DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, DMEA Field Team, Region I, N.W. District, pertaining to Contract Idm-E155, Docket No. DMA-1877, with:

William Mulcany
112 1/2 East Broadway
Butte, Montana

for the purpose of determining the amount of royalties due the U. S. Government on sales of lead from property referred to as Summit Mine located in Jefferson County, Montana, during the period September 19, 1951, to June 30, 1955.

The contract was dated September 19, 1951, and certification of discovery or development was issued under date of December 7, 1953, providing for repayment royalties for a maximum period of 10 years from the date of the exploration contract. According to report of review in lieu of final audit, prepared by Mr. C. A. Turner, auditor, under date of January 11, 1954, total accepted costs under the contract amounted to $4,916.75 with the Government's participation, on a 50 percent basis, being $2,458.38.

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

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

(1) According to Semi-Annual Report of Certified Project for the period January 1 to June 30, 1955, the operator advised, when interviewed on June 17, 1955, that there has been no production from the mine for many years and none is anticipated because of low metal prices and transportation difficulties, and

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

The files indicate there are a few tons of ore on the mine dump. If this ore should be sold during the repayment period, that is, prior to September 19, 1961, royalties thereon will be payable to the Government. The periodic examinations of this certified project by the Government's representatives should disclose any disposition made of the stockpiled ore as well as any future production which may come from the mine.

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

August 5, 1955

REPORT
OF REVIEW

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

William Mulcahy
112½ East Broadway
Butte, Montana

pertaining to Exploration Project Contract No. Idm-E155, Docket No. DMA-1877, dated September 19, 1951, including Amendments Nos. 1 to 5 inclusive, covering a project of exploration for lead located in Jefferson County, Montana, commonly known as the Mulcahy property, for the period of September 19, 1951, to December 16, 1953.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer of the DMEA Field Team, and a determination of the reasonableness and propriety of the costs.

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

(a) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible further disallowances thereunder; and
(b) the Monthly Reports (Forms MF-104) were supported by documentary proof (95 percent of the total amount of the contract) of costs claimed under a contract provision for payment by the Government on the basis of the actual costs incurred.

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

Total cost as billed by Contractor		$ 5,025.75
Less: Salvage proceeds on Property		80.00
Net Cost as claimed by Contractor		$ 4,945.75
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith (schedule attached)	29.00	29.00
Total Accepted Cost		$ 4,916.75

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 Two thousand four hundred fifty-eight and 38/100 Dollars

--$2,458.38--

is considered valid and proper.

January 11, 1954

C. A. Turner, Auditor

SCHEDULE OF SALVAGE PROCEEDS ON PROPERTY AND EXCEPTIONS

William Mulcahy DMA-1877 Idm-E155

Salvage Proceeds on Property

William Mulcahy made an offer by letter Dec. 10, 1953, for the remaining equipment to be salvaged which was accepted by letter from the Field Team, Region II, December 16, 1953, as follows:

1 McCullock 18" Chain Saw, Model 3-25, Serial No. 69662, with extra blade	$ 80.00

Schedule of Exeptions

Excess of allowable maximum	
Crosscutting claimed - 10' @ $27.90	$279.00
Allowable maximum - 10' @ 25.00	250.00
Disallowed by this Review	$ 29.00

January 11, 1954

C. A. Turner, Auditor

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

DEPARTMENT OF THE INTERIOR
Minerals Administration
RECEIVED
FEB - 1 1954

[illegible] Street
Spokane 4, Washington

January 28, 1954

[illegible] Kulcaly
112-1/2 [illegible]
Butte, Montana

Re: Docket No. [illegible]-1077 (lead)
Kulcaly property
Jefferson County, Montana
Contract 14r-F155 (completed)

Dear Mr. Kulcaly:

Enclosed is a copy of Charles A. Turner's Report of Review dated January 11, 1954. It was not necessary to conduct a formal audit of your books as your monthly forms MT-104 were adequately supported as to the distribution and propriety of the costs.

The total accepted cost is $4,916.7[illegible]. The total cost as billed by you is $[illegible],[illegible]. The difference between the accepted cost and the cost billed the Government is due to a deletion of $20.00 which exceeded the allowable maximum for crosscutting, and $40.00 deducted as a result of your offer of December 10, 1953 and our acceptance of December 1[illegible], 1953, for remaining equipment (drill rod) salvaged from the project.

A check in the amount of $221.5[illegible] has been scheduled for payment, and you should receive it in a few days.

Very truly yours,

A. [illegible] Heinzelmann
Executive Officer, DMEA
Field Team, Region II

Enclosure

[illegible]

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

JAN 19 1954

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

Re: Idm-E155, DMA-1877
William Mulcahy
Jefferson County, Montana

Dear Mr. Turner:

Reference is made to your letter of January 13, 1954, transmitting Report of Review covering the above-cited Exploration Project Contract.

The Report is acceptable and distributed may be effected.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

WBorovies/wb
January 18, 1954

Copy to: Docket
Adm. Reading File
Mr. Chambers

Government Copy

Defense Minerals Administration
RECEIVED
JUL 12 1954

DISPOSAL OF GOVERNMENT'S INTEREST IN PROPERTY

(FORM A)

1/ To: William Mulcahy

112½ East Broadway

Butte, Montana

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, for a valuable consideration hereby sells, assigns, transfers and sets over to you all of its right, title and interest in all property acquired under Exploration Project Contract Idm-E 155, Docket No. DMEA 1877, dated September 19, 1951 (~~which is listed below~~ 2/

Dated July 7, 1954 THE UNITED STATES OF AMERICA

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

1/ Insert name of purchaser.

2/ If the Government's interest in all property is being transferred at one time, strike the words "which is listed below." If the Government's interest in less than all property is being transferred, list the property being transferred, in the space provided, or if there is insufficient space provided, write in the space on the form the words "See Exhibit 1, attached hereto and made a part hereof," and attach list entitled "Exhibit 1" to form.

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

December 31, 1955

Mr. William Mulcahy
112½ E. Broadway
Butte, Montana

Re: Docket No. DMEA-1877 (lead)
Mulcahy property
Jefferson County, Montana
Contract No. Idm-E155

Dear Mr. Mulcahy:

Reference is made to your letter of December 17 in which you request information on payments to be made from ore produced from your property which has recently been under exploration by DMEA Contract Idm-E155.

The manner in which payments are to be deducted is presented on the back page of your contract, a copy of which it is assumed you have.

We are, however, forwarding to you two copies of a leaflet describing the way in which payments are to be deducted. You will note from this leaflet that a deduction of 1½% is to be made from the net smelter returns of all ore whose value is not in excess of $8.00 per ton. An additional ½% deduction is to be made for each additional $0.50 value above the $8.00 base until a maximum deduction of 5% is obtained. Using these calculations, ore would have to have a net smelter return of $11.50 per ton to pay the maximum 5% royalty to the Government.

In the event you should start shipping ore to a smelter, you should notify the Executive Officer at this office that such shipments are to be made and you should also notify the smelter receiving the ore so that smelter officials may deduct the necessary payment which should then be sent to this office. Any payment made from a smelter should be made payable to the Treasurer of the United States, but the check should be sent to the Executive Officer, DMEA Field Team, Region II, So. 157 Howard Street, Spokane 4, Washington.

Sincerely yours,

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

cc: USBM (2)
DMEA (2)
Becraft
Enclosure

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

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

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

Wash.

Month of Jul, Aug, Sept. 1953 Docket No. DMEA 1877-X Contract No. Idm-R155

Operator's Name William Mulcahy Minerals Lead

Address 112½ East Broadway, Butte, Montana

Contract Amount, $ 5,092.30 Government Participation: 50 % Amount, $ 2,546.15

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 Contracts: Short Form						
~~Drilling~~ Drift Rehabilitate	None	2,620.00	2,620.00	.04	2619.96	2620.00
Caved ~~Bulldozing~~ Drift Rehabilitate	None	942.50	942.50			
Crosscutting	179.00	100.00	279.00	150.00	100.00	250.00
Drifting	250.00	None	250.00			
(2) Labor and Supervision:						
Labor Hauling Rails	None	97.00	97.00			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	None	21.10	21.10			
Grinder ~~Pipe~~ Hand Steel &	40.79	None	40.79			
Track	None	90.00	90.00			
Carbide	None	6.15	6.15			
Gas & oil	10.51	55.20	65.71			
(4) Operating Equipment:						
2 mo. Rental mine car	8.00	14.71	22.71			
Purchase Small Tools	None	390.82	390.82			
2 mo. Depreciation Chev. Truck	63.40	116.57	179.97			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	None	20.00	20.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (Specify): Less Salvage						
TOTALS	$ 551.70	$ 4,474.05	$ 5,025.75	442.74	4474.01	4916.75

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

Date Sept. 11, '53 *Payee William Mulcahy

Per William Mulcahy Title Owner

*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:

$ 221.38

Signature [illegible] (Authorized Certifying Officer)

Date 1/26/54 Vou. No. 1061 (See other side)

Final payment as per Mr. Turner's audit released 1/25/54.

(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. Idm-B155 in accordance with the terms of the contract.

Signature John S. McNabb Jr. John S. McNabb Jr. Title Mining Engineer Date Sept. 11, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E Howard Title Mining Engr Date 9/17/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Jul, Aug, Sept 1953 Docket No. DMEA 1877-X Contract No. Idm-2155
Operator's Name William Mulcahy Minerals Lead
Address 112½ East Broadway, Butte, 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	Foot	320.00	8	320.00	8	40.00		
Crosscutting	Foot	180.40	6	280.40	10	28.04		
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Drift Rehabilitato	Foot	None	None	3,562.50	745.5			
TOTAL DISTRIBUTED COSTS				4,162.90				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment & supplies Purchased		51.30		842.85				
Initial Rehabilitation and Repairs		None						
New Buildings, Improvements, etc		None		20.00				
TOTAL COSTS		551.70		5,025.75				

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

Date Sept. 11, 1953 Operator William Mulcahy

Per Title Owner

REMARKS: Work under Contract Idm-2155 is now completed.

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

WILLIAM MULCAHY PROPERTY

Contract Idm-E155

NARRATIVE FOR JULY, AUGUST, & SEPTEMBER, 1953

When I quit working last fall, I had learned the following three facts about the property: 1. A vein of significant interest had been intersected in the tunnel. 2. The vein matter was unusually hard and abrasive. 3. Ventilation in the tunnel at the site of the vein intersection was very poor. In fact it took days to get all the gas out after a small blast. The discovery of the vein in the tunnel necessitated additional exploration. I purchased new hand steel, had it sharpened and tempered by some of the best blacksmiths available; but it just would not hold its edge or gauge. I then ordered a set of hand steel with carbide inserts, which proved quite satisfactory.

I knew that there was no cheap solution to the ventilation problem, so decided to make the best of it for the remainder of the work under the DMEA Contract. I tried to contract the crosscutting and drifting on the vein, and took several miners to see it, but none would take the contract because of the poor ventilation. Consequently I had a large turnover of miners assisting me.

All the wages I paid included board and room, and estimate that this item cost me $2.50 to $3.00 per day, although I did not charge it to the DMEA project.

I blasted and cut ice in the tunnel on June 13, 14, and 21. On July 2 Kenneth Bell and Harry Godfrey assisted me in cleaning the tunnel and repairing a small cave. Bell quit the second day. Godfrey and I stayed on, and when John McNabb and George Becraft visited the mine on July 5, we had about two tons of shipping ore one the dump. The tunnel is too narrow for our mine car so we had to take the ore in a wheelbarrow for about 400 feet and then transfer it to the mine car to take it outside.

Mr. McNabb and Mr. Becraft were impressed with our vein showing in the tunnel, and subsequently reccommmended an amendment to the contract permitting us to use the remainder of the DMEA funds to drift on the vein.

On August 7 Bruce Owen and I went to work again and got out some ore. He tired of the work in a short while however, and I took him back to Butte. On August 19 I took Owen with me again and we got out some more ore and advanced the crosscut 6 feet. Messrs McNabb and Becraft made another official visit on August 28. At that time we had completed the work to their satisfaction. We had a 5 foot

WILLIAM MULCAHY PROPERTY

NARRATIVE (cont.)

vein with a good showing of lead and zinc, but we had not yet cut the footwall. Owen and I came in on August 30. Carl Larson and I went to work on Sept. 6 and found the footwall on the 7th. The vein is now about 5½ feet wide and still continuing, and it looks good. I took a sample of some of the poorer ore or mill feed and it assayed 0.22 gold, 6.1 oz. silver, and 7.5 % lead. I have other assays coming.

I tried to find out it there were any mine to market funds left to build roads. The Forest Service will make a survey of a road to the mine. Messrs McNabb, Becraft, and myself all feel that the next phase of work at the property must include road-building. I would like to hear from you as to what you might suggest I do.

I thank all of you for your cooperation, and especially Mr. McNabb and Mr. Becraft.

William Mulcahy

William Mulcahy

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

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

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

Month of August, 1952 Docket No. DMEA 1077-X Contract No. [illegible] 155

Operator's Name William Mulcahy Minerals Lead

Address 1123 S. Broadway, Butte, Montana

Contract Amount, $ 5,092.30 Government Participation: 50 % Amount, $ 2,546.15

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	100.00	None	100.00			
Drifting Rehabilitation	262.50	2,357.50	2,620.00			
Caved Drift	None	942.50	942.50			
(2) Labor and Supervision:						
Labor Hauling Rails	None	97.00	97.00			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	None	21.10	21.10			
Pipe						
Track	None	90.00	90.00			
Carbide	None	6.15	6.15			
Gas & Oil	None	55.20	55.20			
(4) Operating Equipment:						
Rental Mine Car	None	14.71	14.71			
Purchase Small Tools	None	390.82	390.82			
Depreciation Chev. Truck	None	116.57	116.57			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	None	20.00	20.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	362.50	4,111.55	4,474.05			

not independent contract, but labor at footage rates, plus working foreman 1478.50

Both Depreciation

Stm

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

Date Dec. 8, 1952 *Payee William Mulcahy
William Mulcahy

Per _____ Title Owner

*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:

$ 181.25

Signature _____ (Authorized Certifying Officer)

Date 12/19/52 Vou. No. _____ (See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 1dm-[illegible]155 in accordance with the terms of the contract.

Signature John S. McNabb Jr. Title Mining Engineer Date Dec. 8, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: John S. McNabb Jr.

Signature /s/ Thomas E Howard Title Min Engr Date 12/18/52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1952 Docket No. DMEA 1877-X Contract No. Idm-E 155

Operator's Name William Mulcahy Minerals Lead

Address 112½ E. Broadway, Butte, 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 Rehabilitation	Foot	$262.50	175	$3,562.50	745.5			
Crosscutting	Foot	100.00	4	100.00	4	$25.00	10	$25.00
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs & supplies		$362.50		$3,662.50				Total Costs Authorized by Contract
* Operating Equipment Purchased		None		791.55				
Initial Rehabilitation and Repairs		None						
New Buildings, Improvements, etc.		None		20.00				
Total Costs		$362.50		$4,474.05				$5,092.30

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

Date Dec. 8, 1952 Operator William Mulcahy
William Mulcahy

Per _____ Title Owner

→ 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: Last 175 feet of drift rehabilitation covered by Amendment No. 2. Maximum unit price of $1.50/ foot authorized for this work. Crosscutting authorized in Amendment No. 2 at maximum unit price of $25.00/ foot.

(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

William Mulcahy Property

Contract Idm-X 155

Narrative for August, 1952

Drift rehabilitation under Amendment No. "2" was completed. One hundred and seventy-five feet of drift was cleaned and timbered where necessary. At a point 685 feet from the portal of the tunnel some galena was found. A crosscut was started to the south at this point and driven for four feet. A vein approximately 4 feet wide was intersected. One foot of the vein against the hanging wall showed good galena ore. The vein has a southwest strike and dips to the north. I suspended operations at the end of August, 1952 because of a fire hazard in the National Forest. This fire hazard prevailed until the first major snowfall on Nov. 15, 1952. I visited the property at this time and the snow was 15" deep. I decided that my only alternative was to suspend operations for the winter.

William Mulcahy
William Mulcahy
Owner

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Standard Form No. 1034a—Revised
Form prescribed by
Comptroller General, U. S.
September 7, 1950
(Gen. Reg. No. 51, Supp. No. 11)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. .....

Bu. Vou. No. IMA-393

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

Voucher prepared at Albany, Oregon
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-E 155

To William Meloahy,
(Payee)

112½ E. Broadway, Butte, Montana
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary)	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	May 26 - August 3, 1952	Discount Terms net As per attached certified form MF-104 dated August 19, 1952				1,432	34
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary					

Shipped from to Weight Government B/L No. Total 1,432 34

(Payee must NOT use this space)

Differences .....

Account verified; correct for 1,432 34

(Signature or initials) .....

Contract No. Idm-E 155 Date Req. No. Date Invoice Rec'd.

1,432.34

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	1,432.34	1,432.34

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. ..... dated ....., 19....., for $..... } on Treasurer of the United States in favor of payee named above.
{ Cash, $....., on ....., 19.....

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐.
2. (*a*) Advertising by circular letters sent to ..... dealers.
   (*b*) And by notices posted in public places Yes ☐ No ☐.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.)

ABSENCE OF ADVERTISING

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with .....
5. Without advertising, it being impracticable to secure competition because of .....

.....

.....

.....

.....

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, as amended.)

U. S. GOVERNMENT PRINTING OFFICE : 1950 O—75805

16—22000a-2

Form 4F-104 (Rev.)
(April 1952)

Wash

DEPARTMENT OF THE INTERIOR
Budget Bureau No. 42-R1036.3
Approval expires 6-30-53
RECEIVED
OCT 8 1952

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

Month of May 26-Aug.3, 1952 Docket No. DMEA 1877-X Contract No. Idm-E 155
Operator's Name William Mulcahy Minerals Lead
Address 112½ E. Broadway, Butte, Montana
Contract Amount, $5,092.30 Government Participation: 50 % Amount, $2,546.15

ITEMS OF COSTS	FOR OPERATOR'S USE: ~~Monthly~~ Period Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contracts: ~~Short Form~~						
Drilling						
Bulldozing						
Crosscutting						
Drifting Rehabilitation	$2357.50	-	$ 2,357.50	2357.46	✓	2357.46
Cave Drift "	384.00	$ 558.50	942.50	✓	✓	✓
(2) Labor and Supervision:						
Labor Hauling rails	None	97.00	97.00		✓	✓
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	21.10	None	21.10	✓	✓	✓
Pipe						
Track	None	90.00	90.00		✓	✓
Carbide	3.15	3.00	6.15	✓	✓	✓
Gas & Oil	31.20	24.00	55.20	✓	✓	✓
(4) Operating Equipment:						
Rental Mine Car	4.00	10.71	14.71	✓	✓	✓
Purchase	32.07	358.75	390.82	✓	✓	✓
Depreciation Chev. Truck	31.70	84.87	116.57	✓	✓	✓
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc. (stove, windows & bed)	None	20.00	20.00		✓	✓
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2864.72	$1,246.83	$4,111.55	2864.68	1246.83	4111.51

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

Date Aug. 19, 1952 *Payee William Mulcahy
William Mulcahy

Per _____ Title Owner

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

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

(Instructions on reverse)

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

$1,432.34

Signature _____
(Authorized Certifying Officer)

Date 9-29-52 Vou. No. _____
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. IDM-E 155 in accordance with the terms of the contract.

Signature John S. McNabb Jr. Title Mining Engineer Date Aug. 20, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

Defense Minerals Administration
RECEIVED
OCT 1 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 26-Aug 3, 1952 Docket No. DMEA 1877-X Contract No. Idm-E 155
Operator's Name William Mulcahy Minerals Lead
Address 112½ E. Broadway, Butte, Montana

OPERATION	UNIT	COSTS THIS MONTH Period	UNITS THIS MONTH Period	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting Rehabilitation	Foot	$2357.50	471.5	$ 2,357.50	471.5	$ 5.00	471.5	$ 5.00
Cave Drift "	Foot	384.00	48.	942.50	99.0	8.00	99.0	8.00
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$2,741.50	519.5	$ 3,300.00	570.5			TOTAL COSTS AUTHORIZED BY CONTRACT
* Operating Equipment & supplies Purchased		$ 123.22		$ 791.55				
Initial Rehabilitation and Repairs		None		None				
New Buildings, Improvements, etc.		None		$ 20.00				
TOTAL COSTS		$2,864.72		$ 4,111.55				$ 5,092.30

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

Date Aug. 19, 1952 Operator William Mulcahy
William Mulcahy
Per Title Owner

REMARKS: * Includes purchases of New equipment, supplies, materials & all other items shown under Nos. (2), (3), & (4), on Form MF - 104

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

WILLIAM MULCAHY PROPERTY Idm-E 155

Narrative July-August,1952

- - - - - -

The contract of rehabilitation of the adit is complete and has been accepted as such by John S. McNabb, Project Engineer, when he visited the property on August 7,1952.

During the period 586' was rehabilitated,-that brought us to the end of the adit. We had 48' of solid cave. One cave on a fault was very wet and we had to drive spiling. Another trouble we had was the drift was too narrow for the mine car, and it had to be drilled and blasted. That plan was too slow so we got a wheelbarrow and a ramp and finished the job.

At a point 435' from the portal of the adit we discovered a winze - it was full of water down to 10' and wood and rock to about 15', which I believe was the bottom. We cleaned it down for 10'. The vein was 3.5' wide in quartz, arseno-pyrite and some specks of galena. We quit because it was tough going; also, there was no provision in the contract for cleaning winzes.

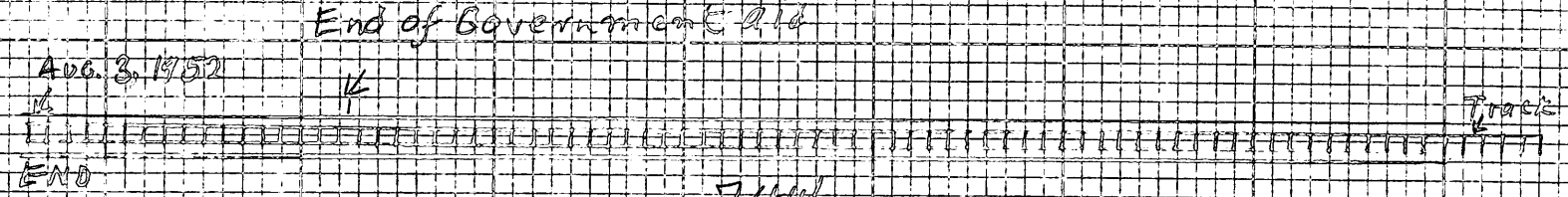
At my own expense I rehabilitated 173.5' of the adit,or from 570.5' to 744'. The contract called for $3300.00 for wages and that was spent at 570.5'. However, I hope to be repaid from the unused funds.

The walls and back of the adit are covered with slimes, concealing the vein. We cleaned the face and it showed galena and arseno-pyrite.

William Mulcahy

Form No. 642—10 Squares to Inch
AMERICAN PAD & PAPER CO., HOLYOKE, MASS.

Map Idm-E155 July - August 1952



Scale 1" = 100'

STANDARD FORM NO. 64

Office Memorandum UNITED STATES GOVERNMENT

Butte, Montana

TO : W. Rulon Lee

DATE: Aug. 20, 1952

FROM : John S. McNabb Jr.

SUBJECT: Contract IDr-E 155, Report for period May 26-Aug. 3, 1952.

I visited the Mulcahy Lead Property on Aug. 7, 1952 and found that the work as outlined in the Contract had been completed.

I advised and assisted Mr. Mulcahy in making out the attached monthly report and voucher, and feel it is correct. You will note that items deleted in last month's voucher are being reclaimed with enclosed invoices and payrolls to substantiate them.

The $3300 allowed for labor and supervision has not been exceeded, and at no time did the price per foot of advance exceed $8.00 for labor and supervision.

John S. McNabb Jr.

John S. McNabb Jr.

Standard Form No. 1034a—Revised
Form prescribed by
Comptroller General, U. S.
September 7, 1950
(Gen. Reg. No. 51, Supp. No. 11)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. .....

Bu. Vou. No. DMA-300

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

Voucher prepared at Albany, Oregon (Give place and date) 7/11/52

THE UNITED STATES, Dr., Payee's Account No. Idm-E 155

To William Mulcahy,
(Payee)

112½ East Broadway, (Address) Butte, Montana (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms net	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	May 26 - June 30 1952	As per attached certified form MF-104 dated July 2, 1952				191	46

PAYMENT:
Complete ☐
Partial ☐
Final ☐

Use continuation sheet(s) if necessary

Shipped from to Weight Government B/L No. Total 191 46

(Payee must NOT use this space)

Differences .....

Account verified; correct for 191 46

(Signature or initials) .....

Contract No. Idm-E 155 Date Req. No. Date Invoice Rec'd.

191.46

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	191.46	191.46

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. ..... dated ....., 19....., for $..... } on Treasurer of the United States in favor of payee named above.
{ Cash, $....., on ....., 19.....

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐.
2. (*a*) Advertising by circular letters sent to ..... dealers.
   (*b*) And by notices posted in public places Yes ☐ No ☐.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.).

ABSENCE OF ADVERTISING

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with .....
5. Without advertising, it being impracticable to secure competition because of .....

.....

.....

.....

.....

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, as amended.)

U. S. GOVERNMENT PRINTING OFFICE : 1950 O—75805

16—22000a-2

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 155

Wash

Name of Operator WILLIAM MULCAHY
Docket No. DMA 1877-X
Total Contract Amount $ 5,092.30
Government Participation: 50% Amount, $ 2,546.15
Distribution of Expenditures for Month of May 26 - June 30,1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—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.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

Defense Minerals Administration
JUL 18 1952

CERTIFICATION

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.

THE WILLIAM MULCAHY PROPERTY
(Name of Company)

By William Mulcahy
(Signature of Authorized Official)

July 2,1952
(Date)

Owner
(Title)

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.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities		90.00	90.00			
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]	358.75		358.75			
Chain saw with 2 chains						
(b) Rented[2]						
(c) Furnished by operator	35.70	71.40	107.10	24.18		
'51 Chev Panel 31.70						
1 Mine Car 4.00						
35.70						
3. Rehabilitation and Repairs:						
(a) Facilities		20.00	20.00			
(b) Buildings						
(c) Installations						

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]						478.50
5. Supervision						
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other gas & oil for chain saw	5.00	3.00	8.00	—0—		
7. Power						
8. Transportation (1)	12.00	24.00	36.00	—0—		
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work (2)	535.00	177.00	712.00	—0—		
11. Other (specify)						
Total	946.45					
Deletions						
Adjusted totals						
Totals previously reported		864.90				
Totals to date			1,810.35	382.93	863.90	1246.83

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by B. Sanders
Entered by
Approved by John J. McNabb Jr.
Amount approved for payment $191.46
Remarks

16—64068-3

(1) Gas & Oil for car

(2) 107 ft. at $5.00 per foot.

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF MAY-JUNE 1952

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation	535.00	394.45	(1) 17.00		946.45	dollars	946.45	863.90	1810.35	$5,092.30
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	535.00	394.45	17.00		946.45	dollars	946.45	863.90	1810.35	$5,092.30

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

(1) Oil & Gas for chain saw & Transportation $17.00

NARRATIVE.

Mulcahy Lead Idm-E - 155

Work was begun at the Mulcahy Lead Property under contract No. Idm-E-155 on May 26,1952; after work had been suspended for the winter months due to adverse weather conditions.

The rehabilitation of the adit was advanced 107' during the period May 26 to June 16,1952. This work consisted of deicing the portal shich was clogged with snow and over 2' of solid ice, fifty feet of hand drilling, hammer work, and close timbering, and general rehabilitation and cleanup for fifty-seven additional feet.

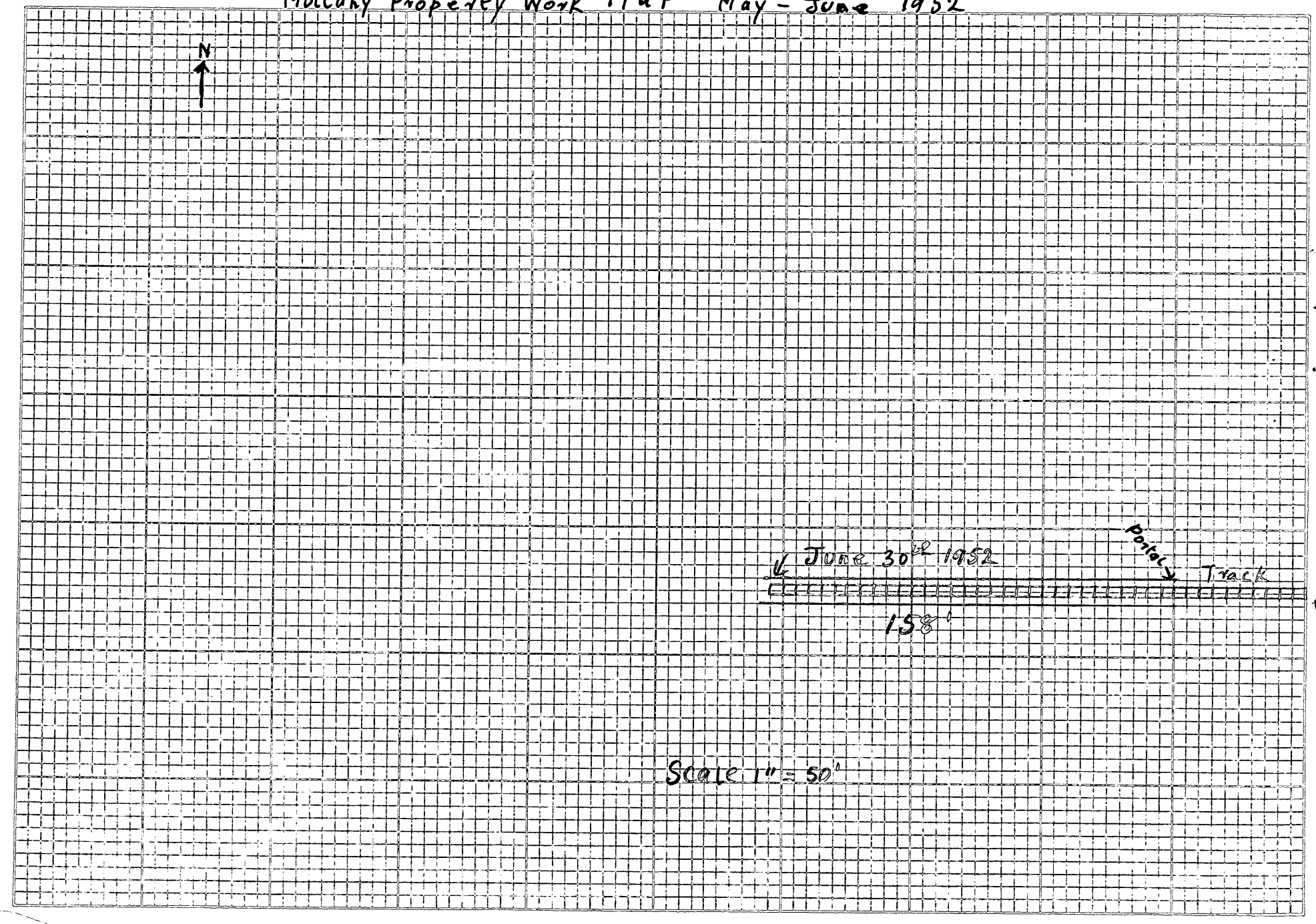
At this point the main cave was reached. A great deal of water was coming from the back and also through the cave itself. Since the flow of water appeared to be slowly subsiding, it was decided to suspend operations for a few weeks until the spring run-off had diminished and working conditions would be improved.

The property was visited on June 29, 1952 and it was noted that the flow of water had diminished considerably. It is planned that the work will be resumed on July 2,1952, with the owner, Wm. Mulcahy, and a miner to assist him carrying on the operation.

It is to be noted that the vein was intersected at a distance of 140' from the portal. The vein is 2' wide at this point, dips vertically, strikes east-west, and thus far shows no evidence of commercial mineralization.

Form No. 642—10 Squares to Inch
AMERICAN PAD & PAPER CO., HOLYOKE, MASS.

Mulcahy Property Work Map May - June 1952



MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E 155

Name of Operator William Mulcahy
Docket No. DMA 1877 - X
Total Contract Amount $ 5,092.30
Government Participation: 50 % Amount $ 2,546.15
Distribution of Expenditures for Month of November-December 5th, 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 0 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—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.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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.

The William Mulcahy Property
(Name of Company)

By William Mulcahy
(Signature of Authorized Official)

December 11, 1951
(Date)

Owner
(Title)

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.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities Rails		90.00	90.00			
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]						
(b) Rented[2]						
(c) Furnished by operator	35.70	35.70	71.40			
'51 Chev.Panel 31.70						
1 Mine car 4.00						
35.70						
3. Rehabilitation and Repairs:						
(a) Facilities						
windows,stove,etc.		20.00	20.00			
(b) Buildings						
(c) Installations						

16—64068-3

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]						
* 5. Supervision	333.50	145.00	478.50			
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other		3.00	3.00			
7. Power						
8. Transportation **	12.00	12.00	24.00			
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work	80.00	97.00	177.00			
11. Other (specify)						
Total	461.20					
Deletions						
Adjusted totals						
Totals previously reported		402.70				
Totals to date			863.90			

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Eric H. Erickson
Amount approved for payment
Remarks

16—64068-3

* Working Foreman
** Gas and Oil for Car

Payroll

Wm. Mulcahy 23 days @ 14.50 $333.50
Wm. Sutton, contract
labor 20' @ 1/2($8.00/ft.) $ 80.00

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF November-December 5,1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	(*) Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation	413.50	35.70		12.00	461.20	dollars	461.20	402.70	863.90	$5,092.30
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	413.50	35.70		12.00	461.20	dollars	461.20	402.70	863.90	$5,092.30

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

(*) Transportation $12.00

November, December 5th Narrative

During November the repairing of the adit was advanced 27'. The work was difficult and dangerous, hammer work, hand drilling and blasting, false sets stulls and spiling to hold the ground until a regular set was put in slowed the work almost to a stop. The cold weather we expected to hold the rock and clay in place never came; instead temperatures above freezing prevailed. It was so slow and hopeless my partner quit. I took him to town and stayed a week and when I got back the face of the adit was well frozen. I went to work alone and with the aid of the weather,and Percy Dodge helped me for a day timbering on a dangerous place, I went thru the main cave and at the end of the month I could see ahead for about 30 feet. I was unable to crawl in there, but it seemed like two walls and a solid back were replacing loose sand and boulders.

I intended quitting for the winter but the condition of the face of the adit was such that a few days work now would save weeks of work next year. I put in a set of timber,stulled up an old set and secured everything for the winter, and advanced the adit 3 feet, making the total length over 50 feet. I crawled thru the cave and walked and crawled about 55' and saw the vein;and walked and crawled on the vein for about 30' where a cave blocked the way. The adit was timbered to the cave . The vein seemed strong and vertical in dip. The timbers looked rotten. My feet were wet and cold. There is about 2' of water on the adit and I got out of there in a hurry.

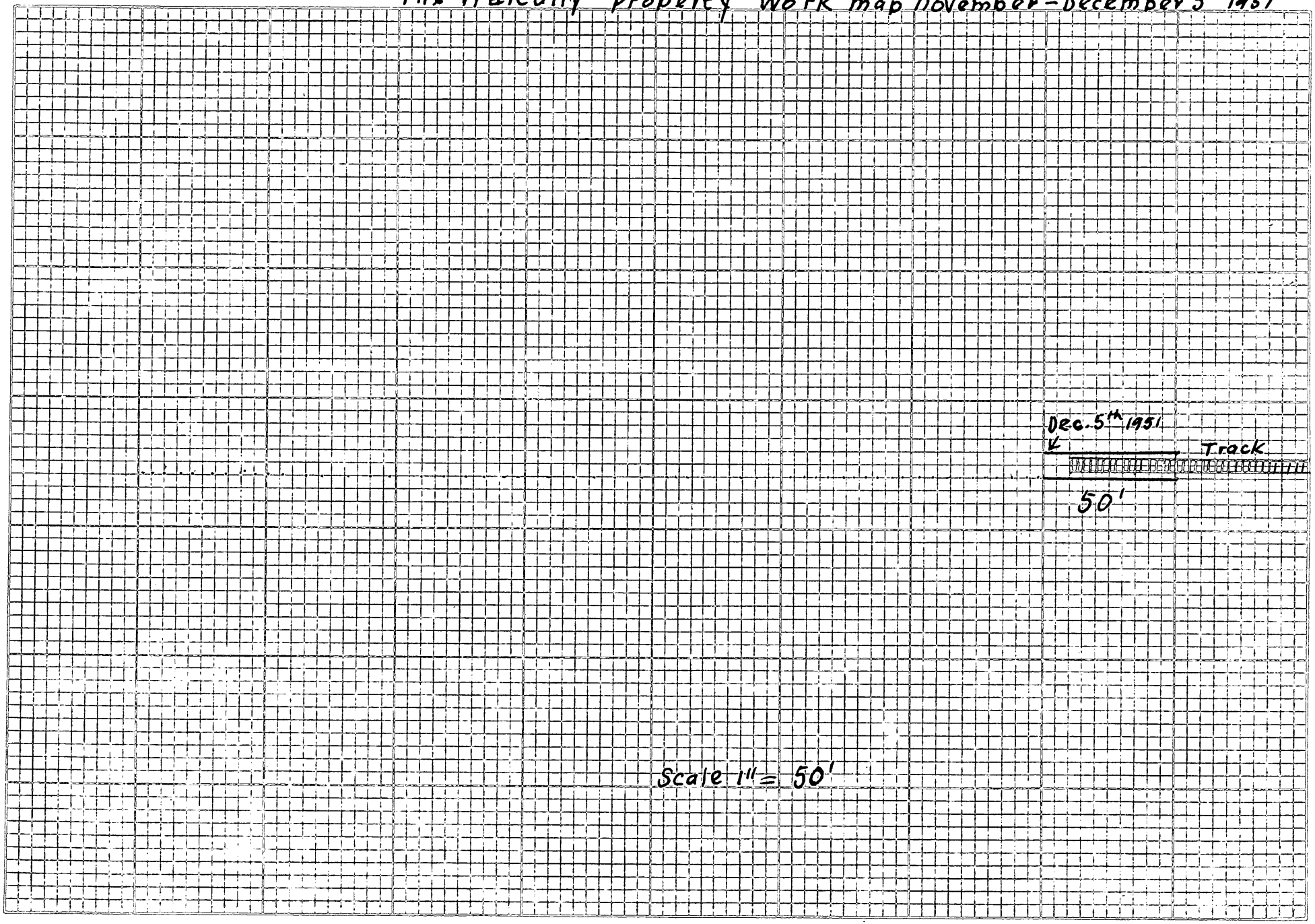
That's all for this year.

William Mulcahy
WILLIAM MULCAHY

12-11-1951

Form No. 642—10 Squares to Inch
AMERICAN PAD & PAPER CO., HOLYOKE, MASS.

The Mulcahy property Work map November-December 5th 1951



Standard Form No. 1034a—Revised
Form prescribed by
Comptroller General, U. S.
September 7, 1950
(Gen. Reg. No. 51, Supp. No. 11)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. IDM-68

Bu. Vou. No.

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

Voucher prepared at Albany, Oregon Dec. 7, 1951
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. IDM-E 155

To William Mulcahy
(Payee)

112 1/2 East Broadway, Butte, Montana
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	October 1951	Per attached certified Form MF-104 dated November 12, 1951				201	35
PAYMENT: Complete ☐ Partial ☐ Final ☐		Use continuation sheet(s) if necessary				201	35

Shipped from to Weight Government B/L No. Total

(Payee must NOT use this space)

Differences

201 35

Account verified; correct for

(Signature or initials)

Contract No. IDM-E 155 Date 9/19/51 Req. No. Date Invoice Rec'd.

201.35

MEMORANDUM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. Amount	Appropriation Amount
14X4401	Revolving Fund, Defense Production Act, Interior	201.35	201.35

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. ..... dated ....., 19....., for $..... / Cash, $....., on ....., 19..... } on Treasurer of the United States in favor of payee named above.

16—22900a-2

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐.
2. (*a*) Advertising by circular letters sent to ..... dealers.
   (*b*) And by notices posted in public places Yes ☐ No ☐.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.)

ABSENCE OF ADVERTISING

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with .....
5. Without advertising, it being impracticable to secure competition because of .....

.....

.....

.....

.....

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, as amended.)

U. S. GOVERNMENT PRINTING OFFICE : 1950 O—75805

16—22000a-2

MF-104
(April 1951)

Budget Bureau No. 42-R1036.
Approval expires 6-30-51.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—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.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts will be made from time to time.

CERTIFICATION

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.

~~THE~~ WILLIAM MULCAHY ~~PROPERTY~~
(Name of Company)

By William Mulcahy
(Signature of Authorized Official)

November 12, 1951
(Date)

Owner
(Title)

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.

16—64068-1

U. S. BUREAU OF MINES
RECEIVED
NOV 26 1951
ALBANY, OREGON

MONTHLY SUMMARY COST STATEMENT

Name of operator William Mulcahy
Project No. DMA 1877
Total contract amount $5,092.30
Government participation percent 50
Contract No. Idm-E 155

Distribution of Expenditures for Month of October

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
* Wages and salaries	145.00	0	145.00			
Equipment purchase [1] rails stove,etc	110.00	0	110.00			
Equipment rental [2]	35.70	0	35.70			
Buildings						
Explosives						
Repair parts						
Other supplies carbide	3.00	0	3.00			
Power						
Transportation	12.00	0	12.00			
Withholding taxes						
Compensation insurance						
Other insurance						
Contract work hauling rails stove,etc.	97.00	0	97.00			
Other (specify)						
Total	402.70	0	402.70			
Totals previously reported						
Totals to date	402.70	0	402.70			

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Glenn O'Reed
Amount approved for payment
Remarks

[1] Enter total purchase price in month purchase is made.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.

16—64068-1

* Working Foreman

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF October

Name of operator William Mulcahy
Project No. DMA 1877
Total contract amount $5,092.30
Government participation percent 50
Contract No. Idm-E 155

Type	Number	Man-Shifts	Rate	Total
Miners			$	$
Muckers				
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent				
Engineers				
Geologists				
Bookkeeper				
* Foreman	1	10	14.50	145.00
Clerks				
Stenographers				
Other				
Total	1	10	14.50	145.00

Note.—Show only that portion of supervisory, office, and engineering salaries that is chargeable to this project.

* Working Foreman

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Glenn C Reed
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF October

Name of operator William Mulcahy
Project No. DMA 1877
Total contract amount $5,092.30
Government participation, percent 50
Contract No. Idm-E 155

U. S. BUREAU OF MINES
RECEIVED
NOV 26 1951
ALBANY, OREGON

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	* Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation	145.00	47.70	3.00	207.00	402.70	Dollar	402.70	0	402.70	$5,092.30
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	145.00	47.70	3.00	207.00	402.70	Dollar	402.70	0	402.70	$5,092.30

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.

16—64068-1 U. S. GOVERNMENT PRINTING OFFICE

* Mine rails purchased	$90.00
Stove, windows, etc.	20.00
Contract hauling	97.00
	$ 207.00

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Glenn A. Reed
Remarks

THE WILLIAM MULCAHY PROPERTY

DMA 1877 Idm-E 155
October Narrative

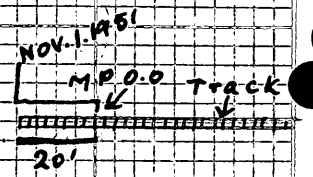
July 11	Mailed application for DMA Loan to Bureau of Mines 1207 N. Division, Spokane, Washington
July 30	Mr. M. R. Klepper examined property for DMA
Oct. 4	Signed Contract in Boulder
Oct. 10	Dave Anderson and Tom McColgan hauled rails with truck. Paid Anderson $40.00 in full.
Oct. 14	Got stove, windows and bed spring from Wm. Sutton. Tom McColgan helped me with stove to cabin, also to move rails and clear trail.
Oct. 15	Percy Dodge started pulling rails with truck and horse.
Oct. 16 to Oct. 18	Started to clean adit and grade for track.
Oct. 19	Dodge and I completed pulling rails to mine, also delivered 100 linear feet of rails. Paid Dodge in full $50.00.
Oct. 20 to Oct. 21	Cut ties, built trestle and laid track
Oct. 25	Paid Wm. J. Maretta in full for rails $75.00
Oct. 27	Paid Tom McColgan in full $22.00; also William Sutton in full $20.00
Oct. 28	Worked on cabin and blacksmith outfit
Oct. 29 Oct. 30 Oct. 31	Retimbered and repaired permanently 20 feet of adit. I have on the property over 600 linear feet of mine rail, a blacksmith outfit, coal, 4 axes, 3 saws, 3 shovels, 4 picks, 2 hammers, 2 bars, track gauge and level, wrenches, powder, fuse, caps, carbide, 2 miners lamps, mine car and wheelbarrow, a rehabilitated cabin, 50 feet of track on dump and 20 feet on adit, and figure to keep pn working as long as possible. I have paid out and hold receipts for $210.00; everything is paid to date. I have put in te n (10) days work on the project.

November 12, 1951

William Mulcahy
William Mulcahy,
Owner

Form No. C42—10 Squares to Inch
AMERICAN PAD & PAPER CO., HOLYOKE, MASS.

The Mulcahy Property Work map. October



Scale 1" = 50'

SEP 2 0 1962

[redacted]

Mr. William Mulcahy
P. O. Box 21
Butte, Montana

Re: DMMA-1877 (Lead)
William Mulcahy
Summit Mine
Jefferson County, Montana
Contract Idm-K155

Dear Mr. Mulcahy:

By the terms of the referenced Exploration Project Contract and the certification of discovery or development dated December 7, 1955, all minerals mined or produced from September 19, 1951, to September 19, 1961, were subject to the Government's percentage royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

signed FRANK E. JOHNSON

ACTING Director

WRGriswold/ama 9-14-62

cc:
Docket
Director's Reading File
CA & A Division
Region I (2) w/cy MMX Form 63 completed by Mr. Mulcahy 8/24/62
Code 500

GOVERNMENT COPY

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

To: William Mulcahy
1123 N. Broadway
Butte, Montana

Pursuant to the provisions of Exploration Project Contract No. Idm-2115, dated September 29, 1951, Docket No. DMA 1877, hereinafter called the "contract," between you and the United States of America, hereinafter called the "Government;" to establish and fix the Government's percentage royalty on production and its lien thereon and on the mineral deposit which is the subject of the exploration project, the Government considers and therefore certifies that a discovery or development has resulted from the work from which commercial production of ore may be made.

The Government's estimate of said discovery or development is particularly described and delineated as follows: Drifting on the Mulcahy vein has shown the existence of lead-zinc ores on the lands described in the contract.

Dated DEC 7 1953

THE UNITED STATES OF AMERICA

By O O Mittendorf
Administrator, Defense Minerals
Exploration Administration

WRGriswold/hmj (12-2-53)
CC to: Docket
Cont. Adm. & Audit Div.
Region II (2)
Base Metals Div.
Adm. R. File
Op. Committee
Mr. Hedges, Rm 4604
Mr. Thayer, Rm 5216, GSA Bldg.
Mr. F. E. Johnson
Mr. W. R. Griswold
Chron.
Irving Gumbel, EPA
Finance Office

DEC 7 - 1953

Mr. William Mulcahy
112½ N. Broadway
Butte, Montana

Re: Docket No. DMA 1877 (Lead)
Summit Mine
Jefferson County, Montana
Contract No. Idm-K155

Dear Mr. Mulcahy:

Transmitted herewith is a "Certificate of Discovery or Development" related to the Exploration Project Contract No. Idm-K155, dated September 19, 1951, on the lands described in the contract.

By the terms of the Exploration Project Contract and of the Certification, all production from the parcels of land described in the contract, after September 19, 1951, the date of the contract, is subject to the Government's percentage royalty as set forth in the said contract until the sum which the Government has advanced as its participating interest is repaid, or until September 19, 1961, whichever occurs first.

Payments should be made to Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, South 157 Howard Street, Spokane 4, Washington. Checks should be drawn in favor of the Treasurer of the United States. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward the checks to the Executive Officer.

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

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

WRGriswold/hmj (12-2-53)

Sincerely yours,

C. O. Mittendorf

Administrator

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

Enclosure

DEC 7 - 1953

Mr. Irving Cumbel, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration
Washington 25, D. C.

Re: Docket No. DMA 1877 (Lead)
William Mulcahy
Summit Mine
Jefferson County, Montana
Contract No. Idm-5155

My dear Mr. Cumbel:

Enclosed is a copy of a "Certificate of Discovery or Development" related to Exploration Project Contract No. Idm-5155.

The contract was dated September 19, 1951, with the Government participating to the extent of 50 per cent in an exploration project estimated to cost $5,092.00. Practically all of such amount was actually expended, though we shall not have the precise figure until the final audit has been made.

The total amount of work provided for under the contract and its amendments consisted of tunnel rehabilitation, 12 feet of drifting and 10 feet of crosscutting. Work actually done consisted of 745 feet of tunnel rehabilitation, 8 feet of drifting and 10 feet of crosscutting.

The discovery consisted of lead-zinc ore occurring in a vein in a granitic rock. From assays available such ore has a grade of 3.8 per cent lead, and 1.9 per cent zinc, with minor amounts of gold, copper, tin, and germanium. The amount of work done was insufficient to permit calculation of an ore reserve.

WRGriswold/hmj (12-7-53)
CC to: Docket
ContAdm and Audit Div.
Region II (2)
Base Metals Div.
Adm. R. File
Op. Committee
Enclosure Mr. Hedges Rm 4604
Mr. Thayer, Rm 5216, GSA Bldg.
Mr. F. E. Johnson
Mr. W. R. Griswold
Chron.

Sincerely yours,

C. O. Mittendorf

Administrator

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG - 3 1953

Docket No. DMEA 1877
(lead)

(Amendment to Change Starting and/or Completion Dates) GOVERNMENT COPY

AMENDMENT NO. 5

It is agreed this 15th day of July 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and William Mulcahy

each acting in consideration of the agreement to the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E155 dated September 19 1951 between the parties hereto be modified and amended to change ~~the starting date from (No. of days) within (No. of days) of the date of the contract and~~ the completion period from 22 (No. of months) to 24 (No. of months) from the date of the contract. The effective date of this amendment shall be September 19, 1951.

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

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

Executed in sextuplicate the day and year first above written.

WILLIAM MULCAHY
(Operator)

By William Mulcahy

THE UNITED STATES OF AMERICA

By Thomas E. Howard
~~Acting Executive Officer~~ Thomas E. Howard
Acting Executive Officer
DMEA Field Team, Region II

Received
Mar 5 1973

William Mulcahy
Exploration Project Contract Idm-E155
Docket No. DMEA 1877 (lead)

Justification of Amendment No. 5

A vein of significant interest has been exposed at the Mulcahy lead mine. Drifting on the vein is considered justifiable. For this reason and because of an unusually late spring, which was not anticipated, an additional 2 months time extension is justified.

John S. McNabb

Docket No. DMEA 1877 (lead)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 3 1953

AMENDMENT NO. 4 GOVERNMENT COPY

It is agreed this 15th day of July 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, and William Mulcahy

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E 155 of September 19, 1951 between the parties hereto be modified and amended as described in Exhibit "F" attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be September 19 1951.

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

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

Executed in sextuplicate the day and year first above written.

WILLIAM MULCAHY
(Operator)

By William Mulcahy

THE UNITED STATES OF AMERICA

By Thomas E Howard
~~Acting Executive Officer~~
DMEA Field Team, Region II
Thomas E. Howard
Acting Executive Officer

WILLIAM MULCAHY
Exploration Project Contract Idm-E155
Docket No. DMEA 1877 (lead)

AMENDMENT NO. 4

Exhibit "F"

Changes and additions

1. The schedule of Labor and Supervision of Exhibit "A" as modified in Amendment No. 1 is further modified to include the following paragraph:

> "Contract labor may be used for crosscutting and drifting at a unit price per foot that conforms to the established rates in the Butte, Montana, area."

2. In Exhibit "A", page 1, the description of the work to be done as modified by Amendment No. 2 is further modified by adding another item of work as follows:

> "5. Drifting shall be performed on the Mulcahy vein. Subject work to be done in a southwesterly direction beginning at a point approximately 675 feet west of the adit portal and in a northeasterly direction from the 645 ft. crosscut N. Approximately 12 feet of drifting to measure 4'x6' in the clear.
>
> Estimated Cost
>
> 12 ft. @ $39.00/ft. = $468.00"

William Mulcahy
Exploration Project Contract Idm-E155
Docket No. DMEA 1877 (lead)

Justification of Amendment No. 4

Two exposures of the Mulcahy vein indicate that the grade and width of the mineralized structure may be of significant interest. Additional information regarding the persistence, grade, and width of the vein can be obtained by drifting on the subject structure. Inasmuch as it is to the Government's advantage to have this additional information and because the work could be done without any increase in funds provided for in the contract, the amendment is considered justified.

John S. McNabb

GOVERNMENT'S COPY

(Amendment to Change Starting and/or Completion Dates)

AMENDMENT NO. 3

It is agreed this 19th day of December 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and William Mulcahy, Butte, Montana

(Docket DMEA-1877 (lead))

each acting in consideration of the agreement to the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E155 dated September 19, 1951 between the parties hereto be modified and amended to change [redacted] (No. of months) [redacted] (No. of months) the completion period from 12 (No. of months) to 22 (No. of months) from the date of the contract. The effective date of this amendment shall be September 19, 1952.

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

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

Executed in sextuplicate the day and year first above written.

WILLIAM MULCAHY
(Operator)

By William Mulcahy

THE UNITED STATES OF AMERICA

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

William Mulcahy Property
Exploration Project Contract Idm-E155

Justification for Amendment No. 3

A small area of disseminated galena in the altered wall rock was found after the adit was opened. Two small cuts were made through this zone which was determined to be three feet thick; however, before more work could be done, the property was made inaccessible by winter weather. Inasmuch as it is to the Government's advantage to have a little more exploration done on this zone, an amendment to extend this contract 10 months is considered justified.

DMEA

AMENDMENT NO. 2

It is agreed this 7th day of Aug, 195 2, between the the United States of America, acting through the Department of the Interior, Defense Minerals Administration and William Mulcahy, Butte, Montana (Docket No. DMEA 1877 - lead)

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E155 of Sept. 19 195 1 between the parties hereto be modified and amended as described in Exhibit "F", attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be September 19 195 1.

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

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

Executed in sextuplicate the day and year first above written.

WILLIAM MULCAHY
(Operator)

By William Mulcahy

The United States of America

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

WILLIAM MULCAHY
Docket No. DMEA 1877 (lead)
Contract Idm-E155

Amendment No. 2

Exhibit "F"

Changes and additions

It has been found that the adit specified to be reopened is longer than was anticipated. Also, it has been deemed advisable to explore a mineralized portion of the side of the adit by crosscutting for a distance not to exceed 10 feet. In order that the adit may be reopened for its entire length and the 10 feet of crosscut driven, it is necessary that the contract be amended as follows:

1. In Exhibit "A", page 1, change the clause following "The proposed work and the estimated cost thereof is as follows:" to read

Adit rehabilitation and approximately 10 feet of crosscut to measure 4' x 6' in the clear.

Estimated cost: $4,000.00
(Includes labor, supervision, payroll taxes, compensation, etc.)

2. In Exhibit "A" of the contract, page 1, under "Summary of Estimated Costs" change the amount shown for Item No. 1 from $3,300.00 to $4,000.00, change the amount shown for Item No. 2 to $417.20, and change the amount shown for Item No. 3 to $568.00.

3. It is estimated that the additional 175 feet of drift rehabilitation will not cost more than $1.50 per foot. This last 175 feet of adit is open at the present time,and requires only a small amount of work cleaning the track and setting a few stulls. Therefore, it is understood that the total cost to rehabilitate this final 175 feet of adit will not exceed $262.50.

175 feet at $1.50 per foot = $262.50

4. It is estimated that a 4' x 6' crosscut to be driven approximately 10 feet in a southerly direction at a point 585 feet in from the portal of the adit will cost not more than $25.00 per foot. Therefore, it is understood that the total cost of said crosscut shall not exceed $250.00.

10 feet at $25.00 per foot = $250.00

Justification for Amendment No. 2

Exploration Project Contract Idm-E155

William Mulcahy Property

It was found that the adit which is specified to be opened under the contract was somewhat longer than had been anticipated. It was also found advisable to explore the mineralized zone by a short crosscut from the adit. Inasmuch as it is to the government's advantage to have this additional information and because the work could be done without any increase in the funds provided for in the contract the amendment is considered justified.

Contracts & Audit
Dma 1877
Lead

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 1952

AMENDMENT NO. 1

It is agreed this 27 day of December 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and William Muloahy, 112½ East Broadway, Butte, Montana

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-155 of September 19, 1951 between the parties hereto be modified and amended as described in Exhibit "F", attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be January 1 1952.

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

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

Executed in sextuplicate the day and year first above written.

William Muloahy
(Operator)

By _____

The United States of America

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

THE WILLIAM MULCAHY PROPERTY
EXPLORATION PROJECT CONTRACT

Idm-E155

Amendment No. 1

Changes and Modifications: Exhibit "B"

1. The schedule of Labor and Supervision of Exhibit "A" is modified so as to include the following paragraph:

Contract labor may be used for rehabilitating the main adit at a unit price of $8.00 per foot; when working foreman helps on contract, the unit price shall be reduced proportionately.

Docket No. 1077X

Commodity LEAD

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 155

Date of Contract or Amendment: January 21, 1954

Name and Address of Operator:
112 1/2 East Broadway
Butte, Montana

Amount of Government participation $ 0 2546.15

Percent of Government participation 50 %

Region: 11 State: Montana

Note: Please release 0 87.77 ;Advice Contract Administration and Audit Division.

J.E. CHAMBERS, (Name)
CHIEF, CONTRACT ADMINISTRATION AND AUDIT DIVISION

(Title)

Date Delivered to Bureau of Mines, Washington. January 21, 1954

13908

Docket No. DMA 1877
Commodity Lead
Idm-E155

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 19th day of September, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2]
William Mulcahy
112½ East Broadway
Butte, Montana

hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Montana, County of Jefferson described as follows: [3] the Big Lode, Homestake and Summit unpatented claims at the junction of Secs. 16, 17, 20 and 21, T. 4N., R.5W, Bigfoot Mining District, 16.0 miles by road southwest of Boulder to the inactive Stake mine and 1.5 miles by trail from there. Recorded in Book 46, Quartz Lode Mining claims, Jefferson Co., Courthouse, Boulder, Montana.

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

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:
None

(*b*) ~~That he is the owner, in possession and entitled to possession, and the subordination agreement of the holder is attached~~

3. *Exploration project.* The Operator, within Thirty (30)* days from the date of this contract shall commence work on a project of exploration for [5] Lead; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] Twelve (12) months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

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

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

* Weather permitting

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

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

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

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

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 50 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $2,546.15, which is 50 percent of the agreed estimated total cost of this project, $5,092.30.

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

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

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

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

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

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

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

William Mulcahy
(Operator)

By _____

THE UNITED STATES OF AMERICA

By C. D. Mitchendorf

Director, Production Expansion Division
Defense Minerals Administration

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

The William Mulcahy Property
Exploration Project Contract
The Big Lode, Homestake and Summit Quartz Lode Claims.

EXHIBIT "A"

Exploration Project.

Time Schedule
Month

1. To reopen, on a galena-bearing vein, a caved adit estimated to be between 350 and 500 feet in length (see map attached hereto). The portal is badly caved for a distance of 75 feet. This can be reopened by an open cut as far as feasible and then continued by using spiling as far as necessary. The remainder of the adit should be reopened for examination with a minimum amount of work and timbering in keeping with standard safety practices. It is estimated that it will take approximately three (3) months to rehabilitate the adit as follows:

1st. a. Haul in equipment and supplies, lay 50 feet of track on the dump and advance the cleanup of the adit 50 feet.

2nd. & 3rd. b. Advance the rehabilitation 175 feet.

c. Advance the rehabilitation 175 feet.

It is unlikely that all of the adit is caved so as to be unsafe. If it is just a matter of cleanup with occasional timbering, after passing the portal, the work might advance more rapidly than scheduled.

The proposed work and the estimated cost thereof is as follows:

Adit rehabilitation 400 feet @ $8.25 per foot $3,300
(Includes labor, supervision, pay roll tax, compensation, etc).

Summary of Estimated Costs.

1.	Rehabilitation of adit, labor, etc.,	$3,300.00
2.	Fixtures and Improvements	447.20
3.	Operating equipment	1,238.00
4.	Allowance for operator's equipment	107.10
	Total	$5,092.30

Fixtures and Improvements.

1.	Mine rail, 1,200 feet of 12#	$ 391.20
2.	Fish plates, bolts and spikes	56.00
	Sub-total	$ 447.20

Operating Equipment and Supplies:

Equipment to be purchased.

1.	One McCullock 2' chain saw with two blades	$360.00
2.	Mine vent tube, 600 feet 8" DuPont #1	488.66
3.	Small tools, forge, steel, wheelbarrow, etc.	119.26
4.	To haul equipment to mine	120.00
	Sub-Total	$1,087.92

Equipment to be furnished by applicant on a depreciation basis.

		Cost.	Monthly Allowance.
1-Chevrolet Panel truck, 1951.	Approx.	$1,900	$31.70
1-Mine car		240	4.00
		Sub-Total	$35.70

Supplies.

1.	Powder, fuse caps	$ 68.38
2.	Carbide, coal, nails, wedges	32.62
3.	Gas, oil, etc., for car	50.00
	Sub-total	$151.00

Labor and Supervision.

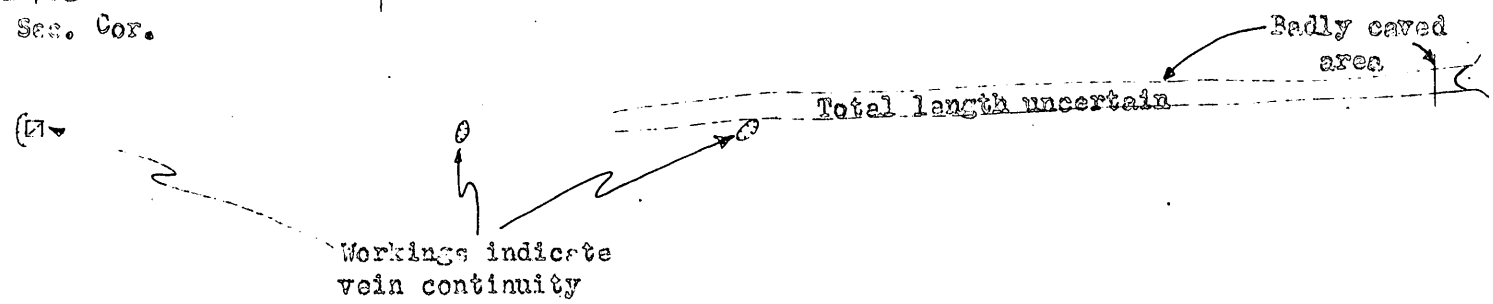
The following labor will be employed at the rates shown:

2-Miners and timberman @ $12.50 per day	$ 25.00
1-Working foreman@ $14.50 per day*	14.50
Pay roll taxes, etc	4.50
Daily total	$ 44.00

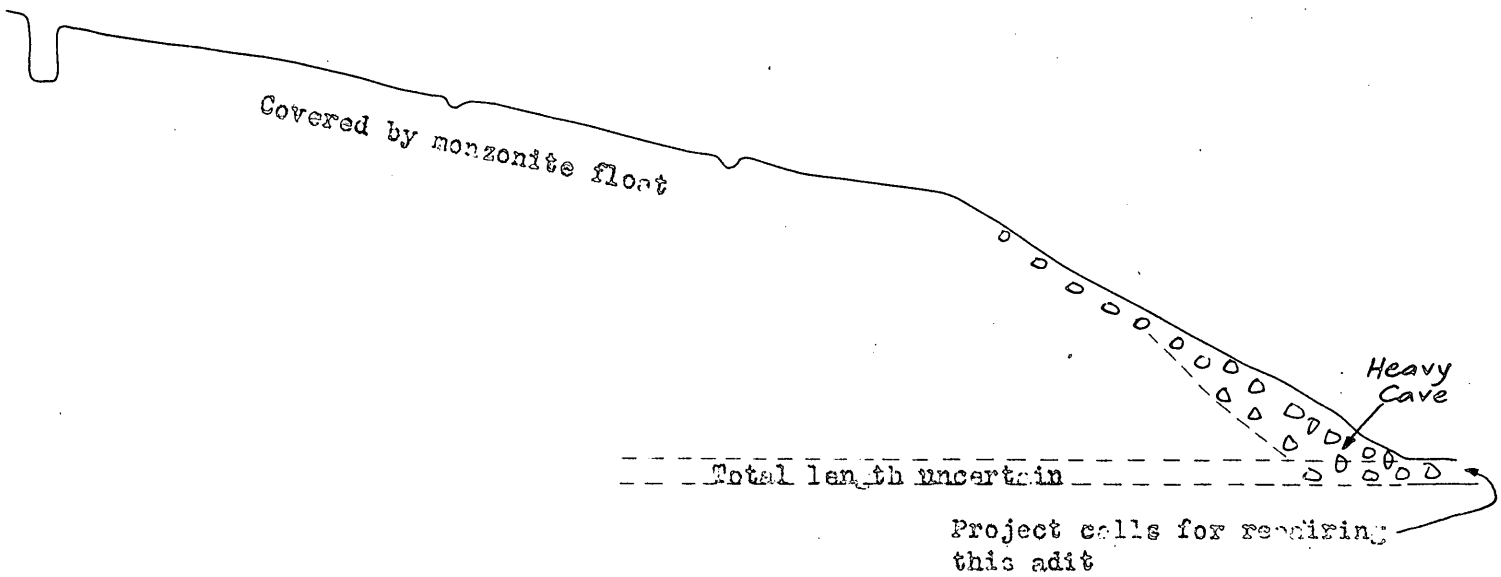
* The working foreman will be in charge of the work and also keep what few accounts there are.

Rehabilitation and Repairs.

Rehabilitation of adit included above.



PLAN VIEW
1" = 100'



SECTION ALONG VEIN
1" = 100'

SKETCH MAP OF MULCAHY PROSPECT
ON WONESTAKE AND SUMMIT CLAIMS
Jefferson County, Montana