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February 2, 1956 Gerwoodie
Betty

Memorandum

To: W. R. Grimwald, Defense Minerals Exploration Administration

From: J. W. Pennington, Branch of Base Metals

Subject: Review of Final Field Team Report, Basket No. DMEA 393 (copper), Contract No. DMA-2986, Copper Queen Mining Company, Assignee of Queen Mining Syndicate, Sunrise Mine (formerly Queen Mine), Granite County, Montana, $21,460.00

The Final Field Team Report of the Sunrise Mine by John D. Burdill, Bureau of Mines, and James J. Quinlan, Geological Survey, has been reviewed.

According to the report, 849 feet of main adit rehabilitation, 550 feet of drifting, and 4 sample analyses were completed at a total cost of $20,954.40.

The exploration drifting did not discover any ore. Information gained from the work indicates that the deposit is low-grade and not of economic importance.

As a result the examiners recommend that no Certification of Discovery or Development is warranted by the results of the project work nor is Government participation in further exploration considered warranted.

I agree with this recommendation.

J. W. Pennington

Copy to: Division of Minerals
Branch of Base Metals (2)
F i l e s
Thor Kiilsgaard, U.S.G.S.
R. W. Geehan

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

WASHINGTON 25, D.C.
No. 157 Howard Street
Spokane 1, Washington

RECEIVED
JAN 30 1956

January 24, 1956

Greenwalt
Klingschirn
Betty

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

Re: Docket No. DMA-393 (Copper)
Copper Queen Mining Company,
Assignee of Queen Mining Syndicate
Sunrise Mine (Formerly Queen Mine)
Granite County, Montana
Contract No. Idm-536

Dear Mr. Selfridge:

Enclosed are four copies of a Field Team Final report written by John J. Cardiff, Mining Engineer, U. S. Bureau of Mines, and James J. Quinlan, Geologist, U. S. Geological Survey, on the Sunrise Mine (formerly Queen Mine).

The authors state that no Certification of Discovery or development is warranted by the results of project work nor is Government participation in further exploration considered warranted.

By Field Team, Boston 1, Mass. District

F. A. Weissenborn, Exec. Officer
(U. S. Geological Survey)

King G. Agnew, Director
(U. S. Bureau of Mines)

Enclosures
cc: (Ch. 2)
Quinlan

Reviewed by
DMEA OPERATING COMMITTEE
2-1-56
(date)

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

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FIELD TEAM, REGION I
Northwest District

FINAL REPORT

Contract Idm-E586

by

John D. Bardill
Mining Engineer
U. S. Bureau of Mines

James J. Quinlan
Geologist
U. S. Geological Survey

COPPER QUEEN MINING COMPANY, ASSIGNEE OF
QUEEN MINING SYNDICATE
Clinton, Montana

Docket No.:	DMA-393
Commodity:	Copper
Contract date:	August 20, 1953
Completion date:	February 28, 1955

Reviewed by
DMEA OPERATING COMMITTEE
2-1-56
(date)

SUNRISE MINE
(Formerly Queen Mine)
Marville Mining District
Granite County, Montana

Spokane, Washington

January 1956

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ILLUSTRATIONS

Plate		
1	Map of Sunrise Mine area, Granite County, Montana	In pocket
2	Geologic Map of Sunrise Mine, Granite County Montana	In pocket

RECEIVED
JAN 30 1956

FINAL REPORT

COPPER QUEEN MINING COMPANY, ASSIGNEE OF
QUEEN MINING SYNDICATE
Sunrise Mine
(Formerly Queen Mine)
Maxville Mining District
Granite County, Montana

Contract Idn-E586

✡ ✡ ✡ ✡

INTRODUCTION

This report describes an exploration project at the Sunrise mine, Granite County, Montana. The project was conducted by the Queen Mining Syndicate and its successor in interest to the property, the Copper Queen Mining Company, with Defense Minerals Exploration Administration assistance.

Summary

"The project was undertaken to explore the Queen vein of the Sunrise mine for copper. No ore was discovered by project work, and all evidence points to the fact that the deposit is not of economic interest under present or forseeable conditions."

The contract, dated August 20, 1953, and in the amount of $21,460.00, provided for rehabilitation of 900 feet of the Main Adit Level and 550 feet of drifting northerly on the vein on this level. Work was completed in February 1955 at a cost of $20,954.40, of which the Government participation was 50 percent or $10,477.20.

Recommendations

"No Certification of Discovery or Development is warranted by the results of project work nor is Government participation in further exploration considered warranted."

LOCATION AND ACCESSIBILITY

The Sunrise mine is about 20 miles by road southwest of Drummond, Montana, and roughly 16 miles by road northwest of Philipsburg in sec. 2, T. 8 N., R. 14 W., and sec. 35, T. 5 N., R. 14 W., M.P.M., Granite County, Montana. The mine is reached from Stone Station on U. S. Highway 10A by 5 miles of county and Forest Service road through Henderson Gulch.

The mine is in the eastern margin of the John Long Mountains on the south slope of Sunrise Mountain at an altitude of about 6,000 feet. The grass-covered hills are rugged but not precipitous.

The climate is typical of western Montana of the same altitude with freezing temperatures and snow prevailing from November to April. Summers are warm and pleasant.

PROPERTY

The property consists of the following patented and unpatented mining claims:

Patented Quartz Lode Mining Claims

Marie	Survey No.	7241
Queen	do.	4392
Toe Calk	do.	4395
Sunol	do.	4394
Russell	do.	4688
Sunrise	do.	2697

Unpatented Quartz Lode Mining Claims

	Book of Quartz Locations	Page
Robinson	1	14
Heel Calk	1	17
Frog	1	18
Jennie Y	3	595

Book of Certificate of Locations

Gopher, Relocation	21	459

The unpatented claims are recorded in the office of the County Clerk and Recorder of Granite County, at Philipsburg, Montana.

The claims are reportedly owned by the company and are shown on plate 1 accompanying this report.

History and Past Production

The Sunrise mine, which in the past has also been known as the Queen mine, was discovered about 1890. According to reports, it operated intermittently from 1892 to 1903 on enriched gold ore from oxidized parts of the Queen vein. Production during this period is estimated at $120,000.00 in gold from 40,000 tons of ore. About 15,000 tons of tailings from this early operation were cyanided in 1912; $3.50 to $4.00 per ton in gold is reported to have been recovered from these tailings.

Small-scale operations have been carried on at intervals since 1913. Most efforts during this period have been directed at exploiting unoxidized portions of the Queen vein. During this period about 8,000 tons of ore averaging 0.21 ounce of gold per ton, 1.3 ounces of silver per ton, and 2.4 percent copper have been produced.

Mine Workings

The Main Queen workings include over 7,500 feet of adit level drifts and inclines on the Queen vein. These workings explore the vein for about 1,400 feet along its strike and about 1,600 feet down its dip. Because of the flat dip of the vein the workings explore the vein over a vertical range of only 500 feet. Plates 1 and 2 show the known principal drifts and inclines on the vein. Although a large part of the old workings are accessible (areas for which geology is shown on pl. 2 are accessible) for inspection purposes, it would take a considerable amount of rehabilitation work before mining operations could be carried on through most of them.

The Russell workings explore the Queen vein about 1,200 feet north of the Main Queen workings. A total of 500 feet of cross-cuts, drifts, and inclines has been driven to test the vein in the Russell area. The Russell workings are shown on plates 1 and 2.

In addition to the Queen and Russell workings numerous shallow shafts, pits, and trenches explore the Queen vein and other smaller structures on the property.

GEOLOGY

The Sunrise mine is within the Philipsburg quadrangle. The geology of the quadrangle as well as the mine has been described by Emmons and Calkins (U. S. Geol. Survey Prof. Paper 78). The geology of the mine has also been described by John W. Cole (U. S. Bureau of Mines R.I. 4689).

The geology of the Philipsburg quadrangle is complex and many types of ore deposits are found within its boundaries. Much of the quadrangle is underlain by sedimentary rocks which range in age from Precambrian to Recent. A part of the area is underlain by granitic rocks which are believed to have been emplaced in Tertiary time.

The sedimentary rocks in the eastern part of the quadrangle have been intricately folded and faulted. In the western part, however, the structure is not nearly so complex. The western area is underlain principally by gently folded sedimentary rocks of the Belt series of Precambrian age. These rocks have been thrust eastward over the younger rocks along the Philipsburg overthrust. The Sunrise mine is about 4 miles west of this overthrust.

The Belt rocks in the immediate vicinity of the mine are impure limestones and calcareous shales which have been mapped as a part of the Newland formation. These rocks generally strike north and dip 15°-20° W.

A small pluton of granodiorite crops out 1,000 feet south of the main Queen workings in the bottom of Henderson Gulch (pl. 1). This outcrop is about 300 feet lower in altitude than the lowest Queen Adit Level (4W). Where exposed, this body of granodiorite contains sparse amounts of disseminated scheelite; the occurrence is described in detail by Robert J. Rundhausen (Investigation of Henderson Gulch Tungsten Deposit, Granite County, Montana: U. S. Bureau of Mines R.I. 4513). Most of the sedimentary rocks in the vicinity of the mine have been metamorphosed to some degree by the pluton, but only those rocks in the immediate vicinity of the contact are highly metamorphosed.

The principal ore-bearing structure of the mine is the Queen vein. This vein is a tabular replacement body in a massive limestone horizon. For the most part the vein appears to follow closely the bedding of the enclosing limestone, but in places it cuts it at a small angle. The vein strikes N. to N. 10° E. and dips 9°-40° W., averaging about 18°. The vein ranges in width from less than a foot to 10 feet, averaging about 3 feet.

The vein is oxidized for a distance of 200 to 300 feet from the adit portals on the lower adit levels, 3W and 4W. On the Main Adit Level, however, the vein is oxidized for 600 feet from the portal; beyond this zone of complete oxidation on the Main Adit Level the vein contains lenses of oxidized or partially oxidized material. Although the face of the Main Adit Level is 1,400 feet from the portal and 1,000 feet down dip from the vein's outcrop, it actually is only about 150 feet vertically below the surface (pl. 1). Although the

evidence available at the start of the project suggested that work from the north end of the Main Adit Level would be well within the sulfide zone, it is not surprising that the DMEA drift encountered oxidized vein material, considering that the area is only about 150 feet vertically below the surface. The shallow adits above the Main Adit Level are wholly within the oxide zone.

The oxide ore is reported to have contained quartz, calcite, limonite, cuprite, and in places copper carbonate and silicate minerals. According to available information it carried from $4.00 to $10.00 in gold to the ton. Most of the oxidized ore mined has come from that area of the vein between the No. 2E and 4W levels and reports indicate that values within this area were regular and persistent.

The Queen vein where not oxidized is a massive quartz vein containing variable amounts of pyrite, chalcopyrite, bornite, and scheelite. Work within the unoxidized portions of the vein indicates that the ore shoots along the vein are small and lenticular (stoped sections of vein within unoxidized portion are shown on pl. 2) and constitute about 10 percent of the vein. Production records indicate that the grade of ore mined from these small ore shoots average 0.21 ounce of gold per ton, 1.3 ounces of silver per ton, and 2.4 percent copper.

Scheelite is only a minor accessory mineral in the vein. It is very spotty and irregular in its distribution. Sampling and production records from the area of the best scheelite showing in the Main Adit Level and stopes above near coordinate N. 11,750 show only 0.05 percent WO_3. Considering that this is the best showing and that scheelite is not recognized in many parts of the vein, it is doubtful if the scheelite is of interest even as a possible by-product.

THE PROJECT

The project was planned to test the Queen vein within the sulfide zone. Past work within the sulfide zone indicated the possibility that enough small ore lenses might be found within this zone to encourage a small operator to place the property in production. The most reasonable program for testing the vein within the sulfide zone appears to be by extending one of the adits already within the sulfide zone toward the north. Inasmuch as the north face of the Main Adit Level appeared to be well within the sulfide zone and it would cost less to rehabilitate this adit than any of the others known to be within the sulfide zone, it appeared best to conduct exploration through this adit. The contract as prepared provided for 900 feet of drift rehabilitation on the Main Adit Level and 550 feet of drifting north on the Queen vein on this level.

Although the contract called for work on the Main Adit Level, the Operator on his own account at first started to rehabilitate the No. 1W adit, as he considered it would be better to drift on the No. 1W Adit Level instead of the Main Adit Level as this level was 57 feet below the Main Adit Level, and old maps indicated that face of this lower level was about 225 feet north of the face of the Main Adit Level. It was the Operator's intention to request that contract work be transferred to the lower level if initial rehabilitation to reach its face could be done at reasonable cost. Rehabilitation of the lower adit was abandoned, however, after only 250 feet of the adit had been rehabilitated because work proved slow and costly. Work was then started on the program outlined in the contract.

Rehabilitation of the Main Adit was started in December 1953 and completed in January 1954. A total of 849 feet of drift was rehabilitated during this period.

"Drifting on the vein was sporadic because of lack of adequate supervision, inability to employ competent miners, poor living quarters at the mine, and inaccessibility of the mine during the winter months. Finally, by February 1955 the drift had been driven 550.5 feet, completing the project."

Because of inadequate supervision and the probable disinterest of the contract miners, the DMEA drift did not follow the vein as closely as possible; in fact, the first 150 feet of DMEA drifting was in the footwall of the vein. This condition is well illustrated on the geologic map showing the DMEA workings (pl. 2).

The average strike of that part of the Queen vein exposed by the DMEA drifting is N. 5° E. and the average dip about 23° W. The vein exposed by the DMEA drifting ranges in width from 0.3 to 3.7 feet, averaging about 2 feet which is about 1.0 foot less than the average in the older workings.

Although evidence available at the start of the project suggested that work from the north end of the Main Adit Level would be well within the sulfide zone, most of the vein exposed by the DMEA drifting was oxidized or partially oxidized. Details on the oxidation are shown on plate 2.

"No ore was discovered by project work." Only one short section of the vein, 60 feet in length, showed any values of interest whatsoever. This section of the vein is just north of U.S.B.M. Station 406 (pl. 2), and for the most part the vein within this section is unoxidized or only partially oxidized. Although other sections of the vein tested by the DMEA drifting contain some sulfides, this is the only section which can be considered as primarily

a sulfide one. Samples No. 175, 176, 177, and 178 (pl. 2) cut in this section over an average vein width of 1.3 feet indicate an average grade of 0.09 ounce of gold per ton, 0.5 ounce of silver per ton, and 1.62 percent copper. All other samples, some of which include sulfide material, show only negligible amounts of gold, silver, and copper.

It is regrettable that the DMEA drifting was not wholly within the sulfide zone, but information gained from this work is of aid in evaluating the deposit. It is clearly evident that the sulfide vein material encountered in the drifting is of little interest considering its grade and also the narrow width of the vein. The gold values in the oxidized portion of the vein area exposed by the DMEA drifting are low. Considering that the oxidized portions of the vein within the DMEA exploration area contain limonite and little or no manganese oxides, one might expect a slight residual enrichment of gold by the oxidation of a sulfide ore shoot. The lack of any evidence for such enrichment, however, suggests that prior to oxidation of the vein no sulfide ore shoot existed along the section of the vein explored under the contract.

Summary of Factual Data

The following are the costs for 849 feet of main adit rehabilitation, 550 feet of drifting, and 4 sample assays:

Item		Total Cost
Adit rehabilitation	849 feet @ $ 1.60/ft.	$ 1,358.40
Drifting	550 feet @ $35.60/ft.	19,580.00
Assays	4 @ $ 4.00/sample	16.00
Total cost		$20,954.40
Government participation at 50 percent		$10,477.20
Total contract amount		$21,460.00
Government's share at 50 percent		$10,730.00

The above costs were taken from the DMEA Auditor's Report of Review dated April 27, 1955.

The Government had no equity in the equipment used on the project.

There was no production, and consequently no royalties were due.

Discussion of Conclusions

The Operator, comprising three members of the corporation who were active in directing the project, was financially competent, but the supervision of the work was poor. Because of inadequate supervision and probable disinterest of the workers, the contracting miners often drifted out into the walls away from the vein.

Poor housing facilities and difficult access to the mine during the winter months caused considerable delays. On the whole the work was barely satisfactory.

No ore was found by the DMEA drifting. It is regrettable that this drifting was not wholly within the sulfide zone, but information gained from the work indicates that no ore shoots existed along this section of the vein prior to oxidation.

All available information points to the submarginal nature of the deposit. The sulfide ore bodies within the vein are small and low grade and do not appear to be numerous enough to be of economic importance. Considering the amount of past exploration and development work, the production record of the property is unimpressive

Undoubtedly, small sulfide ore bodies similar to those mined in the past could be found by work along the vein, but all available evidence points to the fact that cost of finding and exploiting such bodies would be far greater than value of the ore that might be expected. Under such circumstances further exploration of the deposit is not considered warranted.

Enclosures
Distribution:
DMEA(4)
USBM(5)
USGS(SRO)
Docket
Quinlan

xxxxxxxxxxxxxxxxxx

1201 N. Division St.
Spokane 2, Washington
April 27, 1955

MEMORANDUM

Gruwell
Betty

To: DMEA Field Team, Region I, NW District

From: John D. Bardill and Kidon C. Pattee, Bureau of Mines Engineers, Region I

Subject: Final inspection, Docket No. DMEA 393 (copper), Copper Queen Mining Syndicate, Sunrise Mine, Granite County, Montana, Contract No. Idm-K586

This project was inspected April 24, 1955, by the above named Bureau engineers, accompanied by Mr. William Howell, one of the Operators.

The work had been completed during the winter.

The following are the measurements that were mutually agreed upon:

Starting point of contract was BM 227 plus 8 feet

BM 227 - BM 402	51.6	feet
BM 402 - BM 403	73.8	"
BM 403 - BM 398	30.9	"
BM 398 - crosscut face	32.5	"
A - B	11.0	"
B - BM 399	9.0	"
BM 399 - BM 400	58.0	"
BM 400 - BM 401	43.0	"
BM 401 - BM 406	20.3	"
BM 406 - BM 464	53.6	"
BM 464 - BM 467	45.1	"
BM 467 - BM 466	45.1	"
BM 466 - face	85.0	"
	558.9	"
Less	8.0	
Net allowable footage	550.9	feet

Rehabilitation of the main adit totaled 849 feet.

The entire contract was on a fixed unit cost basis and there were no equipment purchases in which the Government has an equity.

The drifting failed to expose significant copper mineralization and it is doubtful that a certification of discovery will be recommended.

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

John D. 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

DEPARTMENT OF THE INTERIOR
Bureau of Mines
RECEIVED
MAY 2 1955

Month of January-February, 1955 Docket No. DMEA 393 Contract No. Idm-E586

Operator's Name Copper Queen Mining Company Minerals Copper

Address Clinton, Montana

Contract Amount, $ 21,460.00 Government Participation: 50 % Amount, $ 10,730.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	4,094.00	15,486.00	19,580.00			
Rehabilitating Tunnel		1,358.40	1,358.40			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	8.00	8.00	16.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	4102.00	16,852.40	20,954.40	4102.00	16852.40	20954.40

Approved: Yearwood, Betty

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

Date 4/13/55 *Payee Copper Queen Mining Company

Per [signature] Title Sec'y-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)

Final

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

$ 2051 00

Signature [signature]
(Authorized Certifying Officer)

Date 5-9-55 Vou. No. 1502
(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 5 8 6 in accordance with the terms of the contract.

Signature /S/ John D. Bardell Title metallurgist Date april 25-55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W. Zoldok Title Mining Engr Date April 25-55

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

OPERATOR'S UNIT COST AND PROGRESS REPORT

Bureau Minerals
MAY 12 19

Month of January-February 1955 Docket No. DMEA 393 Contract No. Idm-E586

Operator's Name Copper Queen Mining Company Minerals Copper

Address Clinton, Montana

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		4094.00	115	19,580.00	550	35.60	550	35.60
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Tunnel Rehab.				1,358.40			900	1440.00
Trenching								
Test Pits								
Roads and Trails								
Assays		8.00	2	16.00	4		110	4.00
TOTAL DISTRIBUTED COSTS		4102.00		20,954.40				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		4102.00		20,954.40				21,460.00

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 4/13/55 Operator Copper Queen Mining Co.

Per L. Dyon 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)

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

Copper Queen Mining Company
Clinton, Montana

Narrative report for the months of January-February 1955.

During the January-February 1955 period the Queen drift was advanced from the 435 foot to the 555 foot point for an advance of 120 feet during the period. The contract authorizes 550 feet of drifting which gives an advance of 115 feet as DMEA work.

The country rock continued to be a hard limestone giving considerable trouble and expense in both steel and bit breakage.

The vein ranged in thickness from about 6 inches to 4.8 feet in the present face. The vein is composed principally of sulfides and dips 18-20° to the west.

Two samples taken on the vein at the 525 foot point assayed a high of .16 ounces gold and 1.04 percent copper. A sample off the face assayed 0.11 ounces gold, 0.76 percent copper and 0.001 percent WO_3.

This is the last narrative and voucher that will be submitted as the contract work has been completed.

No commercial ore has been discovered as a result of the DMEA work.

Copper Queen Mining Co.

J. H. Mellen

Mr. J. H. Mellen, President

MONTANA LABORATORY COMPANY

CHEMISTS AND ASSAYERS

Philipsburg, Montana, February 18, 1955

The Following Analyses Were Made For Copper Queen Mining Company

	Per Cent H_2O	Ozs. Silver Per Ton	Ozs. Gold Per Ton	$ Gold Per Ton	Per Cent Copper	Per Cent Tin Dioxide	Per Cent WO_3	Per Cent Lead	Per Cent Manganese	Per Cent Silica	Per Cent Zinc
#1			.100		0.76						
#2			.110		0.76		0.001				

I certify that the cost of these assays amounting to $4.00 each has been paid by the Copper Queen Mining Co. and has not previously been charged to the exploration contract.

D. F. Mellon, President

MONTANA LABORATORY COMPANY

By

xxxxxxxxxxxxxxxxxx

1201 N. Division St.
Spokane 2, Washington
March 28, 1955

Gronwold
Betty

MEMORANDUM

To: DMEA Field Team, Region I, NW District

From: John D. Bardill, Bureau of Mines

Subject: Routine inspection, Docket No. DMEA 393 (copper), Copper Queen Mining Company, Sunrise Mine, Granite County, Montana, Contract Idm-E586

Mr. William Howell, one of the Operators, advised me by telephone the evening of March 7, 1955, that the project contract work had been completed a short time before and that the mine was snowbound.

Mr. Howell also advised me that some more work may be done in the spring when the mine is accessible again.

A final inspection of the project will be made on my next routine inspection in the area.

John D. Bardill

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

xxxxxxxxxxxxxxxxxxxx
No. 157 Howard Street
Spokane 4, Washington

March 4, 1955 Spoonfell
Betty

Memorandum

To: DMEA Field Team, Region I, Northwest District

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

Subject: Interim Report, Docket No. DMEA-393 (copper), Copper Queen Mining Company, Sunrise Mine, Granite County, Montana, Contract No. Idm-2586.

The Sunrise exploration project was inspected February 24, 1955. This inspection was made after Mr. Lyon of the Queen Mining Syndicate called Spokane to report that contract work had been completed and that the vein exposed by the last few feet of drifting looked very encouraging.

At the time of the inspection the DMEA drift had been advanced 215 feet north of USBM Survey Station 406 (see attached map). This represents an advance of 45 feet since the project was last inspected on February 1. Thus, 537 feet of a total of 550 feet provided for in the contract has been completed. This shows a slight discrepancy between the operator's measurements and mine.

Although the vein has widened in the last 45 feet, and the sulfide (mostly pyrite) content increased in the last 12 feet, the vein is low grade (see attached map). For the last 45 feet of drift the vein averages about 3 feet in width. DMEA samples from this section of the drift are tabulated below. These samples include Sample No. 181 which was cut at the face at the time of the February 1 inspection; assay results of this sample, however, were not available at the time the memorandum of February 18, reporting on this inspection, was prepared. The location of the samples are shown on the attached map.

Sample No.	Width	oz. Au	oz. Ag	% Cu
181	3.7 ft.	0.012	None	0.34
182	2.9 ft.	0.048	0.28	0.04
183	3.2 ft.	0.060	0.24	0.43

A composite of the above samples was made and assayed for tungsten. This assay showed no tungsten.

Apparently what impressed and encouraged the operator more than anything else with the last few feet of drifting was the increase in the sulfide content of the vein. The face shows a 9- to 12-inch quartz-sulfide band in the center of a predominately limonitic vein zone, 3.2 feet wide. According to the miners, the face about 5 to 8 feet back of the face at the time of the inspection showed much better sulfides. At this point the quartz-sulfide band in the back is 1.5 to 2 feet wide; however, the miners report it was about 3 to 4 feet wide in the center of the face. Pyrite is the principal sulfide mineral of the band exposed in the face. As a check on the values it contained a 12-inch sample was cut across the sulfide band at the face. This sample assayed 0.126 ounce gold, 0.80 ounce silver, and 0.25 percent copper.

The operator plans to extend the drift an additional 20 feet or so before discontinuing work in the drift. It is understood, however, that the DMEA cannot participate in any work over the 550 feet provided for in the contract.

Attachment

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

SFO

So. 157 Howard Street
Spokane 4, Washington

Original
Betty

February 18, 1955

Memorandum

To: DMEA Field Team, Region I, Northwest District

From: J. J. Quinlan and D. F. Mellum, Geologists, U. S. Geological Survey

Subject: Interim report, Docket No. DMEA-393 (copper), Copper Queen Mining Company, Sunrise Mine, Granite County, Montana, Contract No. Idm-E586

The Sunrise exploration project was inspected January 26 and February 1, 1955.

At the time of the February 1, 1955, inspection, the DMEA drift had been advanced 170 feet north of USBM Survey Station 406 (see attached map). Thus, 492 feet of a total of 530 feet of drifting provided for in the contract had been completed.

The DMEA drift was turned about 30° left or toward the west at USBM Survey Station 406 so as to return to the vein. The vein was encountered about 25 feet north of where the drift was turned and from this point to the face it is exposed in either one or the other wall of the drift. Along this section of the drift the vein is narrow, for the most part ranging in width from 4 inches to about 2 feet. Near the present face, however, the vein appears to split into two strands and the wall rock between both strands is well brecciated and stained with limonite. Here, the vein is 3.7 feet wide if it is considered to be represented by the brecciated and limonitic-stained zone.

A considerable portion of the vein exposed in the last 170 feet of drift is well oxidized as has been the condition of the vein in most of the DMEA drift to date. However, from the point where the vein was encountered 25 feet north of USBM Survey Station 406 to a point 92 feet north of this survey station, the vein is predominately unoxidized. The principal vein minerals in this unoxidized portion of the vein are pyrite, pyrrhotite, chalcopyrite, and quartz. Also, a few grains of scheelite are present. For details on oxidization and sampling of the vein in this area see attached map. Although no section of the vein along the last 170 feet of drifting can be considered commercial, it will be noted that the better assay values were obtained

from the unoxidized portion of the vein. Three samples, 175, 176, and 178 cut across dominately sulfide portions of the vein showed the gold content of the vein to vary within limits of 0.076 and 0.13 ounce per ton and the copper content to vary between 1.02 and 3.06 percent.

To check on the tungsten content of the vein, composite samples were made of Samples 167-174 and Samples 175-180. These composite samples, respectively, assayed no tungsten trioxide and 0.16 percent tungsten trioxide.

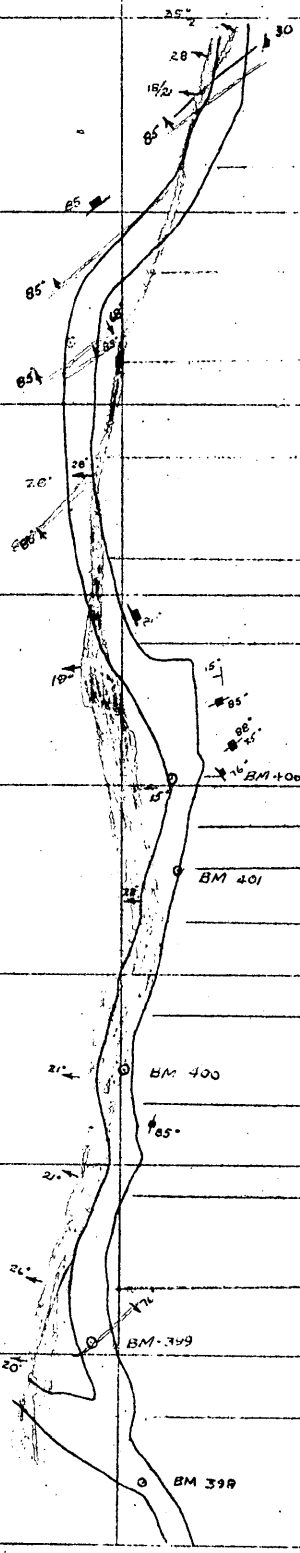
When the project was inspected January 26, 1955, the operator on company account was opening the portal of the No. 4 adit level which had caved for many years. The inspectors are a little perplexed as to the reason for opening this portal except that the operator had a bulldozer he wanted to keep busy. The operator has an excellent set of geologic maps (see docket for geologic maps of mine prepared by Preston and Reynolds) of this adit. These maps show the vein to be badly faulted and of little value in this adit. Also, access to this adit for inspection purposes could easily be gained by replacing ladders in a 34-foot vertical raise which connects with an inclined winze from the No. 3 adit level which is accessible. However, as we were in the area the following week and at the operator's insistence that we inspect these workings as soon as possible after he had them open, we returned to the property on February 1, 1955, primarily to examine these workings. Inspection of these workings only confirmed the extremely faulted condition of the ground shown on Preston and Reynolds map.

Enclosure

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

DOCKET No. DMEA 393 (Copper)

SUNRISE MINE
GRANITE COUNTY, MONTANA
Scale 1" = 40'



Sample No.		Au oz.	Ag oz.	Cu %	
180	1.6	0.005	0.10	0.05	
179	0.4	No.	No.	0.15	
178	1.3	0.15	0.78	3.06	
177	0.3	No.	Tr.	0.05	Composite Sample 175-180 0.016 % WO_3
176	1.4	0.08	0.44	1.02	
175	2.1	0.076	0.46	1.36	
169	2.3	0.008	No.	0.27	Fw. portion
168	1.5	0.012	Tr.	0.18	Fw. portion
167	2.4	0.010	Tr	0.18	Fw portion
166	4.5	0.080	No	0.09	
170	5.0	0.014	Tr.	0.18	
171	1.8	0.006	0.62	0.46	Composite Sample No. 167-174 (Note does not include Sample No. 166) No WO_3
172	2.3	0.010	No	0.18	
173	0.4	0.008	No	0.09	
174	1.6	0.150	0.20	0.82	limonite vein material quartz, sulfide vein

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

500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 22 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1954 Docket No. DMEA 393 Contract No. 586
Operator's Name Copper Queen Mining Company Minerals Copper
Address Clifton, Arizona
Contract Amount, $ 1,460.00 Government Participation: 50 % Amount, $ 10,730.00

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						Grenwald
Bulldozing						~~Kempchin~~
Crosscutting						
Drifting	2705.60	12730.40	15436.00			Betty
Rehabilitating Tunnel	none	135.40	1353.40			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	none	.00	.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2705.60	14146.80	16852.40	2705.60	14146.80	16852.40

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

Date 1/20/55 *Payee Copper Queen Mining Company

Per [signature] Title Sec'y-Treas.

*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:

$ 1352 80

Signature MEP
(Authorized Certifying Officer)

Date 4-15-55 Vou. No. 1481
(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 5 8 6 in accordance with the terms of the contract.

Signature 1st John D. Bardill Title Metallurgist Date Jan 24 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature 1st Stephen W. Zoldok Title Mining Engr Date April 13-1955

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 22 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1954 Docket No. DMEA 393 Contract No. Idm E 586
Operator's Name Copper Queen Mining Company Minerals Copper
Address Clinton, Montana

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		2705.60	76	15486.00	435	35.60	500	35.60
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Sampling				8.00	2	4.00	100	4.00
Trenching								
Test Pits								
Roads and Trails								
~~Rehabilitating Tunnel~~		none	none	1358.40	849	1.60	900	1.60
TOTAL DISTRIBUTED COSTS		2705.60		16852.40 ~~16844.40~~				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Sampling				~~8.00~~				
TOTAL COSTS		2705.60		16852.40				21460.00

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 1/10/55 Operator Copper Queen Mining Co.

Per C. D. Lyon Title Sec'y-Treas.

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

REMARKS:

(Instructions on reverse)

4-13-55

(For Government use only)

/s/ Stephen W Zoldok

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

Minerals Administration
RECEIVED

Copper Queen Mining Company
Clinton, Montana
January 10, 1955

Field Team DMEA, Region II
1201 North Division
Spokane, Washington

Gentlemen:

Enclosed herewith Forms MF-104 and 104A for the rehabilitation and driving exploratory tunnel at the Sunrise property, under contract Idm E 586 for the month of December 1954.

There are a few stringers of vein showing in the tunnel but the rock is very hard.

Yours truly,

COPPER QUEEN MINING COMPANY

By
/s/ G. D. Lyon

DE
Enc.

Copper Queen Mining Co.
Clinton, Montana

Narrative report for the
month of December 1954

During the month of December 1954 the ~~Owen~~ Queen drift was advanced from the 359 foot to the 435 foot point for an advance of 76 feet during the period.

The country rock was a hard limey formation giving some difficulty in drilling and blasting. The vein was mostly oxidized material but in a few places consisted of narrow and lean sulfide material. The advance encountered considerable water in places. No samples were taken as the vein width was too narrow to be economic.

Copper Queen Mining Co.

By

J. H. Mellen, President

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
January 3, 1955

MEMORANDUM

To: DMEA Field Team, Region II

From: John D. Bardill, Bureau of Mines

Subject: Routine inspection, Sunrise Mine, Copper Queen Mining Co., Granite County, Montana, Contract Idm-E586, Docket No. DMEA 393 (copper)

A routine inspection of this project was made December 12, 1954, accompanied by Mr. William Howell, one of the Operators.

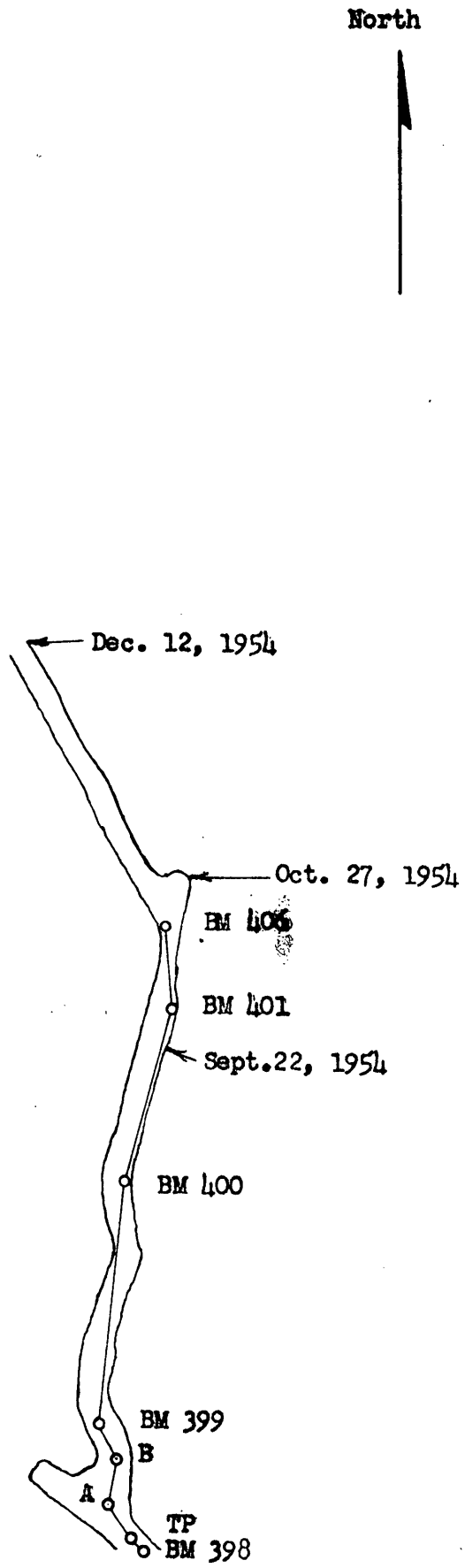
The drift had been advanced about 67 feet since the last inspection on October 27, 1954. It had been turned about 30 degrees toward the west in order to keep the vein completely exposed in the drift. The vein in the face had pinched to about one foot and appeared barren of mineralization.

The Brunton and tape survey was continued and the following measurements recorded:

BM 401 to BM 406	Due North	20.3 feet
BM 406 to face	N. 28° W.	74 "

John D. Bardill

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



COPPER QUEEN MINING CO.

SUNRISE MINE

Granite County, Montana

Map No. 2

Docket No. DMEA 393

Contract No. Idm-E586

scale 1" = 40'

J.D.B.

No. 157 Howard Street
Spokane 4, Washington

December 7, 1954

Memorandum

To: DMEA Field Team, Region XI

From: John D. Bardill, Mining Engineer, Bureau of Mines, and James J. Quinlan, Geologist, Geological Survey

Subject: Interim inspection, Docket No. DMEA-393 (copper), Copper Queen Mining Company, Sunrise Mine, Granite County, Montana, Contract No. 14m-2986.

This property was inspected October 27, 1954, by Messrs. Bardill and Quinlan accompanied by Mr. William Howell, one of the company partners.

A Brunton and tape survey was completed from the contract starting point to the drift face and permanent survey points established. The complete survey measurements as of October 27, 1954, were:

Contract starting point		BM 227 + 8 feet
BM 227 - BM 402		51.6'
BM 402 - BM 403		73.8'
BM 403 - BM 398		30.9'
		156.3'
	Less	8.0'
	Subtotal	148.3'
BM 398 - Crosscut face		32.5'
A - B		11.0'
B - BM 399		9.0'
BM 399 - BM 400		58.0'
BM 400 - BM 401 N. 9° E.		43.0'
BM 401 - Face 10/27/54		45.0'
	Total	346.8'

The contract allows a total of 550 feet drifting.

Mr. James E. Mullen, one of the partners in the company, accepted these measurements for the purposes of contract footage payments at a meeting with Ewrelli and Quinlan at Deer Lodge, Montana, October 29, 1954 (see attached map).

Since the inspection of September 22, 1954, the north drift heading has been advanced 55 feet. Forty-five feet back of the present face the strike of the vein changed from about N. 15° E. to N. 7° W. (see attached map). The operator failed to turn the drift with the vein at the point where the change in strike occurred. Although a portion of the footwall of the vein is exposed in the back of the drift to within 5 feet of the face, for all practical purposes the last 20 to 25 feet of drifting has been of little value as little of the vein is exposed.

At the time of the inspection eight samples were cut across the vein exposed in the DMEA workings. These samples, as well as one sample cut during the last routine inspection, are shown on the attached map. All samples were extremely low grade and none showed any values approaching commercial interest; the highest grade sample, No. 17A, 1.6 feet wide, assayed 0.18 ounce gold, 0.20 ounce silver, and 0.02 percent copper.

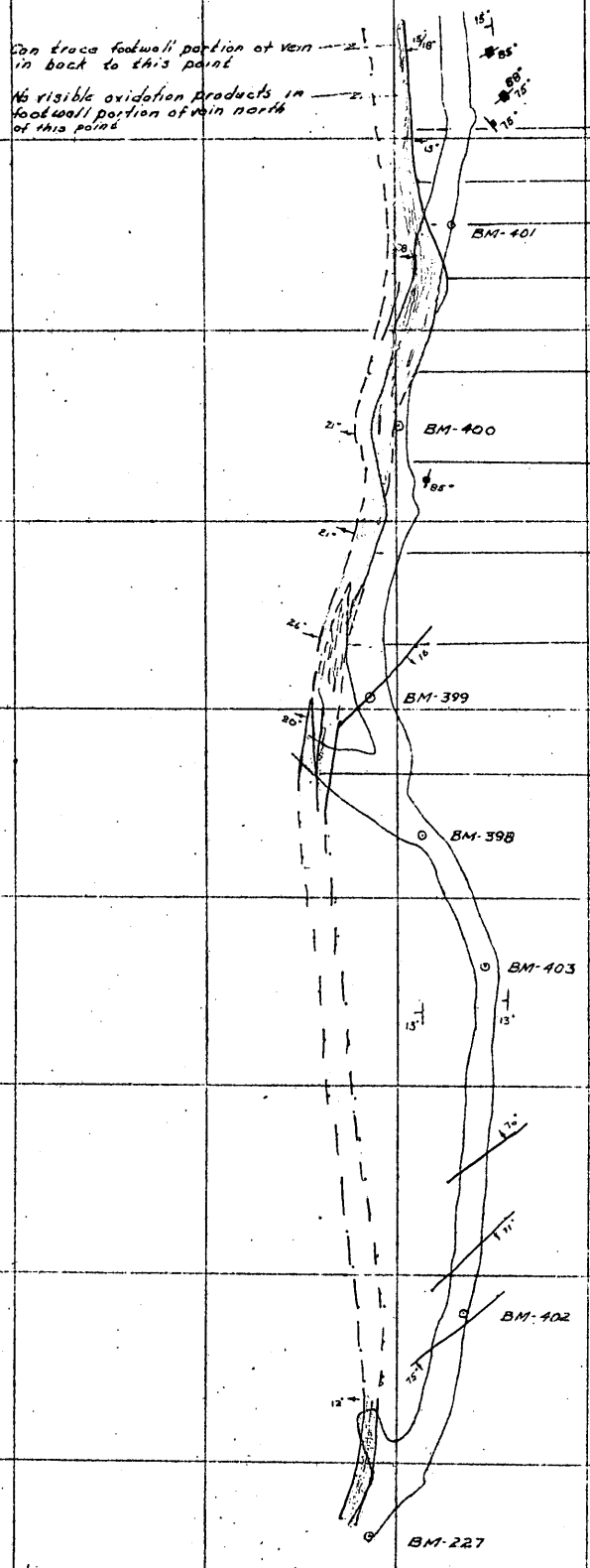
At the time of the inspection project work had been suspended as the mine crew had quit. The operator is attempting to hire a new crew to continue project work.

Mr. Ewrelli and Mr. Mullen were informed that the DMEA was concerned about the poor progress and inadequate supervision of project work. They were advised to turn the drift so as to get back on the vein as soon as possible and after this has been accomplished that the DMEA would pay for only that part of future drifting that followed the vein.

Attachment

Distribution:
DMEA (orig. & 3)
WMMM (2)
Boulet
Quinlan

DOCKET No. DMEA 393 (Copper)
SUNRISE MINE
GRANITE COUNTY, MONTANA
Scale 1" = 40'



Sample No.	Width feet	Au oz.	Ag oz.	Cu %	
169	2.3	0.008	No.	0.27	Fw. portion
168	1.5	0.012	Tr.	0.18	Fw. portion
167	2.4	0.010	Tr.	0.18	Fw. portion
166	4.5	0.080	No	0.09	
170	5.0	0.014	Tr.	0.18	
171	1.8	0.006	0.62	0.46	
172	2.3	0.010	No	0.18	
173	0.4	0.008	No	0.09	
174	1.6	0.180	0.20	0.82	

limonitic vein material

quartz, pyrite and pyrrhotite

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

Form [illegible] 104 (Rev.)
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Oct. & Nov., 195 54 Docket No. DMEA 393 Contract No. Idm E 586
Operator's Name Copper Queen Mining Company Minerals Copper
Address Clinton, Montana
Contract Amount, $ 21,460.00 Government Participation: 50 % Amount, $ 10,730.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	818.80	11961.60	12780.40			
RehabilitatingTunnel	none	1358.40	1358.40			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	4.00	4.00	8.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	822.80	13324.00	14146.80	822.80	13324.00	14146.80

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

Date 12/2/54 *Payee Copper Queen Mining Company

Per [signature] Title Sec'y-Treas.

*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:

$ 411 40

Signature [signature]
(Authorized Certifying Officer)

Date 12/29/54 Vou. No. 1389
(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. E586 in accordance with the terms of the contract.

Signature /S/ John D Bardill Title Metallurgist Date 12/15/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Eng. Date 12/16/54

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-R1151.2

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

Month of Oct.&Nov. 1954 Docket No. DMEA 393 Contract No. Idm - 506
Operator's Name Copper Queen Mining Company Minerals Copper
Address Clinton, Montana

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		818.80	23	12780.40	359	35.60		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitating Tunnel		none	none	1358.40				
TOTAL DISTRIBUTED COSTS		818.80		14138.80				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Sampling		4.00		8.00				
TOTAL COSTS		822.80		14146.80				

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

Date 12/2/54 Operator Copper Queen Mining Co.

Per [signature] Title Secty-Treas.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

Copper Queen Mining Co.
Clinton, Montana
December 3, 1954

Field Team, DMEA, Region II
1201 North Division
Spokane, Washington

Gentlemen:

We are enclosing herewith Forms MF-104 and 104A covering work done on the Sunrise Property under contract Idm-E586. We have encountered a lot of trouble in securing and holding good miners in order to drive the tunnel. We appear to have two good miners on the job now. However, the progress is not good due to the fact the rock adjacent to the vein is very very hard. We are using carbide bits and they only stand up for about 5 holes.

We hope to complete the contract this month. The vein is now approximately 2 feet wide. You will notice that according to the analyses which we are enclosing that the copper content is very good. We seem to be running into a fault and we are in hopes that as soon as we get through this that we will encounter a wider vein.

Yours very truly,

COPPER QUEEN MINING COMPANY

By G. D. Lyon

Baisd

xxxxxxxxxxxxxxxxxx
No. 131 Howard Street
Spokane 4, Washington

October 3, 1954

Memorandum

To: [illegible] Field Team, Region II.

From: John D. Burrill, Bureau of Mines, Reg. No. II, and James D. Quinlan, Geologist, Geological Survey.

Subject: Routine inspection report, Copper Queen Mining Company, Sunrise Mine, Granite County, Montana, Contract [illegible], Docket No. [illegible] (copper).

A routine inspection was made by the above-named on September 22, 1954, and a Brunton compass-tape survey of the most recent mine workings was made, establishing permanent survey reference points.

The following survey measurements were made:

BM 300 is located about [illegible] feet southwest of former temporary point "P".

BM 300 - crosscut face	N 52° [illegible]	[illegible] feet
BM 300 - [illegible]	S 52° [illegible]	[illegible]
[illegible] - BM 300	N 15° [illegible]	[illegible]
BM 300 - BM 400	S [illegible]° [illegible]	[illegible]
BM 400 - face	N 15° [illegible]	[illegible]

See attached sketch map No. [illegible].

At the time of the inspection, project work had temporarily been suspended because the compressor had broken down. The operator hopes to have the compressor repaired by September 25, 1954, at which time project work would be resumed.

The operator has followed the vein for about 30 feet in a northerly direction since the DMA meeting was returned to the vein (see attached map No. 1). The vein exposed by this work strikes N. 7° - 15° E. and dips 21° - 35° W. The vein is from 1 to 4.5 feet wide and for the most part it is well oxidized containing much altered material. Near the present face two distinct veins containing quartz, pyrite and pyrrhotite occur within the vein which in this area is 4 to 4.5 feet wide. Each band averages about 0.5 foot in width, and the remaining portion of the vein is filled with limonite and clay material. A 4.4-foot channel sample across the vein exposed in the face assayed 0.08 ounce gold, no silver and 0.[illegible] percent copper.

The new workings were lamped with an ultraviolet lamp. Only a few small specks of scheelite were noted.

Attachments 2

Distribution:
[illegible] (orig. & 1)
UMM (5)
Doozet
Quinlan

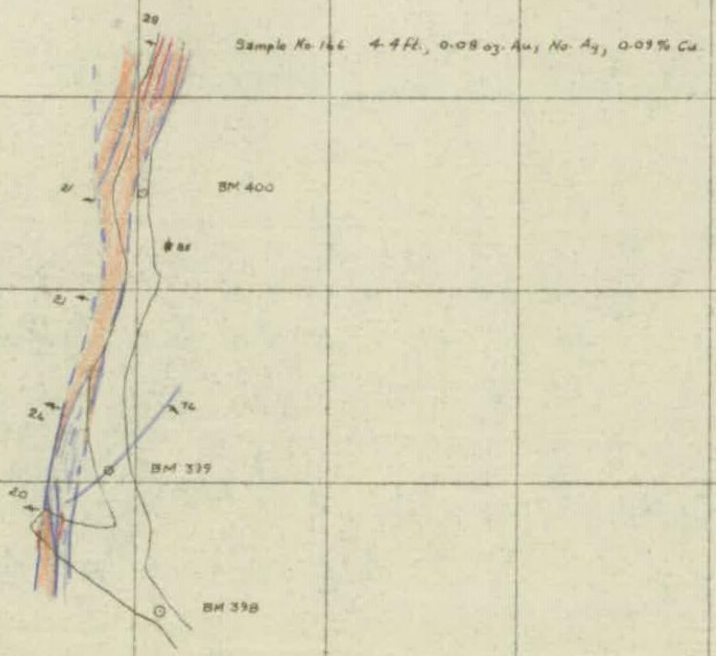
DOCKET No DMEA 393 (Copper)

SUNRISE MINE

GRANITE COUNTY, MONTANA

Scale: 1" = 40'

N

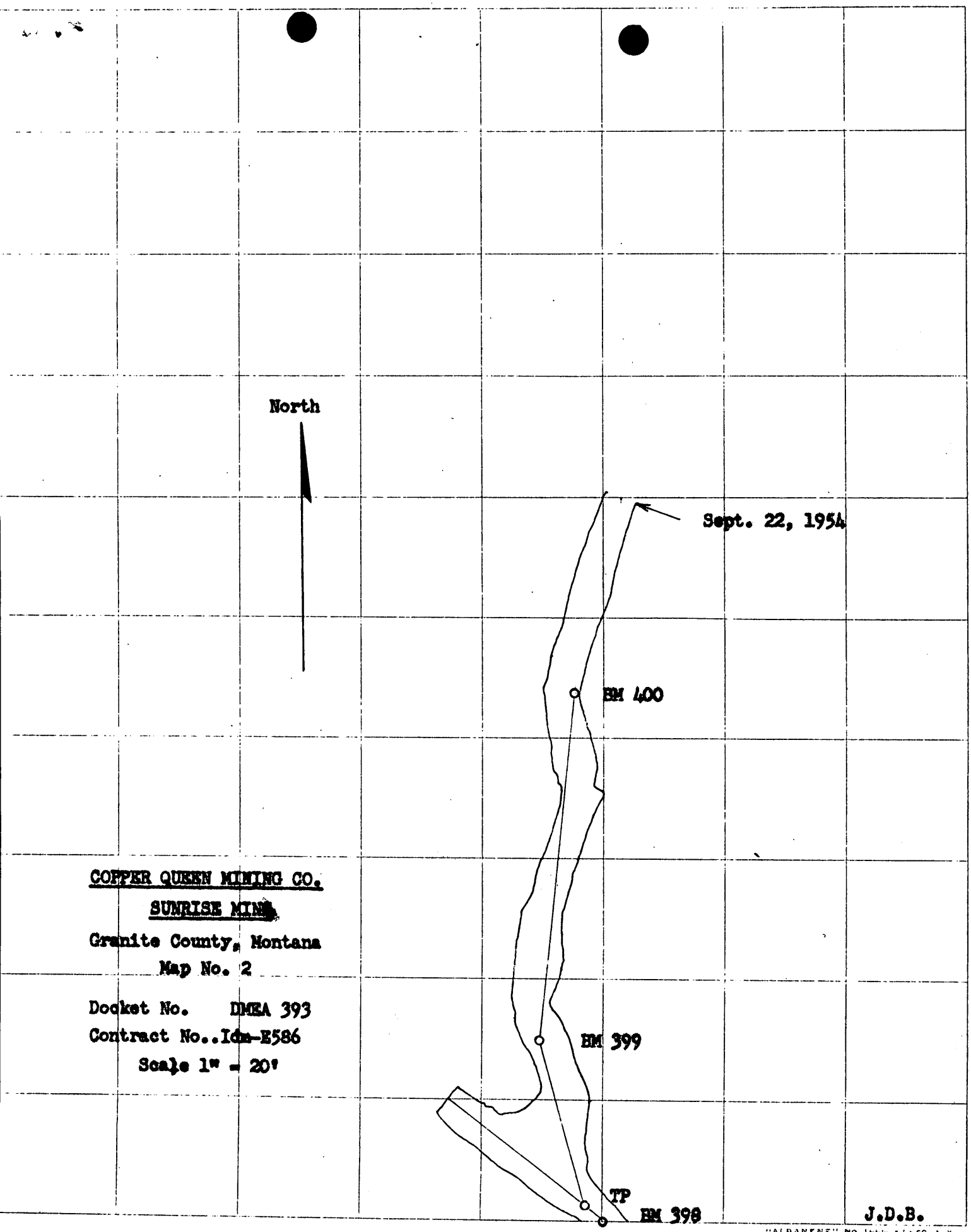


limonitic vein material

quartz, pyrite and pyrrhotite

Map No. 1

"ALBANENE" NO. 190M K&E CO., N.Y. MADE IN U.S.A. PAT. OFF.



COPPER QUEEN MINING CO.

SUNRISE MINE

Granite County, Montana

Map No. 2

Docket No. DMEA 393

Contract No..Idm-E586

Scale 1" = 20'

"ALBANENE" NO. 1000H K&E CO., N.Y. REG. U.S. PAT. OFF

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.4
Approval expires 6-30-55

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 18 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1954 Docket No. DMEA 393 Contract No. [illegible]
Operator's Name Conner Queen Mining Company Minerals Copper
Address Clinton, Montana
Contract Amount, $ 21,460.00 Government Participation: 50 % Amount, $ 10,730.00

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:						Gunwald Betty
Drilling						
Bulldozing						
Crosscutting						
Drifting	1495.20	10466.40	11961.60	1495.20	10466.40	11961.60
Rehabilitating Tunnel	none	1358.40	1358.40		1358.40	1358.40
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	4.00	none	4.00	4.00	-0-	4.00
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1499.20	11824.80	13324.00	1499.20	11824.80	13324.00

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

Date 10/6/54 *Payee Conner Queen Mining Co.

Per [illegible] Title Sec'y-Treas.

*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:

$ 749 60

Signature MJP
(Authorized Certifying Officer)

Date 10/14/54 Vou. No. 1314
(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 586 in accordance with the terms of the contract.

Signature /s/ John D Bardill Title Metallurgist Date Oct 11-1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E Howard Title Mining Eng Date Oct 11-1954

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 ME-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 18 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1954 Docket No. DMEA 393 Contract No. [illegible] 596
Operator's Name Copper Queen Mining Company Minerals Copper
Address Clifton, Montana

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		1495.20	42	11961.60	336	35.60		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation-Tunnel		none	none	1358.40				
TOTAL DISTRIBUTED COSTS		1495.20		13320.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Sampling-Analysis		4.00		4.00				
TOTAL COSTS		1499.20		13324.00				

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 10/6/54 Operator Copper Queen Mining Co.

Per [signature] Title Secy-Treas.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

RECEIVED
OCT 18 1954

Copper Queen Mining Company
Clinton, Montana
October 6, 1954

Field Team DMEA, Region II
1201 North Division
Spokane, Washington

Gentlemen:

Enclosed herewith Forms MF-104 and 104A for month of September. We wish to advise that we now have 2 new miners on the job and we believe they will make better progress than the miners in the past have done. After these men started to work the clutch went out on the compressor and they were delayed in the neighborhood of a week before it was fixed and ready to go.

We would appreciate it very much if an engineer could come over and look at the work which we are doing and advise us as to whether or not we should go further to the left. We have encountered the vein which has been high on the left side of the tunnel for some distance and is now on the roof of the tunnel. If you send someone over we would appreciate his contacting Mr. Mellen at Drummond and he would accompany your man to the mine.

Yours very truly,

COPPER QUEEN MINING COMPANY

By

G. D. Lyon

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 27 1954

Month of August, 1954 Docket No. DMEA 393 Contract No. DMA-506
Operator's Name Copper Queen Mining Company Minerals Copper
Address Clinton, Montana
Contract Amount, $ 1,460.00 Government Participation: 50% Amount, $ 10,730.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	1352.80	9113.60	10466.40	1352.80	9113.60	10466.40
Rehabilitating Tunnel	none	1358.40	1358.40		1358.40	1358.40
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1352.80	10472.00	11824.80	1352.80	10472.00	11824.80

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

Date Sept. 9, 1954 *Payee Copper Queen Mining Co. pany

Per [signature] Title Sec'y-Treas.

*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:

$ 676 40

Signature [signature]
(Authorized Certifying Officer)

Date 9/23/54 Vou. No. 1291
(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. 6586 in accordance with the terms of the contract.

Signature /S/ John D. Bardill Title Metallurgist Date 9/17/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W. Goldsk Title Mining Engr Date 9/20/54

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

Defense Minerals Administration
RECEIVED
SEP 27 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1954 Docket No. DMEA 393 Contract No. Ign 2-506
Operator's Name Copper Queen Mining Company Minerals Copper
Address Clinton, Montana

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		1352.00	38	10466.40	294	35.60		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitating Tunnel		none	none	1350.40	849	1.60		
TOTAL DISTRIBUTED COSTS		1352.00		11024.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1352.00		11024.00				

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 Oct. 9, 1954 Operator Copper Queen Mining Co.

Per [signature] Title Sec'y-Treas.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

MONTANA LABORATORY COMPANY

CHEMISTS AND ASSAYERS

RECEIVED
BUREAU OF MINES
SEP 13 1954
BOZEMAN, MONT.

Philipsburg, Montana, September 4, 1954

The Following Analyses Were Made For Copper Queen Mining Co.

	Per Cent H_2O	Ozs. Silver Per Ton	Ozs. Gold Per Ton	$ Gold Per Ton	Per Cent Copper	Per Cent Mn. Dioxide	XXXXXX XXXXXX	Per Cent Lead	Per Cent Manganese	Per Cent Silica	Per Cent Zinc
							Qual. Test WO_3				
#1			.105		0.18		None				

MONTANA LABORATORY COMPANY

By .....

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

North 1201 Division Street
Spokane 2, Washington
August 20, 1954

Betty

Memorandum

To: DMEA Field Team, Region II

From: John D. Bardill, Bureau of Mines, Region II

Subject: Routine inspection, Copper Queen Mining Company, Sunrise Mine, Granite County, Montana, Docket No. DMEA 393 (copper), Contract Idm-E586

An inspection of this project was made August 5, 1954 accompanied by Mr. William Harold, one of the company stockholders.

At the time of the last inspection on June 23, 1954, the vein was disappearing into the floor at the face of the drift because the drift was directed too far to the west. The vein dips about 20° to the southwest at this point.

In order to keep the hanging wall of the vein in the back of the drift, operator moved back 29 feet from the face and started drifting more to the north thereby following the vein with the hanging wall in the back. The drift had been advanced 48 feet at the time of the inspection. See attached sketch map. (Map will follow with next report)

The entire face of the new drift was in shattered vein formation with about 6 inches to a foot of gauge on the hanging wall. The vein was barren of mineralization.

One shift of two miners have been working 5 days per week since July 9, 1954.

John D. Bardill

Enclosure
cc: Orig & 3 cys Wash.
USGS (2)
DMEA
M/D
AB
JDB:lb

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
~~XXXXXXXXXXXXXXXX~~
So. 157 Howard Street
Spokane 1, Washington

August 19, 1954

Harold Belly

Memorandum

To: DMEA Field Team, Region II

From: Howard B. Nickelson, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-393 (copper), Routine Inspection, Sunrise Mine, Granite County, Montana, Contract No. Ida-5516.

The property was visited on August 9, 1954, by Don Kellum, geologist, U. S. Geological Survey, and the writer. Mr. Howell was at the property but did not go underground.

The operators have made an elaborate turn to drift on the vein from the crosscut by dropping back to a point about 20 feet from the vein, in the attempt to eliminate what the operator termed a bad curve. Some advance and time were lost in this process. In addition, the miners, who are comparatively inexperienced, blasted the drift too wide. These mistakes will not affect the DMEA but will burden the operator with a greater expense and loss of time. The drift is now on the vein and is about 5' by 7' at the face.

The iron pyrite found in the vein at the crosscut has pinched out; the vein now consists of iron-stained fault gouges at the face.

James Quinlan, geologist, U. S. Geological Survey, will be the DMEA Field Team representative at this property in the future.

Distribution:
DMEA(orig & 3)
USBM(2)
Docket
Nickelson

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 10 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1954 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $[illegible] Government Participation: 50% Amount, $[illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	[illegible]	[illegible]	[illegible]	2670.00	6443.60	9113.60
[illegible]	[illegible]	[illegible]	[illegible]		1358.40	1358.40
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	[illegible]	[illegible]	[illegible]	2670.00	7802.00	10472.00

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

Date [illegible] *Payee [illegible]

Per [illegible] Title [illegible]

*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:

$ 1335.00

Signature [illegible]
(Authorized Certifying Officer)

Date 9/3/54 Vou. No. 1266
(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. E586 in accordance with the terms of the contract.

Signature /s/ John D. Bardill Title Metallurgist Date 8/31/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E. Howard Title Mining Engr. Date 8/31/54

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".

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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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 10 1954

Month of July 1954 Docket No. DMEA 393 Contract No. [illegible]
Operator's Name Copper Queen Mining Co. Corp. Minerals Copper
Address [illegible], Arizona

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	[illegible]	6620.00	75	113.60	256	35.60		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
TOTAL DISTRIBUTED COSTS		[illegible]		[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		[illegible]		[illegible]				

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

Date [illegible] Operator Copper Queen Mining Co.

Per G. S. Lyon Title [illegible]

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 10 1954

Copper Queen Mining Company
Clinton, Montana
August 17, 1954

Field Team DMEA, Region II
1201 North Division
Spokane, Washington

Gentlemen:

Enclosed herewith Forms MP-104 and 104A for the rehabilitation and driving exploratory tunnel at the Sunrise property, under contract Idm E 586 for the month of July 1954. We are not satisfied with the 75 feet of tunnel driven during July and hope that the month of August will prove to be better. You may rest assured that we are applying pressure on our miners trying to increase the footage for August.

Yours truly,

COPPER QUEEN MINING COMPANY

By G. D. Lyon

G. D. Lyon

GDL:de
Enc.

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

Bryant Bell

July 12, 1954

Memorandum

To: DMEA Field Team, Region II

From: Howard B. Nickelson, Geologist, U. S. Geological Survey

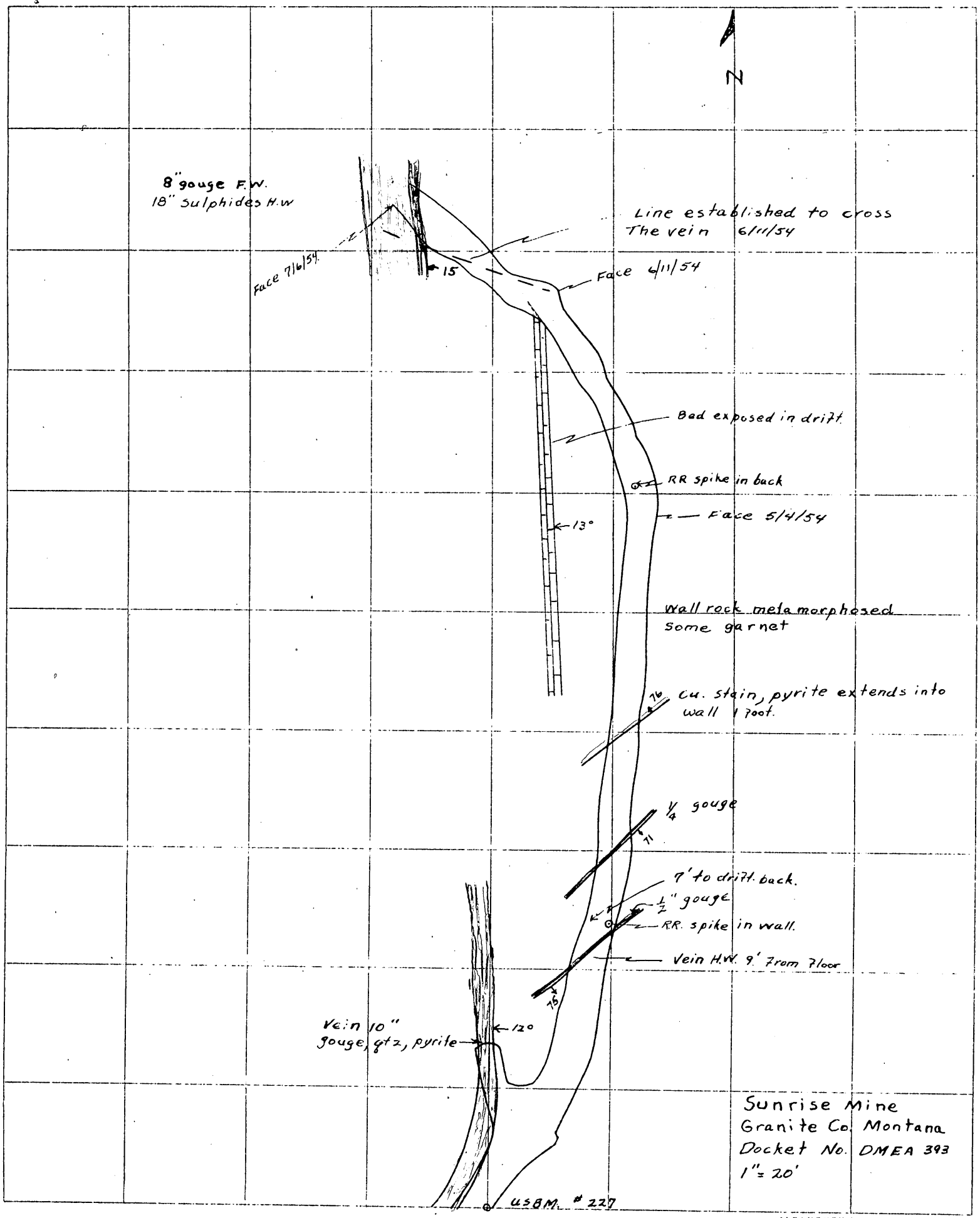
Subject: Routine Inspection, Docket No. DME-353 (copper), Copper Queen Mining Company, Sunrise Mine, Granite County, Montana, Contract No. Idm-5586.

The property was visited on July 6, 1954. No one was at the property because Mr. Howell had fired all of the miners.

The drift was advanced 30 feet since June 11, 1954. The vein was intercepted near the face of the drift as shown on the enclosed map. The vein consisted of 6 to 8 inches of iron-stained gouge on the footwall and 18 inches of ore containing a great deal of pyrite and some chalcopyrite. The vein will be sampled by the operator with occasional Field Team samples.

Mr. Howell was attempting to hire another crew. It is believed he hired two men from the Spokane region on July 8, 1954.

Attachment 1
Distribution:
DMEA (orig. & 3)
USBM (2)
Docket
Nickelson



"ALBANENE" No. 100M K&E CO., N.Y.
REG. U.S. PAT. OFF.

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

1201 N. Division St.
Spokane 2, Washington
July 15, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: John D. Hardill, Bureau of Mines, Region II

Subject: Routine inspection, Copper Queen Mining Company, Sunrise Mine, Granite County, Montana, Docket No. DMEA 393 (copper), Contract Idm-2386

A routine inspection of this project was made June 23, 1954, accompanied by Mr. William Newell, one of the principal stockholders of the company. At the time, no one was working.

A temporary Brunton compass and tape survey was made to determine the progress since the last inspection. Permanent survey points will be located at the time of the next inspection, when holes for plugs will have been drilled.

The following bearings and measurements were made:

BM 227 + 8 ft. - start of contract. The starting point was incorrectly given in the last report.

BM 227 to C	N 25° E	28.0	feet
C to D	N 10° E	71.7	"
D to E	N 3° W	32.3	"
E to F	N 42° W	24.0	"
F to face	N 55° W	27.6	"
		183.6	"
Less		2.0	
Advance since start of contract		181.6	feet

At Sta. F + 13 ft. the vein appears in the back of the drift and dips about 18° to the northeast and is in the bottom of the drift at the face. The vein is sparsely mineralized and has a width of a few inches to about 15 inches.

The drift is directed too far to the west. It will be turned more to the north so that the hanging wall of the vein can be kept in the back of the drift.

Work progress has been poor because of lack of miners who will work regularly.

Orig. & 3 cys - Wash.
NSOS (2)
NMRA
M/D
AD
JRR/he

John D. Bardill

Form MF-10 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Defense Minerals Administration
RECEIVED
JUL 30 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1954 Docket No. DMEA 393 Contract No. DMA 3506
Operator's Name Comer Cuon Mining Company Minerals Copper
Address Clinton, Montana
Contract Amount, $21,460.00 Government Participation: 50% Amount, $10,730.00

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:						Unsolved
Drilling						
Bulldozing						
Crosscutting						
Drifting	2527.60	3916.00	6443.60	2527.60	3916.00	6443.60
Rehabilitating tunnel	none	1358.40	1358.40		1358.40	1358.40
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2527.60	5274.40	7802.00	2527.60	5274.40	7802.00

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

Date July 14, 1954 *Payee Comer Cuon Mining Company

Per [signature] Title Secy-Treas.

*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:

$ 1263 80

Signature [signature]
(Authorized Certifying Officer)

Date 7/26/54 Vou. No. 1230

(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 586 in accordance with the terms of the contract.

Signature /S/ John D Burdill Title Metallurgist Date 7/16/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Engr Date 7/19/54

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 30 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1954 Docket No. DMEA 233 Contract No. 10-536
Operator's Name Copper Queen Mining Company Minerals Copper
Address Silver, Montana

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		2527.60	71	6443.60	101	35.60		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitating Camp		none	none	1350.40	[illegible]	1.60		
TOTAL DISTRIBUTED COSTS		2527.60		7792.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc								
TOTAL COSTS		2527.60		7792.00				

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 July 1, 1954 Operator Copper Queen Mining Co.

Per _____ Title Secy-Treas.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 30 1954

Copper Queen Mining Company
Clinton, Montana
July 14, 1954

Field Team DMEA, Region II
1201 North Division
Spokane, Washington

Gentlemen:

Enclosed herewith forms MF-104 and MF-104A for the rehabilitation and driving exploratory tunnel at the Sunrise property, under contract Idm E 536 for the month of June 1954.

We regret that progress has not been better. When the miners were off the vein they encountered some very hard rock which slowed them down and they also had trouble with missed holes which we believe was caused by the miners getting the caps wet. The crew we had were not dependable and were consistantly taking time off. However, we have a new crew now and believe that we will make better progress from now on.

Yours truly,

COPPER QUEEN MINING COMPANY

By
G. D. Lyon

GDL:de

Enc.

CC J. H. Mellen
E. W. McLaughlin
Powell

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
No. 157 Howard Street
Spokane 4, Washington

Howard
Berry

June 24, 1954

Memorandum

To: [illegible] Section II

From: Howard M. Nicholson, Geologist, [illegible]

Subject: Interim Inspection, Docket No. [illegible] 395 (copper)
Copper [illegible] Mining Company, [illegible]
Contract No. [illegible]

The property was inspected on June 11, 1954. Mr. [illegible] Howell accompanied the examiner.

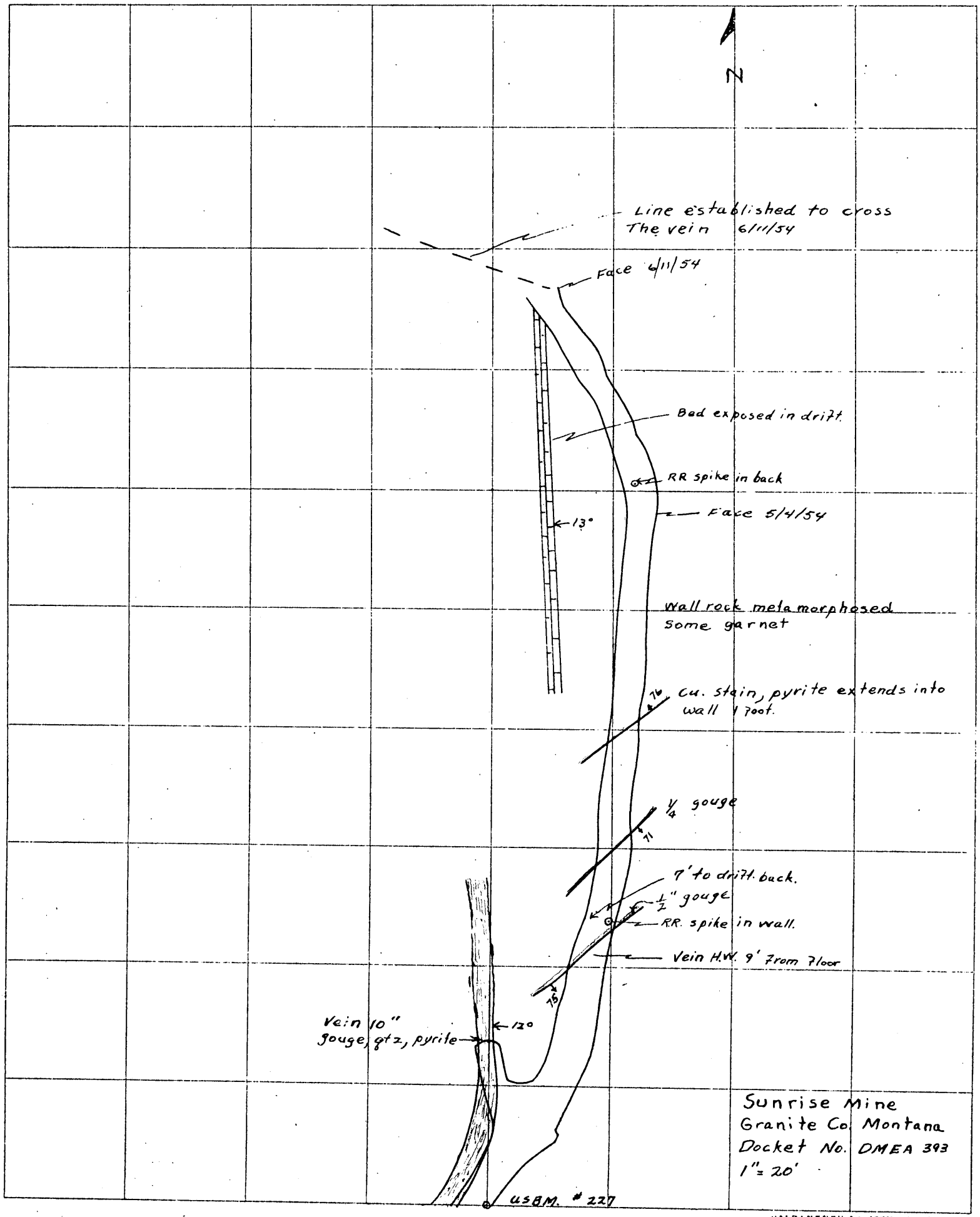
The advance since the last inspection, [illegible] has 40 feet. The low advance can be attributed to the miners [illegible] and quitting. Mr. Howell has told the contract miner that if the advance does not improve he will hire a new crew.

A new back leg drill is being used for drilling. [illegible] pulls four empty cars to the face, but steep drift grade makes it necessary to hand tram the cars to the surface.

The attached map shows that the last 40 feet of drifting has failed to intersect the vein because the drift has not been driven far enough to the left. A line No. 70' W. was established for the miners to follow, and if this course is followed the [illegible] the vein will be found about 20 to 25 feet from the face.

Enclosure 1

Distribution:
[illegible] (2)
[illegible] (2)
[illegible]
[illegible]



"ALBANENE" No. 190M K&E CO., N.Y.
REG. U.S. PAT. OFF.

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

Crowell
Betty

May 14, 1954

Memorandum

To: DMEA Field Team, Region II

From: Howard B. Nickelson, Geologist, U. S. Geological Survey

Subject: Interim inspection, Docket No. DMEA-353 (copper), Copper Queen Mining Company, Sunrise Mine, Granite County, Montana, Contract No. Idm-2586.

The property was inspected on May 11, 1954. No one was at the mine, but project work was discussed with Mr. J. H. Mellon in Drummond, Montana.

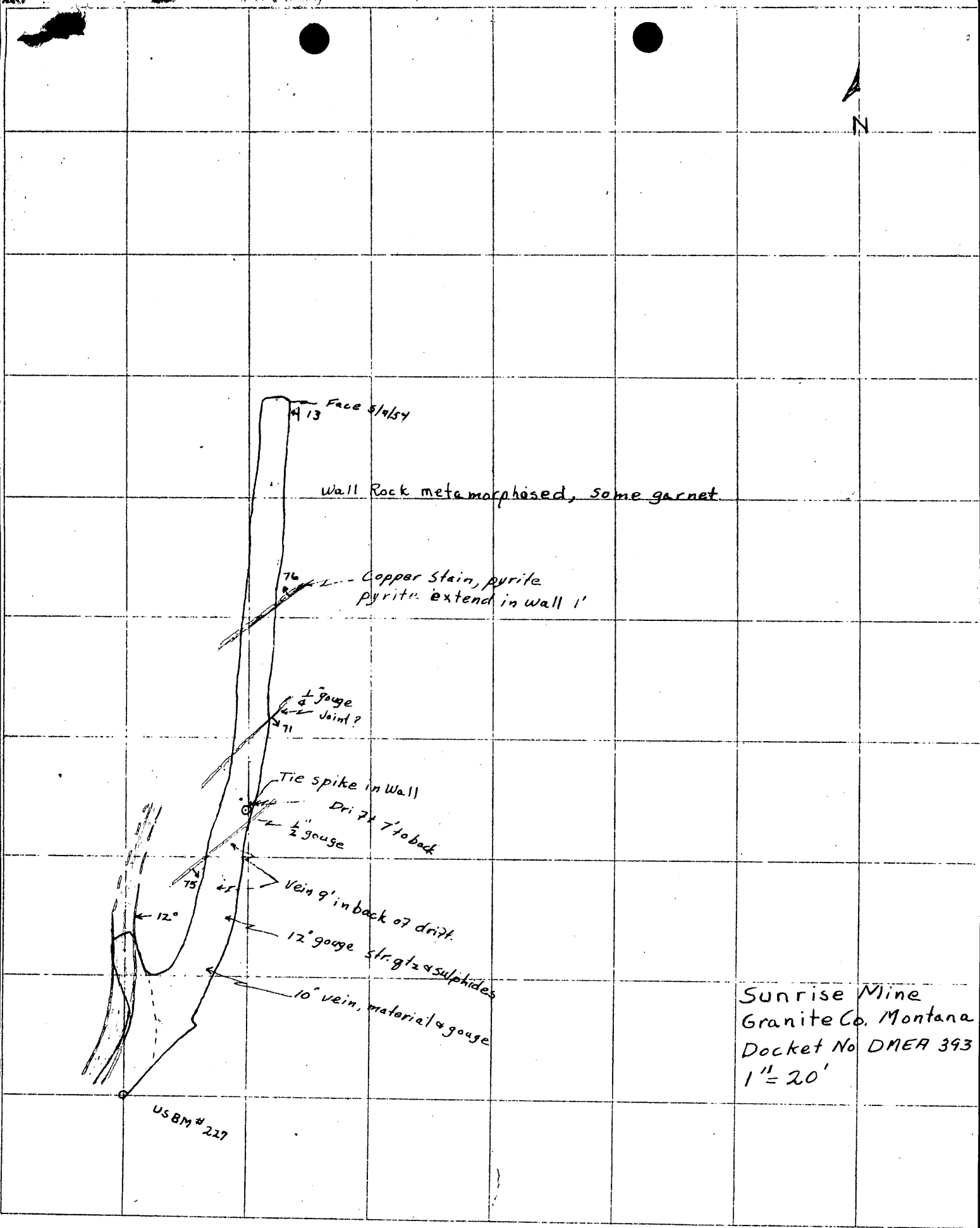
The advance has been about 106 feet. The last 68 feet of drift has been driven off the vein structure in the footwall country rock. The operators decreased the size of the drift from 9 by 7 to 7 by 6, but failed to turn the drift left to follow the gently dipping vein which was in the back of the 9 by 7 drift.

Mr. Mellon was advised to turn the drift to the left or northwesterly to intersect the vein and then continue on the vein.

The ground is a very hard metamorphosed limestone that has resulted in broken drill steel and the use of numerous bits.

Attachment

Distribution:
DMEA (orig. & 3)
USBM (2)
Docket
Nickelson



"ALBANENE" No. 196M K&E CO., N.Y.
REG. U.S. PAT. OFF

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

1201 N. Division St.
Spokane 2, Washington
May 4, 1954

Grawalt
Betty

MEMORANDUM

To: DMEA Field Team, Region II

From: John D. Bardill, Bureau of Mines, Region II

Subject: Routine inspection report, Copper Queen Mining Company, Sunrise Mine, Granite County, Montana, Docket No. DMEA 393, (copper), Contract idm-5566

This project was recently transferred from V. L. Johnson to me.

A routine inspection of this project was made April 30, 1954 accompanied by Mr. James H. Mullen, one of the four principal stockholders of the company.

Work progress was measured since Mr. Johnson's last inspection on March 14, 1954.

Measurements and Brunton compass bearings were made and recorded as follows:

MM 227 + 27.5' (starting point of contract) - temporary Ft. 1, N. 15° W		44 ft.
Ft. X to face	due N	50 ft.

Advance since the start of the contract has been 94 feet of drift.

Mining is on a two-shift basis when a full complement of miners is available. Living facilities are not especially attractive to good miners.

Starting at a point near the beginning of the contract, the 1-foot, poorly mineralized vein which was dipping about 15° to the west pinched out in the back of the drift at about MM 227 + 61 feet at what appears to be a small fault striking about N. 35° E. and dipping roughly 30° northeast. The bearing may be subject to later correction because of a smoking machine and metallic supplies at the point of measurement.

The vein is not evident between the fault and the face, a distance of about 60 feet. The vein where exposed seemed to be bearing more to the west than the direction of the drift. All agreed that the drift should be gradually turned to the west to locate the vein again. Projecting location of stopes from the next lower level to the present working level indicated that the drift face should be in a poorly mineralized zone.

John D. Hardill

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

Form DMEA-104 (Rev. 12-1-52)

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

RECEIVED
MAY 20 1954

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

Month of April, 1954 Docket No. DMEA 393 Contract No. Idm 4586
Operator's Name Copper Queen Mining Company Minerals Copper
Address Clinton, Montana
Contract Amount, $ 21,460.00 Government Participation: 50 % Amount, $ 10,730.00

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:						Approved Betty
Drilling						
Bulldozing						
Crosscutting						
Drifting	2242.80	1673.20	3916.00			
Rehabilitating Tunnel	none	1358.40	1358.40			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2242.80	3031.60	5274.40	2242.80	3031.60	5274.40

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

Date May 7, 1954 *Payee Copper Queen Mining Company

Per [signature] Title Secy-Treas.

*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:

$ 1121.40

Signature [signature]
(Authorized Certifying Officer)

Date 5/14/54 Vou. No. 1157
(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 586 in accordance with the terms of the contract.

Signature /S/ John D Bardill Title Metallurgist Date 5/11/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Eng. Date 5/12/54

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 83-3847 6

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

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1954 Docket No. DMEA 393 Contract No. Idm-E586
Operator's Name Copper Queen Mining Company Minerals Copper
Address Clinton, Montana

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		2242.80	63	3916.00	110	35.60		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitating Tunnel		none	none	1358.40	849	1.60		
TOTAL DISTRIBUTED COSTS		2242.80		5274.40				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2242.80		5274.40				

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

Date May 7, 1954 Operator Copper Queen Mining Co.

Per [signature] Title Secy-Treas.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Copper Queen Mining Company
Clinton, Montana
May 10, 1954

MAY 11 1954
SPOKANE, WASH.

Field Team DMEA, Region II
1201 North Division
Spokane, Washington

Gentlemen:

Enclosed herewith forms MF-104 and MF-104A for the rehabilitation and driving exploratory tunnel at the Sunrise property, under contract Idm E 586 for the month of April 1954. During this month we were delayed to considerable extent due to the weather conditions and also due to the fact that we encountered some very hard rock. We are using a Swede drill with steel that is guaranteed. However, we have broken numerous shanks off of the steel and at one time was delayed due to the fact that we did not have steel to work with.

Pursuant to our request in our letter of April 7th, a gentlemen from your department was at the mine and made a survey and discovered that we were going to the right too much and were getting away from the vein. Under his instructions we have turned to the left and now appear to be getting back into the mineralized ground.

Yours very truly,

COPPER QUEEN MINING COMPANY

By G. D. Lyon

GDL:de
Enc.

CC J. H. Mellen
E. W. McLaughlin
Wm. Howell

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

Gwendolyn
Betty

April 21, 1954

Memorandum

To: DMEA Field Team, Region II

From: Howard B. Nickelson, Geologist, U. S. Geological Survey

Subject: Interim inspection, Docket No. DMEA-393 (copper), Copper Queen Mining Company, Sunrise Mine, Granite County, Montana, Contract No. DMe-2586.

The property was inspected on March 17, 1954, accompanied by Mr. J. H. Mellon.

The advance has been about 24 feet from the contract starting point. The structure within the 24 feet ranges in width from 1 foot to 2 feet consisting of brecciated wall rock, gouge and about 4 inches of quartz and pyrite vein material that probably contains some copper minerals. The hanging wall of the structure was 9 feet above the floor of the drift. It was suggested to Mr. Mellon and the contract miner that the drift be turned to the left so the hanging wall of the vein would be about 7 feet above the floor of the drift. This would decrease the size of the drift and save the operators from excavating a larger opening than is required by the contract.

The company has obtained a contract miner who has agreed to drive the drift for a labor cost of $20.00 per foot. The contractor has two employed miners and plans to obtain a third so the work can proceed on two shifts per day. It is hoped the new miners will increase the advance rate so the company can stay within the rate allowed by the contract.

Distribution:
DMEA (orig. & 3)
USBM (2)
Docket
Nickelson

Form MLS104 (Rev.)
(April 1952)

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

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

Month of March 1954 Docket No. DMEA 393 Contract No. Ida-1506
Operator's Name Quoon Mining Syndicate Minerals Copper
Address Clinton, Montana
Contract Amount, $ 21,460.00 Government Participation: 50 % Amount, $ 10,730.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	1673.20	none	1673.20	1673.20	—	1673.20
Rehabilitating tunnel	none	1358.40	1358.40	—	1358.40	1358.40
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1673.20	1358.40	3031.60	1673.20	1358.40	3031.60

Reinhold Berg

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

Date April 6, 1954 *Payee Quoon Mining Syndicate

Per [signature] Title Sec'y-Treas.

*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:

$ 836.60

Signature [signature] (Authorized Certifying Officer)

Date 4/16/54 Vou. No. 1135

(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 586 in accordance with the terms of the contract.

Signature /S/ John D Burdell Title Metallurgist Date 4/14/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Eng Date 4/15/54

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 DF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 195 4 Docket No. DMEA 393 Contract No. 10a-596
Operator's Name Queen Mining Syndicate Minerals Copper
Address Clinton, Montana

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		1673.20	47	1673.20	47	35.60		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitating Tunnel		None	None	1358.40	44.9	3.60		
Total Distributed Costs		1673.20		3031.60				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		1673.20		3031.60				

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 April 1, 1954 Operator Queen Mining Syndicate

Per [signature] Title Sec'y-Treas.

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

Remarks:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

RECEIVED
BUREAU OF MINES
APR 12 1954
SPOKANE, WASH.

Copper Queen Mining Company
Clinton, Montana
April 7, 1954

Field Team DMEA, Region II
1201 North Division
Spokane, Washington

Gentlemen:

Enclosed herewith Forms MF-104 and 104A for the rehabilitation and driving exploratory tunnel at the Sunrise property, under contract Idm E 586 for the month of March 1954. During the month of February we were unable to accomplish much of anything due to the weather conditions and the same has applied in lesser degree in the month of March. However, we have drifted during this period 47 feet. We have at the present time three miners on the job and would have had four but one of them got sick. We also have a muching machine, compressor, drills and mules for traming. In addition to this we have 6 mine cars.

We have found that it is difficult to hold some of the old rails on the ties due to the fact that the copper has eaten up the flange. These we are replacing.

We will appreciate someone from your organization to come and look over the work we are doing at the earliest date possible as we would like to be checked as to the direction that we should take on the vein.

Yours very truly,

COPPER QUEEN MINING COMPANY

By G. D. Lyon

GDL:de
Enc.

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

1201 N. Division St.
Spokane 2, Washington
March 19, 1954

Greenwold
BOH

MEMORANDUM

To: DMEA Field Team, Region II

From: V. Z. Johnson, Mining Engineer, Bureau of Mines

Subject: Routine inspection, Sunrise Mine, Queen Mining Syndicate, Granite County, Montana, Contract Idm-8586, Docket No. DMEA 393 (copper)

The inspection was made on March 14, 1954. There was no one at the property. The project portal was reached by automobile without chains.

There has been very little project advance since Mr. Zoldak's inspection on January 7, 1954. About 6 feet of project drifting had been completed during the period. Significant deadwork attendant to the rehabilitation reported by the Operator for January remained to be completed in February. Water and air lines are not complete, and the miners are having some difficulty with the existing track. The 12-S size muckers is too large for the one-half ton cars which were used during earlier operations.

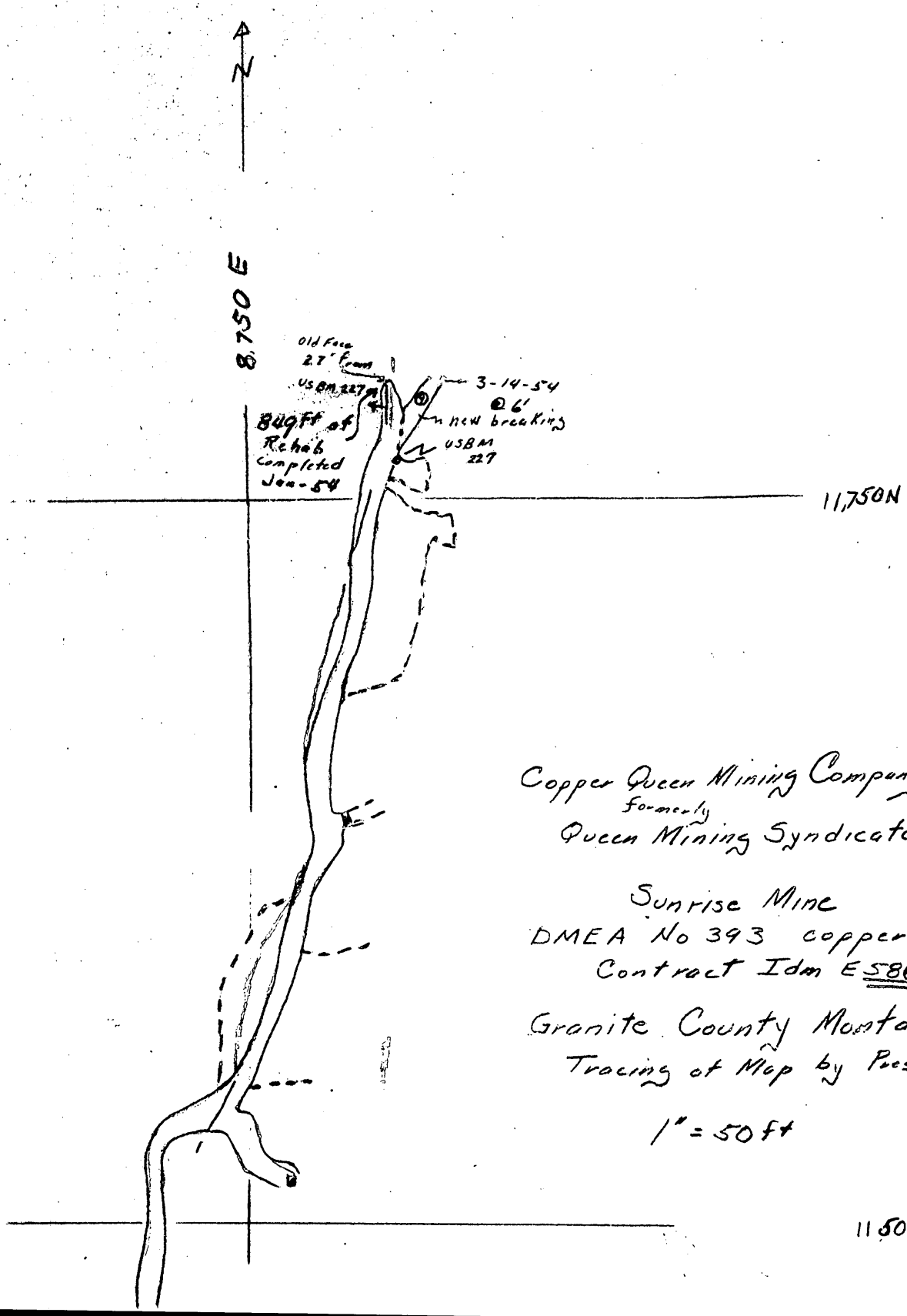
Drift advance for the period was broken further into the footwall than was necessary. Clearance of 7½ feet is required for the mucker, but a flat roof-like hanging wall is now 9½ feet above the floor of the new drift. However, the track is aligned so that the next rounds will be more nearly centered on the vein. There was no apparent change in vein values from the old drift face where a 1.3-foot width assayed 0.10% copper and 0.03% WO_3 - DMEA sampling.

Total contract units completed to date are tunnel rehabilitation - 849 feet and drifting - 6 feet.

The workmanship is only fair, and there appears to be some lack of management. Very little supervision will be necessary after drifting gets started, but provisions for water supply and the adaptation of a suitable means for trumping over the existing track will require some thought.

V. Z. Johnson

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



Copper Queen Mining Company
formerly
Queen Mining Syndicate

Sunrise Mine
DMEA No 393 copper
Contract Idm E586

Granite County Montana
Tracing of Map by Preston and Reynolds

1" = 50 ft

Form [redacted] (April [redacted]2) Rev.)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED 2 3 1954

Month of January, 1954 Docket No. DMEA 393 Contract No. Idm-1586
Operator's Name Queen Mining Syndicate Minerals Copper
Address Clinton, Montana
Contract Amount, $ 21,460.00 Government Participation: 50 % Amount, $ $10,730.00

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:				2/24/54		Griswold
Drilling						
Bulldozing						
Crosscutting						Betty
Drifting						
Rehabilitating Tunnel	1,358.40	None	1,358.40			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,358.40	None	1,358.40	1358.40		1358.40

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

Date Feb. 15, 1954 *Payee Queen Mining Syndicate

Per [signature] Title Partner

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

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

(Instructions on reverse)

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

$ 679.20

Signature [signature] (Authorized Certifying Officer)

Date 3/17/54 Vou. No. 1086
(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 3 9 3 in accordance with the terms of the contract.

Signature /S/ Verle Z Johnson Title Mining Engr Date 2/15/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Engr Date 2/15/54

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 M[illegible]04A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 195 4 Docket No. DMEA 393 Contract No. Idm-E586
Operator's Name Queen Mining Syndicate Minerals Copper
Address Clinton, Montana

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitating Tunnel		1,358.40	849	1,358.40	849	1.60		
TOTAL DISTRIBUTED COSTS		1,358.40		1,358.40				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1,358.40		1,358.40				

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

Date February 15, 1954 Operator Queen Mining Syndicate

Per [signature] Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

QUEEN MINING SYNDICATE
Clinton, Montana

February 15, 1954

Field Team, DMEA, Region II
1201 North Division
Spokane, Wash.

Please find enclosed invoices, forms MF-104 and 104A for rehabilitation at the Sunrise property under contract Idm-E586 for the month of January 1954.

During the period we completed 849 feet of rehabilitation at the Main Queen Tunnel on the Queen Vein. Most of the operating equipment is at the property and we anticipate breaking new advance under the contract during the next few days.

A sketch will be submitted with the next monthly report.

Queen Mining Syndicate

By E. Lyon

E. D. Lyons, Partner

Narrative report for January 1954

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

Forwarded
Betty

1201 N. Division St.
Spokane 2, Washington
January 12, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: S. W. Zaldak, Mining Engineer, Bureau of Mines

Subject: Interim inspection, Docket No. DMEA 393 (copper), Queen Mining Syndicate, Sunrise Mine, Granite County, Montana, Contract Ida-2586

An inspection of the work at the subject property was made on January 7, 1954. No one was at the property during the inspection. Drifting snow made the last two miles of road impassable to a jeep, and it was necessary to walk this distance. One of the employees was contacted on January 10, and he stated that the road had been cleared of snow the previous day.

The No. 1W tunnel was inspected and was found to be rehabilitated for about 270 feet (non-DMEA).

The Main Tunnel measures 849.0 feet from portal to the present face. The section from 357 to 414 feet is being completely retimbered. In other sections of the tunnel, helper sets and truck ties have been placed. Much of the tunnel is narrow and crooked, and it is doubtful that the tunnel could be widened and the curves straightened for the $1,440.00 allotted for the work.

USBM tag No. 227 was placed on the north chute post of the last chute, 27.5 feet behind the present face.

Surface plant

A 12.5x20.5-ft. compressor shed of light construction and no floor has been built near the portal of the Main tunnel, and a short trestle constructed for muck disposal. The shed houses a C.D. 500 series compressor, Model WBK 2001, Serial No. 157673 (used).

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
AB
SWZ/hc

S. W. Zaldak
S. W. Zaldak

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

November 18, 1953

Memorandum

~~Unrecorded~~
Betty

To: DMEA Field Team, Region II

From: Howard B. Nickelson, Geologist, U. S. Geological Survey

Subject: Report of visit, Docket DMA 393 (copper), Queen Mining Syndicate, Sunrise Mine, Granite County, Montana
Contract Idm-F586

The property was visited on October 6, 1953. No one was at the property, but one miner had been rehabilitating one of the adits on the property. The rehabilitation was measured and a rough sketch drawn of the work. Upon returning to Spokane, the writer discussed the work with James Quinlan, a Survey geologist who made the original field examination, and we found the operators were rehabilitating West No. 1 adit, instead of the Main Queen adit. The routine inspection was held up until this could be definitely confirmed. Steve Zoldok, U. S. Bureau of Mines engineer, visited the property by himself and measured the rehabilitation on West No. 1 adit instead of the Main Queen adit. The rehabilitation at that date amounted to approximately 100 feet. Mr. Zoldok was informed of the mistake in the adits so his report has been held up.

The property was revisited on November 6, 1953 by the writer, accompanied by Mr. J. Mellen, one of the partners. The West No. 1 adit had been opened for a distance of approximately 250 feet. A cave blocked the adit at this point. The Main Queen adit was inspected to the face.

The operator was asked why they had not started work on the Main Queen adit, as so stated by Mellman Clarke, company lawyer, in a letter dated October 21, 1953. The 60-day starting date from the date of the contract had expired on October 20, 1953.

Mr. Mellen stated they had studied the possibility of asking the Government to transfer the DMEA work in the Main Queen adit to the West No. 1 adit and had delayed starting the rehabilitation in the Main Queen adit until they had discussed this possibility for a change in the location of the DMEA work. To justify this change they had hoped to open the West No. 1 adit for our inspection.

West No. 1 adit has never been mapped or sampled and no information except a dotted outline on Preston and Reynolds map exists. A sketch of the two adits is enclosed.

If the West adit No. 1 were open for inspection it might offer better exploration possibilities than the proposed work in the Main adit because it has been advanced about 225 feet north of the Main adit and is 57 feet below the Main adit according to the information on hand. The present 250 feet of rehabilitation has revealed 80-pound rail that is in good shape, and a 3-inch air line. The Main adit has a variety of rail ranging from 6 pound to 16 pound which will require partial replacement because some of it has been badly eaten away by copper water. Several hundred feet of the Main adit drift will require new timber because the existing timber is badly rotted.

I recommend no action on the proposed change until the operators submit a letter to the Field Team asking for a change in the location of the DMEA work. Also, the West No. 1 adit should be opened for an examination and its merits determined by the Field Team before a change of location is approved.

No timber has been secured for the winter operation. Mr. Mellen has agreed to secure another miner to continue with the opening of the West No. 1 adit, and it is hoped they will be able to open this adit within a couple of weeks, at which time the Field Team will be informed. The opening of West No. 1 adit will be done at the complete expense of the operators.

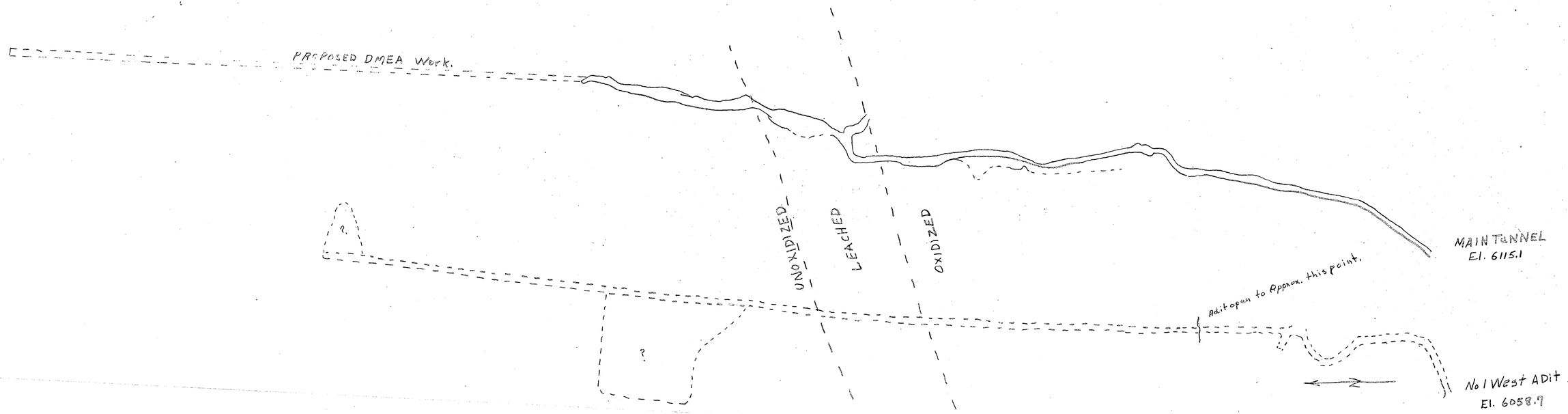
One of the partners, Mr. W. J. Noon, died of a heart attack about a week before the inspection trip.

Work will probably be withheld in the Main adit until a decision is reached by the operators and the Field Team on a change of work location.

Enclosure - 1

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

Queen Mining Syndicate
DMEA 393.
Scale 1" = 50'



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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 16 1953

1201 N. Division St.
Spokane 2, Washington
November 10, 1953

Gruwold
Betty

MEMORANDUM

To: DMEA Field Team, Region II

From: S. W. Zeldek, Mining Engineer, Bureau of Mines

Subject: Interim inspection, Queen Mining Syndicate, Sunrise Mine, Granite County, Montana, Contract No. Idm-8586, Docket No. DMEA 393 (copper)

An inspection of the Main Tunnel and the No. 1-W. tunnel of the Sunrise mine was made on November 1. No one was present at the mine during the inspection.

No work has been done on the Main Tunnel level where rehabilitation work is specified under the DMEA contract.

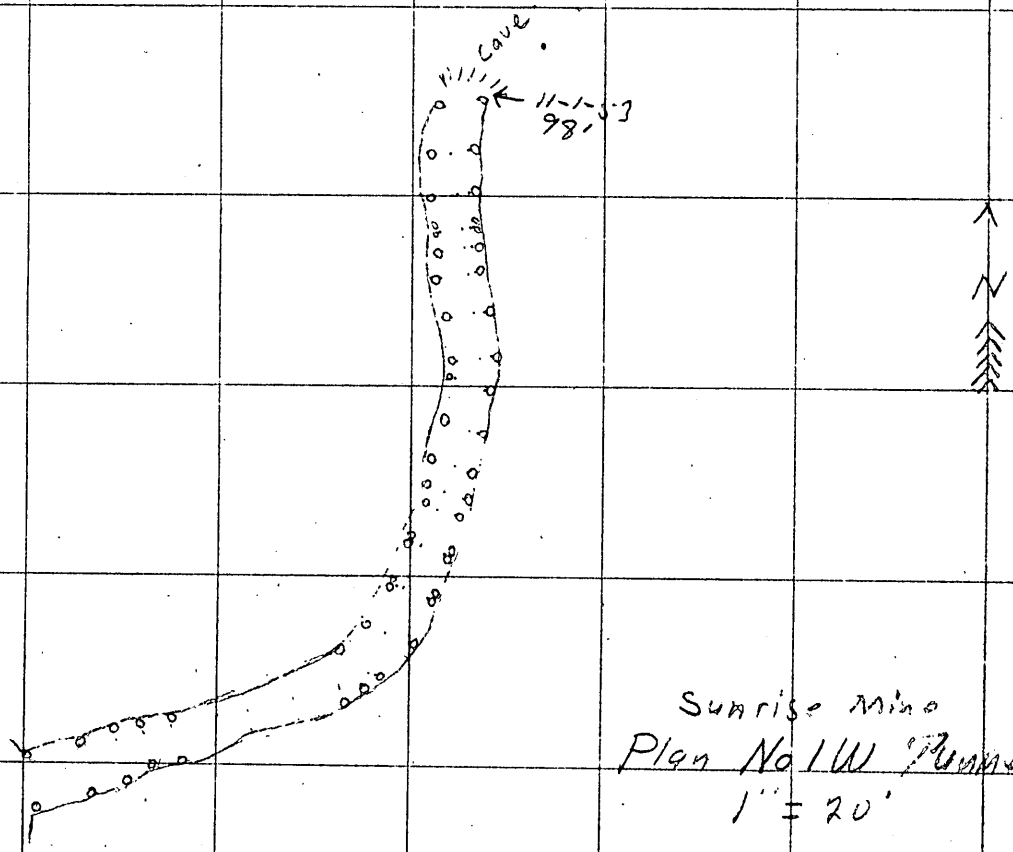
The Operator has been rehabilitating the No. 1-W. tunnel although no mention of this is made in the contract. Subsequent to the inspection it was learned that the Operator would like to transfer the rehabilitation work to the No. 1-W. tunnel, but no formal request has been made by the Operator to do this and no recommendation on this transfer will be made at this time.

The rehabilitated work in the No. 1-W. tunnel was surveyed and a sketch map accompanies this report. Total rehabilitation work in the No. 1-W. tunnel is 98 feet.

S. W. Zeldek
S. W. Zeldek

Origl & 3 cys - Wash.
DMEA (2)
DMEA
N/D
AD
SWZ/ms

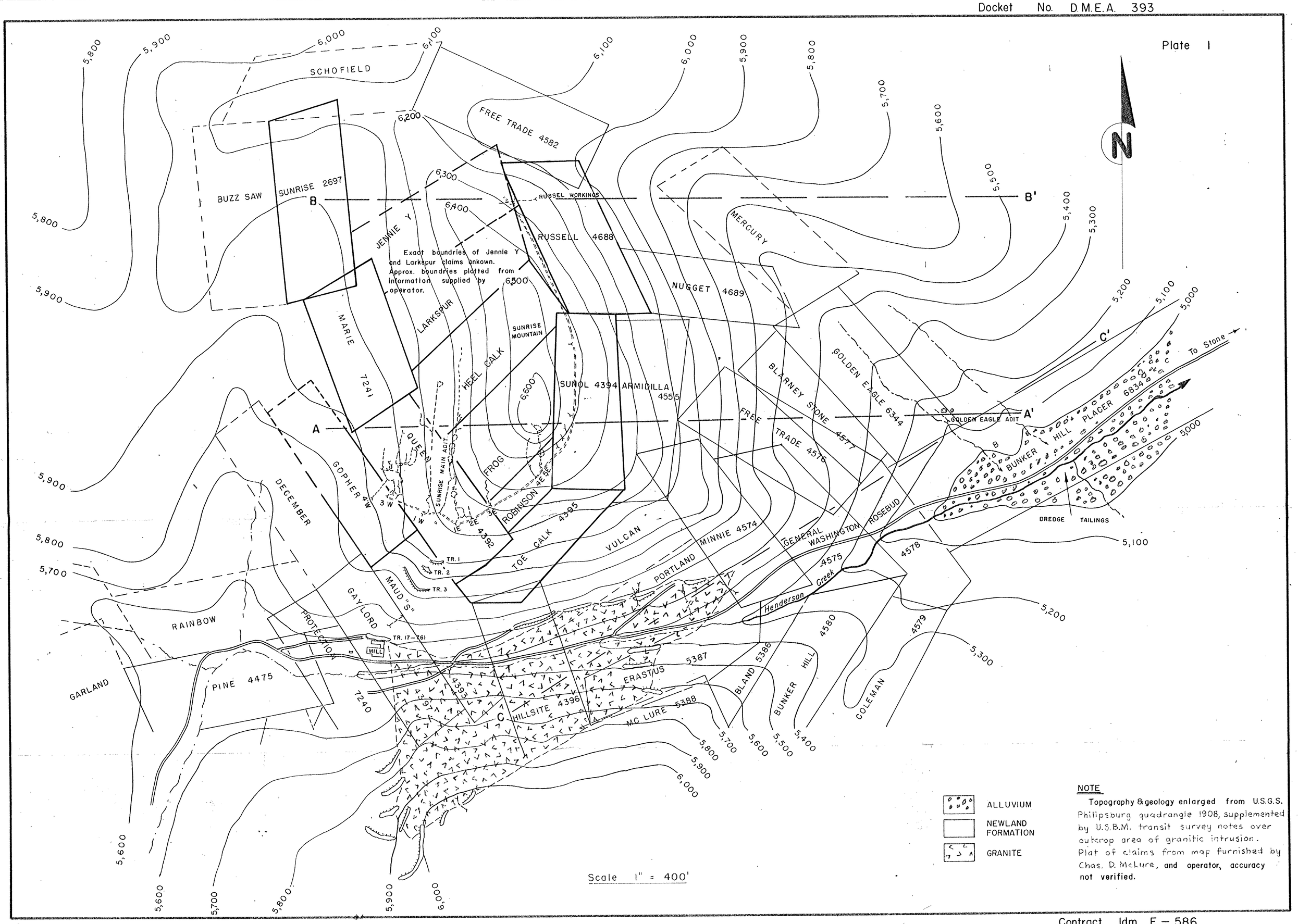
Quaco Mining Syndicate
Granite County, Mont
Docket No DMEA 393
Contract Idm-E 586



Sunrise Mine
Plan No 1W Tunnel
1" = 20'

S.W. Zuldak

Plate I



Contract, Idm. E — 586

Sunrise Mine ——— Granite County, Montana.

GEOLOGIC MAP
SUNRISE MINE
COPPER QUEEN MINING COMPANY
Granite County, Montana

Geology and base after Map by Preston and Reynolds with additions by DMEA field [redacted] personnel
Samples by DMEA [redacted] Personnel

Scale 1" = 50'