01-JCC

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Copper Queen Mining Company, Assignee
Clinton, Montana

and

W. J. Moen, G. D. Ryan, J. H. Mellen, Wm. Howell, Partners
D/B/A Queen Mining Syndicate, Assignor
Clinton, Montana

pertaining to Exploration Project Contract No. Idm-2586, Docket No. DMA 393 dated August 20, 1953, without amendments, for the period of August 20, 1953 to April 27, 1955, covering a project for the exploration of copper on property known as the Sunrise Mine, located in Granite County, State of Montana.

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

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

(a) All of the costs incurred were under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

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

Total Cost as billed by the Contractor	$20,954.40
Exceptions	None
Total Accepted Costs	$20,954.40

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Ten thousand four hundred seventy seven and 20/100 Dollars

--$10,477.20--

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

C. A. Turner, Auditor

April 27, 1955

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
MAY 12 1955

Month of January-February, 1955 Docket No. DMEA 393 Contract No. IdmAE586
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	16,852.40	20,954.40

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 L. Lyon 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.

Final

(Instructions on reverse)

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

$ 2051.00

Signature MAP
(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. E586 in accordance with the terms of the contract.

Signature (S) John D. Bardill Title Metallurgist Date april 25-55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature (S) Stephen W. Zoldok Title Mining Engr Date 4-25-55

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 ME-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
MAY 12 1955

Month of ~~February~~ January- 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	AUTHORIZED BY CONTRACT 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 [signature] 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)

Look! sign here

[signature]

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 ~~Owen~~ 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 Mn Dioxide	Per Cent [illegible]	Per Cent Lead	Per Cent Manganese	Per Cent Silica	Per Cent Zinc
							WO_3				
#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.

O. F. Mellen, President

MONTANA LABORATORY COMPANY

By

Form M-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
APR 22 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

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
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	2705.60	12780.40	15486.00			
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	none	8.00	8.00			
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 [signature]
(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. Ec 586 in accordance with the terms of the contract.

Signature /s/ John D. Bardill Title Metallurgist Date Jan. 24-1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Stephen W. Goldoft 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

Department of the Interior
Defense Minerals Administration
RECEIVED
APR 22 1955

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

Month of [illegible] 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]

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]	76	[illegible]	95	[illegible]	550	35.60
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Sampling				8.00	2	4.00	110	4.00
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation and [illegible]		none	none	1350.40	849	1.60	900	1.60
Total Distributed Costs		705.60		16852.40				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
[illegible]				[illegible]				
Total Costs		705.60		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 Conner 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.

(Instructions on reverse)

Remarks:

4-13-55

(For Government use only)

Stephen W Zoldok

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

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 ~~XXXX~~ 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

J. H. Mellen, President

Form ME-104 (Rev.)
(Apr. 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

Defense Minerals Administration
RECEIVED
DEC 27 1954

Month of Nov., 1954, Docket No. DMEA 399 Contract No. 20-306
Operator's Name Copper Moon Mining Company Minerals Co Pb
Address Elko Nev., Nevada
Contract Amount, $ 34,160.00 Government Participation: 50 % Amount, $ 17,080.00

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	818.00	11961.60	12780.60			
Rehabilitation of [illegible]	[illegible]	1350.00	1350.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	0.00	0.00	0.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	818.00	13311.60	14129.60	822.80	13334.00	14156.80

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

Date 1/12/55 *Payee Copper Moon Mining Company

Per G. Lyons 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:

$ 411.40

Signature MDP
(Authorized Certifying Officer)

Date 12/23/54 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. E 586 in accordance with the terms of the contract.

Signature 1st John D Bardill Title Metallurgist Date 12/15/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature 1st Stephen W Zoldok Title Mining Engr 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

Defense Minerals Exploration Administration
RECEIVED
DEC 27 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Oct.-Nov. 1954 Docket No. DMEA 393 Contract No. [illegible]
Operator's Name Copper Queen Mining Company Minerals Copper
Address Bisbee, 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		816.00	23	12700.00	357	35.60		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Rehabilitation Assay		[illegible]	[illegible]	135.00				
TOTAL DISTRIBUTED COSTS		912.00		12835.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Other		5.00		5.00				
TOTAL COSTS		917.00		12840.00				

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 12/2/54 Operator Copper Queen Mining Co.

Per [signature] Title Foreman

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

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

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

RECEIVED
OCT 18 1954

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

Month of September, 1954 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	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 Copper Queen Mining Co.

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:

$ 749 60

Signature [signature]
(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. E586 in accordance with the terms of the contract.

Signature 1st John D Bardill Title Metallurgist Date Oct 11-1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature 1st Thomas E Howard Title Mining Engr 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 MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 18 1954

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

Month of September 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		1495.20	42	11961.60	336	35.60		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
RehabilitatingTunnel		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 Sec'y-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

Defense Minerals Administration
RECEIVED
SEP 27 1954

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

Month of August, 1954 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	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 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:

$ 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. E 586 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 Zoldok 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

OPERATOR'S UNIT COST AND PROGRESS REPORT

SEP 27 1954

Month of August 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	Unit Costs
Drifting		1352.80	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	1358.40	849	1.60		
TOTAL DISTRIBUTED COSTS		1352.80		11824.80				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1352.80		11824.80				

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 Sept. 9, 1954 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

MONTANA LABORATORY COMPANY

CHEMISTS AND ASSAYERS

Philipsburg, Montana, September 4, 1954

RECEIVED
BUREAU OF MINES
SEP 13 1954
BUTTE, MONT.

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	~~Per Cent~~ XXXXX	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 .....

Copper Queen Mining Company
Clinton, Montana
September 9, 1954

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

Gentlemen:

Attached you will find Montana Laboratory Company, Philipsburg, Montana assay report dated September 4, 1954. The writer received this after forms MF-104 and 104A were completed and therefore did not include same.

For your information we apparently are back again on the lead and although the assay shows very small value, we are of the opinion that as we drive further in on the vein the assays will show better values. The character of the rock from which this assay was made appears to be an oxidized character and leaching has probably taken out the values. We will in the near future have another sample taken and have sample analyzed and will send you a copy of the report.

Yours very truly,

COPPER QUEEN MINING COMPANY

By

/s/ G. D. Lyon

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

Budget Bureau No. 42-R1036.5

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 10 1954

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

Month of July, 1954 Docket No. DMEA 393 Contract No. Idaho 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: 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	2670.00	6443.60	9113.60	2670.00	6443.60	9113.60
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	2670.00	7802.00	10,472.00	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 Aug. 17, 1954 *Payee Copper Queen Mining Company

Per E. Ryon 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:

$ 1335.00

Signature MDP
(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 Eng. 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".

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
SEP 10 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 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	Unit Costs
Drifting	FT	2670.00	75	9113.60	256	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		2670.00		10472.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2670.00		10472.00				

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

REMARKS:

Date Aug. 17, 1954 Operator Copper Queen Mining Co.

Per G. Dyson 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.

(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

DEPARTMENT OF THE INTERIOR
Defense Minerals Adm.
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 MY-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.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.4
Approval Expires 3-31-53

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 30 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June 195 4 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	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 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:

$ 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 Bardill 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 ME-104A
(April 1952)

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

Department of the Interior
Defense Minerals Administration
RECEIVED
JUL 30 1954

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

Month of June 1954 Docket No. DMEA 333 Contract No. 1a-0506
Operator's Name Conner Queen Mining Company Minerals Copper
Address Flinton, 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	191	33.60		
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		2527.60		7802.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2527.60		7802.00				

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 16, 1954 Operator Conner 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 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 586 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

Form MF-101 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

U.S. Department of the Interior
Defense Minerals Administration
RECEIVED
MAY 20 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1954 Docket No. DMEA 393 Contract No. Idm 6586
Operator's Name Copper Queen Mining Company Minerals Copper
Address Clifton, 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	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. Bardell Title Metallurgist Date 5/11/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W. Zoldak Title Mining Engr. 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 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1954 Docket No. DMEA 393 Contract No. [illegible]
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		2242.00	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	840	1.60		
TOTAL DISTRIBUTED COSTS		2242.00		5274.40				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2242.00		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 Secty-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

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

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

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

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

Month of March, 1954 Docket No. DMEA 393 Contract No. Idm-E586
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:						
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

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

Date ~~March 7, 1954~~ Apr. 15 Payee Queen 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 5 86 in accordance with the terms of the contract.

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldak Title Mining Engr 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 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 March 195 4 Docket No. DMEA 393 Contract No. Idm-1586
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	849	1.60		
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 7, 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.

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

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

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

Month of January, 1954 Docket No. DMEA 393 Contract No. Idm-E586
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:						
Drilling						
Bulldozing						
Crosscutting						
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 G. Lyon 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 [illegible]
(Authorized Certifying Officer)

Date 2/17/54 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 393 in accordance with the terms of the contract.

Signature /s/ Verdo 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 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 January 1954 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

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

QUEEN MINING SYNDICATE
Clinton, Montana

February 15, 1954

Field Team, DMRA, 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-M586 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

G. H. Lyons, Partner

Narrative report for January 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION 500
WASHINGTON 25, D. C.

February 9, 1956

Memorandum

To: Contract Administration and Audit Division

From: Chief, Base Metals Division

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

Work on the cited project was completed in January 1954. The Final Field Team Report has only recently been received (January 30). In view of the time lag the customary closing letter is waived.

W. R. Griswold

W. R. Griswold

Government's copy

ASSIGNMENT OF EXPLORATION PROJECT CONTRACT

WHEREAS, the QUEEN MINING SYNDICATE has entered into an exploration project contract with the U. S. Government which contract is known as Docket No. DMA 393 (Copper) and Contract No. Idm-E586, and

WHEREAS the said QUEEN MINING SYNDICATE desires to assign this contract to a mining company organized by themselves and known as the COPPER QUEEN MINING COMPANY, now therefore,

We, the QUEEN MINING SYNDICATE (assignor) for and in consideration of $1.00 now paid, and other valuable consideration, do hereby grant and assign, subject to Government approval, to COPPER QUEEN MINING COMPANY, a Montana corporation (assignee) all of our interest in a certain exploration project contract No. Idm-E586 dated August 20, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Administraction, and ourselves as OPERATOR.

By acceptance of this Assignment, the ASSIGNEE agrees to assume and perform all of the reservations, terms, conditions, agreements and covenants in said contract contained.

The post office address of the grantee and assignee herein is as follows:

COPPER QUEEN MINING COMPANY, c/o Lyon Construction Company, Clinton, Montana.

IN WITNESS WHEREOF, I have hereunto set my hands this 15th day of February, 1954.

G. D. Lyon

G. D. Lyon, Secretary of
Queen Mining Syndicate, Grantor
and Assignor

STATE OF WASHINGTON)
ss.
County of Spokane)

I, the undersigned, a notary public in and for the State of Washington hereby certify that on this 15th day of February, 1954, personally appeared before me G. D. LYON, to me known to be the individual described in and who executed the foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes herein mentioned.

WITNESS my hand and official seal this 15th day of February, 1954.

Shellman Clark
Notary Public in and for the State of Washington, Residing at Spokane

In consideration of the foregoing Assignment, the undersigned hereby accepts the same and agrees to assume and perform all of the reservations, terms, agreements, and covenants contained in the contract above described.

Dated this 15th day of February, 1954.

COPPER QUEEN MINING COMPANY

By J. H. Mullen
President

The Government, this 29th day of April, 1954, without releasing the Operator, Queen Mining Syndicate, a partnership, from any of the terms, provisions, and conditions of the said Exploration Project Contract, hereby consents to the above Assignment.

THE UNITED STATES OF AMERICA

By O. P. Mitchendorf
Administrator, Defense Minerals Exploration Administration

Hoffland

COPY

THIS INDENTURE, Made this 15th day of February, 1954, between J. H. MELLEN and MARY E. MELLEN, his wife, of Drummond, Montana; WILLIAM HOWELL, a divorced man of Drummond, Montana, G. D. LYON and ETHEL P. LYON, his wife, of Missoula, Montana, Parties of the First Part; and COPPER QUEEN MINING COMPANY, a Montana corporation, Party of the Second Part,

W I T N E S S E T H:

That the Parties of the First Part, for and in consideration of the sum of Ten Dollars ($10.00), and other valuable consideration, lawful money of the United States of America to them in hand paid by the said Party of the Second Part, the receipt whereof is hereby acknowledged, do by these presents grant, bargain, sell, convey and confirm unto the Party of the Second Part, and to its assigns and successors in interest forever, an undivided three fourths interest in and to all of the following lots, pieces and parcels of land situate, lying and being in the County of Granite, State of Montana, particularly described as follows, to-wit:

Sunday Quartz Lode Mining Claim,	Survey	4692
Free Trade Quartz Lode Mining Claim,	"	4582
Nuggett Quartz Lode Mining Claim,	"	4689
Russell " " " "	"	4688
Pine " " " "	"	4475
Protection " " " "	"	4476
Queen " " " "	"	4392
Toe Calk " " " "	"	4395
Float " " " "	"	4540
Inbetween " " " "	"	4539
Treble " " " "	"	4541
Armadilla " " " "	"	4555
Sunol " " " "	"	4394
Sunrise " " " "	"	2697
Oakland " " " "	"	4690
Irce " " " "	"	4562
Marie " " " "	"	7241

All that portion of the Maud S. Quartz Lode Mining Claim, Survey 4393 which is North of the South line of the County Road, the said road being the well defined road to the South of Henderson Creek.

All that portion of the Gaylord Quartz Lode Mining Claim which is North of the South line of the County Road, the said road being the well defined county road South of Henderson Creek, and the Gaylord being Survey No. 4397,

Also the following described tract of land starting at corner No. 2 of the Queen Quartz Lode, Survey No. 4392; thence South 35° 47' E. 961.5 feet; thence South 49° 45' West, W. 380.5 feet; thence W. 271.8 ft.; thence No. 1025.9 feet to the place of beginning, containing 7.3 acres, more or less, together with the right to use all existing roads, provided proper and suitable gates are installed and maintained. Said tract lying in Section Thirty-five (35) Township Nine (9) North, Range Fourteen (14) W., M. P. M.

Also the Addie Quartz Lode	Mining	Claim,	Survey		6342.
Nellie Quartz Lode	"	"	"		6343
Sunflower Quartz Lode	"	"	"		5394
Bellflower " "	"	"	"		5393

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the rents, issues and profits thereof.

TO HAVE AND TO HOLD unto the said Party of the Second Part, its assigns and successors in interest, the said premises, with the appurtenances, and the quiet and peaceful possession of the same and all thereof by the Party of the Second Part, its assigns and successors in interest;

The Parties of the First Part do hereby WARRANT, and will forever defend.

And the Parties of the First Part, without any representation or covenant of ownership, do quitclaim unto the Party of the Second Part the following unpatented lode claims situate adjacent respectively to the other property described herein:

The Robinson Lode Claim,
The Frog " "
The Heel Calk Quartz Lode Claim,
The Jenny Y. " " Mining Claim,
The May " " " "
The Eagles Nest " " " "
Protection No. 2 Lode Mining Claim, Notice of Location of which is found recorded in Book 18 of Lode Locations, Granite County, Montana, at page 341, to which record reference is hereby made for a more complete description.

IN WITNESS WHEREOF, the Parties of the First Part have hereunto set their hands and seals the day and year first above written.

/s/ J. H. Mellen

/s/ Mary E. Mellen

/s/ G. D. Lyon

/s/ Ethel P. Lyon

/s/ William D. Howell

STATE OF WASHINGTON)
ss
County of Spokane)

I, the undersigned, a Notary Public in and for the above named County and State, do hereby certify that on this 15th day of February, 1954, personally appeared before me J. H. MELLEN, WILLIAM HOWELL, and G. D. LYON, to me known to be the individuals described in and who executed the within instrument, and acknowledged that they signed and sealed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal the day and year last above written.

/s/ Wellman Clark
Notary Public in and for the State of Washington, Residing at Spokane

(SEAL)

WELLMAN CLARK
Notary Public
State of Washington
Commission Expires
March 22, 1954

STATE OF MONTANA)
ss.
County of Granite)

On this 17th day of February, in the year 1954, before me, F. M. DURFEE, a Notary Public in and for the State of Montana, residing at Drummond, personally appeared MARY E. MELLEN, to me known to be the person whose name is subscribed to the foregoing instrument, and she acknowledged to me that she acknowledged the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal this 17th day of February, 1954.

(SEAL)

F. M. DURFEE
NOTARIAL SEAL
STATE OF MONTANA

/s/ F. M. Durfee
Notary Public for the State of Montana, residing at Drummond.
My commission expires
Oct. 30, 1955

STATE OF MONTANA)
ss.
County of Missoula)

On this 20th day of February, in the year 1954, before me, Russell E. Smith, a Notary Public in and for the State of Montana, residing at Missoula, personally appeared ETHEL P. LYON, to me known to be the persons whose name is subscribed to the foregoing instrument, and she acknowledged to me that she acknowledged the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal this 20th day of February, 1954.

/s/ Russell E. Smith
Notary Public for the State of Montana, residing at Missoula.
My commission expires
December 15, 1954

(SEAL)
RUSSELL E. SMITH
NOTARIAL SEAL
STATE OF MONTANA

RECORDED

COMPARED 46207

INDEXED

STATE OF MONTANA,)
County of Granite) SS

I hereby certify that the within instrument was filed in my office on the 10th day of March A.D. 1954 at 16 minutes past 1:00 o'clock p.m., and is recorded on page 384 of Book 35 of Deed Records of Granite County, State of Montana.

Attest my hand: /s/ H. E. McDougal, County Recorder

Fees $2.00 By /s/ Maude Echols, Deputy

COPY

QUIT CLAIM DEED

THIS INDENTURE, Made this 19th day of February, 1954, between RUTH D. NOON, a widow, of Portland, Oregon, Party of the First Part, and COPPER QUEEN MINING COMPANY, a Montana corporation, Party of the Second Part,

WITNESSETH, that the said Party of the First Part, for and in consideration of the sum of Ten Dollars ($10.00) and other valuable consideration, lawful money of the United States of America, to her in hand paid by the said Party of the Second Part, the receipt whereof is hereby acknowledged, hath Granted, Bargained, Sold, Remised, Released, and forever Quit-Claimed, and by these presents, does Grant, Bargain, Sell, Remise, Release, and forever Quit-Claim, unto the said Party of the Second Part, its assigns and successors in interest forever, her interest in and to all of the following lots, pieces and parcels of land situate, lying and being in the County of Granite, State of Montana, particularly described as follows, to-wit:

Sunday Quartz Lode Mining Claim,	Survey	4692
Free Trade Quartz Lode Mining Claim,	"	4582
Nuggett Quartz Lode Mining Claim,	"	4689
Russell " " " "	"	4688
Pine " " " "	"	4475
Protection " " " "	"	4476
Queen " " " "	"	4392
Toe Calk " " " "	"	4395
Float " " " "	"	4540
Inbetween " " " "	"	4539
Treble " " " "	"	4541
Armadilla " " " "	"	4555
Sunol " " " "	"	4394
Sunrise " " " "	"	2697
Oakland " " " "	"	4690
Irce " " " "	"	4562
Marie " " " "	"	7241

All that portion of the Maud S. Quartz Lode Mining Claim, Survey 4393 which is North of the South line of the County Road, the said road being the well defined road to the South of Henderson Creek.

All that portion of the Gaylord Quartz Lode Mining Claim which is North of the South line of the County Road, the said road being the well defined county road South of Henderson Creek, and the Gaylord being Survey No. 4397.

Also the following described tract of land starting at corner No. 2 of the Queen Quartz

DEED OF GRANT FORM

THIS INDENTURE, made this 4th day of February, 1934, between RUTH E. JOHN, a widow, of Portland, Oregon, party of the First Part, and SECURITY STATE BANK COMPANY, a banking corporation, party of the Second Part,

WITNESSETH, that the said party of the First Part, for and in consideration of the sum of Ten Dollars ($10.00) and other valuable consideration, lawful money of the United States of America, to her in hand paid by the said party of the Second Part, the receipt whereof is hereby acknowledged, does Convey, Transfer, Sold, Release, Release, and Forever Quit-Claim, and by these presents, does Grant, Bargain, Sell, Release, Release, and Forever Quit-Claim, unto the said Party of the Second Part, its successors and successors in interest forever, her interest in and to all of the following lots, pieces and parcels of land situate, lying and being in the County of Grants, State of Oregon, particularly described as follows, to-wit:

Survey Quarter Node Mining Claim,
Free Trade Quarter Node Mining Claim,
Nugget Quarter Node Mining Claim,
Baseball " " " "
Ace " " " "
Prosperity " " " "
Queen " " " "
Tug Dale " " " "
Float " " " "
Discovery " " " "
Profile " " " "
Fractional " " " "
Jewel " " " "
Sunrise " " " "
Gilford " " " "
Lyre " " " "
Mardis " " " "

All that portion of the Grant Quarter Node Mining Claim, Survey 4292 which is north of the South line of the Jones Road, the said road being the well defined road to the Town of Henderson Creek.

All that portion of the Grant Quarter Node Mining Claim which is north of the South line of the Jones Road, the said road being the well defined county road South of Henderson Creek, and the Grant Node Survey No. 4292.

Also the following described tracts of land situate in county No. 1 of the Grant Quarter

Lode, Survey No. 4392; thence South 35° 47' E. 961.5 feet; thence South 49° 45' West, W. 380.5 feet; thence W. 271.8 ft; thence No. 1025.9 feet to the place of beginning, containing 7.3 acres, more or less, together with the right to use all existing roads, provided proper and suitable gates are installed and maintained. Said tract lying in Section Thirty-five (35) Township Nine (9) North, Range Fourteen (14) W., M. P. M.

Also the Addie Quartz Lode Mining Claim, Survey 6342
Nellie Quartz Lode " " " 6343
Sunflower Quartz Lode " " " 5394
Bellflower " " " " " 5393

and the following unpatented lode claims situate adjacent respectively to the other property described herein:

The Robinson Lode Claim,
The Frog " "
The Heel Calk Quartz Lode Claim,
The Jenny Y. " " Mining Claim,
The May " " " "
The Eagles Nest " " " "
Protection No. 2 Lode Mining Claim, Notice of location of which is found recorded in Book 18 of Lode Locations, Granite County, Montana, at page 341, to which record reference is hereby made for a more complete description.

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the rents, issues and profits thereof.

TO HAVE AND TO HOLD unto the said Party of the Second Part, its assigns and successors in interest, the said premises, with the appurtenances, and the quiet and peaceful possession of the same and all thereof by the Party of the Second Part, its assigns and successors in interest.

IN WITNESS WHEREOF, the Party of the First Part has hereunto set her hand and seal the day and year first above written.

/s/ Ruth D. Noon

STATE OF OREGON)
ss.
County of Multnomah)

I, the undersigned, a Notary Public in and for the above named County and State, do hereby certify that on this 19th day of February, 1954, personally appeared before me RUTH D. NOON, a widow, to me known to be the individual described in and who executed the within instrument, and acknowledged that she signed and sealed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal the day and year last above written.

(SEAL)

CLARENCE D. PHILLIPS

NOTARY PUBLIC

STATE OF OREGON

/s/ Clarence D. Phillips
Notary Public in and for the State of Oregon, Residing at

My commission expries
Dec. 29, 1957

- - - - - - - - - - - - - - - - - - -

RECORDED
COMPARED 46206
INDEXED
P.O.

STATE OF MONTANA,)
County of Granite) ss

I hereby certify that the within instrument was filed in my office on the 10th day of March A.D. 1954 at 15 minutes past 1:00 P.M. and is recorded on page 382 of book 35 of Deed Records of Granite County, State of Montana.

Attest my hand: /s/ H. E. McDougal, County Recorder

Fees $1.25 by /s/ Maude Echols, Deputy

COPY

THIS INDENTURE, made this 24th day of August, in the year 1953, between JAMES A. MURRAY and HELEN MURRAY, his wife, of Washington, D. C., WILLIAM D. MURRAY and LULU ANN MURRAY, his wife, of Butte, Montana, CHARLES A. MURRAY and THEA H. MURRAY, his wife, of Washington, D. C., HOWARD A. MURRAY and JOSIE H. MURRAY, his wife, of Loveland, Colorado, and EDWARD MURRAY and DAPHNE MURRAY, his wife, of Pond Hollow Farm, Westbury, Long Island, and LOWNDES MAURY and ANNE H. MAURY, his wife, of Butte, Montana, parties of the first part, and J. H. MELLEN, of Drummond, Montana, W. J. NOON, of Drummond, Montana, WILLIAM HOWELL, of Drummond, Montana, and G. D. LYON, of 1639 Helena Avenue, Missoula, Montana, parties of the second part,

W I T N E S S E T H: That the parties of the first part, for and in consideration of the sum of Ten ($10) Dollars, and other valuable considerations, lawful money of the United States of America to them in hand paid by the said parties of the second part, the receipt whereof is hereby acknowledged, do by these presents grant, bargain, sell, convey and confirm unto the parties of the second part, and to their heirs and assigns forever, all of the following lots, pieces and parcels of land situate, lying and being in the County of Granite, State of Montana, particularly described as follows, to-wit:

Sunday Quartz Lode Mining Claim					Survey	4692,
Free Trade Quartz Lode Mining Claim,					"	4582
Nuggett Quartz Lode Mining Claim,					"	4689
Russell	"	"	"	"	"	4688
Pine	"	"	"	"	"	4475
Protection	"	"	"	"	"	4476
Queen	"	"	"	"	"	4392
Toe Calk	"	"	"	"	"	4395
Float	"	"	"	"	"	4540
Inbetween	"	"	"	"	"	4539
Treble	"	"	"	"	"	4541
Armadilla	"	"	"	"	"	4555
Sunol	"	"	"	"	"	4394
Sunrise	"	"	"	"	"	2697
Oakland	"	"	"	"	"	4690
Irce	"	"	"	"	"	4562
Marie	"	"	"	"	"	7241

All that portion of the Maud S. Quartz Lode Mining Claim, Survey 4393 which is North of the South line of the County Road, the said road being the well defined road to the South of Henderson Creek.

All that portion of the Gaylord Quartz Lode Mining claim which is North of the South line of the County Road, the said road being the well defined county road South of Henderson Creek, and the Gaylord being Survey No. 4397.

Also the following described tract of land starting at corner No. 2 of the Queen Quartz Lode, Survey No. 4392; thence South 35° 47' E. 961.5 feet; thence South 49° 45' West, W. 380.5 feet; thence W. 271.8 ft.; thence N. 1025.9 feet to the place of beginning, containing 7.3 acres, more or less, together with the right to use all existing roads, provided proper and suitable gates are installed and maintained. Said tract lying in Section Thirty-five (35), Township Nine (9) North, Range Fourteen (14) W., M. P. M.

Also the Addie Quartz Lode	Mining	Claim,	Survey	6342
Nellie Quartz Lode	"	"	"	6343
Sunflower Quartz Lode	"	"	"	5394
Bellflower " "	"	"	"	5393

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the rents, issues and profits thereof.

TO HAVE AND TO HOLD unto the said parties of the second part, their heirs and assigns, all and singular, the said premises, with the appurtenances, and the quiet and peaceful possession of the same and all thereof by the parties of the second part, their heirs and assigns:

The parties of the first part do hereby WARRANT, and will forever defend.

And the parties of the first part, without any representation or covenant of ownership, do quitclaim unto the parties of the second part the following unpatented lode claims situate adjacent respectively to the other property described herein:

✓ The Robinson Lode Claim;
✓ The Frog " "
✓ The Heel Calk Quartz Lode Claim;
✓ The Jenny Y. Quartz Lode Mining Claim;
The May Quartz Lode Mining Claim;
The Eagles Nest Quartz Lode Mining Claim;
Protection No. 2 Lode Mining Claim, Notice of location of which is found recorded in Book 18 of Lode Locations, Granite County, Montana, at page 341, to which record reference is hereby made for a more complete description.

All that portion of the disputed Quarter Lode Mining claim which lie north of the south line of the Denver road, the said road being the well defined county road of Mesferson Creek, and the adjoined mining Survey No. 4397.

Also the following description tract of land adjoining to corner No. 2 of the Vinson Quarter Lode, Survey No. 4397: thence south 320 ft. N. 90.3 feet; thence south 40° 45' West, N. 320.3 feet; thence E. 224.6 ft.; thence N. 100.4 feet to the place of beginning, containing 7.3 acres, more or less, together with the right to use all existing roads, provided proper and suitable gates are installed and maintained. Both tracts lying in Section Twenty-Five (25), Township Nine (9) North, Range Seventeen (17) W. M. T. M.

Also the Little Quarter Lode Mining Claim, Survey 4398
Vallie Quarter Lode " " " 4399
Sunflower Quarter Lode " " " 4400
Bellflower " " " " " 4401

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the rents, issues and profits thereof.

TO HAVE AND TO HOLD unto the said grantee of the second part, their heirs and assigns, all and singular, the said premises, with the appurtenances, and the said and personal possession of the same and all thereof by the parties of the second part, their heirs and assigns:

The parties of the first part do hereby COVENANT, and will forever defend.

And the grantee of the first part, believes any representation or covenants of ownership, the undersigned made the grantee of the second part the following unpatented lode claims adjacent respectively to the other property described herein:

The Robinson Lode Claim;
The Grover " " "
The East Main Quarter Lode Claim;
The Young V. Quarter Lode Mining Claim;
The May Quarter Lode Mining Claim;
The Larger Mark Quarter Lode Mining Claim;
Production No. 2 Lode Mining Claim; Notice of location of which is found recorded in Book 12 of Lode Locations, Gunnison County, Colorado, at page 341, to which record reference is hereby made for a more definite description.

IN WITNESS WHEREOF, the parties of the first part have hereunto set their hands and seals the day and year first above written.

/s/ James A. Murray

/s/ Helen K. Murray

/s/ Howard A. Murray

/s/ Josie H. Murray

/s/ Charles A. Murray

/s/ Thea H. Murray

/s/ Edward E. Murray

/s/ Daphne Murray

/s/ Lowndes Maury

/s/ Anne H. Maury

/s/ Lulu Ann Murray

/s/ William D. Murray

DISTRICT OF COLUMBIA,)
: ss.
CITY OF WASHINGTON,)

On this 17th day of Aug., in the year 1953, before me, Chas. E. Alden, a Notary Public in and for the District of Columbia, City of Washington, personally appeared JAMES A. MURRAY and HELEN MURRAY, his wife, CHARLES A. MURRAY and THEA H. MURRAY, his wife, known to me to be the persons whose names are subscribed to the foregoing deed, and they each and all acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

/s/ Chas. E. Alden
Notary Public for the District of Columbia, City of Washington, residing At
My commission expires 8-14-57

(SEAL)
CHAS E. ALDEN
NOTARY PUBLIC
DISTRICT OF COLUMBIA

Project #4, Ben Guerir)
: ss.
French MOrocco, N.Africa)

On this 5th day of Aug., in the year 1953, before me, a commissioned officer of the United States Army, empowered to take acknowledgments, personally appeared HOWARD A. MURRAY, known to me to be the person whose name is subscribed to the foregoing deed, and he acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand, and have affixed or written or subscribed a seal this 5th day of Aug. 1953.

/s/ James M. Gale, NA.CF
Summary Court, Officer
East Atlantic District
APO30

STATE OF MONTANA,)
; ss.
COUNTY OF SILVER BOW,)

On this 24th day of August, in the year 1953, before me, Sylvester J. Sullivan, a Notary Public in and for the State of Montana, residing at Butte, personally appeared Lowndes Maury and Anne H. Maury, his wife, W. D. Murray and Lulu Ann Murray, his wife, to me known to be the persons whose names are subscribed to the foregoing instrument, and they severally acknowledged to me that they acknowledged the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal this 24th day of August, 1953.

/s/ Sylvester J/ Sullivan
Notary Public for the State of Montana, residing at Butte. My commission expires September 29, 1954.

(NOTARIAL SEAL)

SYLVESTER J. SULLIVAN
NOTARIAL SEAL
STATE OF MONTANA

DISTRICT OF COLUMBIA,)
: ss.
CITY OF WASHINGTON,)

On this 17th day of Aug. in the year 1953, before me, Chas. E. Alden, a Notary Public in and for the District of Columbia, City of Washington, personally appeared EDWARD MURRAY AND DAPHNE MURRAY, his wife, known to me to be the persons whose names are subscribed to the foregoing deed, and they each acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

/s/ Chas E. Alden
Notary Public for the District of Columbia, City of Washington, residing at _____
My commission expires 8/14/57

(SEAL)
CHAS E. ALDEN
NOTARY PUBLIC
DISTRICT OF COLUMBIA

DISTRICT OF COLUMBIA)
: ss.
CITY OF WASHINGTON)

On this 17th day of August, in the year 1953, before me, Chas. E. Alden, a Notary Public in and for the District of Columbia, City of Washington, personally appeared JOSIE H. MURRAY, wife of Howard A. Murray, a party who subscribed the foregoing instrument, and she personally acknowledged to me that she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal this 17th day of Aug., 1953.

/s/ Chas. E. Alden
Notary Public for the District of Columbia, City of Washington, residing at
My commission expires 8/14/57

(SEAL)

CHAS. E. ALDEN
NOTARY PUBLIC
DISTRICT OF COLUMBIA

- -

RECORDED COMPARED

INDEXED 46075

P.O.

STATE OF MONTANA)
ss
County of Granite)

I hereby certify that the within instrument was filed in my office on the 14th day of January A.D. 1954 at 15 minutes past 2:00 o'clock p.m., and is recorded on page 326 of Book 35 of Deed Records of Granite County, State of Montana.

Attest my hand: /s/ N. E. McDougal, County Recorder

Fees$4.15 By /s/ Maude Echols, Deputy

Docket No. DMEA - 393

Commodity Copper

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 586

Date of Contract ~~or Amendment:~~ August 20,1953

Name and Address of Operator:

Copper Queen Mining Co.,
Granite County, Montana

Amount of Government participation _____ $ 10,730.00

Percent of Government participation 50 %

Region: 1 State: Montana

Note: Please release $ 252.80

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

Date Delivered to Bureau of Mines, Washington. 5/16/59

54458

Docket No. DMEA 393

Commodity Copper

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 586

Date of Contract ~~or Amendment~~ August 20, 1953

Name and Address of Operator:

Queen Mining Syndicate, partnership composed of
W. A. Noon, G. D. Lyon, J. H. Mellen, & Wm. Howell

Amount of Government
participation $ 10,730.00

Percent of Government
participation 50 %

Region: II State: Montana

(Name)

J. L. Chambers,
Chief, Contract Administration and
Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. Aug. 20, 1953

13908

MF-200 (A)
(February 1952)

DOCKET NO. DMEA DMA-393

COMMODITY Copper

Government's Copy

IDM-E 586

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

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 20th day of August, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Queen Mining Syndicate, a partnership composed of W. A. Noon, G. D. Lyon, J. H. Mellen, and William Howell, J.

hereinafter called the "Operator," as follows: and as set forth in Annexes I and II attached hereto and made a part hereof:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Montana, County of Granite, described as ~~xxxx~~:[3] set forth in Annex I

the Operator represents and undertakes:[4]

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

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

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

ARTICLE 3. *Exploration project.*—The Operator, within 60 days from the date of this contract shall commence work on a project of exploration for[5] Copper

in or upon the described land; and shall bring the project to completion within a period of 18 months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 50 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $10,730.00, which is 50 percent of $21,460.00 the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of units of work performed on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) *Compliance with requirements.*—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

ARTICLE 6. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows: See Annex II, substituted for that part of 6(a) preceding the colon:

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

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

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

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

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

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

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. ~~Provided, that upon failure by the Operator to maintain the Operator's right in the land without consideration running to the Operator other than reimbursement for the cost of maintaining such right, as above provided, the Operator shall be relieved of all obligations under this contract, except those accrued by the time of such failure.~~ Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if, in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

QUEEN MINING SYNDICATE
(Operator)

By _____

By _____
Administrator, Defense Minerals Exploration Administration

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

_____ [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

James A. Murray
James A. Murray

W. D. Murray
W. D. Murray

Edward E. Murray
Edward E. Murray

Howard A. Murray
Howard A. Murray

By Charles A. Murray
Charles A. Murray
Their Attorney in Fact.

Bureau of Land Management
Received
JUL 21 1959

MF-203

OWNER'S CONSENT TO LIEN

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

all that property described in an Extension of Lease and Option agreement dated July 2, 1951, between the undersigned and Queen Mining Syndicate, recorded on page 616, Book 10 of Miscellaneous Records, Granite County, Montana, which property description is incorporated herein by reference,

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

2/ Queen Mining Syndicate, a partnership

hereinafter called the "Operator"; and

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

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

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

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 10,725.00, or ten years have elapsed from the date of the contract.

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

Dated this _____ day of _____, 195 ___.

Charles A. Murray [Seal] Lounder Mary [Seal]

_____ [Seal] _____ [Seal]

_____ [Seal] _____ [Seal]

_____ [Seal] _____ [Seal]

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

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

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

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

RELEVANT CONTRACT PROVISIONS

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

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

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

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

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

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

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

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

EXPLORATION PROJECT CONTRACT
QUEEN MINING SYNDICATE
DOCKET NO. DMA-393

ANNEX I

The land referred to in Article 2 of the contract form consists of the following patented and unpatented mining claims:

Patented Quartz Lode Mining Claims

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

Unpatented Quartz Lode Mining Claims

These are recorded in the office of the County Clerk and Recorder of Granite County, at Philipsburg, Montana, as follows:

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

	Book of Certificate of Locations	Page
Gopher, Relocation	21	459

EXPLORATION PROJECT CONTRACT
QUEEN MINING SYNDICATE
DOCKET NO. DMA-393

ANNEX II

The following provisions are in lieu of all of paragraph (a) of Article 6 which precedes the colon:

If the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after a sufficient, complete, final report and final account referred to in the contract has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development, The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2, as follows: (1) Regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

EXPLORATION PROJECT CONTRACT
QUEEN MINING SYNDICATE
DOCKET NO. DMA-393

EXHIBIT "A"

Description of the Work

As indicated on the attached map, entitled "Fig. 1, Map of Mining Claims," after rehabilitating and straightening 900 feet of the Main Tunnel, drift northward from the north end of Main Tunnel, on the vein for 550 feet, in cross section a minimum of 5 feet by 7 feet in the clear, sample the vein at suitable regular intervals to delimit ore shoots, and have not more than 110 assays made.

Agreed Unit Costs

Tunnel rehabilitation, 900 feet @ $1.60/ft. 1/	$1,440.00	
Drifting, 550 feet @ $35.60/ft.	19,580.00	
Assays, 110 @ $4.00/ea.	440.00	
Total Agreed Unit Costs		$21,460.00
Government Participation at 50%		$10,730.00

1/ This comprehends all costs, including necessary timbering.

ADMIRE AVENUE
34
35
Burn Buf
Salamander
Golden Eagle #1
Golden Eagle #2
Golden Eagle Fraction
TOAD
T 9N, R 14W By Protraction
T 8N R 14W
4-22-1890
10-18-94
N. D. G.
VALLEY
EL. CLUBED
Philip-S Location
Rainbow
Olive
Orchard
Pine
Spruce
Larch
HEMLOCK
HILLS
TOAD
MINING CLAIM
HENDERSON MINING D
GRANITE COUNTY