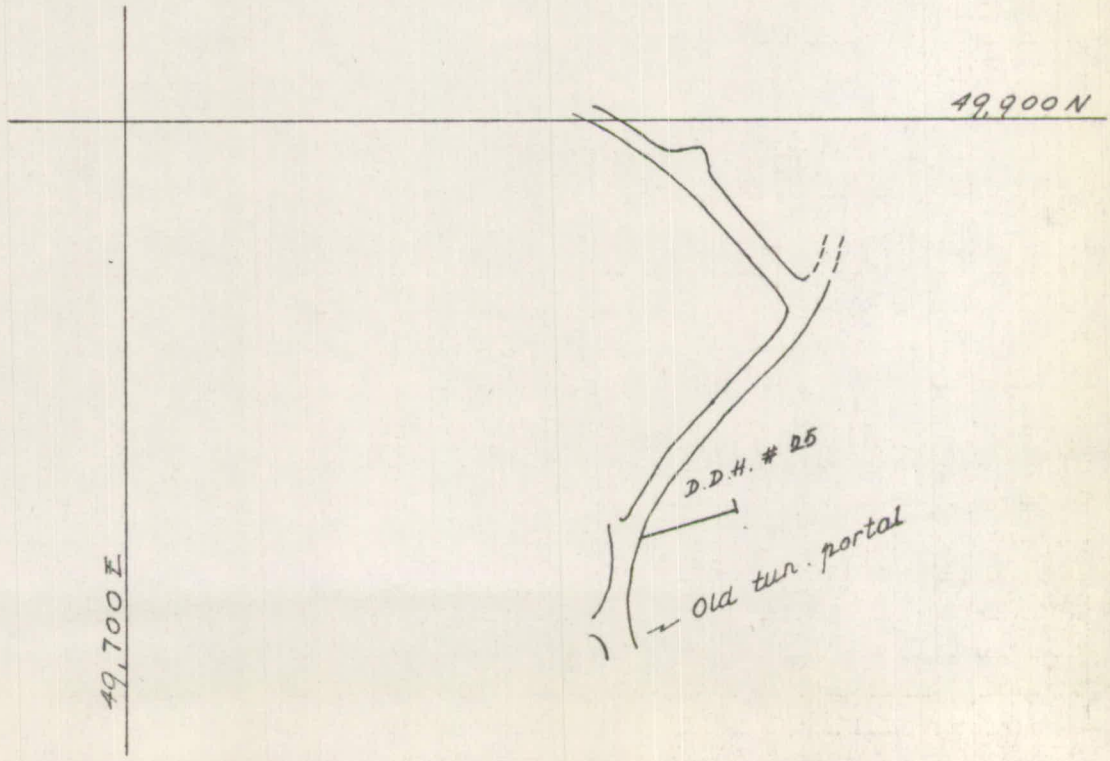
LEVEL Main adit MINE Highland-Surprise Cons. Min. Co. DATE Feb.56 BY T.K.

SCALE 1" = 20' OPERATION Stanley, Idaho, Diamond drill hole # 25

Collar coordinates :	49,792 N 49,835 E	Length Dip Ave. core recov.	: 27-ft ; horizontal : 85%
Bearing	: N 74° E		



bkack, hard, carbonaceous argillite. Zone badly broken.
Close to surface. Hole caving.



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

RECEIVED
FEB 21 1956

February 15, 1956

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: James J. Quinlan, Geologist, U. S. Geological Survey

Subject: Interim Report, Docket No. DMEA-3664 (Lead-Zinc), Highland-Surprise Consolidated Mining Company, Deer Trail Property, Custer County, Idaho, Contract No. Idm-E819

The Deer Trail property was examined by Howard Nickelson and the writer on February 1, 2 and 3, 1956. At the time of the examination the Company had completed the drifting and crosscutting program outlined in the contract and had only a small amount of diamond drilling left to complete under the contract.

The company officials are not certain as to future exploration and development plans but they are considering requesting aid for additional diamond drilling.

At the time of the examination the underground workings were mapped and check samples taken. The Company's diamond drill core logs of the recent drilling were compared with the core and several holes which had not as yet been logged were logged. Also, the Company's core logs of the holes completed prior to the project were compared with the core at the Company's office near Kellogg, Idaho.

As yet the Company has not assayed all the core from the "ore zones" encountered in the recent drilling. Also, at the time of the examination complete assay data on the results of sampling in the underground exploration headings were not available. The Company has been requested to furnish this data.

Without complete sample information it is not possible to adequately evaluate the project. When this information is available and company plans are definitely known a report evaluating the results of the work will be prepared.

Distribution:
DMEA (Orig. & 3)
USBM (2)
USBM (AD)
Docket
Quinlan

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

Budget Bureau No. 42-R1036.5

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

Month of January, 1956 Docket No. DMEA 3664 Contract No. Idm-E819

Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc

Address Box 889, Wallace, Idaho

Contract Amount, $ 59,570.00 Government Participation: 50 % Amount, $ 29,785.00

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:				4/11/56 SWR.		
Drilling	3,180.13	4,125.38	7,305.51	3180.13	4125.38	7305.51
Bulldozing		565.00	565.00		565.00	565.00
Crosscutting Salois & Drifting Zittel	5,025.60	21,526.32	26,551.92	5025.60	21526.32	26551.92
(2) Labor and Supervision:						
Labor						
Supervision	600.00	3,375.00	3,975.00	600.00	3375.00	3975.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		409.86	409.86		409.86	409.86
~~Explosives~~ Ties		198.12	198.12		198.12	198.12
Pipe and accessories	588.00	139.23	727.23	588.00	139.23	727.23
Track and accessories	802.92	147.70	950.62	802.92	147.70	950.62
Ventilation pipe	248.34	287.94	536.28	248.34	287.94	536.28
Other	908.82	3,009.75	3,918.57	908.82	3009.75	3918.57
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation	430.23	2,023.64	2,453.87	430.23	2023.64	2453.87
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		400.00	400.00		400.00	400.00
(7) Miscellaneous:						
Repairs to Equipment	394.42	2,148.15	2,542.57	394.42	2148.15	2542.57
Sampling and Analysis		147.00	147.00		147.00	147.00
Payroll Taxes						
Liability Insurance	15.59	171.91	187.50	15.59	171.91	187.50
Equip. transportation		985.00	985.00		985.00	985.00
(8) Contingencies (specify):						
				12,193.20		
TOTALS	12,194.05	39,660.00	51,854.05	~~12194.05~~	39660.00	51853.20

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

Date 2-20-56 *Payee Highland-Surprise Consolidated Mining Company

Per N. A. Callaway Title Secretary-Treasurer

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

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

(Instructions on reverse)

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

$ 6096 60

Signature M. A. P.
(Authorized Certifying Officer)

Date 3/30/56 Vou. No. 1744
(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. 6819 in accordance with the terms of the contract.

Signature /S/ John D. Bardill Title Metallurgist Date 3/30/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Wing G. Agnew Title Acting Exec. Officer Date 3/30/56

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1956 Docket No. DMEA 3664 Contract No. Idm-D819

Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc

Address Box 889, 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	Ft.	9,013.92	240	43,583.54	1,268	36.32 ~~XXXXX~~	1,200	
Raising								
Shafts								
Winzes								
Drilling: Core	Ft.	3,180.13	669.5	7,305.51	1,538.0	4.75	2,100	4.75
Churn								
Auger								
~~Stripping~~ Bulldozing	Hr.			565.00	56.5	10.00	56½	10.00
Trenching								
Test Pits								
Roads and Trails								
D. D. Stations	Units	and costs	included	in drifting	& crosscutting		110	
TOTAL DISTRIBUTED COSTS		12,194.05		51,454.05				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				400.00				400.00
TOTAL COSTS		12,194.05		51,854.05				59,570.00

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 2-20-56 Operator Highland-Surprise Consolidated Mining Company

Per N. A. Galloway Title Secretary-Treasurer

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)

/s/ John D Bardill

INSTRUCTIONS

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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".

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GPO 872894

HIGHLAND-SURPRISE CONSOLIDATED MINING COMPANY
Deer Trail Mine, Custer County, Idaho
Docket No. DMEA-3664, (Lead-Zinc)
Contract No. Idm-E819

PROGRESS REPORT
January, 1956

Drifting and crosscutting (excluding drill stations) during January . .	234 feet
Previously reported	985 feet
Total to January 31, 1956	1,219 feet
Crosscutting for diamond drill stations during January	25 feet
Previously reported	43 feet
Total to January 31, 1956	68 feet
Diamond drilling during January	669.5 feet
Previously reported	868.5 feet
Total to January 31, 1956	1,538.0 feet

Drifting and crosscutting during January consisted of the following:

Extension of drift on "lead vein" (face at January 31st was 161.5 feet from survey station No. 38)	234 feet

Note: only 215 feet of drifting is reported on Form MF-104 as this makes the total of 1,200 feet which is authorized by the contract.

Crosscutting for drill stations consisted of the following:

Station for hole No. 16	5 feet
Station for hole No. 18	20 feet
Total	25 feet

Diamond drilling during January consisted of the following:

Hole No. 13	261.0 feet
Hole No. 14	30.8 "
Hole No. 15	81.0 "
Hole No. 16	82.0 "
Hole No. 17	53.8 "
Hole No. 18	160.9 "
Total	669.5 feet

Drift advance during January was in granitic breccia formation with argillite fragments except the last 40 feet which is in quartz monzonite, possibly belonging to the massive of the Challis volcanics. Several heavy shear zones were cut with the drift, mostly dipping to the north or standing up at 90°. Some of the gougy faults contain traces of crushed sphalerite and galena.

Diamond drill Hole No. 13: Except for a short section of granitic porphyry dike, this hole penetrated an altered formation which was hard to determine. Representatives of the U.S.G.S. took several specimens of the core in order to determine the formation by analysis and thin section.

Diamond drill Hole No. 14: The purpose of this hole was to check on the southward extension of the "zinc vein". Good sphalerite was cut in a zone from 15 to 25 feet; the core will be split and analyzed.

Diamond drill Hole No. 15: This hole was drilled for the same purpose as No. 14. It cut a five foot tactite zone embedded in black, hard argillites. This hole indicates that the zinc vein is probably interrupted and slightly

displaced between Hole No. 14 and Hole No. 15 as indicated on the attached maps.

Diamond drill Hole No. 16: The entire length of this hole was in granitic breccia formation.

Diamond drill Hole No. 17: The purpose of this hole was to check on the width of the "lead vein" toward the hangingwall. The first 15 feet of the hole cut a mineralized area with heavier zinc-lead values from 12 to 15 feet. The rest of the hole penetrated tactitic formation with traces of zinc and lead.

Diamond drill Hole No. 18: This hole is farthest to the north of any so far drilled on the project. Granite breccia formation was cut in the entire hole except for approximately 20 feet of dacite dike as shown on the attached core log. The breccia is composed predominantly of quartz monzonite and minor argillite fragments, with silicious cementing material.

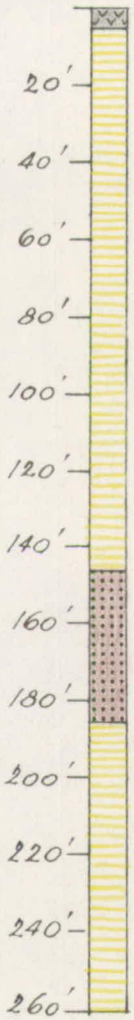
LEVEL Main adit MINE Highland-Surprise Cons.Min.Co. DATE jan.-56 BY T.K.

SCALE 1" = 50' OPERATION Stanley, Ida. - Diamond drill hole # 13

Collar coordinates : 50,092 N
49,550 E

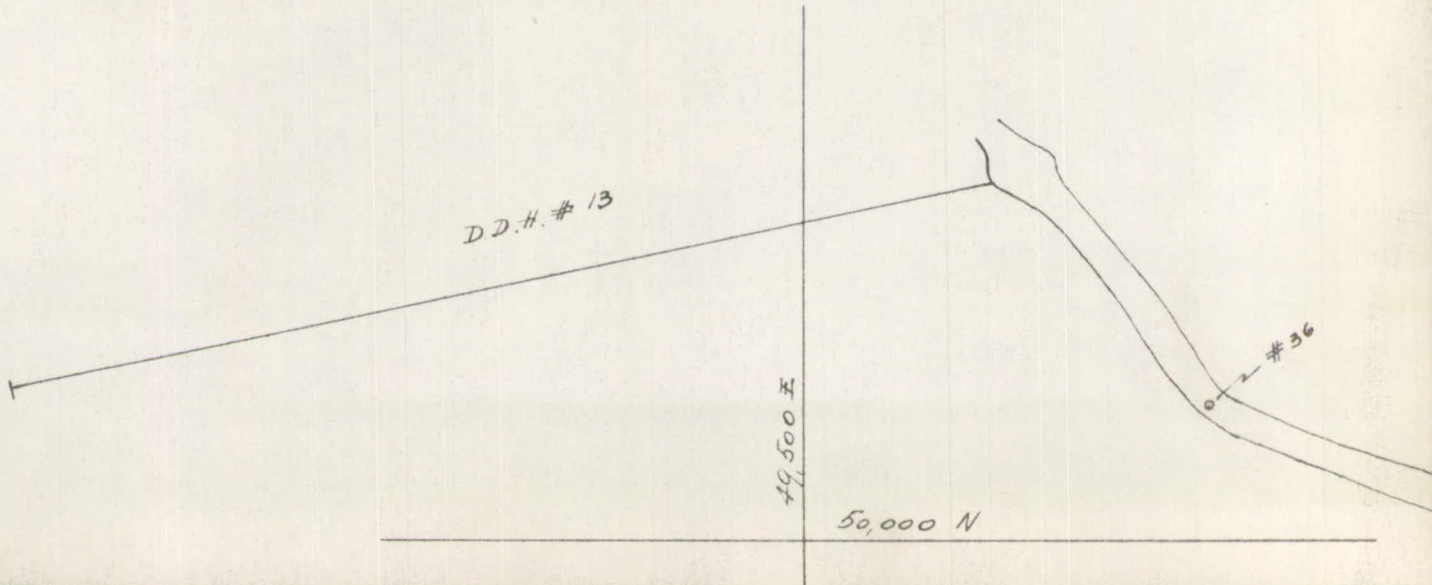
Dip : horizont.
Ave. core recovery : 70%

Bearing : S 78° W
Length : 261-ft



05-5-ft silicified, granitic breccia

granitic porphyry dike



LEVEL Main adit MINE Highland-Surprise Cons.Min.Co. DATE Jan.-56 BY T.K.

SCALE 1" = 10" OPERATION Stanley, Idaho. Diamond drill hole # 14

Collar coordinates : 50,036 N
49,601 E

Length : 30.8-ft
Dip : horizontal
Ave. core recovery :95 %

Bearing : N 77° W

RECEIVED
APR 2 - 1956

Hard, black argillite

6-7-ft pyrite zone
argillite

9-11-ft sulfide zone, predominantly pyrite

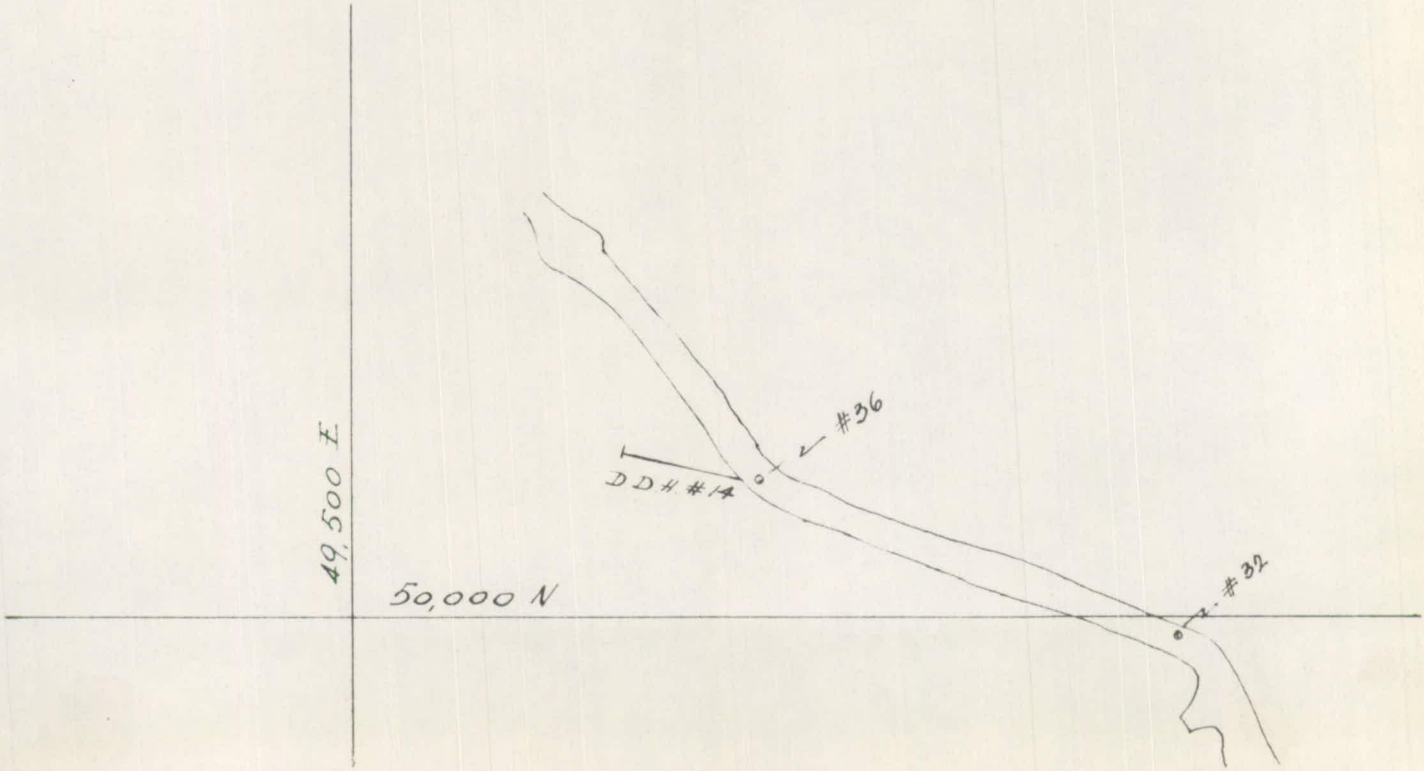
limestone with disseminated pyrite and traces Zn

15-25-ft zone of almost solid sulfides,
mainly sphalerite

silicified breccia

Location sketch.

Scale 1" = 50'



LEVEL Main adit MINE Highland-Surprise Cons.Min.Co. DATE Jan.-56 BY T.K.

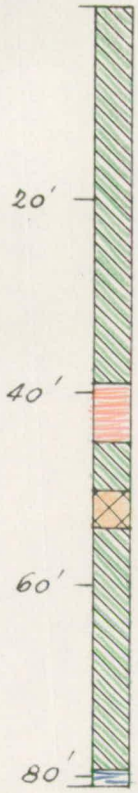
SCALE 1" = 20' OPERATION Stanley, Idaho. - Diamond drill hole # 15

Collar coordinates : 50,008 N
49,667 E

Bearing : S 60° W

Length : 81-ft
Dip : horizontal
Ave. core recovery : 90 %

RECEIVED
APR 2 - 1956



Black, hard carbonaceous argillite

Zone of sulfides, predominantly pyrite

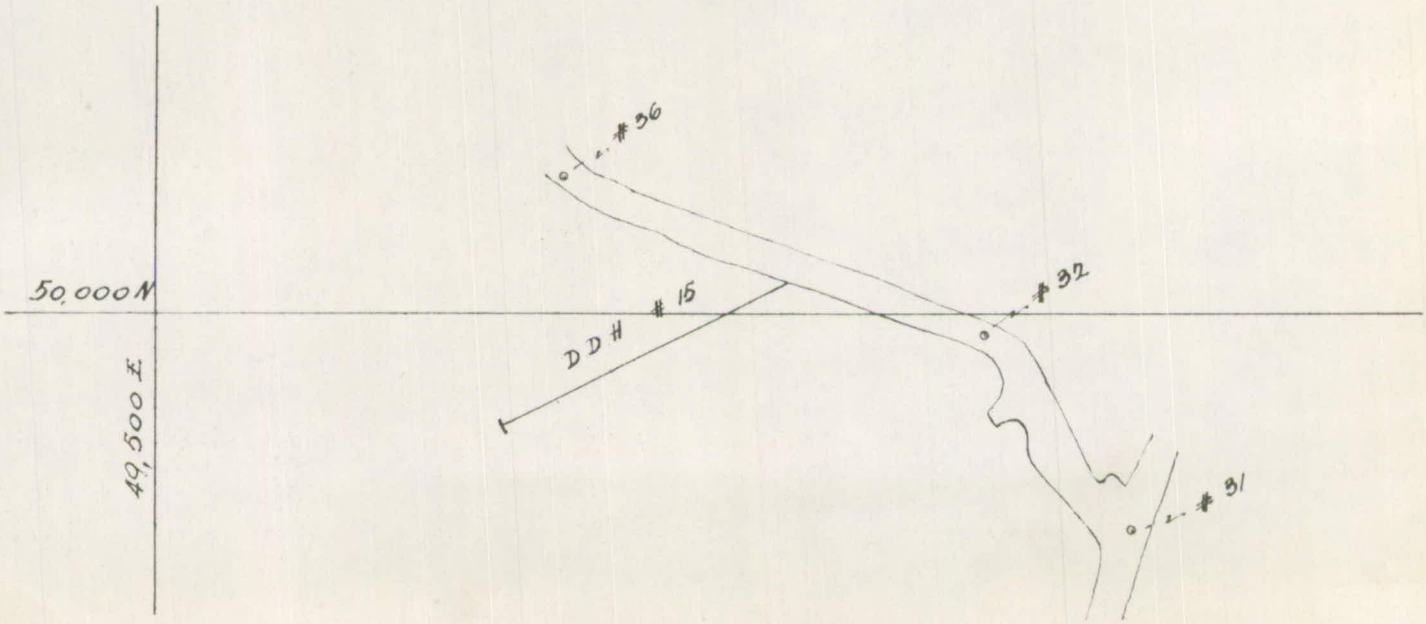
argillite
gray limestone formation

black argillite

last two feet gauge material

Location sketch.

Scale 1" = 50'



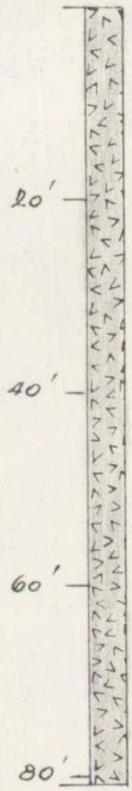
LEVEL M ain adit MINE Highland-Surprise Cons.Min.Co. DATE Jan.-56 BY T.K.

SCALE 1" = 20' OPERATION Stanley, Idaho. Diamond drill hole # 16

Collar coordinates : 50,385 N
49,611 E

Bearing : N 50° E

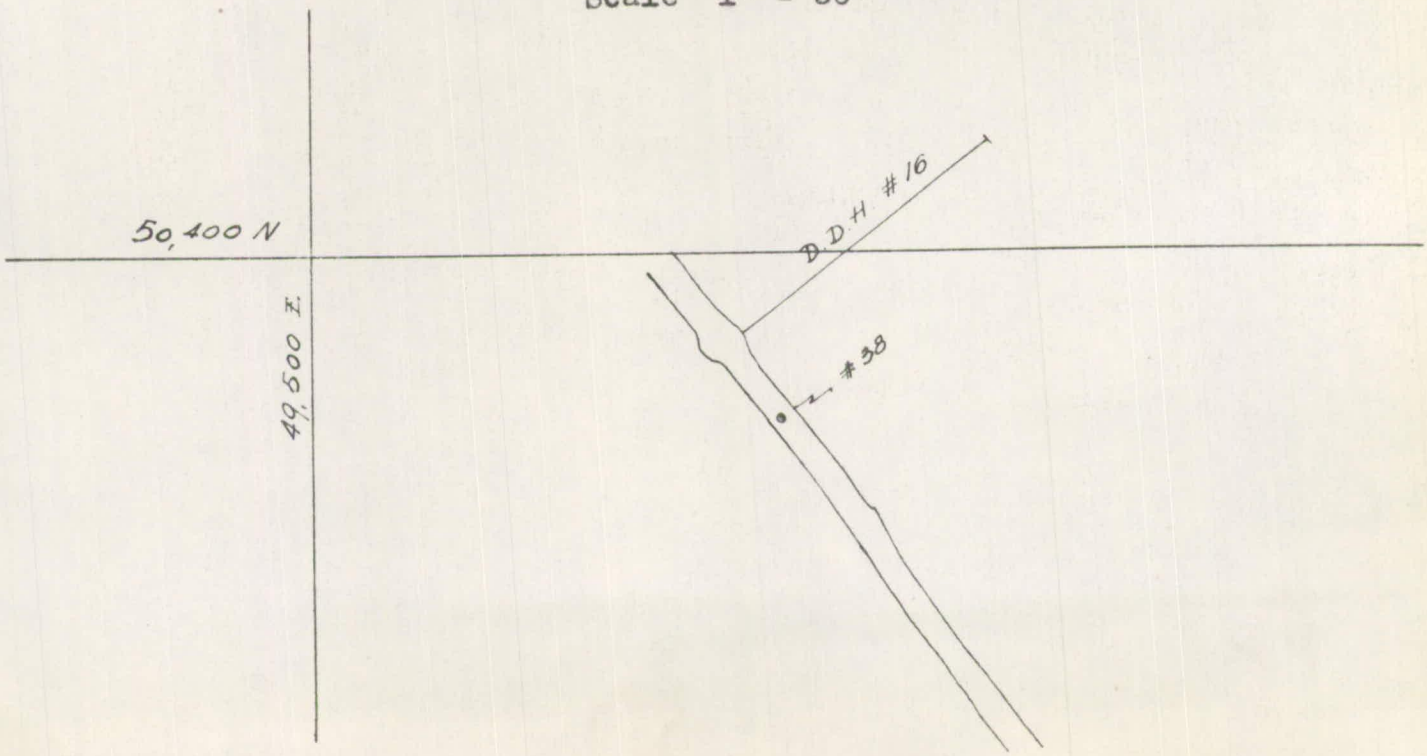
Length : 82-ft
Dip : horizontal
Ave. core recovery : 95 %



Whole hole in granit breccia formation, formed from sharpe sdged carbonaceous argillite and quartz monzonite fragments, recemneted by silicious granitic material.

Location sketch.

Scale 1" = 50'



LEVEL Main adit MINE Highland-Surprise Cons.Min.Co DATE Jan.-56 BY T.K.

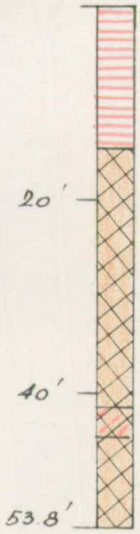
SCALE 1" = 20' OPERATION Stanley, Idaho. Diamond drill hole # 17

Collar coordinates : 50,120 N
49,767 E

Length : 53.8-ft
Dip : horizontal
Ave. core recovery : 90 %

Bearing : S 75° W

RECEIVED
APR 2 - 1956



0-15-ft ore zone, wiht heavier Zn and Pb mineralization from 12-15-ft

partly metamorfosed limestone

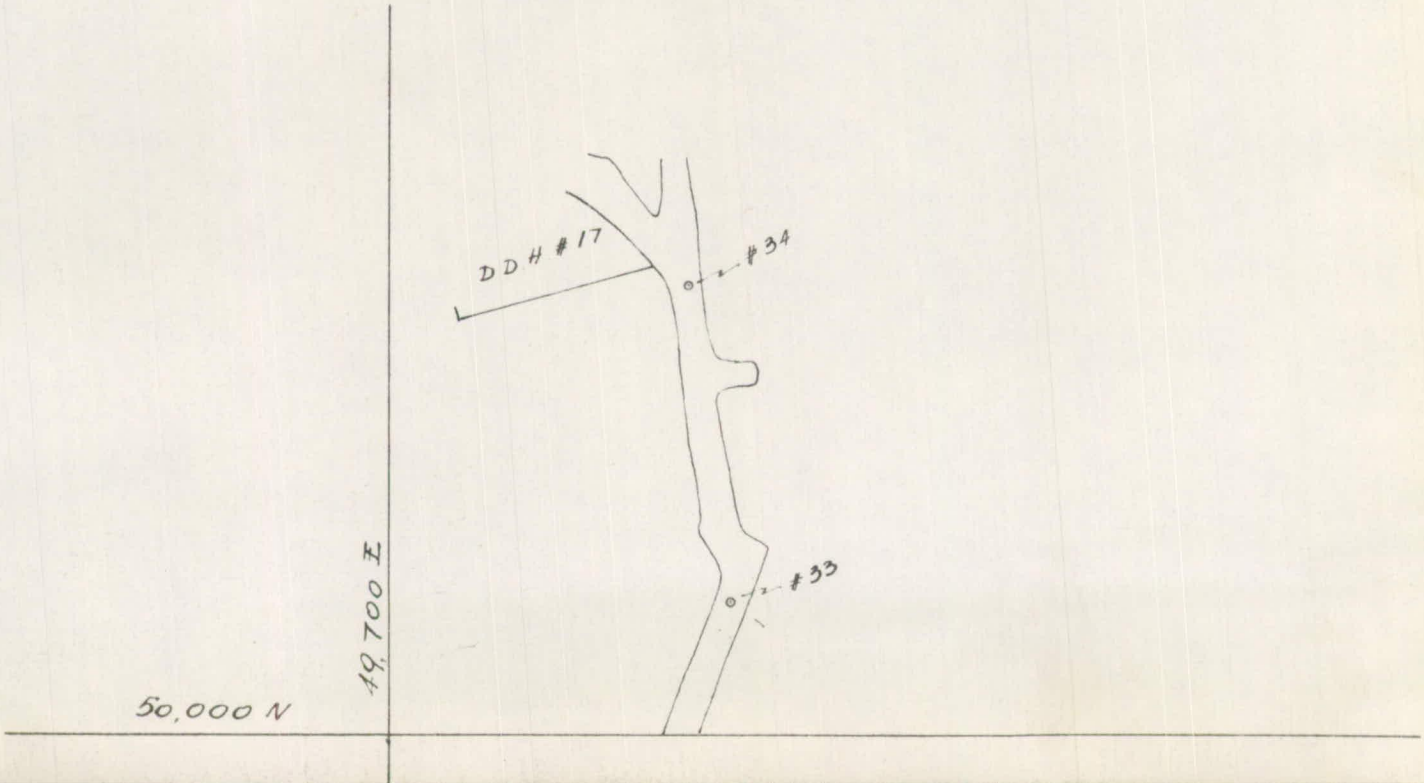
badly crushed zone with evidence of sphalerite and galena

barren limestone

Hole in sheare zone. Core in chips.

Location sketch.

Scale 1" = 50'



LEVEL Main adit MINE Highland-Surprise Cons. Min. Co. DATE Jan.-56 BY T.K.

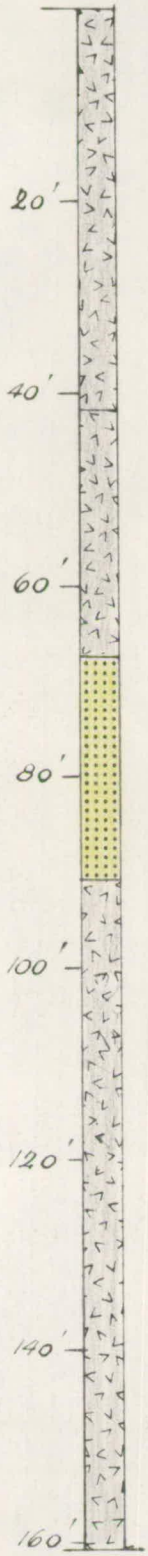
SCALE 1" = 20' OPERATION Stanley, Idaho. Diamond drill hole # 18

Collar coordinates : 50,404 N
49,558 E

Bearing : S 50° W

Length : 161-ft
Dip : horizontal
Ave. core recovery : 95 %

RECEIVED
APR 2 - 1956



0-42.5-ft granitic breccia with fragments of hard, black argillite. Silicious cementing material.

42.5-67-ft same as above with occasional breccia framnets

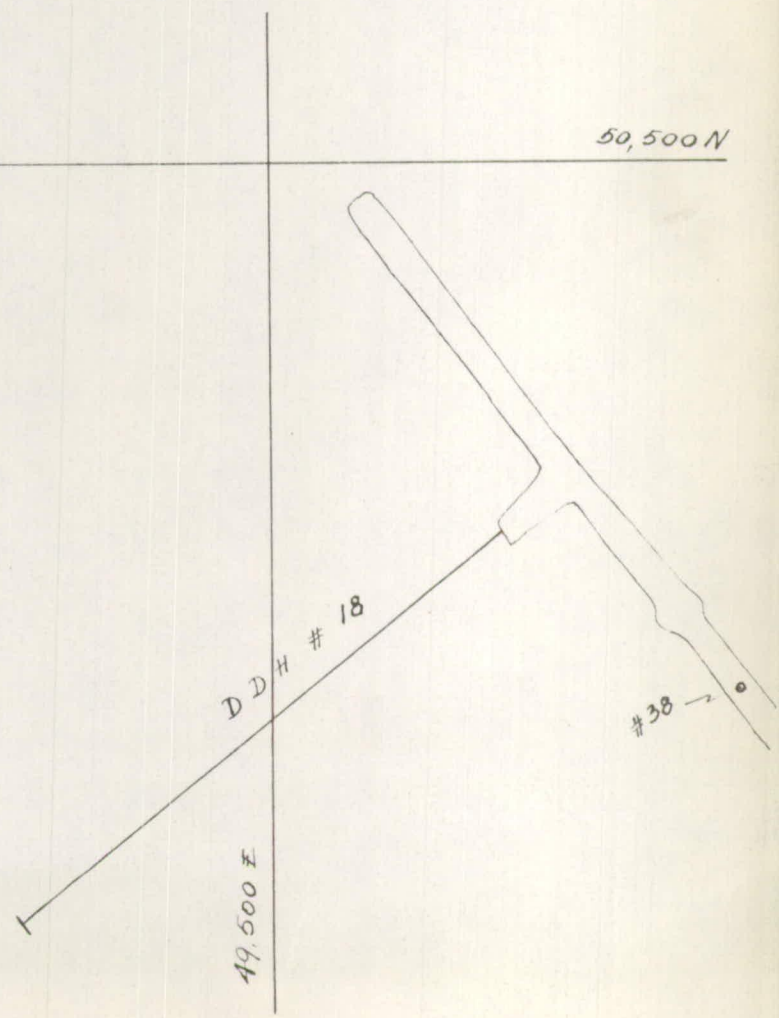
dacite dike

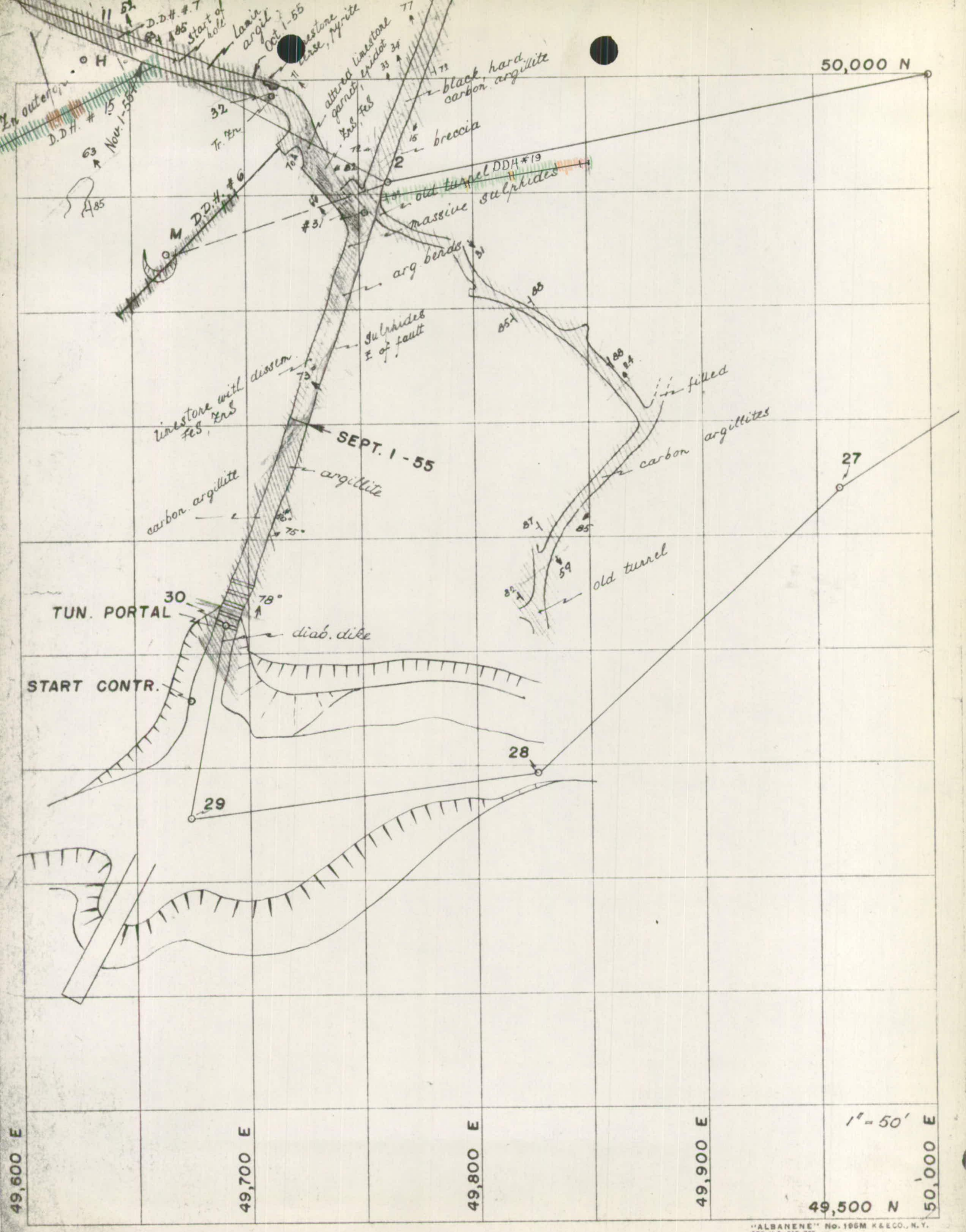
granitic breccia

heawily broken zone

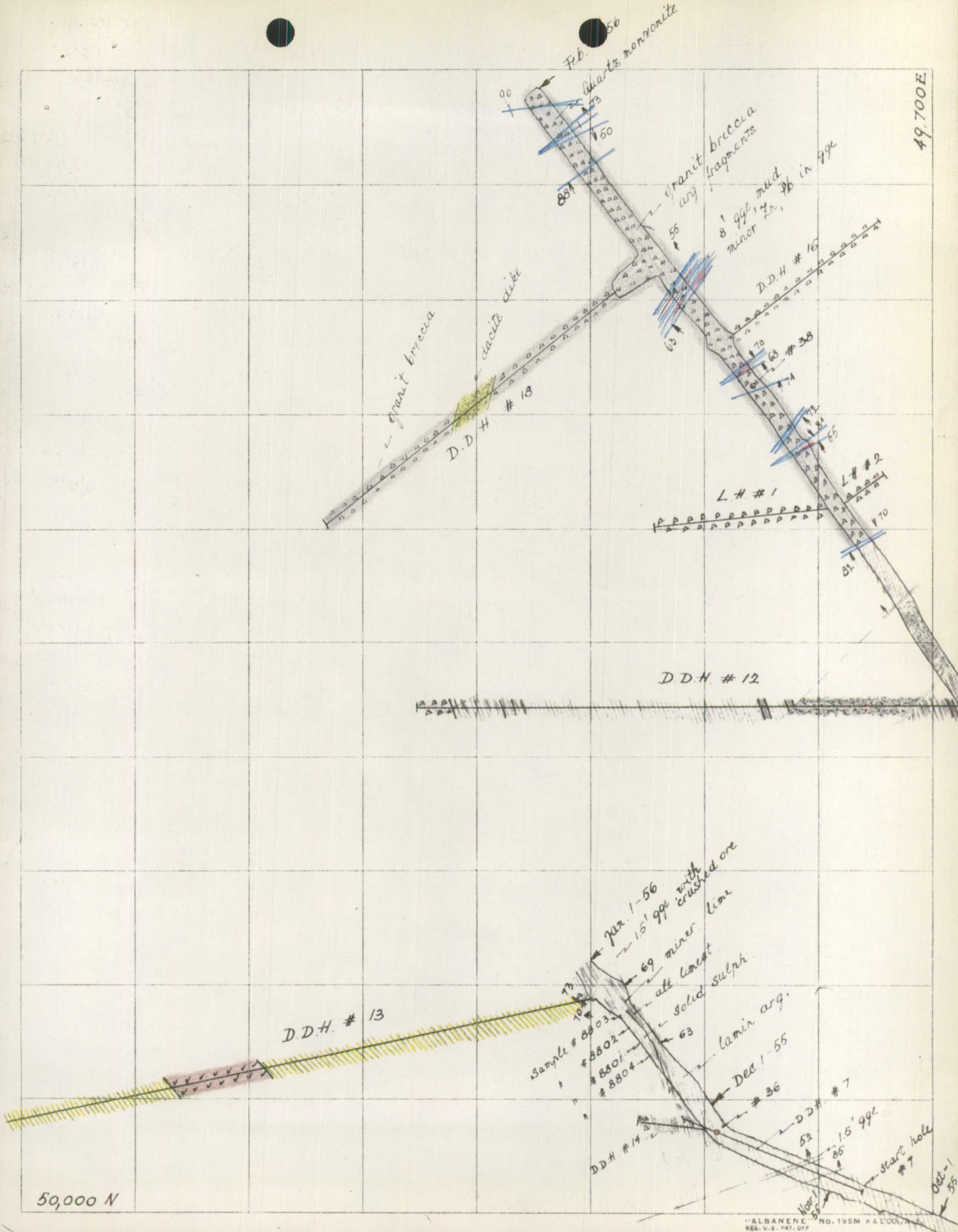
Location sketch.

Scale 1" = 50'

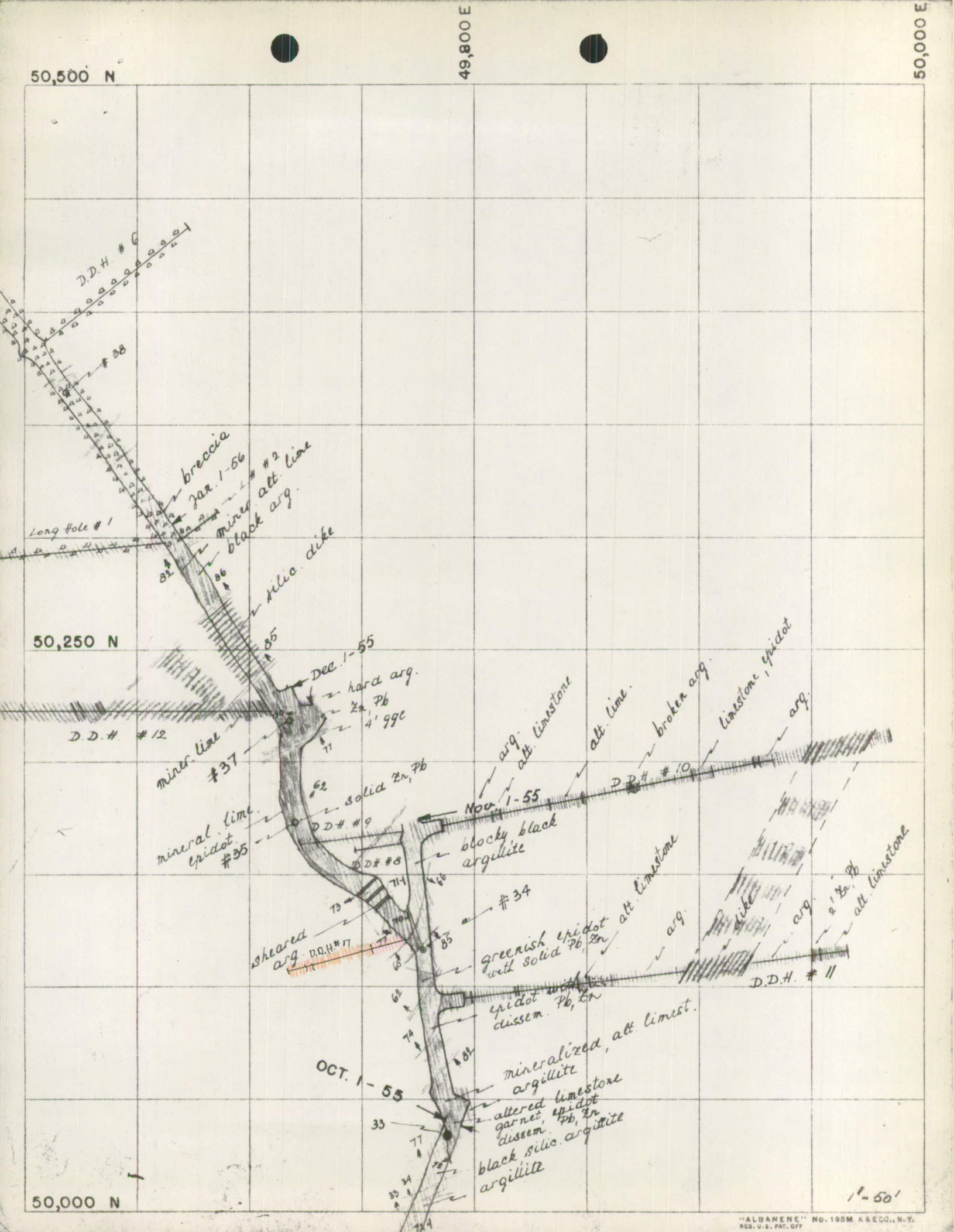




"ALBANENE" No. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.



"ALBANENE" NO. 195M K&E CO.
REG. U.S. PAT. OFF



"ALBANENE" No. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

DMEA Field Team, Region I, NW District

March 29, 1956

RECEIVED
APR 3 - 1956

DMEA Certifying Officer, Region I

Contract Idm-E819, Highland-Surprise Consolidated Mining Co.
Operating report for January 1955.

The subject report has been processed and forwarded to the Disbursing Officer for payment.

A disallowance of $0.65 has been made due to an error in the distribution of a gaoline ticket.

Myrtle Purdy

cc: Operator
DMEA (2)
USGS

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

Budget Bureau No. 42-R1036.5

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

Month of December, 1955 Docket No. DMEA 3664 Contract No. Idm-8819
Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc
Address Box 889, Wallace, Idaho
Contract Amount, $ 52,570.00 Government Participation: 50 % Amount, $ 29,785.00

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:				4/10/56		
Drilling	1,350.50	2,766.88	4,125.38	1358.50	2766.88	4125.38
Bulldozing		565.00	565.00		565.00	565.00
Crosscutting Galois & Drifting Zittel	3,769.20	17,757.12	21,526.32	3769.20	17757.12	21526.32
(2) Labor and Supervision:						
Labor						
Supervision	600.00	2,775.00	3,375.00	600.00	2775.00	3375.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		409.86	409.86		409.86	409.86
~~Explosives~~ Ties		198.12	198.12		198.12	198.12
Pipe & accessories	25.23	114.00	139.23	25.23	114.00	139.23
Track & accessories	4.00	143.70	147.70	4.00	143.70	147.70
Ventilation pipe	198.19	89.75	287.94	198.19	89.75	287.94
Other	698.26	2,311.49	3,009.75	698.26	2311.49	3009.75
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation	430.23	1,593.41	2,023.64	430.23	1593.41	2023.64
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		400.00	400.00		400.00	400.00
(7) Miscellaneous:						
Repairs to Equipment	1,359.03	789.12	2,148.15	1359.03	789.12	2148.15
Sampling and Analysis	147.00	-	147.00	147.00	-0-	147.00
Payroll Taxes						
Liability Insurance	33.21	138.70	171.91	33.21	138.70	171.91
Equip. transportation		985.00	985.00		985.00	985.00
(8) Contingencies (specify):						
TOTALS	8,622.85	31,037.15	39,660.00	8622.85	31037.15	39660.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 1-18-56 *Payee Highland-Surprise Consolidated Mining Company
Per N. A. Calloway Title Secretary-Treasurer

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

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

(Instructions on reverse)

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

$ 4311 43

Signature M. J. P.
(Authorized Certifying Officer)

Date 3/30/56 Vou. No. 1744
(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 819 in accordance with the terms of the contract.

Signature /S/ John D Bardill Title Metallurgist Date 3/30/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Wing G Agnew Title acting Exec. Officer Date 3/30/56

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

RECEIVED
APR 2 - 1956

Month of December 1955 Docket No. DMEA 3664 Contract No. Idm-5819
Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc
Address Box 839, 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)	Ft.	7,264.35	180	34,569.62	1,028	33.63	1,200	
Raising								
Shafts								
Winzes								
Drilling: Core	Ft.	1,350.50	286	4,125.38	868.5	4.75	2,100	4.75
Churn								
Auger								
~~Stripping~~ Bulldozing	Hr.			565.00	56.5	10.00	563	10.00
Trenching								
Test Pits								
Roads and Trails								
D. D. Stations	Costs included in drifting and crosscutting						110	
TOTAL DISTRIBUTED COSTS		8,622.85		39,260.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				400.00				
TOTAL COSTS		8,622.85		39,660.00				

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 1-18-56 Operator Highland-Surprise Consolidated Mining Company

Per W. A. Callaway Title Secretary-Treasurer

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)

151 John D Bardill

INSTRUCTIONS

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

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

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

GPO 872894

HIGHLAND-SURPRISE CONSOLIDATED MINING COMPANY
Deer Trail Mine, Custer County, Idaho
Docket No. DMEA-3664, (Lead-Zinc)
Contract No. Idm-E319

RECEIVED
APR 2 - 1956

PROGRESS REPORT
December, 1955

Drifting and crosscutting during the month of December, 1955	180 feet
Drifting and crosscutting previously reported	848 "
Total drifting and crosscutting to December 31, 1955	1,028 feet
Diamond drilling during the month of December, 1955	286.0 Feet
Diamond drilling previously reported	582.5 "
Total diamond drilling to December 31, 1955	868.5 "

Drifting and crosscutting consisted of the following:

Crosscutting toward and drifting on "zinc vein" (face of drift at December 31st was 94 feet from station No. 36)	83 feet
Extension of drift on "lead vein" (face at December 31st was 103 feet from station No. 37)	90 feet
Diamond drill station for hole No. 13, close to the face of the "zinc vein" drift	7 feet
Total	180 feet

Diamond drilling consisted of the following:

Hole No. 10 extended	50.2 feet
Hole No. 12	235.8 feet
Total	286.0 feet

The diagonal crosscut toward the zinc structure reached the footwall of the vein at about 30 feet from station No. 36 and the tunnel followed the vein from this point. This vein structure is wider than the 8 feet wide tunnel, with higher grade sulfides on the footwall side. The lower grade hangingwall part consists of highly altered lime with substantial garnet and epidot as well as disseminated pyrite, sphalerite and minor galena, with traces of lead oxides. Samples taken indicate 5% to 9% zinc and up to 1% lead across the face of the drift.

A diamond drill station has been prepared for hole No. 13 in order to determine the width and values of this structure, as well as to investigate the formations west of the structure.

The drift on the "lead vein" followed a mineralized, altered limestone structure which has been cut off by a dike formation about 34 feet wide. This is a grayish, green spotted, silicified dike striking approximately N 37° E and dipping 85° N. The ore structure appeared again on the north side of the dike for a short strike distance of approximately 30 feet, where it was cut off again and apparently displaced by a breccia formation dipping about 82° north.

This breccia formation has a silicified base material with sharp edged, crushed, black argillite and minor greenish fragments of epidot. Two "long holes" were drilled into the side walls of the drift, 20 feet to the east and 75 feet to the west, as shown on the enclosed maps. We panned the sludge and found that both holes penetrated the same breccia formation for their entire length.

Projection of the two major ore structures cut in drill hole No. 3, drilled from the surface in the fall of 1954, indicates that the "lead vein" has been displaced about 100 to 120 feet to the west, or else it flattened very considerably. In either case it would take 100 to 120 feet of crosscut to reach the structure, if the mentioned projection and the conclusion drawn therefrom are correct. Since such a crosscut is relatively long in comparison with the drifting and crosscutting remaining to be performed on this project as of January 1, 1956, we are suggesting that this drift be extended in a given direction of N 30° to 35° W and that all the remaining footage be spent on this drift. Both structures, the "lead vein" and the "zinc vein" can then be checked by diamond drilling from this drift.

Diamond drill hole No. 10 has been extended 50.2 feet to a total length of 200.6 feet in order to determine the strike of the dike vein intersected in hole No. 11 and to investigate the vein structure cut at 156 feet in that hole. The dike structure was cut in hole No. 10 from 165 to 183 feet, indicating an approximate N 35° E trend of the dike vein which apparently replaces the ore structure encountered in hole No. 11.

Diamond drill hole No. 12 collared in the lead vein intersected approximately 25 feet of mineralized structure, then a dike vein was cut diagonally for about 50 feet and another mineralized structure from 192 feet to 223 feet. The footwalls of the two structures are approximately 195 feet apart from each other and we believe that they can be identified as the "lead vein" and the "zinc vein".

LEVEL Main adit MINE Stanley, I daho DATE Jan.56 BY T.K.

SCALE 1" = 30' OPERATION Diamond drill hole # 12

Collar coordinates : 50,222 N
49,712 E

Bearing : Due West

Dip : horizontal

Length : 235.8-ft

Ave. core recov. : 55 %

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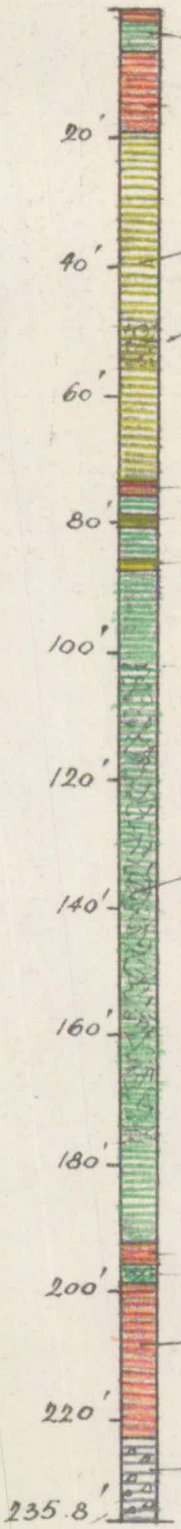
APR 2 - 1956



black, carbonaceous argillite

Altered limestone with dissem.Zn, Pb, Fe

grayish, silicious dike with green spots
48-55' heavily broken, gge.

2-ft of mineralized limestone

1-ft quartz

1-ft barren altered limestone

hard, black argillite

102-177-ft core crushed. Sheare zone. Recoevry from this zone 30%

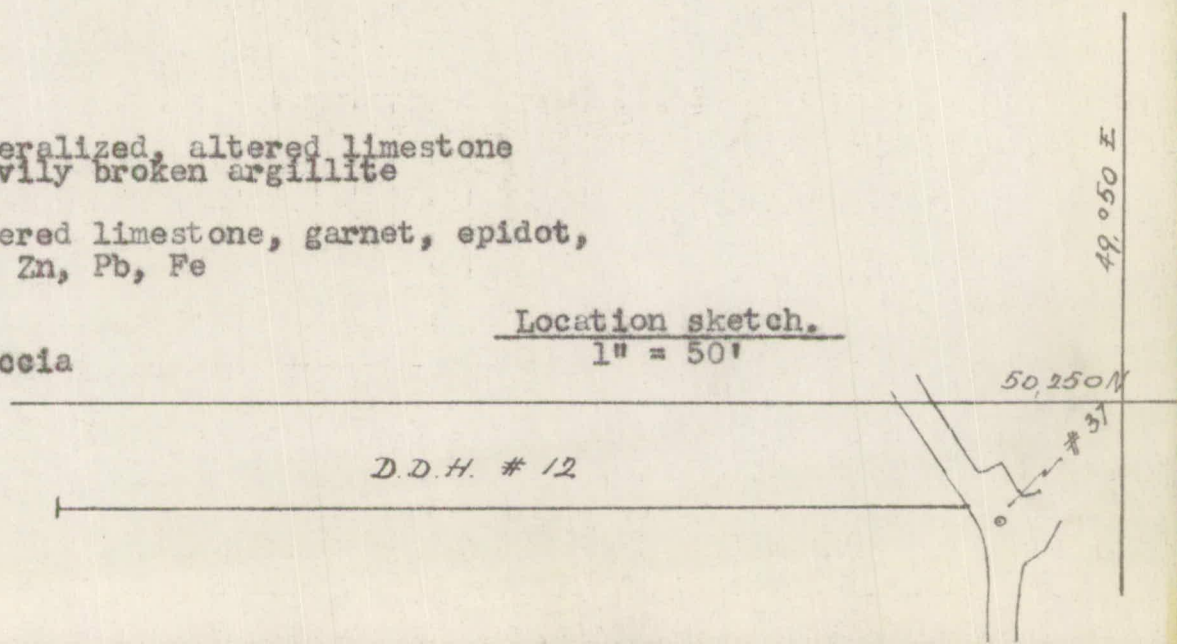
mineralized, altered limestone

heavily broken argillite

altered limestone, garnet, epidot, Zn, Pb, Fe

breccia

Location sketch.
1" = 50'



LEVEL Main adit MINE Stanley, Ida. DATE 12-12-55 BY T.K.

SCALE 1" = 30' OPERATION Diamond drill hole # 10

Collar coordinates : 50,172 N
49,787 E
Bearing : N 78° E

Dip : horizontal
Length : 150.4-ft
Ave. core recov.: 90 %

Length extended to 200.6-ft

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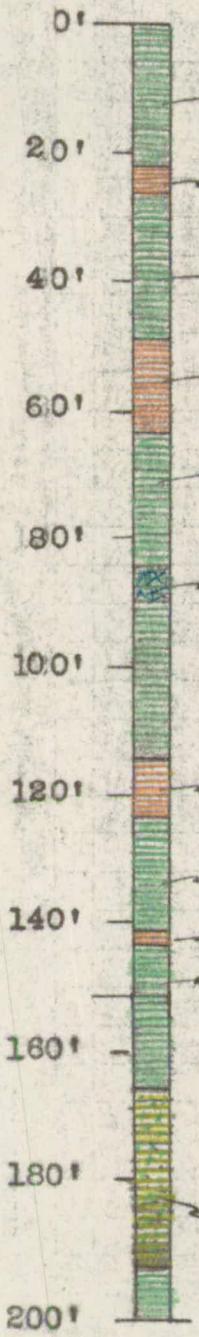
APR 2 - 1956



Black, hard, carbonaceous argillite

altered limestone

altered argillite

limestone with epidot and garnet

black argillite

heavily sheared argillite; core recovery from this section 20%

altered limestone - grayish

hard argillite

limestone

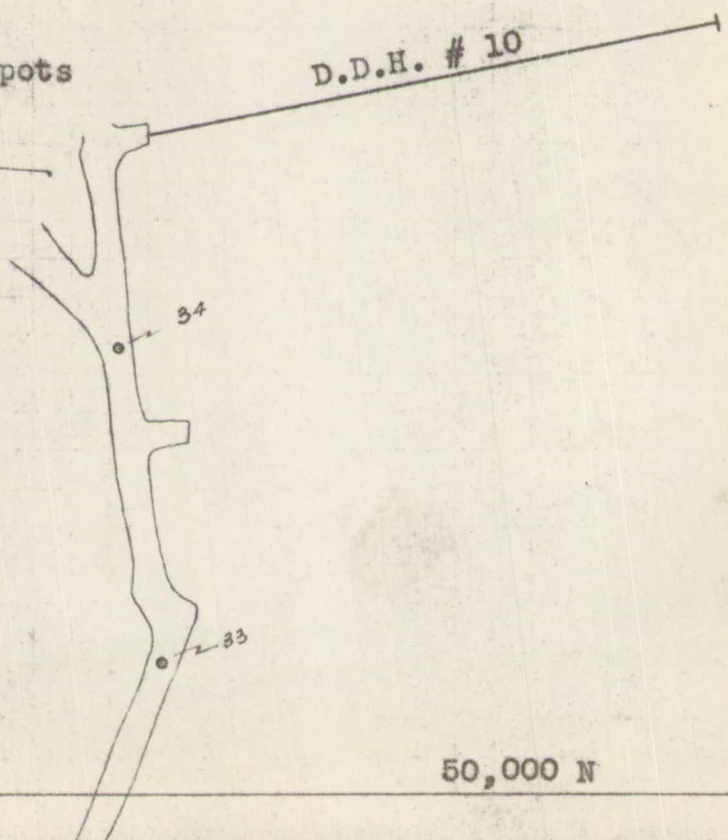
bla ck argillite

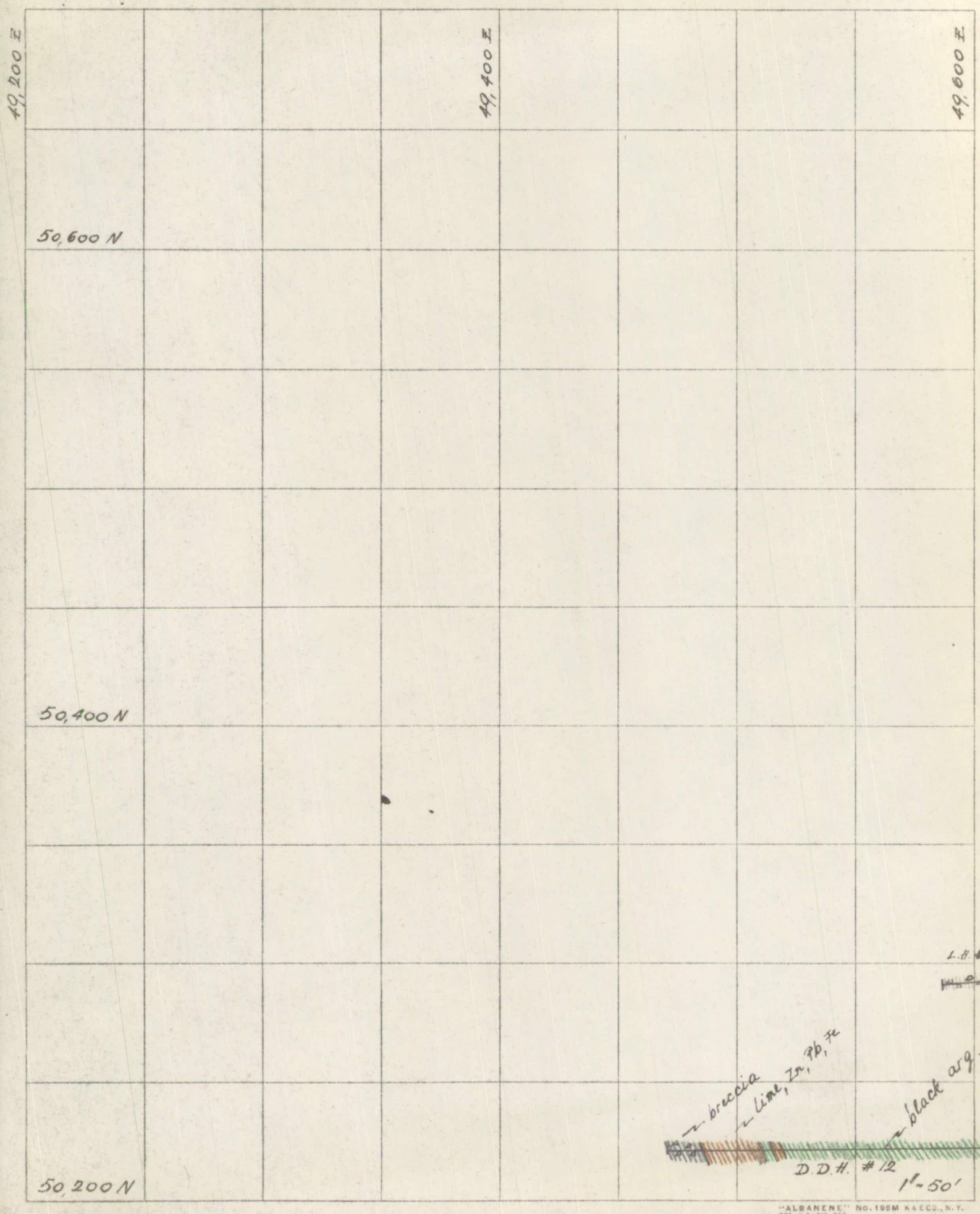
grayish dike with green spots

Location sketch.

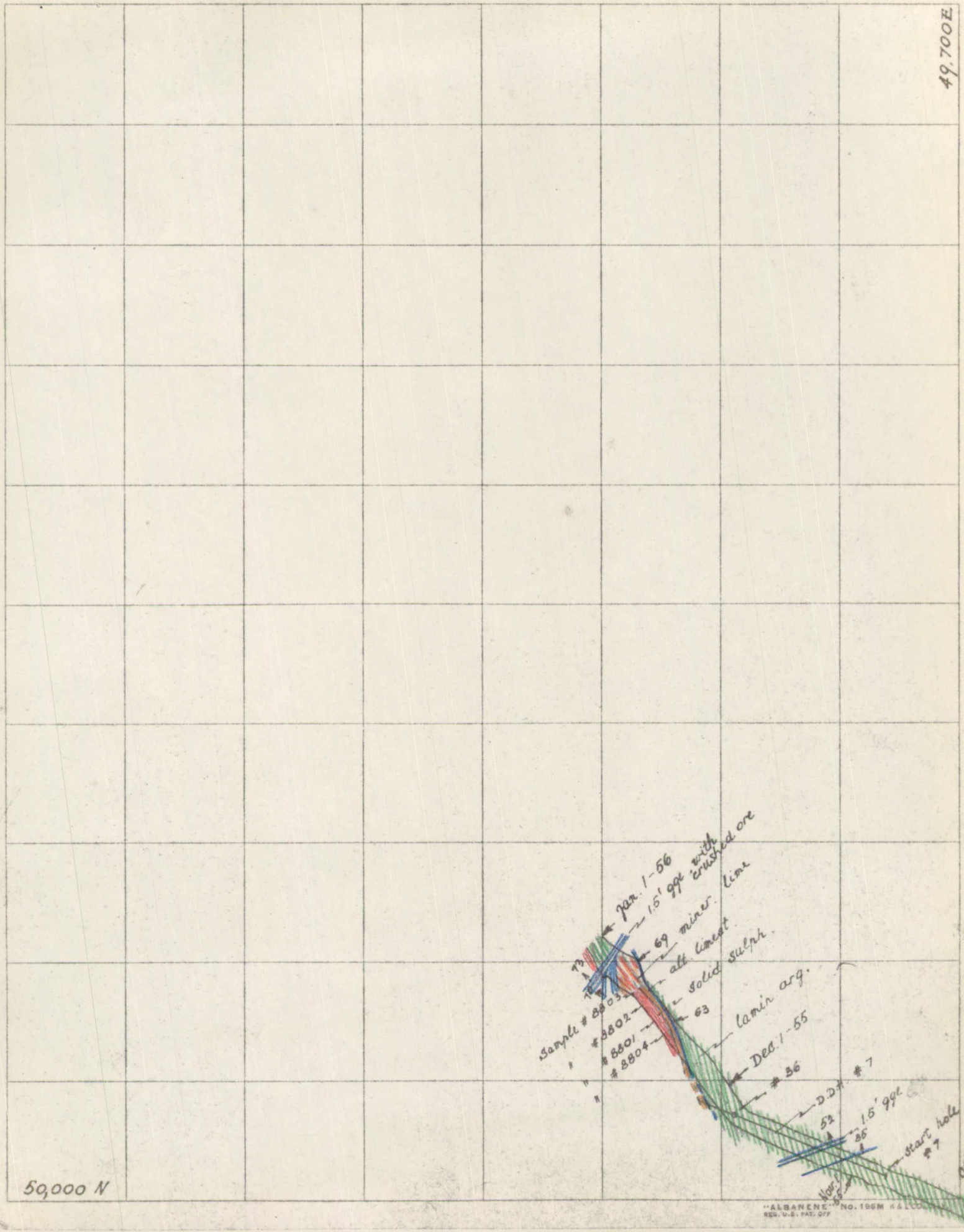
Scale : 1" = 50'

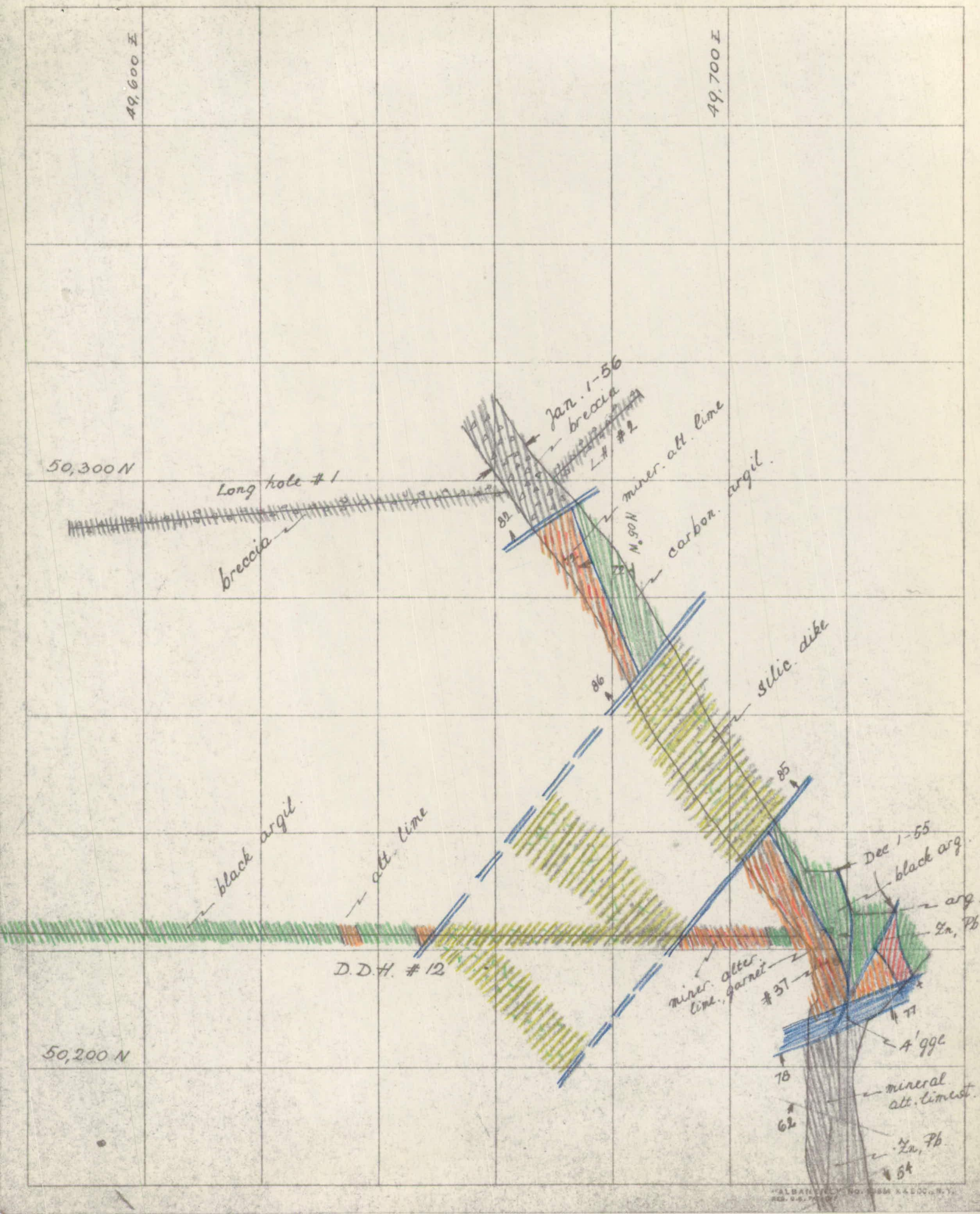
165-193 silic.
grayish dike

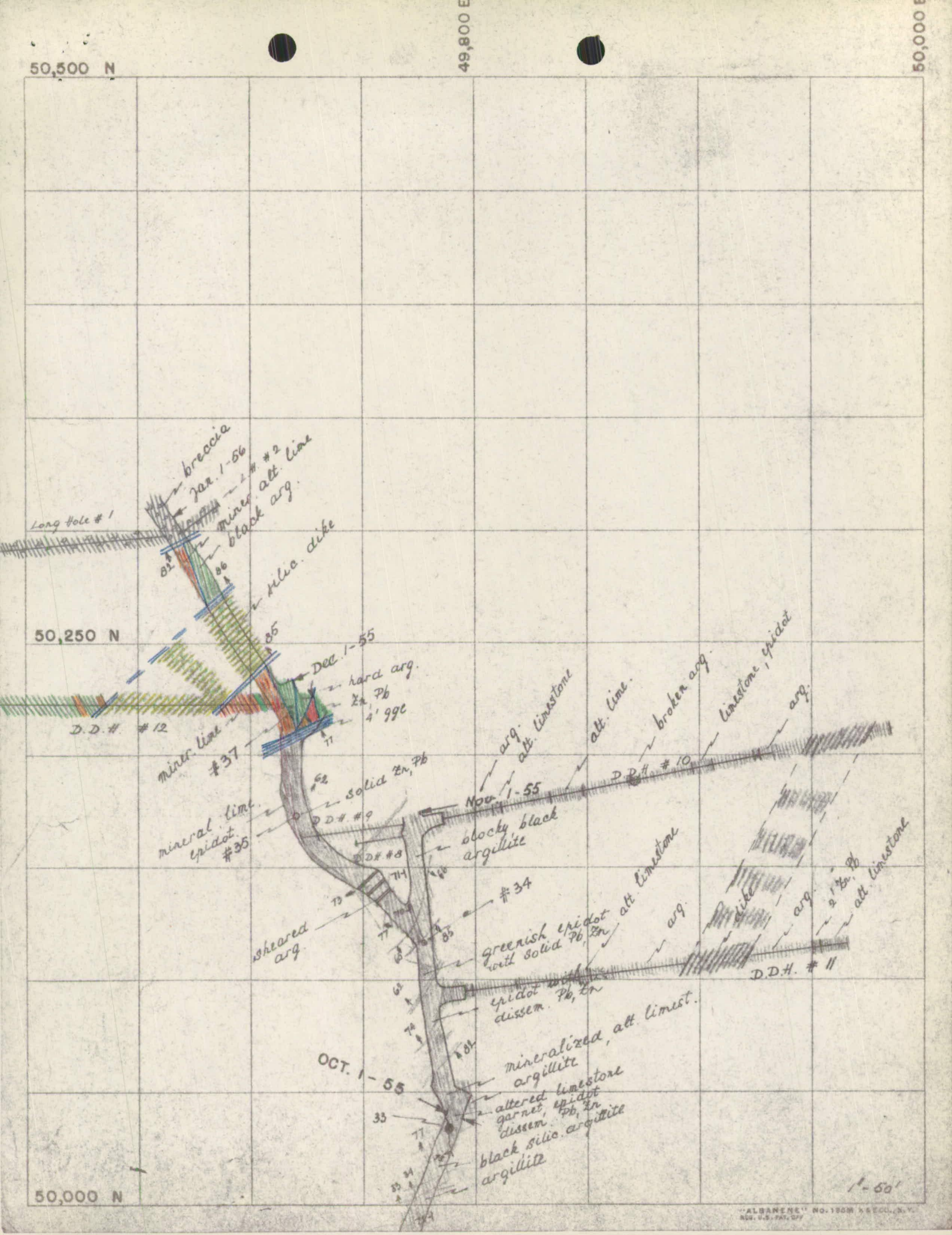




"ALBANENE" NO. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.


49,700E
50,000 N
Jan. 1-56
1.5' ggt with crushed ore
69
miner. lime
alt. limest.
solid sulph.
73
Sample # 8803
" #8802
" #8801
" #8804
63
lamin. arg.
Dec. 1-55
#36
D.D.H. #7
52
1.5' ggt
36
Start hole #7
Nov. 1-55
Oct. 1-55
"ALBANENE" NO. 196M K&E
REG. U.S. PAT. OFF.


49,600 E
49,700 E
50,300 N
50,200 N
Jan. 1-56
breccia
#2
miner. alt. lime
carbon. argil.
Long hole #1
breccia
silic. dike
black argil
alt. lime
D.D.H. #12
Dec 1-55
black arg.
arg.
Zn, Pb
miner. alter. lime, garnet
#37
A'ggc
mineral alt. limest.
Zn, Pb
#54


50,500 N
49,800 E
50,000 E
50,250 N
50,000 N
Long Hole # 1
breccia
Jan. 1-56
mineral alt. lime
black arg.
silica dike
Dec. 1-55
hard arg.
Zn, Pb
4' ggc
D.D.H. #12
mineral lime
#37
solid Zn, Pb
mineral lime
epidot
#35
D.D.H. #9
D.D.H. #8
blocky black argillite
#34
sheared arg.
greenish epidot with solid Pb, Zn
epidot
dissem. Pb, Zn
mineralized, alt. limest.
argillite
altered limestone
garnet, epidot
dissem. Pb, Zn
black silic. argillite
argillite
OCT. 1-55
Nov. 1-55
arg.
alt. limestone
alt. lime
broken arg.
limestone, epidot
arg.
D.D.H. #10
D.D.H. #11
arg.
1' Zn, Pb
alt. limestone
1"-50'

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

Budget Bureau No. 42-R1036.5

RECEIVED JAN 3 1956

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

Month of November, 1955 Docket No. DMEA 3664 Contract No. Idm-E819
Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc
Address Box 889, Wallace, Idaho
Contract Amount, $ 59,570.00 Government Participation: 50 % Amount, $ 29,785.00

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:				1/10/56 WPK		~~Approved~~ ~~Disapproved~~
Drilling	1,564.65	1,202.23	2,766.88	1564.65	1202.23	2766.88
Bulldozing	-	565.00	565.00		565.00	565.00
Crosscutting) Salois &						
Drifting) Zittel	4,502.10	13,255.02	17,757.12	4502.10	13255.02	17757.12
(2) Labor and Supervision:						
Labor						
Supervision	600.00	2,175.00	2,775.00	600.00	2175.00	2775.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	-	409.86	409.86		409.86	409.86
~~Explosives~~ Ties	-	198.12	198.12		198.12	198.12
Pipe & accessories	30.96	83.04	114.00	30.96	83.04	114.00
Track & accessories	86.00	57.70	143.70	86.00	57.70	143.70
Ventilation pipe	15.55	74.20	89.75	15.55	74.20	89.75
Other	1,078.14	1,238.45	2,316.59	1073.04	1238.45	2311.49
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation	447.15	1,146.26	1,593.41	447.15	1146.26	1593.41
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	-	400.00	400.00		400.00	400.00
(7) Miscellaneous:						
Repairs to Equipment	148.58	640.54	789.12	148.58	640.54	789.12
Sampling and Analysis						
Payroll Taxes						
Liability Insurance	32.14	106.56	138.70	32.14	106.56	138.70
Equip. transportation	-	985.00	985.00		985.00	985.00
(8) Contingencies (specify):						
TOTALS	8,505.27	22,536.98	31,042.25	8500.17	22536.98	31037.15

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Dec. 15, 1955 *Payee Highland-Surprise Consolidated Mining Company
Per H. A. Calloway Title Secretary-Treasurer

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

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

(Instructions on reverse)

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

$ 4250.09

Signature MDP
(Authorized Certifying Officer)

Date 12-28-55 Vou. No. 1679
(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 819 in accordance with the terms of the contract.

Signature 151 John D Barkell Title Metallurgist Date Dec 27-55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature 151 Stephen W Zoldok Title Mining Engr Date 12-27-55

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED JAN 3 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1955 Docket No. DMEA 3664 Contract No. Idm-E819
Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc
Address Box 889, 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)	Ft.	6,940.62	215	27,310.37	848	32.21	1,200	
Raising								
Shafts								
Winzes								
Drilling: Core	Ft.	1,564.65	329.4	2,766.88	582.5	4.75	2,100	4.75
Churn								
Auger								
~~Stripping~~ Bulldozing	Hr.			565.00	56.5	10.00	56½	10.00
Trenching								
Test Pits								
Roads and Trails								
D. D. Stations		Costs included in drifting & crosscutting					110	
TOTAL DISTRIBUTED COSTS		8,505.27		30,642.25				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				400.00				
TOTAL COSTS		~~8,505.27~~ 8500.17		~~31,042.25~~ 31,037.15				$59,570.00

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.

REMARKS:

Date Dec. 15, 1955 Operator Highland-Surprise Consolidated Mining Company

Per N. A. Callaway Title Secretary-Treasurer

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

(Instructions on reverse)

(For Government use only)

/s/ John D Bardill

INSTRUCTIONS

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

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

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

GPO 872894

HIGHLAND-SURPRISE CONSOLIDATED MINING COMPANY
Deer Trail Mine, Custer County, Idaho
Docket No. DMEA-3664, (Lead-Zinc)
Contract No. Idm-E 819

PROGRESS REPORT
November, 1955

Drifting and crosscutting during the month of November, 1955	215 feet
Drifting and crosscutting previously reported	633 "
Total drifting and crosscutting to November 30, 1955	848 feet
Diamond drilling during the month of November, 1955	329.4 feet
Diamond drilling previously reported	253.1 "
Total diamond drilling to November 30, 1955	582.5 feet

Drifting and crosscutting consisted of the following:

Extension of main crosscut toward the "zinc vein" (face at November 30th was 11 feet from station No. 36)	66 feet
Extension of drift on the "lead vein" (face at November 30th was 59 feet from station No. 35) 10 feet of this drift was timbered . .	131 feet
Offset drift on the "lead vein"	18 feet
Total drifting and crosscutting	215 feet

Diamond drilling consisted of the following:

Diamond drill hole No. 10	150.4 feet
Diamond drill hole No. 11	178.8 feet
Total diamond drilling	329.4 feet

The crosscut, which was directed toward the place where the zinc vein had been intersected by diamond drill hole No. 7, penetrated finely laminated, hard, black, carbonaceous argillites striking about N 25° W and dipping about 70° west. By the end of the month the face of the crosscut was in the vicinity of the place where a mineralized structure had been cut by drill hole No. 7.

The drift on the "lead vein" was directed toward the vein intersected by diamond drill hole No. 9. The footwall of this structure was reached at about 45 feet from station No. 34 and the drift then followed good zinc-lead ore for about 65 feet of strike length. The ore is higher grade on the footwall side with the high grade section ranging from 2 to 7 feet wide. Assay results from this section are as follows:

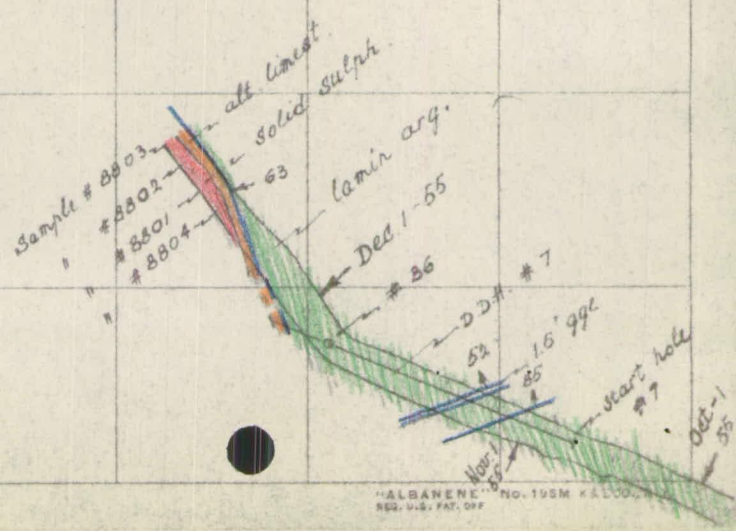
	Width	Zn%	Pb%	Ag Oz.
52 feet from station No. 34	5'	7.1	4.7	1.2
55 " " " "	5'	6.8	5.1	1.3
65 " " " "	5'	11.9	8.8	2.0
75 " " " "	6'	19.5	6.0	1.6
85 " " " "	4'	22.0	7.8	2.5
10 feet from station No. 35	4'	10.0	3.6	1.7
17 " " " "	3'	9.7	7.8	1.7
23 " " " "	2'	12.1	4.3	0.6
45 " " " "	5'	3.0	1.1	1.5
50 " " " "	5'	8.4	6.2	1.0

In the hangingwall part of this vein there is a mineralized altered limestone zone the mineral values of which are indicated by a sample taken 45 feet from station No. 35, assaying 1.1% Pb and 3.0% Zn over 5 feet of width. The entire width of the vein structure is not yet known and will be determined by diamond drilling.

The 18 feet of offset drift on the same vein was driven on a branch structure in the footwall which came to a point after that distance.

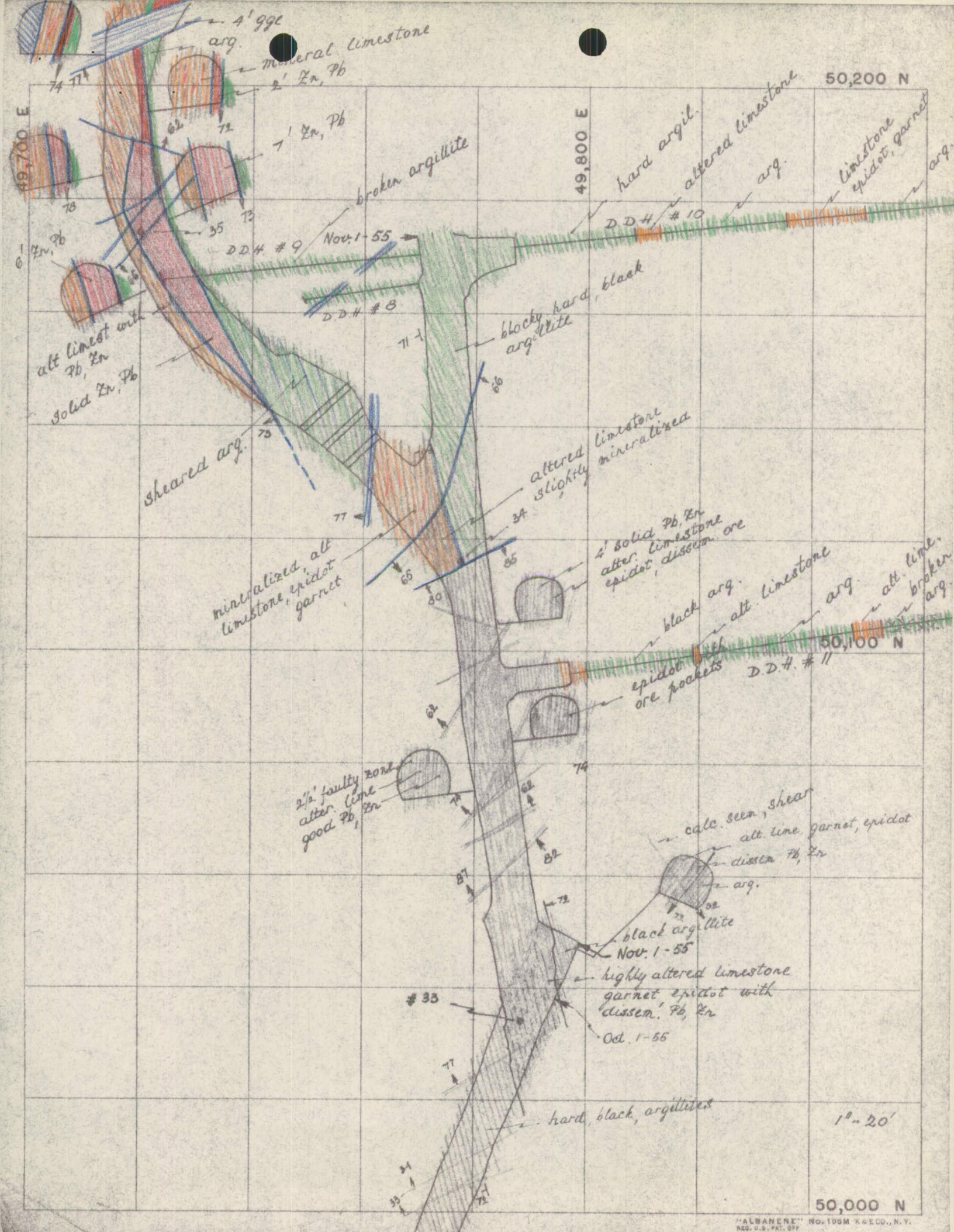
Two drill holes were completed in November, Nos. 10 and 11. They were drilled parallel to each other, about 80 feet apart, and both penetrated alternating argillites and altered limestone structures. In hole No. 11 a dike vein was cut from 100 to 128 feet and at 156 feet there was two feet of minor zinc-lead mineralization; this was the only mineralization encountered in either hole.

49,700E



50,000 N

"ALBANENE" No. 195M K&E CO.
REG. U.S. PAT. OFF.



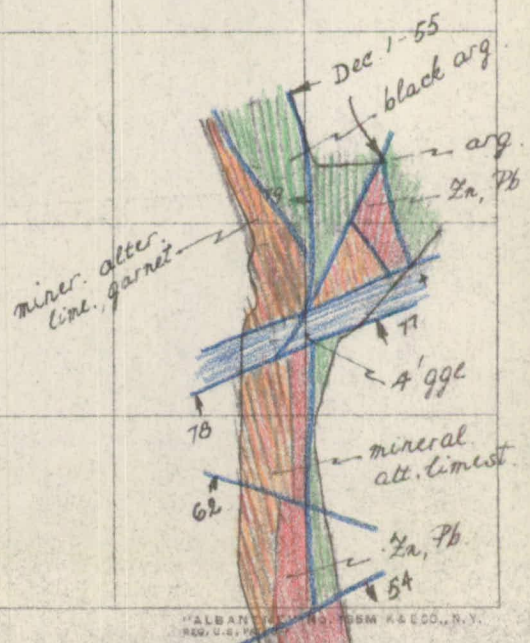
"ALBANENE" No. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

49,600 E

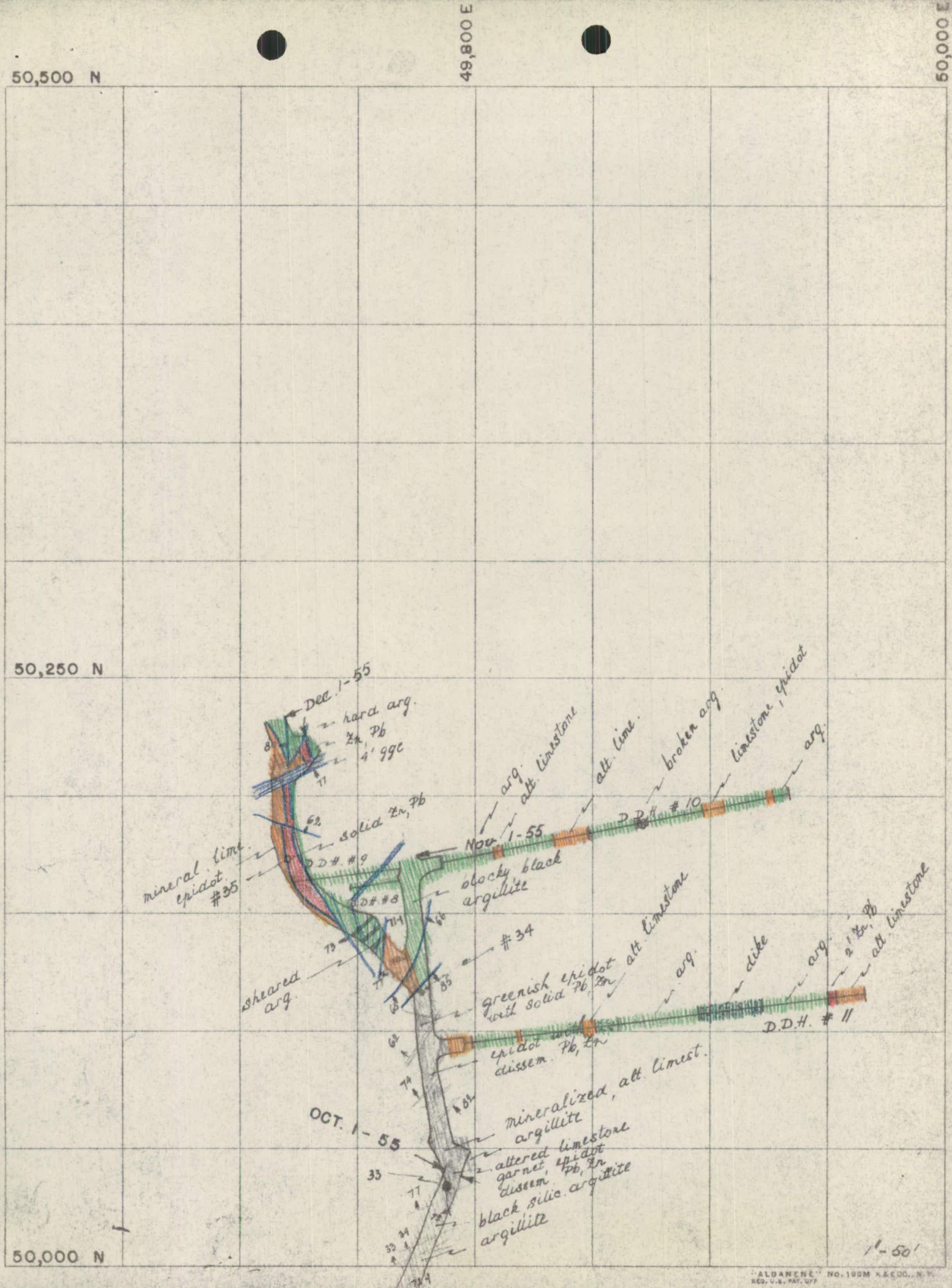
49,700 E

50,300 N

50,200 N



ALBANY FORMS SYSTEM K&E CO., N.Y.
REG. U.S. PAT. OFF.

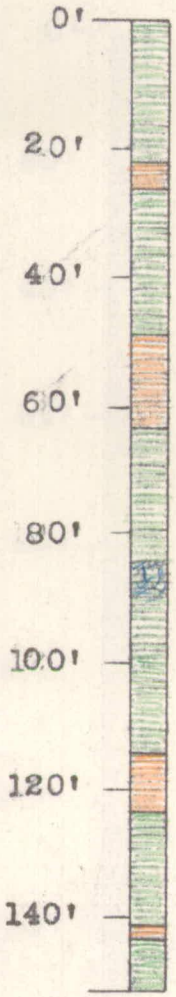

49,800 E
50,000 E
50,500 N
50,250 N
50,000 N
Dec. 1-55
hard arg.
Zn, Pb
4' ggc
solid Zn, Pb
mineral lime.
epidot
#35
D.D.H. #9
D.D.H. #8
sheared arg.
Nov. 1-55
arg.
alt. limestone
alt. lime.
broken arg.
limestone, epidot
arg.
D.D.H. #10
blocky black argillite
#34
greenish epidot with solid Pb, Zn
alt. limestone
arg.
dike
arg.
2' Zn, Pb
alt. limestone
D.D.H. #11
epidot
dissem. Pb, Zn
mineralized, alt. limest.
argillite
OCT. 1-55
altered limestone
garnet, epidot
dissem. Pb, Zn
black silic. argillite
argillite
1" = 50'

LEVEL Main adit MINE Stanley, Ida. DATE 12-12-55 BY T.K.

SCALE 1" = 30' OPERATION Diamond drill hole # 10

Collar coordinates : 50,172 N
49,787 E
Bearing : N 78° E

Dip : horizontal
Length : 150.4-ft
Ave. core recov.: 90 %



Black, hard, carbonaceous argillite

altered limestone

altered argillite

limestone with epidot and garnet

black argillite

heavily sheared argillite; core recovery from this section 20%

altered limestone - grayish

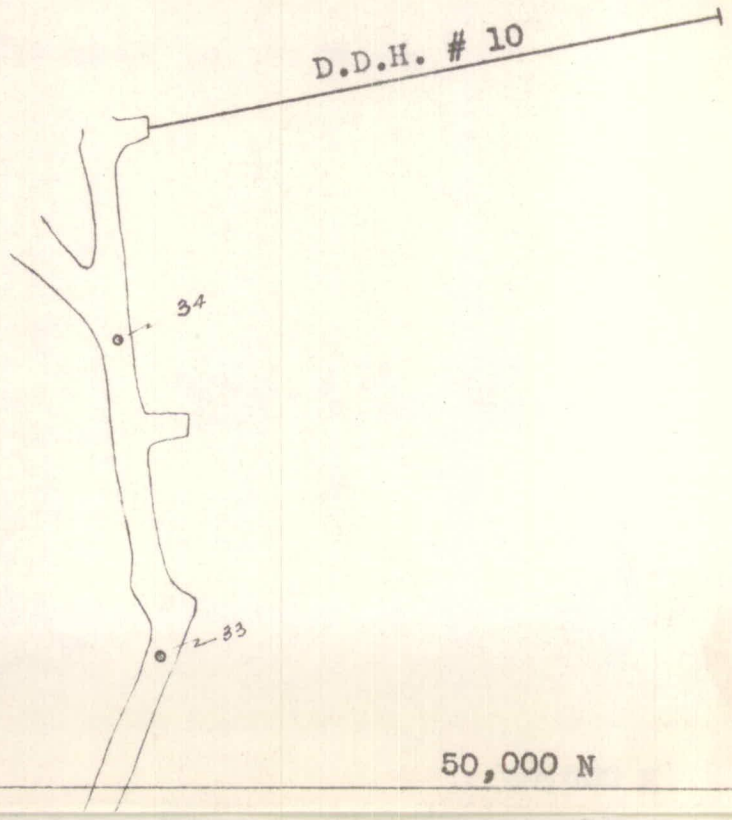
hard argillite

limestone

bla ck argillite

Location sketch.

Scale : 1" = 50'

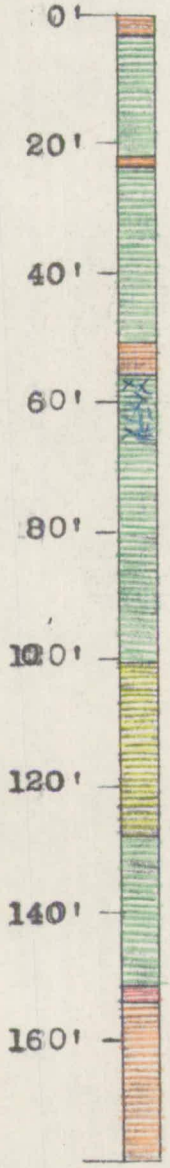


LEVEL Main adit MINE Stanley, Idaho DATE 12-12-55 BY T.K.

SCALE 1" = 30' OPERATION Diamond drill hole # 11

Collar coordinates : 50,096 N
49,796 E
Bearing : N 80° E

Dip : horizontal
Length : 178.8-ft
Ave. core recovery : 92%



white and brownish altered limestone (marble)

Black, hard, carbonaceous argillite

metamorphosed limestone

argillite

altered limestone with dissem. pyrite

heavily sheared argillite

hard, black argillite

28-ft of dike (rhyolite porp hyry ?)
greenish with white specks

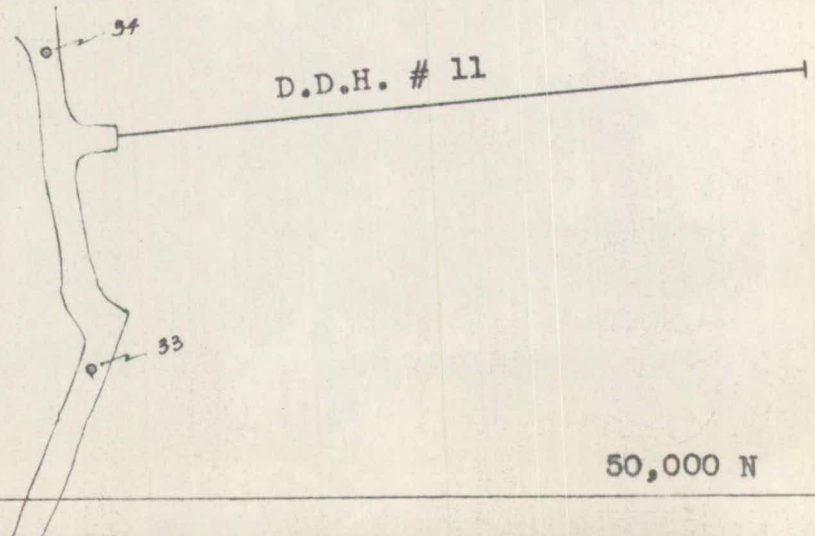
black argillite

2-ft of mineralized zone with minor Zn, Pb values

grayish altered limestone

Location sketch.

Scale : 1" = 50'



DMEA Field Team, Region I, NW District December 28, 1955

DMEA Certifying Officer, Region I

Highland-Surprise Coms. Mining Co., Contract Idm-E819
Monthly operating report for November 1955

The subject operating report has been received and processed for payment.

An amount of $5.10, which represents purchases of carbide, has been disallowed. This item should be included in the $20.94 per foot Independent Contract price for drifting and crosscutting as it is not specifically set forth in the contract and no allowance is made for miscellaneous items under Category (3), Operating Materials and Supplies.

Myrtle Purdy

cc: Operator
DMEA (2)
USGS
J. L. Chambers
Engineer
AD

Growed
~~Thompson~~
Betty

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DEC - 5 1955

XXXXXXXXXXXXXXXXX
1201 N. Division Street
Spokane 2, Washington
November 29, 1955

Highland-Surprise Cons. Mining Co.
Box 889
Wallace, Idaho

Re: Contract No. Idm-E819
Highland-Surprise Cons. Mng. Co.
Monthly operating report for
October 1955

Gentlemen:

The subject operating report has been processed and forwarded to the Disbursing Officer at Portland, Oregon for payment.

This is to inform you that payment could not be made in the full amount claimed. Deletions are explained in the attached copy of a memorandum to the DMEA Field Team from the DMEA Certifying Officer.

By Field Team, Region I, NW Dist.

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

cc: DMEA (2)
USGS (2)

Stephen W. Zoldok, for
Wing G. Agnew, Member
U. S. Bureau of Mines

DMEA Field Team, Region I, NW District November 29, 1955

DMEA Certifying Officer, Region I

Contract Idm-E819, Highland-Surprise Cons. Mining Co.
Monthly operating report for October 1955.

The subject operating report has been received and processed for payment. Disallowances have been made from the costs claimed as follows:

Cash discounts not taken into account by the operator:		
Coeur d'Alene Hardware Co., Inv. No. 67907	$0.25	
Coeur d'Alene Hardware Co., Inv. No. 66258	.43	$ .68
Materials and Supply items transferred from Highland-Surprise Mine to Deer Trail operation-DMEA project- inadequately supported		3,578.24
Total disallowance		$3,578.92

The operator may reclaim the materials and supply items disallowed providing adequate evidence of costs incurred is furnished, such as original invoices or certified true copies of such invoices.

Myrtle Purdy

cc: DMEA (2)
USGS (2)
Operator

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

Budget Bureau No. 42-R1036.5

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DEC - 5 1955
Betty

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

Month of October, 1955 Docket No. DMEA 3664 Contract No. Idm-E819
Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc
Address Box 889, Wallace, Idaho
Contract Amount, $59,570.00 Government Participation: 50 % Amount, $29,785.00

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:				12/29/55		
Drilling	1,202.23	-	1,202.23	1202.23	-0-	1202.23
Bulldozing	-	565.00	565.00		565.00	565.00
Crosscutting Salois &				4523.04	8731.98	13255.02
Drifting Zittel						
(2) Labor and Supervision:						
Labor Salois & Zittel	4,523.04	8,731.98	13,255.02	-0-	-0-	-0-
Supervision	600.00	1,575.00	2,175.00	600.00	1575.00	2175.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	-	409.86	409.86	-0-	409.86	409.86
~~Explosives~~ Ties	41.86	198.12	239.98	-0-	198.12	198.12
Pipe & accessories	1,700.91	40.27	1,741.18	42.77	40.27	83.04
Track & accessories	1,205.60	57.70	1,263.30	-0-	57.70	57.70
Ventilation pipe	492.45	-	492.45	74.20	-0-	74.20
Other	381.65	1,111.62	1,493.27	126.83	1111.62	1238.45
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation	413.31	732.95	1,146.26	413.31	732.95	1146.26
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	-	400.00	400.00		400.00	400.00
(7) Miscellaneous:						
Repairs to Equipment	286.08	354.71	640.79	285.83	354.71	640.54
Sampling and Analysis						
Payroll Taxes						
Liability Insurance	33.21	73.35	106.56	33.21	73.35	106.56
Equip. transportation	-	985.00	1,985.00		985.00	985.00
(8) Contingencies (specify):						
TOTALS	10,880.34	15,235.56	26,115.90	7301.42	15235.56	22536.98

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 11-16-55 *Payee Highland-Surprise Consolidated Mining Company
Per W. G. Calloway Title Secretary-Treasurer

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

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

(Instructions on reverse)

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

$ 3650 71

Signature M. J. P.
(Authorized Certifying Officer)

Date 11-29-55 Vou. No. 1660
(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 819 in accordance with the terms of the contract.

Signature /S/ John D. Bardill Title Metallurgist Date 11-22-55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W. Goldich Title Mining Engr Date 11-23-55

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

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OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1955 Docket No. DMEA 3664 Contract No. Idm-E819
Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc
Address Box 889, 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 ~~&~~)		6099.19		20369.75			1200	
Crosscutting)	Feet	~~9,678.11~~	216	~~23,948.69~~	633	37.83	~~1,310~~	
Raising								
Shafts								
Winzes								
Drilling: Core	Feet	1,202.23	253.1	1,202.23	253.1	4.75	2,100	4.75
Churn								
Auger								
~~Stripping~~ Bulldozing	Hrs.	-	-	565.00	56½	10.00	56½	10.00
Trenching								
Test Pits								
Roads and Trails								
D D Stations							110	
TOTAL DISTRIBUTED COSTS		7301.42 ~~10,880.31~~		25,715.90				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				400.00				
TOTAL COSTS		7301.42		~~26,115.90~~ 22536.98				59,570.00

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 11-16-55 Operator Highland-Surprise Consolidated Mining Company

Per N. A. Calloway Title Secretary-Treasurer

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)

/s/ John D Bardill

INSTRUCTIONS

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

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

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

GPO 872894

HIGHLAND-SURPRISE CONSOLIDATED MINING COMPANY
Deer Trail Mine, Custer County, Idaho
Docket No. DMEA-3664, (Lead-Zinc)
Contract No. Idm-E 819

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PROGRESS REPORT
October, 1955

Drifting and crosscutting during the month of October, 1955	216 feet
Drifting and crosscutting previously reported	417 feet
Total drifting and crosscutting to October 31, 1955	633 feet
Diamond drilling during October (none previous)	253.1 feet

Drifting and crosscutting consisted of the following:

Extension of main adit crosscut (face at October 31st was 17 feet from station No. 33 or 115 feet from station No. 31)	11 feet
Drifting on zinc vein (face at October 31st was 59 feet from station No. 32).	49 feet
Drifting on lead vein (face at October 31st was 140 feet from station No. 33).	133 feet
Crosscut for diamond drill station, holes Nos. 8, 9 and 10	13 feet
Crosscut for diamond drill station, holes Nos. 11 and 12	10 feet
Total drifting and crosscutting	216 feet

Diamond drilling consisted of the following:

Hole No. 6	101 feet
Hole No. 7	85 feet
Hole No. 8	20.9 feet
Hole No. 9	46.2 feet
Total diamond drilling	253.1 feet

The crosscut penetrated an altered limestone zone with ample garnet and epidote and finely disseminated lead and zinc. After reaching the footwall of this zone, which is represented by silicified argillites, the mineralized limestone zone was followed by the "lead vein drift". This zone is 10 feet wide at the place where it was intersected by the crosscut and it assays 1.5% zinc, 0.6% lead and 0.2 ounces of silver. The vein has a N 07° W strike and it dips approximately 70° west.

The lead vein drift followed the above strike and the quality of the ore gradually improved to a comparatively high grade lead and zinc ore with fluctuating width, which at all times was wider than the drift. Ore was picked up in 7 to 8 feet long test holes in both the footwall and the hangingwall until the vein was sharply cut off by an intertongued argillite zone at about 70 feet from the crosscut. A fragment, or a displaced part of the vein, reappeared for a short distance at about 90 feet from the crosscut in the west wall of the drift. Drifting here was stopped until diamond drill holes could locate the displaced vein. Diamond drill hole No. 8 aiming at this goal had to be abandoned after drilling 20.9 feet because it started to cave badly at about 17 feet. A paralell hole has been driven

about 5 feet north of hole No. 8; this is hole No. 9 which reached an ore zone at 39 feet and penetrated 6 feet of mineralized limestone as shown on the core log. Drifting will be started approximately 85 feet from survey station No. 33 on the limestone-ore fragment in the west wall of the drift to determine if this fragment is part of the vein intersected in hole No. 9.

Drifting on the zinc vein had been halted until diamond drill hole No. 7, driven at N 72° W had explored the zone vertically below the zinc outcrop. This hole cut an ore zone at 80 to 85 feet and drifting has been resumed, following the drill hole. At the end of the month the drift face was about 60 feet from the ore zone.

Diamond drill hole No. 6 intersected a zone of mineralized limestone approximately 55 feet wide as shown on the enclosed maps.

LEVEL Main adit MINE Stanle y, Idaho DATE 11-3-55 BY T.K.

SCALE 1" = 20-ft OPERATION Diamond drill hole # 8

Collar coordinates :

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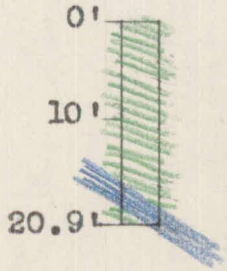
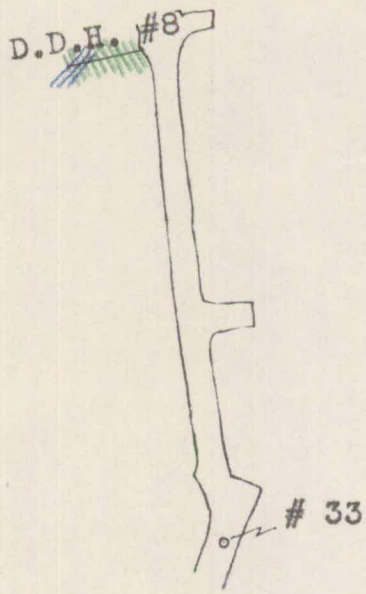
Bearing : S 70° W
Length : 20.9-ft
Dip : Flat
Ave. core recovery : 55%



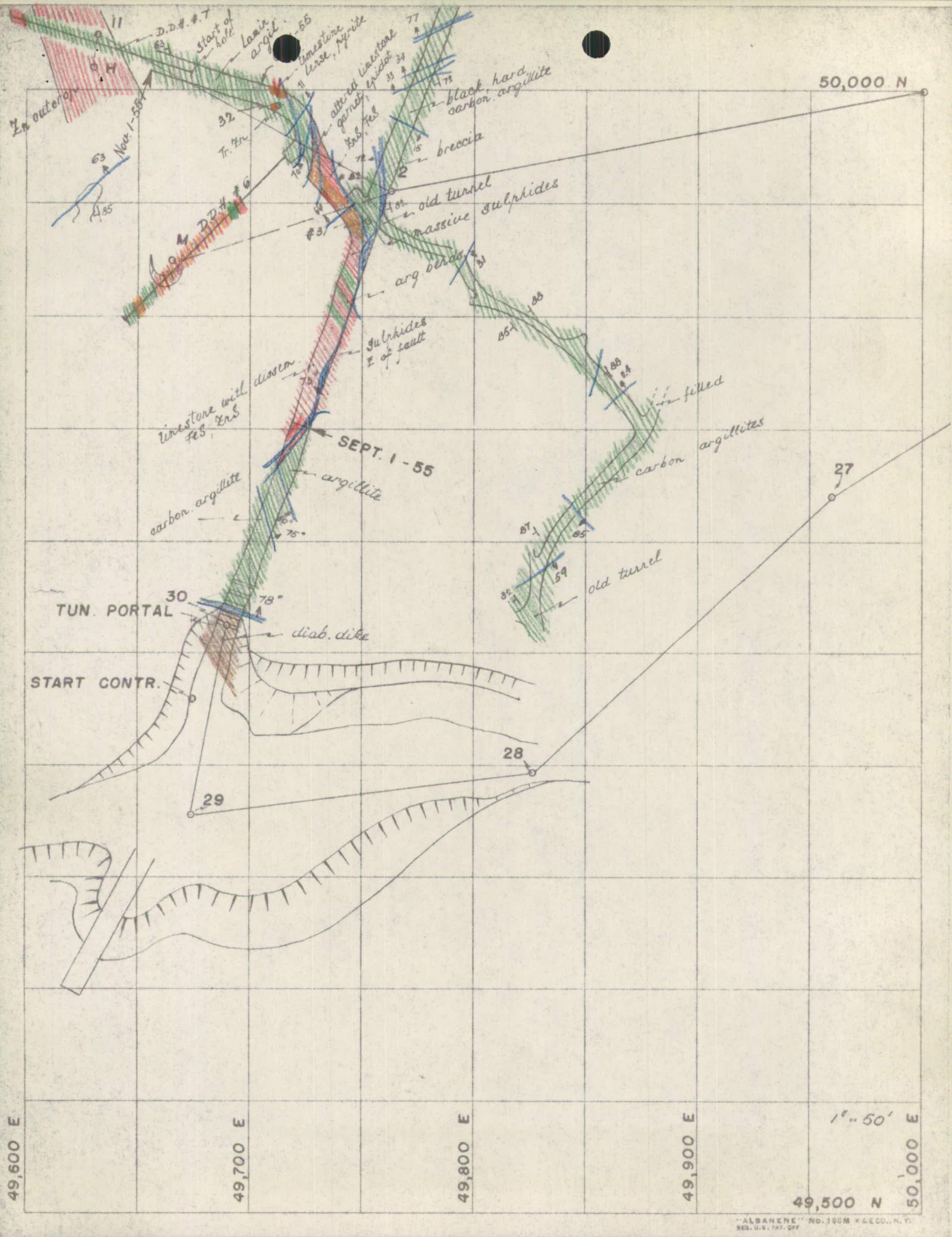
crushed black argillites;
heawily faulted zone from 17-ft;
hole caving, blocking rods;
hole abandoned because of excessively slow progress and danger of losing rods.
hole # 9 started paralel to hole # 8 approx. 5-ft to the north to explore same area.

-L-o-c-a-t-i-o-n- s-k-e-t-c-h.

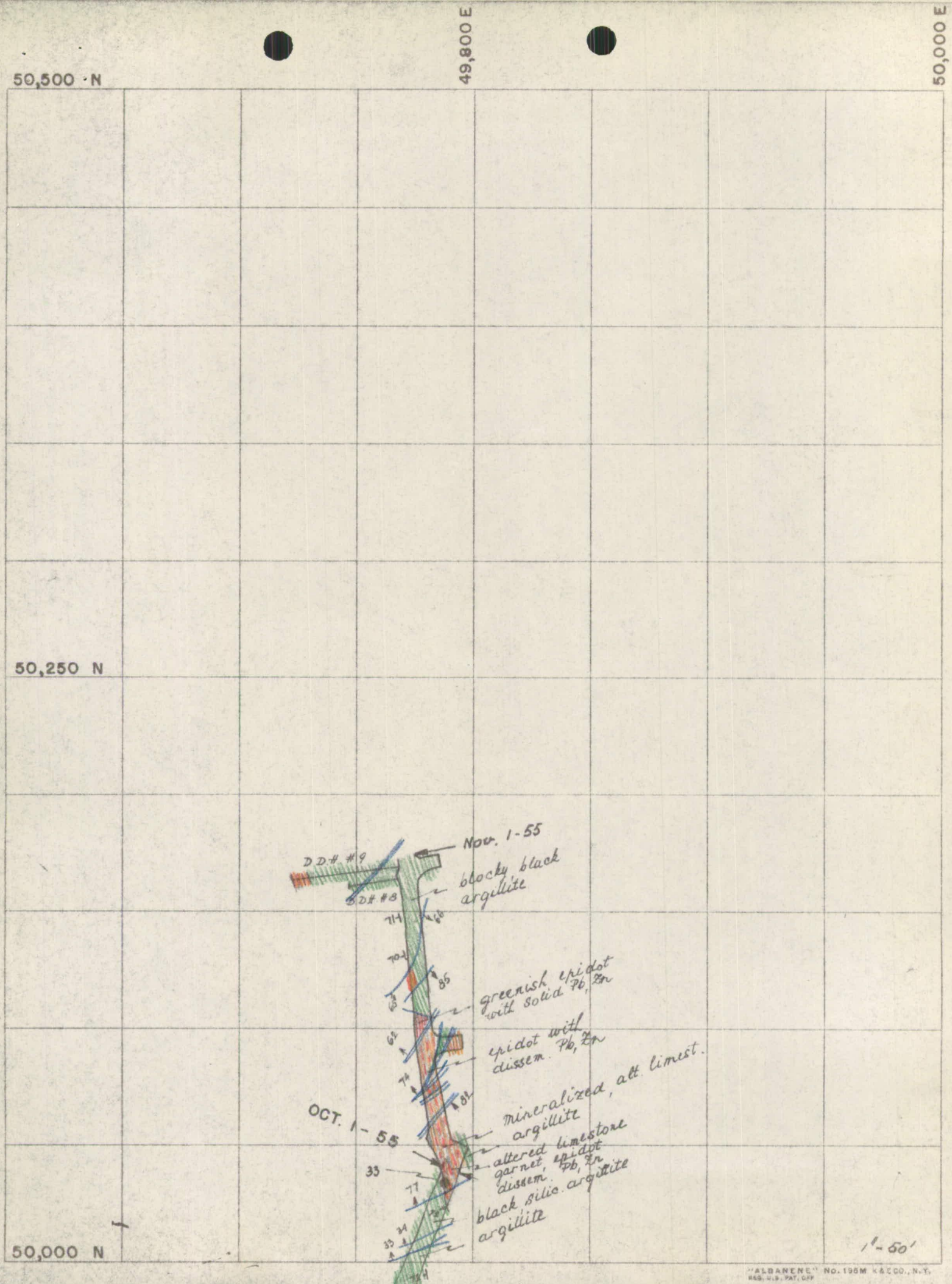
1" = 50'

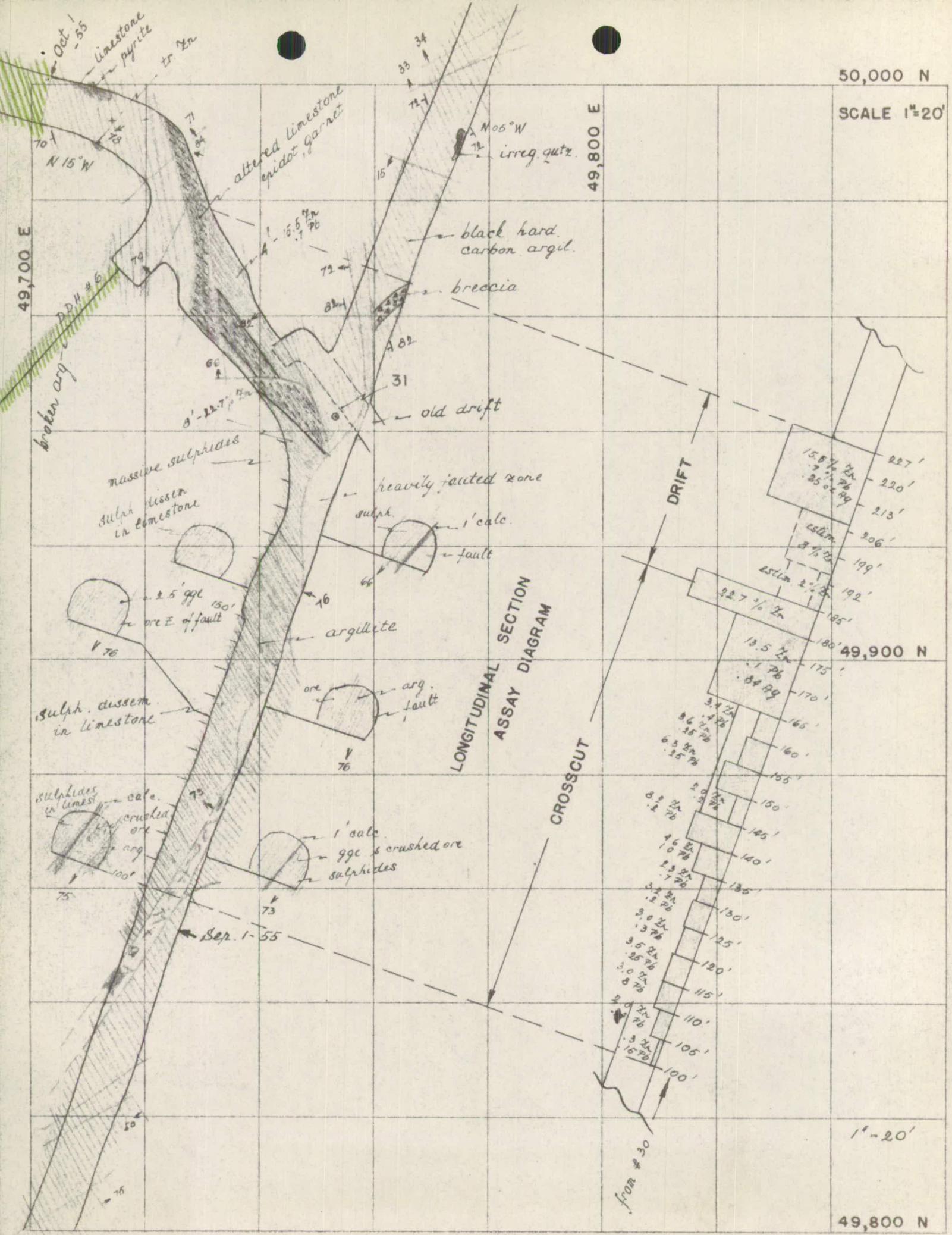


50,000 N

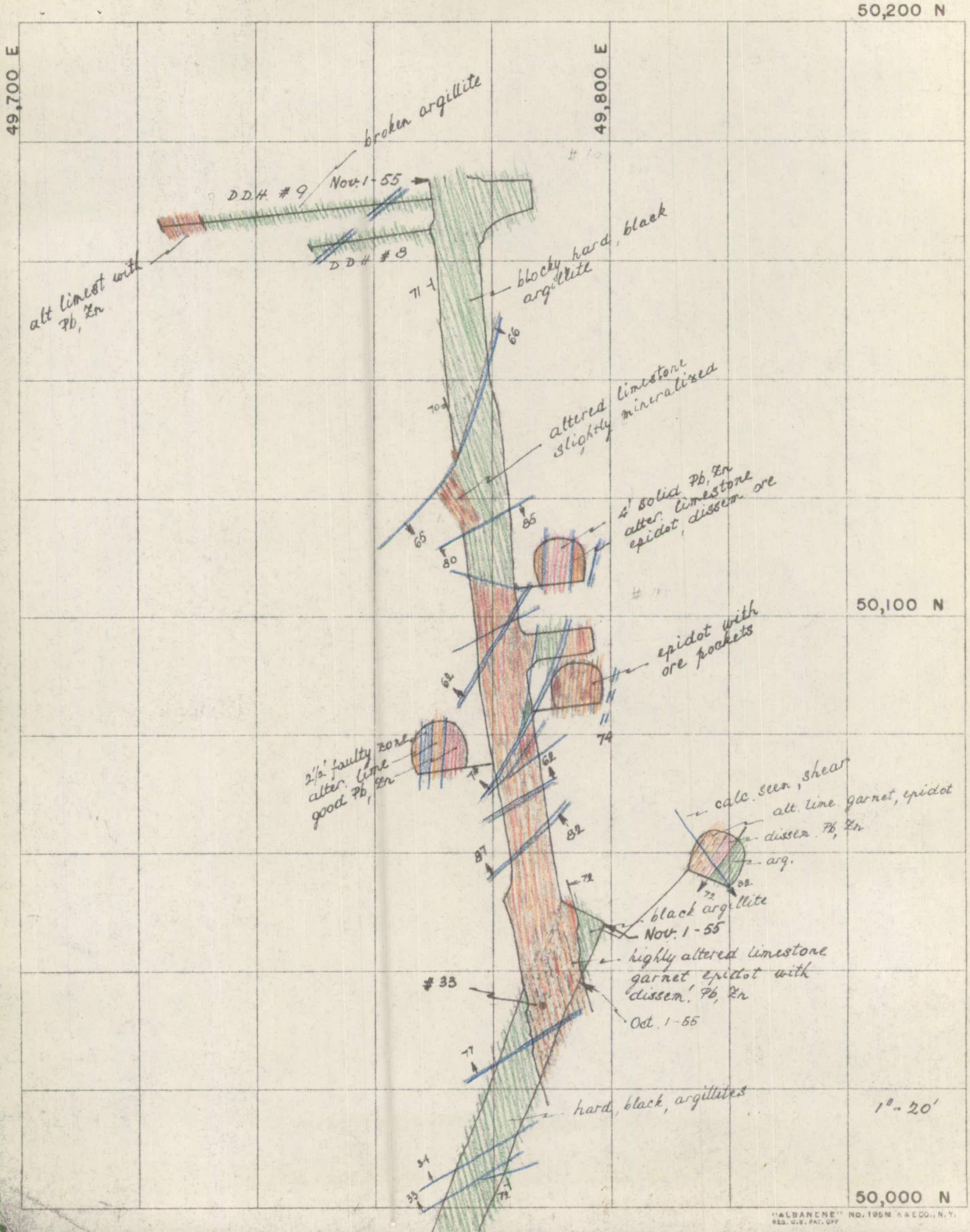


"ALBANENE" No. 180M K&E CO., N.Y.
REG. U.S. PAT. OFF.


50,500 N
49,800 E
50,000 E
50,250 N
50,000 N
Nov. 1-55
DD# #9
DD# #8
blocky black argillite
71
60
70
85
65
greenish epidot with solid Pb, Zn
62
epidot with dissem. Pb, Zn
74
82
mineralized, alt. limest.
argillite
OCT. 1-55
altered limestone
garnet, epidot
dissem. Pb, Zn
33
77
black silic. argillite
argillite
24
33
1"-50'



"ALBANENE" No. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.



"ALBANENE" No. 195N K&E CO., N.Y. REG. U.S. PAT. OFF

LEVEL Main adit MINE Stanley, Idaho DATE 11-3-55 BY T.K.

SCALE 1" = 20-ft OPERATION Diamond drill hole # 9

Collar coordinates : 50,170 N
49,770 E

Bearing : S 73° W
Length : 46.2-ft
Dip : falt
Ave. core recovery : 65%

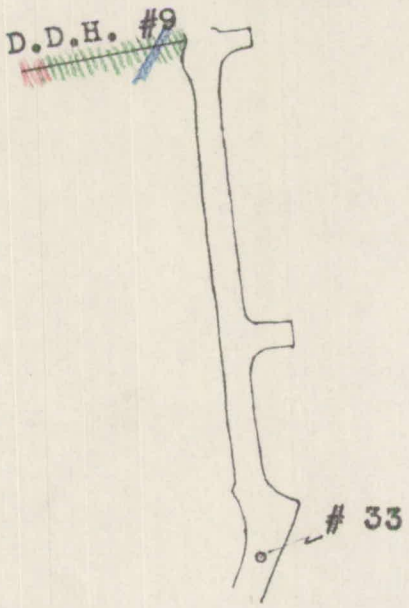
At 8' hawily broken zone blocking rods. hole caving and making an estim.25 gal/min of water

Hard, silicified, carbonaceous black argillites

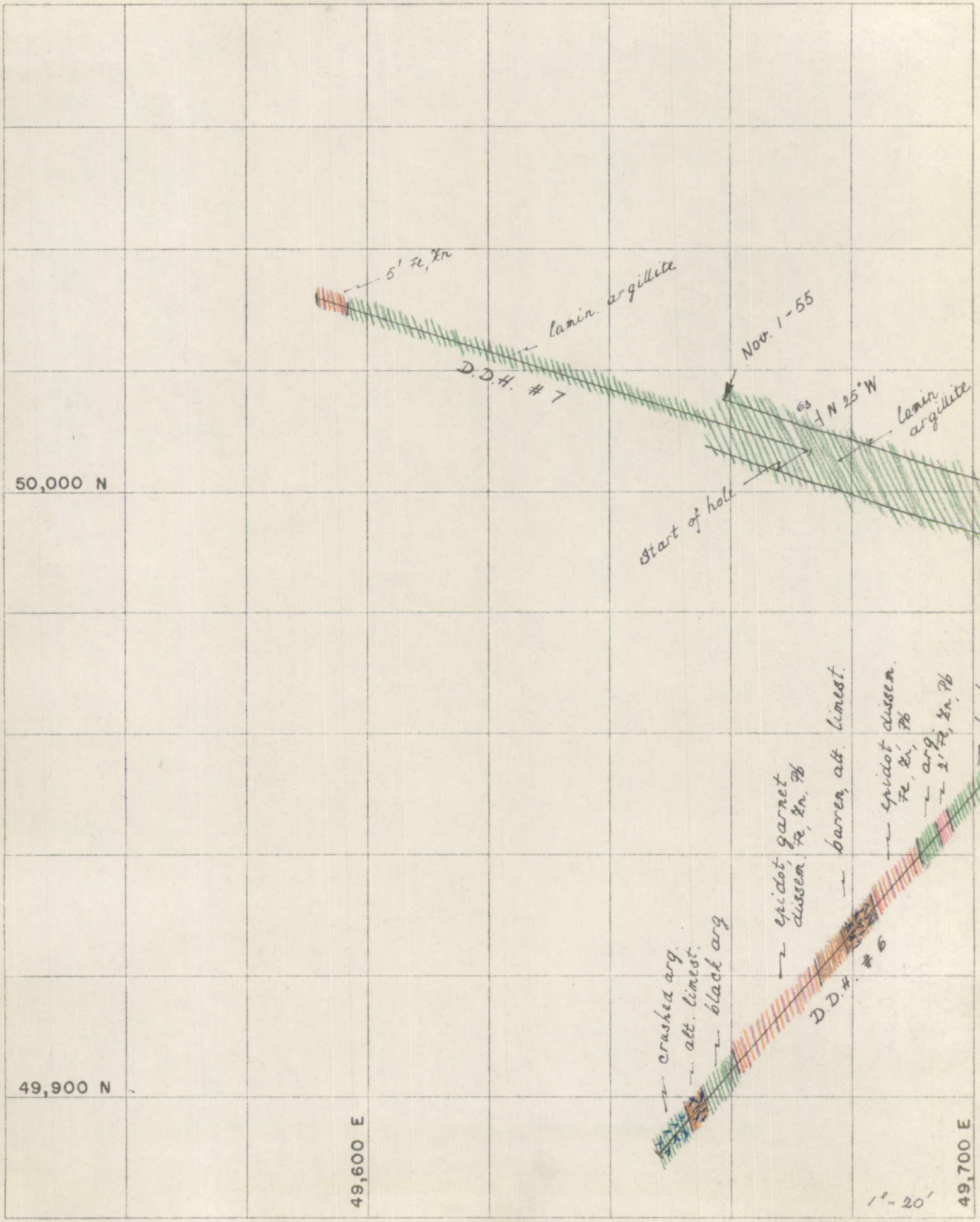
From 39-ft to end of hole altered limestone with disseminated Pb, Zn, Fe
Further drilling stopped because drifting is being directed toward the ore zone disclosed by diamond drilling

L o c a t i o n s k e t c h.

1" = 50'



50,000 N



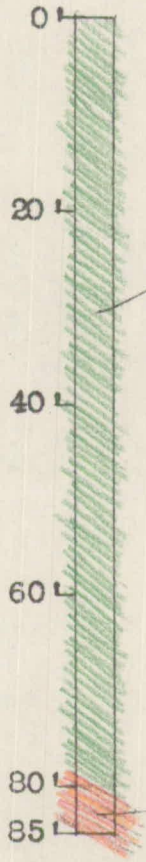
"ALBANENE" No. 195M K & E CO., N.Y.
REG. U.S. PAT. OFF.

LEVEL Main adit MINE Stanley, Idaho DATE 11-3-55 BY T.K.

SCALE 1" = 20-ft OPERATION Diamond drill hole # 7

Collar coordinates :

Bearing : N 73° W
Dip : flat
Length : 85-ft
Ave. core recovery : 60%



finely laminated, broken, carbonaceous argillites

core in chips and chunks

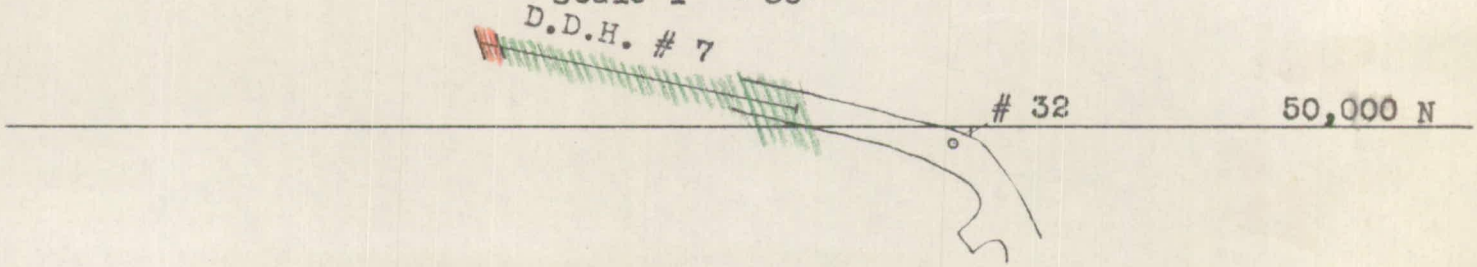
Bedding 30-deg to core axis

Core recovery in argillites : 55%

from 80-ft silicified vein material with disseminated Fe, Zn and Pb. Further drilling stopped because drifting is being directed toward ore zone cut by diamond drilling.

L o c a t i o n s k e t c h.

Scale 1" = 50'



RECEIVED
DEC - 5 1955

DMEA Field Team, Region I, NW District

November 29, 1955

DMEA Certifying Officer, Region I

Contract Idm-E819, Highland-Surprise Cons. Mining Co.
Monthly operating report for October 1955.

The subject operating report has been received and processed for payment. Disallowances have been made from the costs claimed as follows:

Cash discounts not taken into account by the operator:		
Coeur d'Alene Hardware Co., Inv. No. 67907	$0.25	
Coeur d'Alene Hardware Co., Inv. No. 66258	.43	$ .68
Materials and Supply items transferred from Highland-Surprise Mine to Deer Trail operation-DMEA project- inadequately supported		3,578.24
Total disallowance		$3,578.92

The operator may reclaim the materials and supply items disallowed providing adequate evidence of costs incurred is furnished, such as original invoices or certified true copies of such invoices.

Myrtle Purdy

cc: DMEA (2)
USGS (2)
Operator
Wash. (2)
Bardill
AD

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

October 28, 1955

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: James J. Quinlan, Geologist, U. S. Geological Survey

Subject: Routine Inspection Report, Docket No. DMEA-3664 (lead-zinc), Highland-Surprise Consolidated Mining Company, Deer Trail Property, Custer County, Idaho, Contract No. Idm-E819.

Introduction

The Deer Trail property was examined by the writer during the period of September 27 through October 1, 1955, and again on October 4 and 5, 1955. The geology in the vicinity of the DMEA project area was mapped in detail and is illustrated on the two maps accompanying this memorandum (plate 1, a geologic map of the surface, and plate 2, a geologic map of the underground workings).

Geology

The general geology of the area in the vicinity of the Deer Trail property is described by C. P. Ross in U. S. Geological Survey Bulletin 877, Geology and Ore Deposits of the Bayhorse Region, Custer County, Idaho. This bulletin also contains a brief but out-dated description of the Deer Trail property on pages 155 and 156 under the headings of the Lucky Strike and Deer Trail mines. The old Lucky Strike and Deer Trail properties actually form the heart of the property now known as the Deer Trail.

The geologic map of the Bayhorse region accompanying Bulletin 877 shows the mine area to be underlain by sedimentary rocks of the Milligen formation (Mississippian age). A large quartz monzonite pluton, believed to be related to the Idaho Batholith, crops out east and south of the mine area. Volcanic rocks of the Challis volcanics (late Oligocene or early Miocene) crop out across the gully 300 to 500 feet northwest of the mine area. The area between the mine area and the gully is mostly covered by glacial moraine, the southern boundary of which is shown on plate 1. Ross indicates that the contact between the volcanics and the Milligen formation is a fault. The fault as shown on Ross' map trends N. 30° E., dips NW. and the indicated movement is normal.

The greater part of the bed rock in the mine area is black carbonaceous argillite. In places the argillite is somewhat calcareous and interbedded with it are several carbonaceous limestone members. Although the percentage of limestone to argillite in the area is small, individual limestone members as thick as 50 feet are present (pl. 1). Not enough is known, however, of the characteristics of the limestone in this area to predict with any degree of certainty whether the limestones are continuous for any distance or whether they are small local lenses, similar to those known elsewhere in the Milligen formation. Where exposed, the bedding in the mine area strikes northwest and generally dips steeply toward the southwest. In places, however, the beds dip steeply northeast and these northeasterly-dipping beds are believed to be overturns.

Cleavage is well developed in the argillaceous rocks. It strikes northwest and dips steeply toward the southwest, and for the most part cuts the bedding at a small angle. In areas where the cleavage is unusually well developed it is often difficult to distinguish bedding from it.

The sedimentary rocks in the mine area have been thermally metamorphosed, and some of the limestone converted to tactite. Although granitic dikes intrude the sedimentary rocks in the mine area these in themselves will probably not account for the amount of metamorphism. It appears that most of the metamorphism has been caused by the large quartz monzonite pluton which crops out east and south of the mine area. Considering the amount of metamorphism in the mine area it may well be that this pluton underlies the mine area at only shallow depth.

The ore bodies on the property are closely associated with the limy sedimentary rocks. In fact, the so-called lead and zinc veins appear to be replacement bodies in two favorable limestone horizons (pl. 1).

The horizon containing the "zinc vein" can be traced in pits, trenches and in dumps of inaccessible workings along it for about 200 feet (pl. 1). At no point, however, is the zone well exposed. The workings along it indicate that the zone is perhaps 50 feet wide. In many places the zone appears to be nothing more than an essentially barren tactite zone; in other places it contains a considerable amount of pyrite and locally fair amounts sphalerite and minor amounts of galena. In other places it is represented by gossan.

The "zinc zone" is exposed in the DMEA adit crosscut 95 feet to 185 feet from the portal (pl. 2). Where exposed the zone consists of a complex of tactitic and hornfelsic material which in places contains disseminated grains and lenses of sulfides. In places the dominant sulfide mineral is pyrite while in other places it is a mixture of pyrite

and sphalerite. At the time of the examination the company did not have all returns on samples taken in this area, however, incomplete sample returns would indicate an average grade of about 0.8 ounce silver, 0.1 percent lead and 9.0 percent zinc. The trend of the "zinc zone" appears to be N. 30°-50° W. and it dips 70°-75° SW. In following the footwall of the zone to the northwest, the footwall area of the zone appeared to die out 40 to 50 feet northwest of the crosscut. A diamond drill from the footwall drift tests this zone 50 to 100 feet northwest of the crosscut (pl. 1). This hole was drilled after I examined the property but the Operator reports that the hole intersected 2 feet of sulfide about 30 feet from the collar and tactitic material from about 35 to 80 feet. The tactitic material, however, contained only a small amount of sulfide material. In this respect it is of interest to note that the "zinc zone" where exposed in the DMEA crosscut it is cut by a N. 20°-40° E.-striking 70° NW.-dipping fault. It may be that the sulfide is localized along this cross structure at its intersection with the limy horizon.

It is of interest to note that the "old timers" followed structures that for the most part cross the bedding. In the A and B adits (pl. 2) work was directed along a N. 50° E.-striking steep northwest-dipping structure. Most of the sphalerite and galena noted along this structure was in areas of limy rocks. In the B adit small amounts of disseminated sphalerite and galena were also noted on a weak structure which strikes N. 20° W. and dips 71°-76° SW.

The horizon containing the "lead vein" is exposed in two trenches about 100 feet apart (pl. 1). This horizon appears to be 10 to 20 feet wide and because of its relatively narrow width the zone appears to be much more tabular than the zinc zone. In the upper pit the ore zone, 15.5 feet wide, consists of alternating bands of gossan and gray granular limestone with disseminated pyrite, sphalerite and galena. Much of the lower trench is now filled with muck. Last year, however, 60 tons of ore were shipped from this trench; this ore averaged 9.8 percent lead and 9.1 percent zinc.

The "lead zone" was cut in the DMEA adit crosscut 280 feet from the portal. This zone is about 10 feet wide, strikes N. 30° W. and dips 70°-75° SW. It again is a tactite zone with some disseminated grains and small pods of sulfide mineral. The walls of this zone are much more definite than the walls of the "zinc zone" and it appears it will be much easier to follow this zone than the "zinc zone". Sample data on this zone is not available.

There is still a great deal to learn about the Deer Trail deposit. Present information indicates the ore bodies are replacements of limestone. Pattern or control of the bodies in the favorable lime horizons is not known. There is, however, some evidence to suggest that

ore may be controlled by crosscutting sets of mineral-bearing fractures.

Although exploration to test the deposit is well warrented it is the writer's opinion that previous reports overrate the economic potential of the deposit.

Future Project Work

Lead Zone: The Operator plans to drift northwest along the lead zone from the DMEA adit crosscut. Extension of this drift 120 feet to the northwest will bring it underneath the area from which the high-grade lead ore was shipped last year.

Zinc Zone: The Operator plans to diamond drill from the face of the footwall drift on the zinc zone to test this zone northwest of the first drill hole. Depending on what is found in this hole a decision will be made whether to continue the drift north along the zinc zone or to test it by diamond drilling and crosscutting from the north drift on the lead zone before additional drifting along it is considered.

Attachments 2

Distribution:
- DMEA (orig. & 3)
- USBM (2)
- USBM (AD)
- Docket
- Quinlan

XXXXXXXXXXXXXXXXXX
1201 N. Division Street
Spokane 2, Washington
October 26, 1955

Gwendolyn
Betty

Mr. W. A. Callaway, Secretary
Highland-Surprise Consolidated Mining Co.
203 Gyde-Taylor Building
Wallace, Idaho

Re: Docket No. DMEA 3664
Contract No. Idm-E819
Monthly operating report
for July-August 1955

Dear Mr. Callaway:

The subject operating report has been received and processed for payment.

This is to inform you that payment could not be made in the full amount claimed. The amount deleted is explained in the attached copy of a memorandum to the Field Team from the DMEA Certifying Officer, Region I.

Please let us have the insurance rates requested in the attached memorandum.

By Field Team, Region I, NW District

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

cc: DMEA (2)
USGS (2)

Thomas E. Howard
For Wing G. Agnew, Member
U. S. Bureau of Mines

DMEA Field Team, Region I, NW District October 26, 1955

DMEA Certifying Officer, Region I

Contract No. Idm-E819, Highland-Surprise Cons. Mining Co.
Monthly operating report for July and August 1955

The amount claimed for transportation of equipment exceeds the estimated amount called for by the contract by $216.93. This excess has been deducted from the costs claimed by the operator pending a discussion with the operator by the project engineer as to the necessity for the increased cost. Depending upon the results of this discussion and the approval of the Field Team, the operator may reclaim the amount deleted on a subsequent MF-104, providing the total estimated cost of the category is not exceeded.

Please ask the operator to give us the rate used in computing the Workmen's Compensation insurance.

Myrtle Furdy

cc: Operator
DMEA (2)
USGS (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
October 18, 1955

RECEIVED
OCT 24 1955

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: John D. Bardill, Bureau of Mines

Subject: Routine inspection report, Docket No. DMEA-3664 (lead-zinc), Highland-Surprise Consolidated Mining Co., Custer County, Idaho, Contract No. Idm-E819

This project was inspected September 30, accompanied by Tibor Klobusicky, manager, and John West, Bureau of Mines engineer.

Since the last visit to the project the crosscut had been driven about 292 feet from the starting point to the face. At approximately 190 feet from the portal a drift was started to the northwest on the footwall contact between the ore zone and the argillites. The ore zone was cut off successively by a barren limestone and argillites. The drift has been turned westerly to crosscut the ore zone.

Approximately 90 feet from the portal a northwest-southeast fault zone was cut, consisting of limestone disseminated with sulphides and stringers of argillite. The zone persisted for about 100 feet more before being cut off by argillites. One 20-foot zone of ore on the footwall, cut by the crosscut at about 45°, assayed 15.5 percent zinc, 0.7 percent lead, and 0.25 oz. silver. Another zone cut at the same angle over a distance of 5 feet assayed 22.7 feet zinc. A third zone over a distance of 15 feet assayed 13.5 percent zinc. Intervening zones over the 100 feet ranged from several tenths to 8 percent zinc.

The face of the crosscut had just intercepted what may be the so-called "lead vein" which is in a limestone containing disseminated lead-zinc sulphides.

A shop-compressor building measuring 15'x40', covered with galvanized corrugated metal sheets and tarpaper, had been erected.

Status of the work was as follows:

	Authorized	Completed
Crosscutting)		331 ft.
Drifting)	1200 ft.	77 ft.
Compressor-shop		Yes

Orig. & 3 cys - Wash.
USGS (2)
DMEA--M/D--AD
JDB/he

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

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

RECEIVED
OCT 31 1955

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

Month of September, 1955 Docket No. DMEA 3664 Contract No. Idm-E 819
Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc
Address Box 689, Wallace, Idaho
Contract Amount, $ 59,570.00 Government Participation: 50 % Amount, $ 29,785.00

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:				11/7/55 W.P.K.		~~Approved~~ ~~Disapproved~~ Betty
Drilling						
Bulldozing	565.00		565.00	565.00	—o—	565.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor Salois & Zittel	5,946.96	2,785.02	8,731.98	5946.96	2785.02	8731.98
Supervision	600.00	975.00	1,575.00	600.00	975.00	1575.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber and ties	[illegible]	607.98	607.98		409.86	409.86
Explosives						
Pipe line accessories	1.70	1.70	1.70	38.57	1.70	40.27
Track accessories				57.70	—o—	57.70
Piles					198.12	198.12
Other	502.86	705.03	1,207.89	406.59	705.03	1111.62
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation	413.31	319.64	732.95	413.31	319.64	732.95
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	400.00		400.00	400.00	—o—	400.00
(7) Miscellaneous:						
Repairs to Equipment	235.47	119.24	354.71	235.47	119.24	354.71
Sampling and Analysis						
Payroll Taxes						
Liability Insurance	32.14	41.21	73.35	32.14	41.21	73.35
Equip. transportation		1,201.93	1,201.93		985.00	985.00
(8) Contingencies (specify):						
TOTALS	8,695.74	6,756.75	15,452.49	8695.74	6539.82	15235.56

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 10-17-55 *Payee Highland-Surprise Consolidated Mining Company
Per H. A. Callaway Title Secretary-Treasurer

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

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

(Instructions on reverse)

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

$ 4347 87

Signature M 2P
(Authorized Certifying Officer)

Date 10/24/55 Vou. No. 1630

(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 819 in accordance with the terms of the contract.

Signature 1S1 John D Bardill Title Metallurgist Date 10-19-55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature 1S1 Stephen W Zaldok Title Mining Engr Date 10-20-55

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

RECEIVED
OCT 31 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1955 Docket No. DMEA 3664 Contract No. Idm-E 819
Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc
Address Box 889, 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 }	Feet	7,730.74	284	14 270.56 ~~14,407.49~~	417	34.22 ~~34.74~~	1200	20.94 ft
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Dozing	Hrs.	565.00	56½	565.00	56½	10.00	56½ hr	10.00 hr
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		8,295.74		~~15,052.49~~ 14 835.56				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		400.00		400.00				
TOTAL COSTS		8,695.74		~~15,452.49~~ 15 235.56				59570.00

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.

REMARKS:

Date 10-17-55 Operator Highland-Surprise Consolidated Mining Company

Per N. A. Calloway Title Secretary-Treasurer

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

(Instructions on reverse)

(For Government use only)

/s/ John D Bardill

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

HIGHLAND-SURPRISE CONSOLIDATED MINING COMPANY
Deer Trail Mine, Custer County, Idaho
Docket No. DMEA-3664 (Lead-Zinc)
Contract No. Idm-E 819

RECEIVED
OCT 31 1955

PROGRESS REPORT
September, 1955

Progress during the month of September was as follows:

Crosscutting	195 feet
Drifting on the footwall of the zinc vein	76 feet
Station for Diamond Drill Hole No. 6	13 feet
Total crosscutting and drifting during the month . . .	284 feet

The crosscutting during the month consisted of extending the diagonal crosscut serving as a main adit tunnel; the face of the crosscut on October 1st was 104 feet north of Survey Station No. 31. The crosscut holed into an old tunnel as indicated on the enclosed sketch and three feet width of this tunnel has been deducted from the length of crosscut reported.

After penetrating a SW-NE trending fault zone at approximately 90 feet north of Survey Station No. 30, the crosscut entered a well mineralized zone which proved to be about 90 feet wide along the bearing of the crosscut. We left this ore zone at approximately 190 feet north of Station No. 30 where we encountered a zone of hard, carbonaceous argillites, occasionally cut by minor faulting and calcite veinlets and irregular calcite pockets.

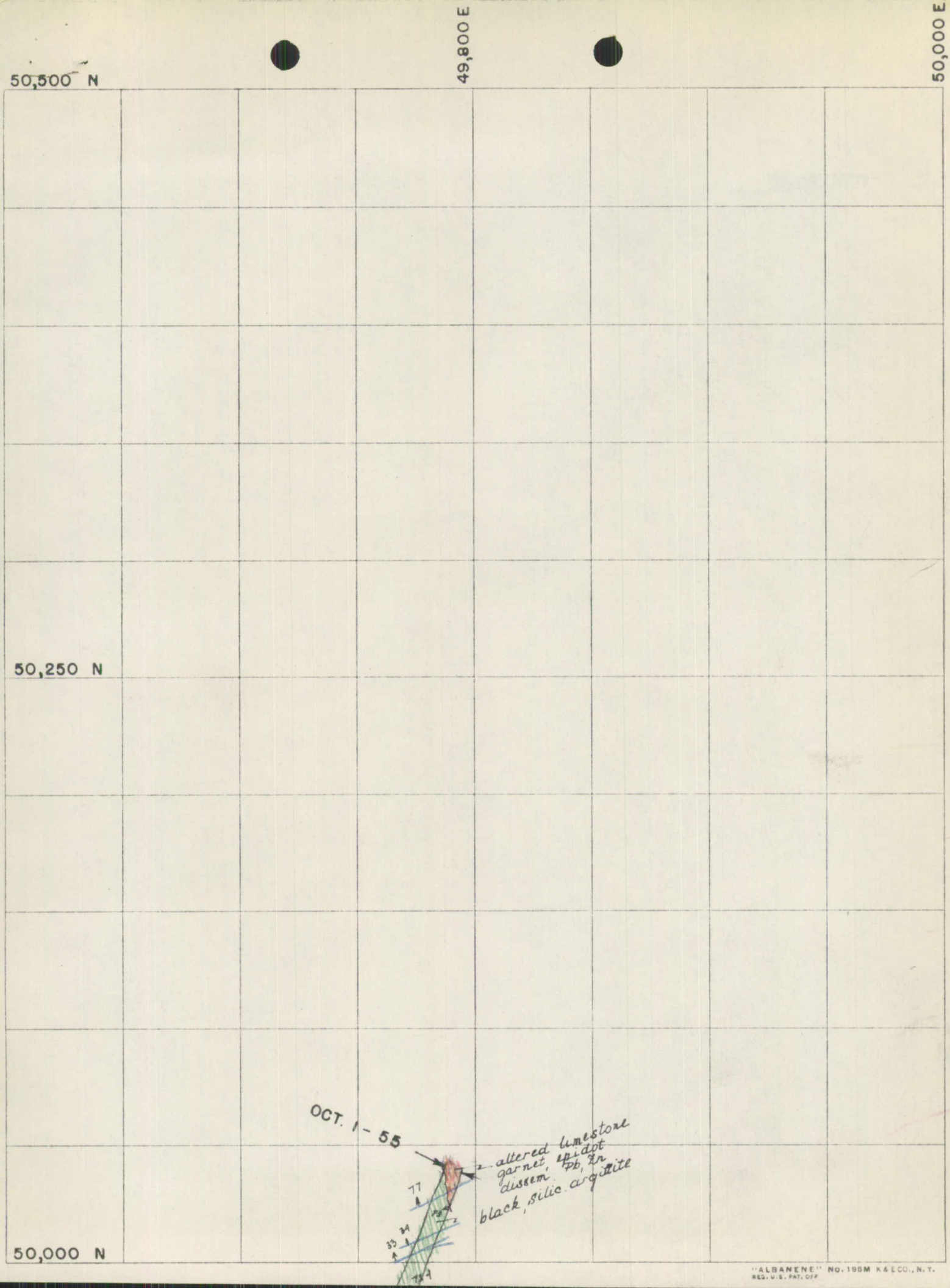
The ore zone penetrated consists of limestone structures with disseminated pyrite, sphalerite and minor galena. Comparatively low grade zinc ore streaks, completely barren limestone zones and streaks of high grade ore occur within the zone in varying sequence. The zinc is dark colored, indicating marmatite. The chemical and physical properties of this ore zone seem to compare with the characteristics of the zinc outcrop which is about 200 feet to the northwest and at approximately 110 feet higher elevation. The replacement type of mineralization seems to be confined to the limestone zones. There are small streaks of argillites within the mineralized zone and zones of solid argillites to both the north and the south.

After leaving this zinc ore zone the crosscut was extended to the NE, keeping a bearing of approximately N 20° E. A second ore zone was penetrated at about 95 feet northeast of Survey Station No. 31 or about 100 feet northeast of the footwall of the zinc vein. This vein has higher lead values finely disseminated in a limestone based rock, with zinc values occuring in a disseminated form as well. By the end of the month this vein had been opened up to a width of 5 feet with the hangingwall not yet reached. This vein seems to have strike of N 15° W, dipping steeply to the west.

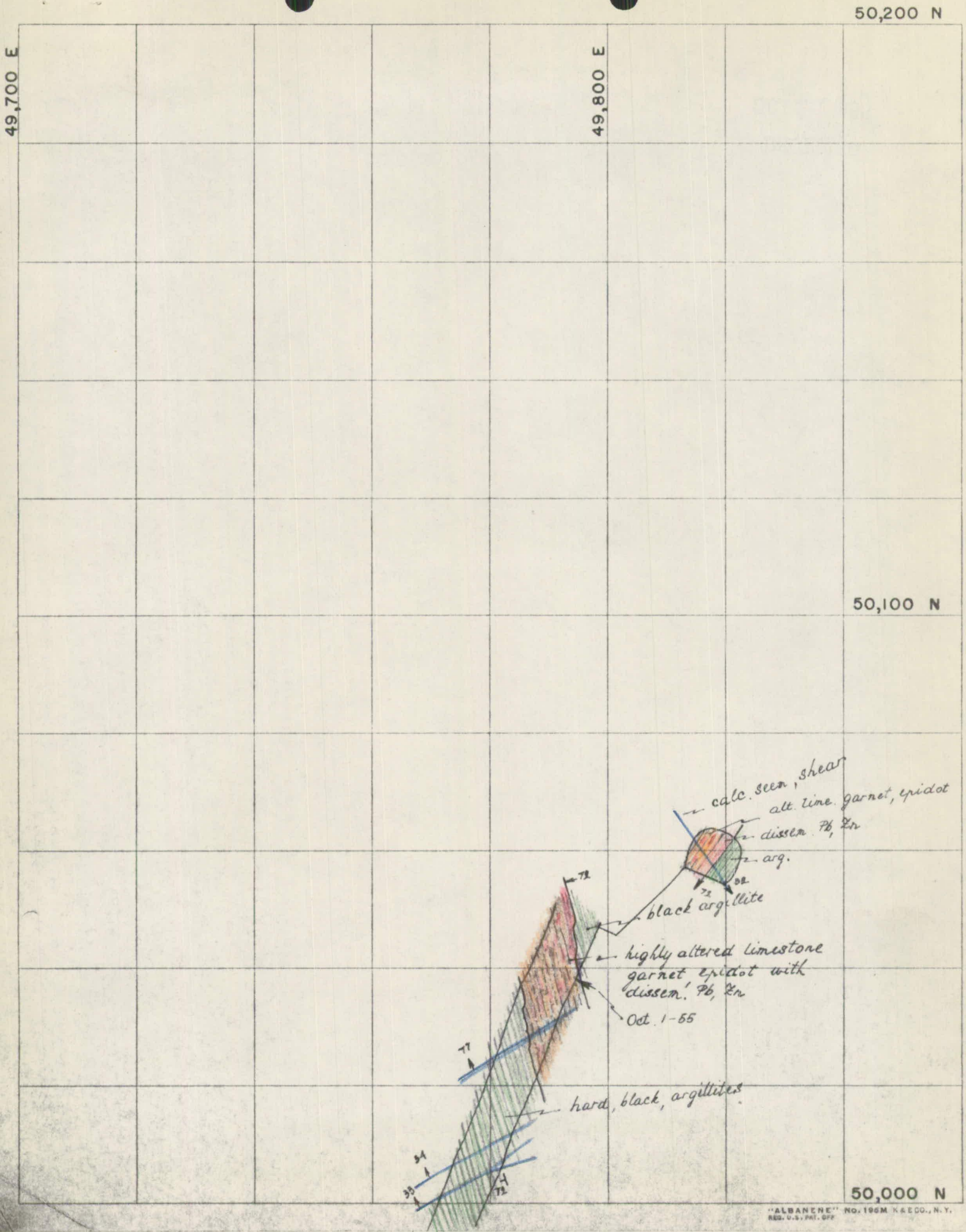
A drift has been started on the footwall of the zinc vein and a high grade streak of zinc ore was followed for approximately 50 feet. This was cut off by a barren limestone zone which, in turn, was replaced by black-gray argillites as shown on the enclosed map. At the end of the month we started to crosscut the argillites westerly in order to reach the downward extension of the outcropping zinc ore body.

In agreement with representatives of the DMEA Field Team, we cut a diamond drill station for Diamond Drill Hole No. 6 which is planned to be drilled on a S 50° W bearing. Drill stations are planned at intervals of 50 feet for the purpose of exploring the zone southwest of the drift.

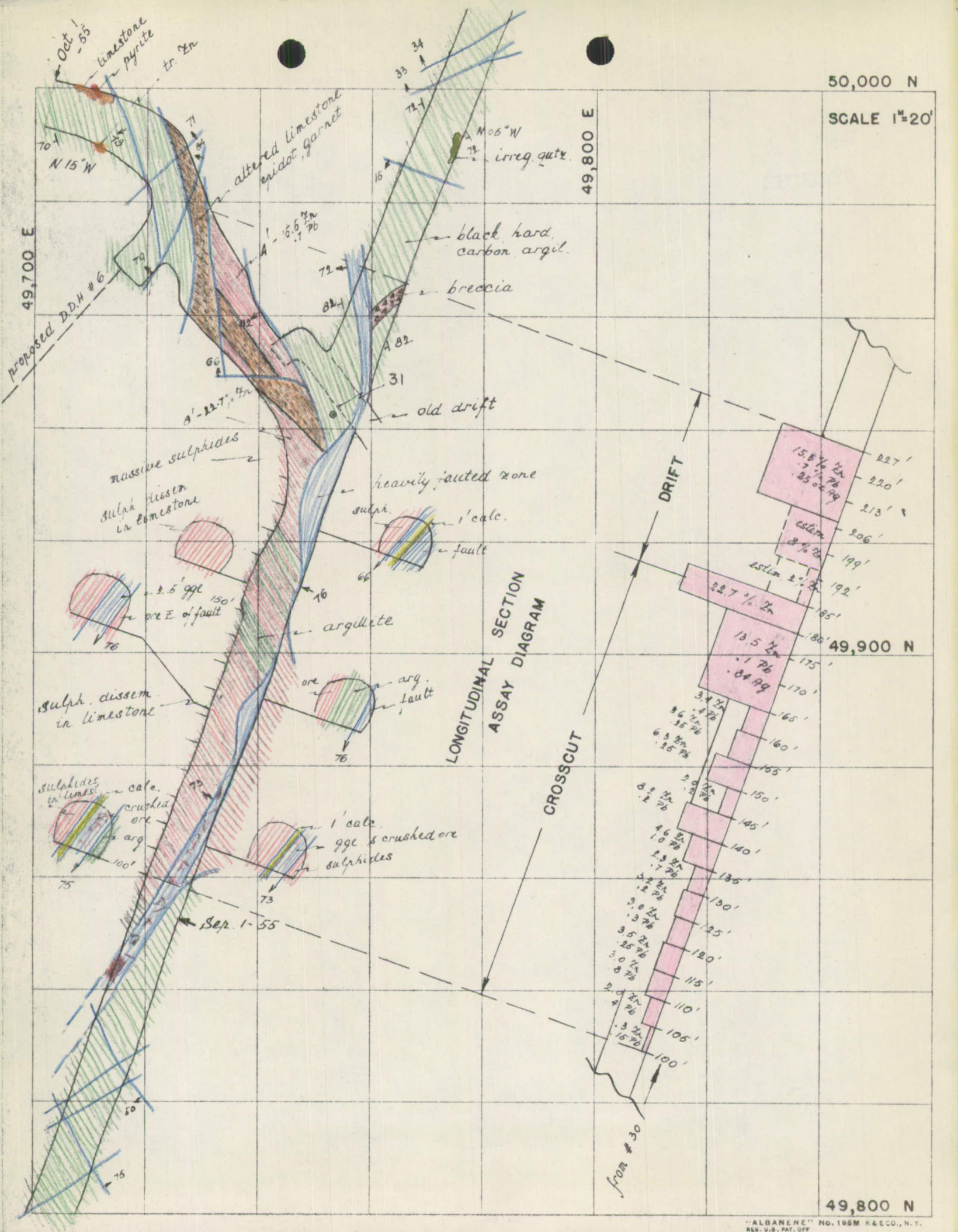
A shop building 15 feet by 40 feet was erected close to the tunnel portal. The frame construction is covered with heavy tar paper and the roof is covered with galvanized, corrugated metal sheets.



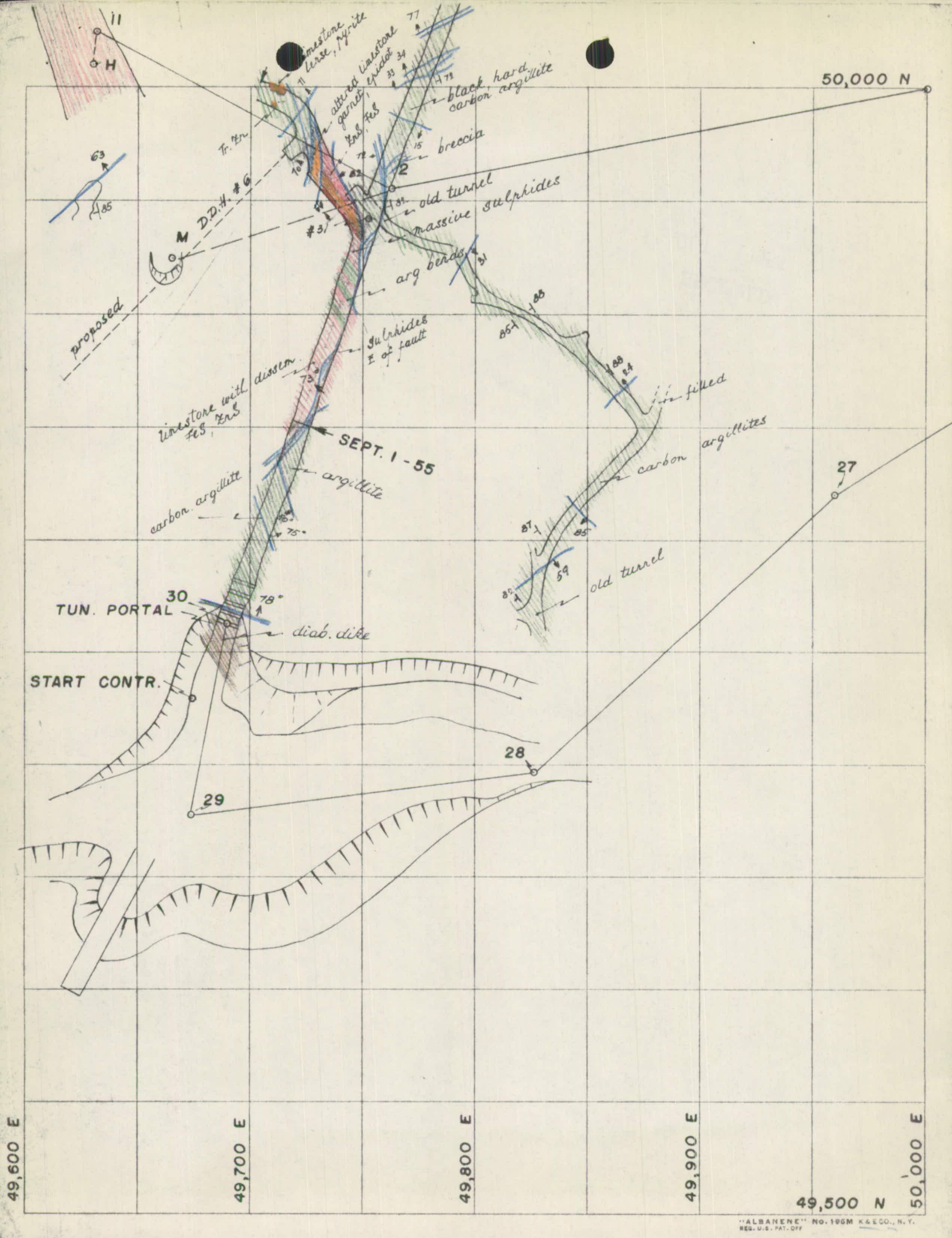
"ALBANENE" No. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF



"ALBANENE" NO. 196M K&E CO., N.Y.
REG. U.S. PAT. OFF.



"ALBANENE" No. 196M K&E CO., N.Y.
REG. U.S. PAT. OFF.



"ALBANENE" No. 196M K&E CO., N.Y.
REG. U.S. PAT. OFF

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
OCT 31 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July and August, 1955 Docket No. DMEA 3664 Contract No. Idm-E 819
Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-zinc
Address Box 609, Wallace, Idaho
Contract Amount, $59,570.00 Government Participation: 50 % Amount, $ 29,705.00

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				11/7/55. [illegible]		
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor Salois & Zittel	2,705.02		2,705.02	2785.02	— o —	2785.02
Supervision	975.00		975.00	975.00	— o —	975.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber and ties	607.98		607.98	409.86	— o —	409.86
Explosives						
Pipe	1.70		1.70	1.70	— o —	1.70
Track						
Rails				198.12	— o —	198.12
Other	705.03		705.03	705.03	— o —	705.03
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation	319.64		319.64	319.64	— o —	319.64
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	119.24		119.24	119.24	— o —	119.24
Sampling and Analysis						
Payroll Taxes						
Liability Insurance	41.21		41.21	41.21	— o —	41.21
Equip. transport.	1,201.93		1,201.93	985.00	— o —	985.00
(8) Contingencies (specify):						
TOTALS	6,756.75		6,756.75	6539.82	— o —	6539.82

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 9-20-55 *Payee Highland-Surprise Consolidated Mining Company
Per N. A. Galloway Title Secretary-Treasurer

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

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

(Instructions on reverse)

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

$ 3269 91

Signature M 2P
(Authorized Certifying Officer)

Date 10/24/55 Vou. No. 1630
(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. E819 in accordance with the terms of the contract.

Signature 1S1 John D Bardill Title Metallurgist Date 10-19-55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature 1S1 Stephen W Goldoft Title Mining Engr Date 10-20-55

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
OCT 31 1956

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1956 Docket No. DMEA 3664 Contract No. [illegible]
Operator's Name Highland-Surprise Consolidated Mining Co. Minerals Lead-Zinc
Address Box 889, 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	Feet	6,756.75	133	6,756.75	133	50.80		
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		6,756.75	133	6,756.75				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		6,756.75		6,756.75				

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 9-20-56 Operator Highland-Surprise Consolidated Mining Company

Per H. A. Callaway Title Secretary-Treasurer

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)

151 John D Bardill

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

HIGH[illegible]D-SURPRISE CONSOLIDATED MININ[illegible]MPANY
[illegible]ear Trail Mine, Custer County, Idaho
Docket No. DMEA-3664 (Lead-Zinc)
Contract No. Idm-E 819

RECEIVED
OCT 3 1 1955

PROGRESS REPORT
August, 1955

Operations under the above captioned contract were commenced on July 15, 1955 and the period from that date until August 15, 1955 was spent in moving equipment and supplies to the property, preparing a tunnel site and building about 70 feet of trestle to provide for the dump.

Tunneling was started August 15th at the point agreed upon with representatives of the DMEA. The diagonally crosscutting tunnel was started on a bearing of about N 20° E as agreed and was collared about 37 feet from the point where the contract was started, as shown on the attached map.

Total progress during the month of August from the point of the start of the contract to the tunnel face on August 31st was 133 feet of which 21 feet was timbered and 112 feet untimbered.

In the cut approaching the tunnel portal a dike formation was cut which appears to be composed chiefly of rhyolite porphyry. A heavy fault about 7 feet north of survey station No. 30 marked the sharp line between the dike and the following dark, carbonaceous argillites. The argillites contain ample disseminated crystals of pyrite and pyrrhotite.

A change in formation started to appear at about 76 feet north of survey station No. 30 where a NW dipping fault contains quartz and crushed sphalerite. The ore is of a similar type and character to that found in the "Zinc Vein" on the surface. It is a sphalerite-galena combination with ample pyrite and pyrrhotite and traces of chalcopyrite.

DMEA Field Team, Region I, NW District October 26, 1955

DMEA Certifying Officer, Region I

Contract No. Idm-2819, Highland-Surprise Cons. Mining Co.
Monthly operating report for July and August 1955

The amount claimed for transportation of equipment exceeds the estimated amount called for by the contract by $216.93. This excess has been deducted from the costs claimed by the operator pending a discussion with the operator by the project engineer as to the necessity for the increased cost. Depending upon the results of this discussion and the approval of the Field Team, the operator may reclaim the amount deleted on a subsequent MF-104, providing the total estimated cost of the category is not exceeded.

Please ask the operator to give us the rate used in computing the Workmen's Compensation insurance.

Myrtle Purdy

cc: Operator
DMEA (2)
USGS (2)
Wash. (2)
Bardill
AD

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
1201 North Division Street
Spokane 2, Washington
August 19, 1955

RECEIVED
SEP - 1 1955

MEMORANDUM

To: DMEA Field Team, Region I, NW District

From: John D. Bardill, Bureau of Mines

Subject: Routine inspection report, Docket No. DMEA-3664 (lead-zinc), Highland-Surprise Consolidated Mining Company, Deer Trail Mine, Custer County, Idaho, Contract No. Idm-E819

In the absence of Mr. Tibor Klobusicky, superintendent, Mr. James Durham, Chief engineer for Sunshine Mining Company, accompanied me on the project inspection August 9, 1955.

Mr. Durham, although not familiar with the project, was of the opinion that the bulldozing phase of the work had been completed. The site for the crosscut adit had been cleared and a trestle for the waste dump was under construction.

Mining equipment was being delivered by truck from the Coeur d' Alenes.

John D. Bardill

John D. Bardill

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
AD
JDB/mj

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

RECEIVED
SEP - 1 1955

August 23, 1955

Memorandum

To: DMEA Field Team, Region I, Northwest District

From: Howard B. Nickelson, Geologist, U. S. Geological Survey

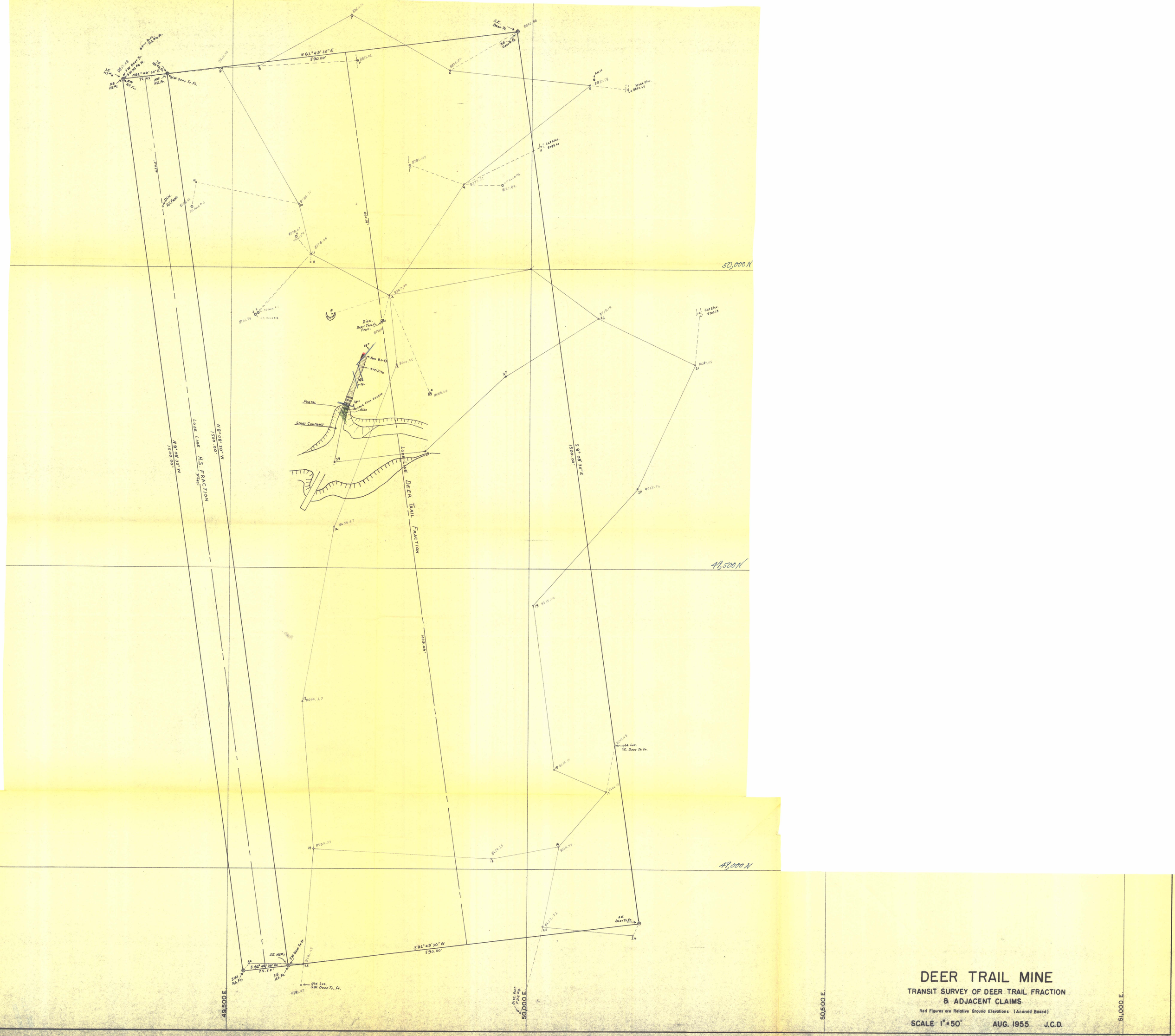
Subject: Routine Inspection Report, Docket No. DMEA-3664 (lead-zinc), Highland Surprise Consolidated Mining Company, Stanley Project, Custer County, Idaho, Contract No. Idm-E819

The property was visited on July 12, 1955, to locate the portal site for the proposed exploration. Tibor Klobusicky, engineer for the company, aided and approved the location of the proposed site.

The proposed site is located 143 feet S. 80° W. from the shaft or raise above the Deer Trail adit, and the crosscut will be driven approximately N. 20° E. The elevation of the floor of the proposed crosscut will be about 6 feet higher than the Deer Trail adit and the proposed site 50 to 55 feet above the ground at the proposed mill site. The waste rock will provide a fill part way to the proposed mill, a distance of 250 to 300 feet.

The site seems to be well located, and the Operator was in complete agreement with its location and the direction of the crosscut.

Distribution:
DMEA (orig. & 3)
USBM (2)
USBM (AD)
Docket
Nickelson
Quinlan


DEER TRAIL MINE
TRANSIT SURVEY OF DEER TRAIL FRACTION
& ADJACENT CLAIMS
Red Figures are Relative Ground Elevations (Aneroid Based)
SCALE 1" = 50'
AUG. 1955
J.C.D.
N 82° 49' 30" E
590.00'
S 82° 49' 30" W
590.00'
N 8° 08' 30" W
1500.00'
S 8° 08' 30" E
1500.00'
LODE LINE
H.S. FRACTION
DEER TRAIL FRACTION
PORTAL
STAKE CONTRACT
50,000 N
49,500 N
49,000 N
49,500 E.
50,000 E.
50,500 E.
51,000 E.