PROJECT SUMMARY REPORT

By: W. P. Klugescheid September 27, 1955

1. Docket No. DMLA-2103 (Copper)
   Contract No. Idm-E423
   Property: Allen Property
   Sanders County, Montana

   Operator: Elmer L. Allen
   115 East 6790 South
   Midvale, Utah

   Operator's Property Rights: Owner of five unpatented lode mining claims.

2. Contract dated October 27, 1952. To complete - 12 months.

Work Authorized

Agreed Unit Cost

400 feet of rehabilitation of tunnel @ $4.50/ft.	$ 1,800.00
300 feet of drifting & crosscutting @ $30.00/ft.	9,000.00
Total estimated cost of the project	$10,800.00
Government's participation @ 50%	$ 5,400.00

Amendments

No. 1 Dated September 2, 1953.

Deletes all items on Exhibit "A" of the contract and substitutes the following:

318 feet of rehabilitation of tunnel @ $4.50/ft.	$ 1,431.00
45 feet of rehabilitation of caved drift @ $12.00/ft.	540.00
294.3 feet of drifting & crosscutting @ $30.00/ft.	8,829.00
Total estimated cost of the project	$10,800.00
Government's participation @ 50%	$ 5,400.00

Amendments (continued)

No. 2 Dated December 16, 1953.

Granted a recess from November 10, 1953 to not later than May 31, 1954.

The completion dated was extended from 1 to 2 years or until October 27, 1954.

In lieu of Article 6 of the contract, the provisions of Annex I were substituted.

No. 3 Dated November 8, 1954.

Completion period is extended to 27 months.

Annex I was cancelled and Annex II was substituted.

Other Changes

On November 18, 1953, Jessie Allen, wife of Elmer L. Allen deeded her share of the mining claims to her husband.

The original partnership in this project was Elmer L. Allen and Jessie M. Allen and the contract was made out to them.

Assignment of contract - Dated May 31, 1954.

In this instrument, Jessie M. Allen transferred her interest in the contract to her husband, Elmer L. Allen.

Work Completed

318 feet of rehabilitation of tunnel @ $4.50/ft.	$ 1,431.00
45 feet of rehabilitation of caved drift @ $12.00/ft.	540.00
294.3 feet of drifting & crosscutting @ $30.00/ft.	8,829.00
Total cost of the project	$10,800.00
Government's participation @ 50%	$ 5,400.00

3. Audit - Report of Review dated March 21, 1955.

Total cost as billed by Contractor	$10,800.00
Exceptions - None	
Total accepted cost	$10,800.00
Government's participation @ 50%	$ 5,400.00

Work on the project was completed in January 1955.

4. Certification of Discovery - none issued. No ore was discovered.

5. Comments

The purpose of the project was to explore for copper ore in a vein that had previously been explored by shallow workings and a 320-foot adit. The adit was rehabilitated and from it drifting and crosscutting was carried on.

Some ore had been produced from this property in the past but at the time of the initiation of the project there was no ore available in the mine. Small ore piles on several of the dumps of the shallow workings along the vein consist of malachite, chrysocolla, and chalcopyrite in a quartz and limonite gangue. The highest grade grab sample taken from these piles gave 7.79% copper. No ore resembling that seen on the dumps of the shallow workings along the vein was seen in the lower adit. Within this working the structure contains lenses and stringers of quartz. Except for a few grains of pyrite and chalcopyrite, some limonite stain, and a few spots of malachite stain, the quartz lenses and stringers are essentially barren. Considering the lens-like nature of most of the quartz in the lower adit workings, it is reasonable to assume that the ore on the dumps of the shallow workings along the vein probably came from small lens-like bodies.

This deposit is typical of a group of small copper prospects in western Montana and northern Idaho associated with diorite and gabbro plutons that intrude sedimentary rocks of the Precambrian Belt Series. Although some copper has been produced from several of these deposits, none is very large, and most of them appear to be of little economic importance.

The Allen structure consists of a shear zone about 20 feet wide. Although individual shears within the zone have various attitudes, the zone itself strikes about N. 40°W. and dips from 30° -60°NE.

The work of the project tested only 40 feet of the structure along its strike below the shallow workings of the vein. The Operator plans to extend the drift to the southeast under the other shallow workings. This work may find some ore but all evidence suggests that no significant orebodies will be discovered and further Government assistance is not warranted.

No ore reserves can be inferred from the sparse amount of ore minerals seen in the DMEA workings.

Operations were inefficient and poorly planned, and the Operator's insecure financial position hampered the work by limiting the amount of labor employed and by the use of poor equipment.

WPK/er 9/28/55
Copy to: Docket
Base Metals
Chron.

W. P. Klugescheid

SEP 1 6 1955

Mr. Elmer L. Allen
155 East 6790 South
Midvale, Utah

Re: Docket No. DMA-2103 (Copper)
Elmer L. Allen
Allen Property
Sanders County, Montana
Contract No. Idm-2423

Dear Mr. Allen:

Reference is made to your completed exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the contract. In the absence of such certification, the Government 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 project. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve records for the period indicated.

Your interest in the DMA exploration program and participation therein are fully appreciated.

Sincerely yours,

E. O. Mittendorf

Administrator

WPKlugescheid/er 9/15/55
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Pennington, USBM
Mr. Killagaard, USGS
Mr. Jay Chambers
Chron.
Region I (2), NW Dist.

Personal Letter

3/28/55 gla

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Elmer L. Allen, Assignee
Midvale, Utah

Successor to

Elmer L. Allen and Jessie N. Allen, Partners
Midvale, Utah

pertaining to Exploration Project Contract No. Idm-2483, Docket No. DMEA 2103, including amendments Nos. 1 to 3 inclusive, for the period of October 27, 1952 to March 2, 1955, covering a project for the exploration of copper on property known as the Allen Prospect, located in the Sagey Creek Mining District, Sanders County, Montana.

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

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

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

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

Total Cost as billed by contractor	$10,800.00
Less proceeds from property disposition	None
Net Cost as claimed by contractor	$10,800.00
Exceptions	None
Total Accepted Cost	$10,800.00

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 Five thousand four hundred and 00/100 Dollars

--$5,400.00--

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

C. A. Turner, Auditor

March 21, 1955

Report of Review
dated March 21, 1955

Division copy

EXPLORATION PROJECT CONTRACT
ELMER L. ALLEN
DOCKET NO. DMEA-2103

AMENDMENT NO. 3

It is agreed this 8th day of November, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Elmer L. Allen, that Exploration Project Contract Idm-E423 (Docket No. DMEA-2103), dated October 27, 1952, as amended, is further amended as follows:

1. In Article 3 of the Contract form the period for completion of the work is extended to "twenty-seven months. (Amendment No. 2 extended the period from "one year" to "two years.")

2. Annex I attached to Amendment No. 2 is cancelled, and Annex II, attached hereto and made a part hereof, is substituted for the royalty provisions of Article 6 of the Contract form.

3. That part of the second sentence of Article 7 beginning with the word "Provided" is deleted.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, or the agreed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C O Mittendorf
Administrator, Defense Minerals Exploration Administration

Anton Hoffund
Ching
Ellis
Chapman
Selfridge

ELMER L. ALLEN

Elmer L. Allen

EXPLORATION PROJECT CONTRACT
ELMER L. ALLEN
DOCKET NO. DMEA-2103
ANNEX II

The following provisions are in lieu of Article 6 :

Repayment by Operator.--a. Certification.--If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Royalty on production.--The Operator, as principal, if the Operator is the producer, or as surety, if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land,* as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, for a period of ten years‡ from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

c. Basis for computation.--The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight paid by the buyer to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the

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* The word "land" refers to the land described in Article 2 of the Contract form.

‡ The period "twelve years" is substituted for the period "ten years."

Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the raw ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

d. Unsold production.--If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

e. Percentages of royalty.--The percentages of the Government's royalty shall be as follows:

> One and one-half ($1\frac{1}{2}$) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half ($\frac{1}{2}$) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.
>
> (For instance: the royalty on an amount of five dollars ($5.00) per ton, would be one and one-half ($1\frac{1}{2}$) percent; on an amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) percent.)

f. Lien for payment.--To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

g. Notice to purchasers.--The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

h. No obligation to produce.--Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

i. Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

Division Copy

ASSIGNMENT OF CONTRACT

WHEREAS, Elmer L. Allen and Jessie M. Allen, husband and wife and partners, entered into an Exploration Project Contract, I&a-2423, Docket No. DMEA-2103, dated October 27, 1952, as amended (hereinafter called the "Contract"), with the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration (hereinafter called the "Government"); and

WHEREAS, the land which is the subject of the Contract was formerly owned by both partners, and by an instrument dated November 18, 1953 Jessie M. Allen conveyed her interest in said land to her husband, Elmer L. Allen; and

WHEREAS, Jessie M. Allen desires to transfer her interest in the Contract to Elmer L. Allen;

NOW THEREFORE, Jessie M. Allen, in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration received from Elmer L. Allen, does hereby assign, transfer, and convey to Elmer L. Allen all of her right, title, and interest in the Contract.

Jessie M. Allen agrees to release and hereby releases the Government from any and all claims arising out of the Contract.

This assignment is subject to the written acceptance of the assignee, Elmer L. Allen; to assumption by the assignee of the terms, provisions, and conditions of the Contract; and to the written consent of the Government.

Dated this 31st day of May, 1954.

Jessie M. Allen

Jessie M. Allen

ASSIGNEE'S ACCEPTANCE

The assignee, Elmer L. Allen, this 31st day of May, 1954, hereby accepts the above assignment and assumes and agrees to be bound by the terms, provisions, and conditions of the Contract.

Elmer L. Allen
Elmer L. Allen

GOVERNMENT'S CONSENT

The Government, this 14th day of April, 1954, hereby consents to the above assignment without releasing Jessie M. Allen from any claims which the Government might have on the date this consent was executed.

THE UNITED STATES OF AMERICA

By C. P. Mitchenory
Administrator, Defense
Minerals Exploration
Administration

Robin
Hopkins
Chamberlain

DEED OF MINING CLAIM

THIS INDENTURE made and entered into this 18th day of November, 1953, between JESSIE M. ALLEN, wife of Elmer S. Allen, party of the first part, and ELMER S. ALLEN, her husband, party of the second part,-

W I T N E S S E T H:

That the party of the first part in coniideration of the sum of TEN DOLLARS ($10.00) and other good and valuable consideration, lawful money of the United States of America, to her in hand paid by the party of the second part, the receipt whereof is hereby acknowledged, has granted, bargained, sold, remised, released and forever quit-claimed and by these presents does grant, bargain, sell, remise and forever quit-claim unto the said party of the second part and his heirs and assigns all of the right, title and interest of every kind and character in and to the following mining claims in the Seepay Creek Mining District, Sanders County, State of Montana, to-wit:

> New Deal Claim particularly described in Book 15, Mining Locations, at Page 163; and Blue Eyed Nellie particularly described in Book 15, Mining Locations, at Page 165; and Lucky Mart, particularly described in Book 15, Mining Locations, at Page 167; and Isabel particularly described in Book 15, Mining Locations, at Page 169; and Little Joe particularly described in Book 15, Mining Locations, at Page 171, all of which are on file and of record in the Office of the Clerk and Recorder in and for Sanders County, State of Montana.
>
> TOGETHER, with all the dips, spurs and angles, and also, all the metals, ores, gold and silver bearing quartz, rock and earth therein; and all the rights, privileges and franchises thereto incident, appendant and appurtenant, or therewith usually had and enjoyed; and also; all and singular the tenements, hereditaments and appurtenances thereto belonging, or in anywise appertaining and the rents, issues and profits thereof; and, also, all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well in law as in equity, of the said party of the first part, of, in or to said premises, and every part or parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all and singular, the said premises, together with the appurtenances and privileges thereto incident; unto the said party of the second part, his heirs and assigns forever. It is expressly covenanted that it is intended hereby to convey any and

all right, title and estate, which may hereafter be acquired to said premises, or any part thereof, by virtue of any patent which may hereafter be issued by the United States Government therefor, under proceedings heretofore instituted in that behalf.

IN WITNESS WHEREOF, the said party of the first part has hereunto set her hand and seal the day and year first above written.

Jessie M. Allen

STATE OF UTAH)
: SS.
COUNTY OF SALT LAKE)

On this 18th day of November, 1953, before me W. Douglas Allen, a Notary Public for the State of Utah, personally appeared JESSIE M. ALLEN, wife of Elmer L. Allen, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same.

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

W. Douglas Allen
Notary Public for the State of Utah.
Residing at Murray, Utah

W. DOUGLAS ALLEN NOTARY PUBLIC SALT LAKE CITY, STATE OF UTAH

My commission expires: May 24, 1957

INDEXED g.

81518

Filed for Record this 8 day of May 1954 at 9:04 o'clock A.M., recorded in Vol. 61 of Deeds, Page 3

Dorothy Dodson
County Recorder

Fee $1.50

By
Deputy

ALLEN & DANSIE, ATTORNEYS AT LAW MURRAY CITY 7, UTAH

Division Copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1953

Exploration Project Contract No. Idm-8423
Elmer L. and Jessie M. Allen
Docket No. DMEA-2103

Amendment No. 2

It is agreed this 16th day of December 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Elmer L. and Jessie M. Allen, that Exploration Project Contract Idm-8423, Docket No. DMEA-2103, dated October 27, 1952, is hereby amended as follows:

1. During the period from November 10, 1953, to not later than May 31, 1954: (a) the project work shall be recessed; (b) the Government shall not contribute to any costs incurred by the Operator; and (c) the Operator shall save the Government harmless from any and all claims, and preserve and protect the project work and any property in which the Government has an interest.

2. The date at which the project shall be brought to completion is extended from a period of one (1) year to a period of two (2) years.

3. In lieu of Article 6, the provisions of Annex I attached hereto and made a part hereof, are substituted.

This amendment shall not be construed to increase the estimated total cost of the project, nor the aggregate total amount which the Government may be required to contribute.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

A. E. Weissenborn

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

ELMER L. and JESSIE M. ALLEN

Elmer L. Allen

Elmer L. Allen

Jessie M. Allen

Jessie M. Allen

ANNEX I

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1953

The following provisions are in lieu of Article _____

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by this contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts, plus one-half ($\frac{1}{2}$) per cent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half ($1\frac{1}{2}$) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) per cent.)

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

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

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

DIVISION COPY

Docket No. DMEA 2103 (Cu)

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT 10 1953

AMENDMENT NO. 1

It is agreed this 2nd day of September 195 3, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, and

Elmer and Jessie Allen

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E 423 of October 27 195 2 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 August 24 195 3.

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.

ELMER AND JESSIE ALLEN
(Operator)

By Elmer L. Allen

By Jessie Allen

THE UNITED STATES OF AMERICA

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

ELMER AND JESSIE ALLEN PROPERTY
Exploration Project Contract Idm-E423
Docket No. DMEA 2153 (copper)

AMENDMENT NO. 1

Exhibit "F"

Changes and Modifications

In Exhibit "A" of the contract under Agreed Estimated Costs delete all items and add the following:

1.	318 feet rehabilitation of tunnel @ $4.50/ft.	$ 1,431.00
2.	45 feet rehabilitation of caved drift @ $12/ft.	540.00
3.	294.3 feet drifting or crosscutting @ $30/ft.	8,829.00
	Total cost of contract	$10,800.00
	Government participation @ 50%	$ 5,400.00

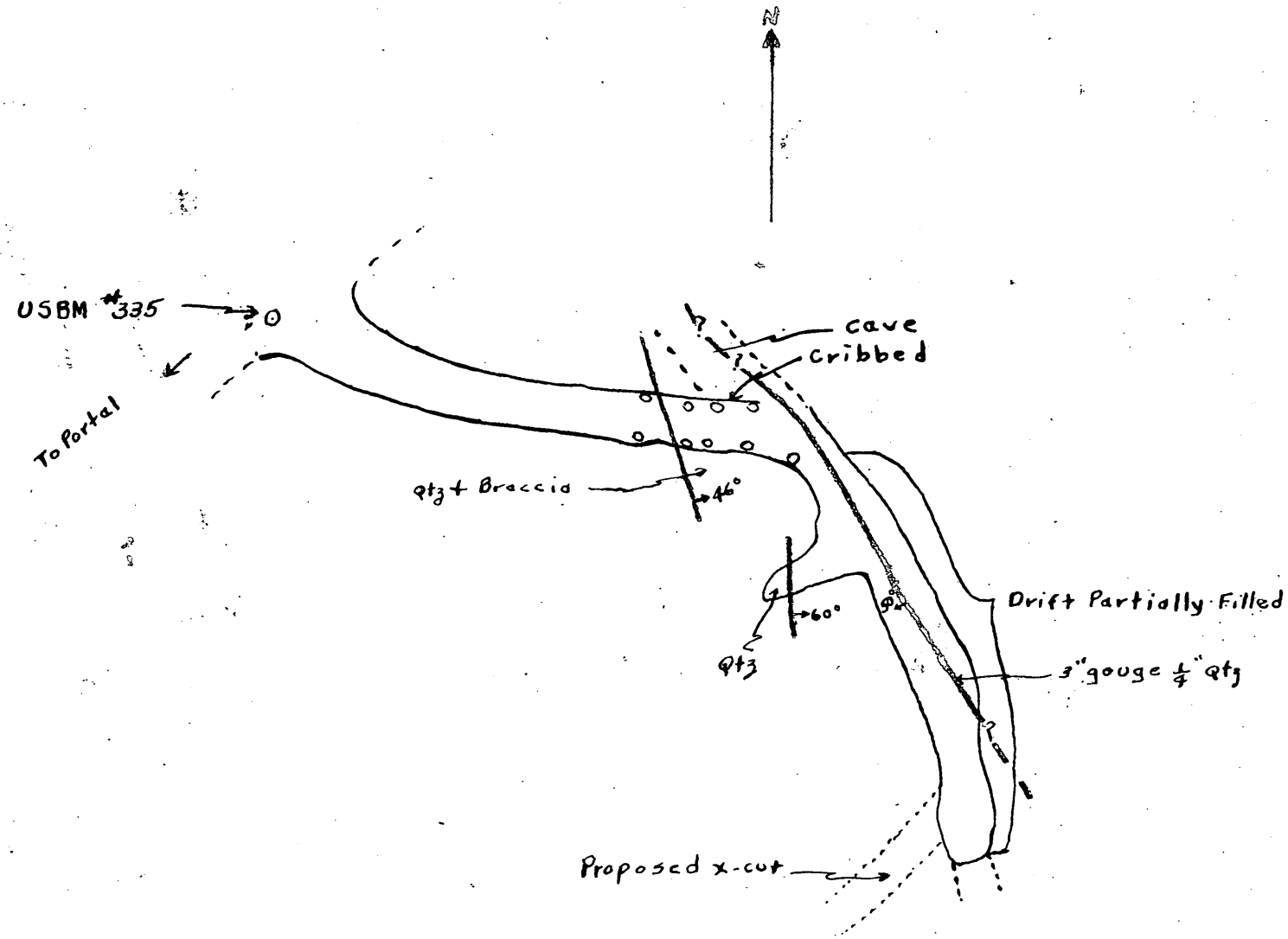
ELMER AND JESSIE ALLEN PROPERTY
Exploration Project Contract Idm-2423
Docket No. DMEA 2103 (copper)

Justification of Amendment No. 1

As shown on the attached sketch, the crosscut driven to by-pass the caved drift intersected the drift after an advance of 60 feet on a bearing of S. 75° E. The crosscut by-passed the portion of the caved drift that would have required spiling and the drift from this point on could be rehabilitated for a cost of $12/ft. for a distance of 45 feet; then a crosscut approximately 17 feet in length could be driven to intersect the vein.

It would be to the advantage of the Government and the Operator to rehabilitate the 45 feet of drift that is partially caved in that more funds will be available for further exploration on the vein.

W. B. Anderson



Elmer + Jessie Allen Property
Sanders County, Montana
Contract Idm-E423
Scale 1" = 20'

Tape + Compass Survey by W.S.A.
8-28-53

MF-200 (A)
(February 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 8 1952

DOCKET NO. DMEA 2103

COMMODITY Copper

Division Copy
IDM-E 423

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

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 27th day of October, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Elmer L. and Jessie M. Allen, partners
155 East 6790 South, R. F. D.,
Midvale, Utah

hereinafter called the "Operator," as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Montana, County of Sanders, Sepey Creek Mining District, described as follows:[3] New Deal, Blue Eyed Nellie, Lucky Mart, Isabel, and Little Joe, unpatented lode mining claims recorded in Sanders County, Montana, Book 15 of Mining Locations at pages 163, 165, 167, 169, and 171, as shown on map Exhibit "B" attached hereto and made a part hereof.

the Operator represents and undertakes:[4]

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

(*b*) That the Operator [illegible] d.

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

ARTICLE 3. *Exploration project.*—The Operator, within 180 days from the date of this contract shall commence work on a project of exploration for[5] Copper

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

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 50 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $5,400.00, which is 50 percent of $10,800.00, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided*, that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

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

ARTICLE 9. *Changes and added provisions* _____

_____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Elmer L. Allen

Elmer L. Allen - Partner

By Jessie M. Allen

Jessie M. Allen - Partner

By C. F. Mittendorf

Administrator - Defense Minerals Exploration Administration

Dep. Lauber

_____

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

_____ [CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
ELMER L. and JESSIE M. ALLEN
DOCKET NO. DMEA-2103

EXHIBIT "A"

Description of the Work

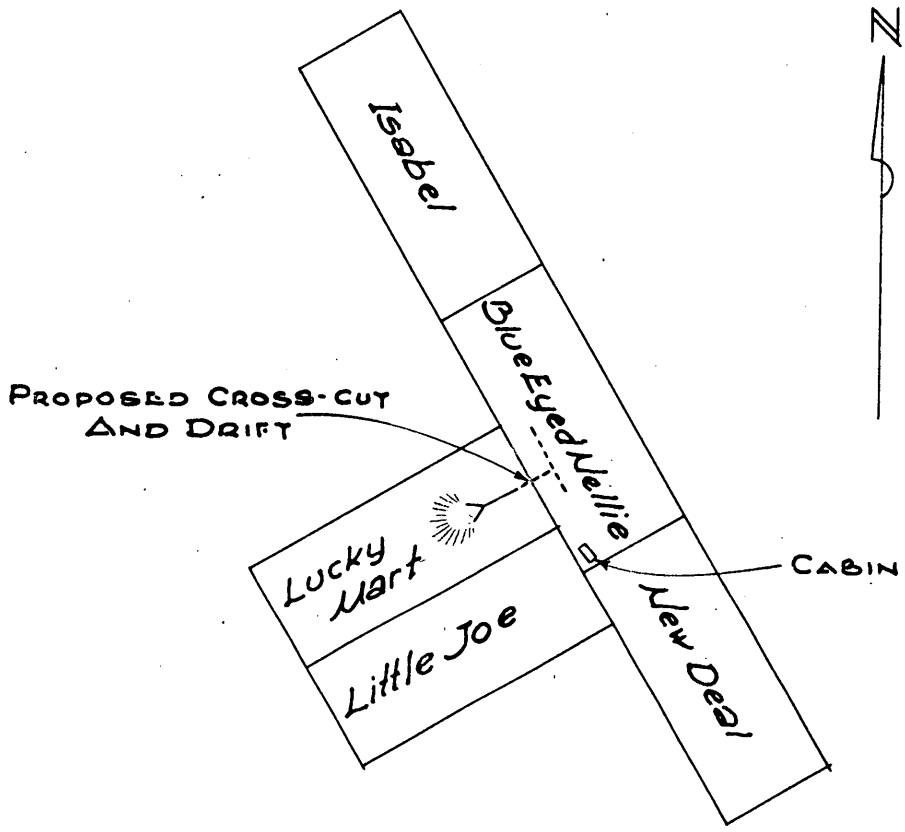
The object of the work, as indicated on maps Exhibits "B" and "C" attached hereto, and made a part hereof, is to explore a vein which has yielded high grade copper ore, by continuing an old crosscut tunnel, which was discontinued before reaching the vein. The tunnel (and some short lateral work) will require an estimated 400 feet of rehabilitation, and will be continued to the vein.

The vein is to be explored by drifting in either or both directions. The total amount of crosscutting and drifting is to be 300 feet. The crosscut and drifts are to be approximately 5 feet by 7 feet in the clear of any timber that may be necessary.

The direction and extent of the work shall be determined with the approval of the Government.

AGREED ESTIMATED COSTS

400 feet rehabilitation of tunnel @ $4.50 per ft.	$1,800.00
300 feet of drifting or crosscutting @ $30.00 per ft.	9,000.00
Total Cost of Contract	$10,800.00
Government Participation 50%	$ 5,400.00



CLAIM MAP OF ALLEN PROSPECT
SANDERS COUNTY, MONTANA
AFTER SKETCH PROVIDED BY
OPERATOR
APPROXIMATE SCALE: 1" = 1000'

Exhibit B

RECEIVED
OCT 24 1955

October 24, 1955

Memorandum

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

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

Subject: Review of Field Team Final Report, Docket No. DMEA 8103, Contract IdM-8 423, $10,000.00, Copper, Elmer L. Allen (assignee of Elmer L. and Jessie M. Allen, Partners), Allen Property, Sepey Creek Mining District, Sanders County, Montana

The Final Field Team report on this property by Margaret R. Lickas, Bureau of Mines, and James J. Quinlan, Geological Survey, has been reviewed.

The examiners have presented a thorough description of the property and the exploration program. Based on the data in the report, the conclusions of the author appear logical and sound.

I agree with the recommendations of the examiners that no Certification of Discovery or Development is warranted by the results of the work done under the contract, and no further exploration with Government participation is warranted.

J. W. Pennington

J. W. Pennington

JWPennington/vr

Copy to: Division of Minerals
Branch of Base Metals
J. W. Pennington
Thor Kiilsgaard, U.S.G.S.
F i l e s

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

RECEIVED
AUG 30 1955

August 29, 1955

Re: DMEA 2103
Elmer Allen
Elmer Allen Property
Sanders Co., Mont.
$10,000 - Copper

Memorandum

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

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team final report.

If the one dip, 45°, taken at No. 1 Shaft on the Allen vein, can be shown to be reasonably authentic all of the work on the Lower Adit level was misapplied. The adit was driven northeasterly instead of southeasterly and the drifting is not on the vein and not under, on dip, the best showings prospected by the shafts and open cuts from which ore may have been shipped.

I concur with the Field Team recommendation of denial of a Discovery, but not with the assertion that further Government participation is not warranted. Different examiners have regarded it as a weak bet but, due to the price of copper, it is a somewhat better bet now than at inception.

As noted in the original Field Team report, the drift would appear to be 100 feet or more in the footwall of the copper vein. Four or five diamond drill holes fanned up and out from a station at the face of the drift should serve to establish the probable position of the vein.

If such holes can be drilled and the operator is willing and able to undertake such work, I will concur with such a recommendation and if a vein of sorts is found a second stage of crosscutting might be justified.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-8/29/55
cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
H. M. Meyer, 3623

Klingenhoff
Betty

XXXXXXXXXXXXXXXXXX
1201 N. Division St.
Spokane 2, Washington
April 1, 1955

Bureau of Mines
Minerals Administration
RECEIVED

Mrs. Myrtle Purdy, Certifying Officer
DMEA Field Team, Region I, NW District
1201 N. Division Street
Spokane 2, Washington

Re: Docket No. DMEA 2103 (copper
Contract Idm-1423
Elmer L. Allen
Sanders County, Montana

Dear Mrs. Purdy:

Work under the subject contract has been completed to the satisfaction of the Government. A final narrative report has been received from the operator and has been accepted as a final report by the Executive Officer.

The Government has no equity in equipment or supplies that were used in carrying out the exploration work.

The Field Team has recommended that no Certification of Discovery or Development be made on this project.

A final Report of Review dated March 21, 1955 by DMEA Auditor C. A. Turner has been received.

As all contract requirements have been met, it is requested that final settlement of our account with the operator be made.

Sincerely yours,

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

cc: DMEA (2)
USGS (2)

1/18/55 gla

XXXXXXXXXXXXXXXXXX
1201 N. Division St.
Spokane 2, Washington
January 14, 1955

Mr. Elmer L. Allen
Dixon, Montana

Re: Docket No. DMEA 2103
Contract Idm-E423

Dear Mr. Allen:

Your operating report for December 1954 has been received and processed. However, $200.00 is being withheld from the approved payment until an audit of your records is made by a representative of the Contract and Audit Division of the Defense Minerals Exploration Administration.

This is standard procedure for all contracts as the project nears completion. We are obliged to withhold a portion of the Government's contribution to the cost pending final accounting and receipt of a final engineering report from the operator.

By Field Team, Region I

cc: DMEA (2)
USGS (2)

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

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

DEC - 6 1954

xxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

December 3, 1954

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

Re: Docket No. DMEA-2103 (copper)
Elmer L. Allen
Allen Property
Sanders County, Montana
Contract No. Idu-8483

Dear Mr. Selfridge:

Enclosed are the Government, Docket, and Division copies of Amendment No. 3 to the captioned contract.

Distribution of this amendment has been made in the usual manner.

Sincerely yours,

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

Enclosure

cc: USBM (2)
USBM(AD)
Quinlan

XXXXXXXXXXXXXXXXX
1201 N. Division St.
Spokane 2, Washington

November 17, 1954

Mr. Elmer L. Allen
Dixon, Montana

Re: Contract Idm-E423
Docket DMEA 2103
Monthly Operating Report
for October 1954

Dear Mr. Allen:

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

As you know, the completion date of this contract was October 27, 1954. Therefore, it has been necessary to withhold payment of this MF-104 until the amendment extending the completion date has been signed by you and returned to us. As soon as this signed amendment is received the payment will be released to you at once.

By Field Team, Region II

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

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

cc: DMEA (2)
USGS (2)

11/22/54 gla

xxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

November 16, 1954

Mr. Elmer L. Allen
c/o Charles A. Allen
Dixon, Montana

Re: Docket No. DMEA-2103 (copper)
Allen Property
Sanders County, Montana
Contract No. Idm-E423

Dear Mr. Allen:

With reference to our letter of October 27, 1954, enclosed are the original and six copies of Amendment No. 3 to the above-cited contract. If the terms and conditions of this amendment meet with your approval, please sign all copies, retain that copy marked for the Operator and return the remaining copies to this office.

If the amendment does not meet with your approval, please return all copies of the amendment to this office with your comments.

Sincerely yours,

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

Enclosure

cc: DMEA (2)
USBM (2)
Quinlan

NOV 9 - 1954

Mr. A. L. Eisenbarth
Executive Officer
AEC Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. RMA-2103 (Copper)
Contract No. 1dm-1423
Elmer L. Allen
Allen Property
Sanders County, Montana

Dear Mr. Eisenbarth:

Further to our teletype of October 20, 1954, we are enclosing the original and five copies of a proposed Amendment No. 3 to the subject contract, executed by the Administrator.

If you and the Operator find the amendment in order please have the latter execute all six copies and make the usual distribution thereafter.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Enclosures

APPROVED:

J. H. Hedges
Member, Bureau of Mines

E. L. Newcomb
Member, Geological Survey

MChing:am
11-5-54
cc to: Admr. Reading File
Operating Committee
Docket
Messrs. C. H. Johnson, Rm. 3621
T. H. Kiilsgaard, Rm. 5224
Code 700
Mr. Ching

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

TELEGRAM

Ching

DMEA - Department of the Interior
1b:MIGR(G1) Revolving Fund, Defense
Production Act, Interior
(Allocated Working Fund to the
Office of the Secy.)

OCT 26 1954

A. [illegible], [illegible]
DMEA [illegible], [illegible] II
FOURTH 25TH [illegible] STREET
SPEARS 1, [illegible]

[illegible] OCTOBER 20 [illegible] L. [illegible] [illegible] 2103 [illegible]

[illegible] TRUST [illegible] L 20 27 [illegible] [illegible]

[illegible] THE [illegible] IN [illegible] [illegible] [illegible].

GEORGE C. [illegible], CHAIRMAN
OPERATING COMMITTEE

MChing/gla
10-25-54
cc to: Admr. Reading File
Operating Committee
Docket
Messrs. C. H. Johnson, Rm. 3621
T. H. Killingsard, Rm. 5224
Code 700
Mr. Ching
Confirmation to Region II

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

October 25, 1954

Memorandum

To: Acting Assistant Solicitor, DMEA

From: Michael Ching, Mining Engineer
Rare and Miscellaneous Metals Division

Subject: Proposed Amendment No. 3
Docket No. DMEA-2103 (Copper)
Contract No. Idm-E423
Elmer L. Allen
Allen property
Sanders County, Montana

Will you kindly prepare an Amendment No. 3 to the subject contract extending the contract period from two years to 27 months and substituting an Annex II for the present Annex I. The repayment period in event of certification should be twelve years instead of ten years.

/s/ Michael Ching

Michael Ching

MChing/gla
cc to: Docket
Code 700 contract file
Mr. Ching

10/25/54 gla

OCT 22 1954

xxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

October 20, 1954

Air Mail

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

Re: Docket No. DMEA-2103 (copper)
Elmer L. Allen
Sanders County, Montana
Contract No. Idm-8423

Dear Mr. Selfridge:

On October 4, 1954, we answered Mr. Allen's letter of September 15, 1954, in which he requested that the time limit of the captioned contract be extended until December 31, 1954. Copies of this correspondence have been mailed to you.

The present contract expires October 27, 1954, and at that time will have been in effect for 2 years. ~~also~~ Enclosed are four copies of a memorandum dated October 20, 1954, by W. S. Anderson, Bureau of Mines, and J. J. Quinlan, Geological Survey, recommending that the contract time limit be extended as requested by Mr. Allen.

Poor management has resulted in many delays and a slow rate of advance on this project. However, as the operator is so near the principal target area we believe that a time extension should be granted to allow him to reach this target.

It would be appreciated if you will wire your decision regarding a time extension so we can notify the operator as soon as possible.

By Field Team, Region II

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

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

Enclosures
cc: USBM (2)
USBM (AD)
Quinlan

xxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

October 20, 1954

Memorandum

To: DMEA Field Team, Region II

From: W. S. Anderson, U. S. Bureau of Mines, and J. J. Quinlan, U. S. Geological Survey

Subject: Routine inspection, Docket No. DMSA-2103 (copper), Elmer L. Allen property, Sanders County, Montana, Contract No. Idm-2423.

The Elmer L. Allen property was inspected October 14, 1954, in company with Mr. Elmer L. Allen, the operator under the captioned contract.

The southeast drift heading has been advanced 36 feet since the project was inspected by W. S. Anderson on September 14, 1954. Due to a typographical error in Mr. Anderson's last inspection report of September 17, 1954, the advance was reported as 32 feet when it should have been 37 feet. Thus the total drifting and crosscutting to date under the captioned contract amounts to 196 feet. This work is shown on the attached 50 scale map. Total drifting and crosscutting allowed under the captioned contract as amended is 294.3 feet.

The southeast drift heading was turned east 25 feet back of the present face in order to again cut the vein. At the time of the inspection 3 feet of the footwall shear of the vein was exposed in the face. This shear contained a few stringers and lenses of quartz. A few specks of pyrite were noted in the quartz stringers and lenses. Also, some malachite staining was noted near the footwall of the shear. Mr. Allen had some specimens obtained from the shear showing minor amounts of chalcopyrite. A sample was cut across this shear but assay results are not yet available.

The present face of the southeast drift heading is approximately 60 feet ~~south~~ North of the northernmost shaft which tests the vein from the surface. This shaft is shown on the attached map. The contract map, labeled Exhibit C, shows the position of the adit crosscut, surface pits, and shafts along the vein. The reader is referred to this map for the relationship of the workings. The primary purpose of contract work is to test the vein southeast of the adit level crosscut and into the area under the old surface pits and shaft. There remains only 98.3 feet of crosscutting and drifting to accomplish this objective. This amount should, therefore, be sufficient to reach the

northern end of the area below the old surface pits and shafts. It is believed that project work should be carried at least to within the area below the northernmost shaft. However, if no improvement is noted in the vein within this distance it is doubtful whether any consideration should be given to further work by the DMEA.

The operator in a letter dated September 15, 1954, requested that the time limit of the contract be extended to December 31, 1954. The present contract expires October 27, 1954, and at that time it will have been in effect for 2 years.

Although poor management has resulted in delays and a slow rate of advance, it is recommended that the operator's request for a time extension be granted inasmuch as the principal target area should be reached within the 92.3 feet of drifting and crosscutting remaining in the contract.

Attachment

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

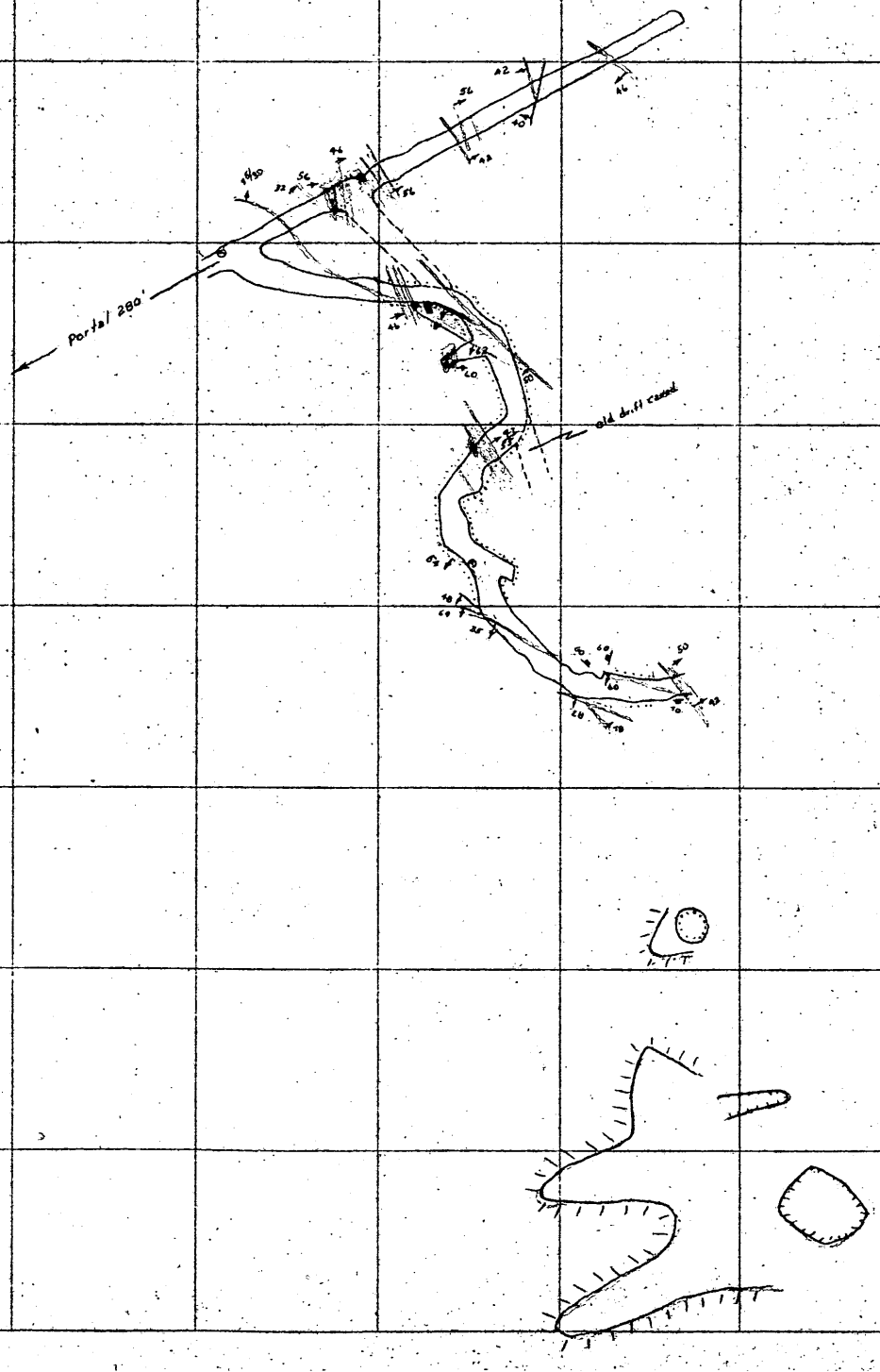
DOCKET No. DMEA 1203 (copper)

ELMER L. ALLEN PROPERTY

Sanders County, Montana

1" = 50'

N



"ALBANENE" NO. 1866M K&E CO., N.Y.
REG. U.S. PAT. OFF.

10/8/54 gla

XXXXXXXXXXXXXXXXX
So. 157 Howard Street
Spokane 4, Washington

OCT - 8 1954

October 4, 1954

Mr. Elmer L. Allen
c/o Charles A. Allen
Dixon, Montana

Re: Docket No. DMEA-2103 (copper)
Elmer L. Allen Property
Sanders County, Montana
Contract No. Ida-2463

Dear Mr. Allen:

This will acknowledge your letter of September 13, 1954, requesting an extension of time in order to complete work under the captioned contract.

An amendment is required to extend the completion period of the contract to 36 months. All amendments extending the completion period of a contract beyond 24 months must be made by our Washington Office. Before this matter is referred to Washington with our recommendation it will be necessary for us to review and reappraise the project. Someone from this office will inspect your project on or about October 15, 1954, for this purpose. Any assistance you can render at that time will be appreciated.

Very truly yours,

A. E. Weissenhorn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2) w/cys incoming
UXDM (2)
Quinlan
Certifying Officer

COPY

Dixon, Montana
September 15, 1954

United States Department of the Interior
Defense Minerals Exploration Administration

Re: Docket No. DMEA-2103 (copper)
Elmer L. Allen
Sanders County, Montana
Contract No. Idm-2423

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

Dear Sir:

Under the present terms of this contract, the completion date will terminate October 31, 1954.

On account of very heavy ground and cave area which I have had to go through and the nonperformance of contract and agreement of others who were going to furnish machinery, and labor for a part interest in the project, I am behind schedule in the work I should have done at this time. Due to the long tram, and the available help, in this area, the extra footage I would attain would not compensate the extra expense it would take to speed up this project. By hiring other help, I am now averaging two feet per shift. With one man whom I am paying six dollars per shift and a percentage of any ore I might get.

Therefore I would like an extension of time of two months to complete the project, which would bring the project up to December 31, 1954.

If given this time I will keep the project going continuously until completed and hurry it up all I can.

Sincerely yours,

/s/ Elmer L. Allen
Dixon, Montana

6/14/54 gla

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

[illegible]

[illegible]

[illegible]
[illegible]
[illegible]
[illegible]

[illegible] (copper)
[illegible]
[illegible]
[illegible]
Contract No. [illegible]

[illegible]

Enclosed are the original and three copies of the [illegible] of Contract, [illegible] Acceptance, and Government's [illegible]. Distribution of this document is being made in the usual manner.

In accordance with instructions contained in your letter [illegible], we have [illegible] from the operator [illegible] of [illegible], a copy of which is enclosed.

Sincerely yours,

[illegible]
For [illegible]
Executive Officer, [illegible]
Field Team, Region II

Enclosures
cc: [illegible] w/encl.
[illegible]
Nickelson

[illegible]

6/3/54 vga

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

May 25, 1954

Mr. Elmer L. Allen
c/o Charles A. Allen
Dixon, Montana

Re: Docket No. DMEA 2103 (copper)
Allen Property
Sanders County, Montana
Contract Idm-2423

Dear Mr. Allen:

Reference is made to your letter of May 22, to which was attached a formal conveyance (Deed of Mining Claim) of the interest of your wife, Mrs. Jessie M. Allen, on the cited property to yourself. In response to this letter, we are forwarding to you copies of the assignment of contract which need to be signed by both your wife and yourself to become effective. When these signatures have been effected, please retain that copy marked for the operator and return the others to this office.

We are interested to note that you plan to be at the property by the end of May and we hope that you are able to resume and complete the work outlined in the contract.

Sincerely yours,

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

Enclosure

cc: USBM (2)
DMEA (2)
Nickelson

5/4/54 gla

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

Department of the Interior
Defense Minerals Administration
RECEIVED
MAY 3 1954

April 27, 1954

Mr. Elmer L. Allen
155 East 6790 South
Midvale, Utah

Re: Docket No. DMEA-2103 (Copper)
Allen Property
Sanders County, Montana
Contract No. Idm-5423

Dear Mr. Allen:

In response to Mrs. Jessie M. Allen's letter of March 1, 1954, requesting that her name be stricken from the above contract and that all future checks, obligations, and assignments applying thereto be to the use of and in the name of Elmer L. Allen, we have had drafted an instrument assigning the interests of Mrs. Jessie M. Allen to Mr. Elmer L. Allen. This instrument will be made a part of the contract as soon as it has been signed by the assignor, Jessie M. Allen, and the assignee, Elmer L. Allen.

Before the instrument is delivered to you for signature, however, we must require that a copy of a document of formal conveyance of the land from Jessie M. Allen to her husband, Elmer L. Allen, be furnished to the Government, as we consider her letter of March 15 insufficient in this regard. Therefore, if you will please mail to us one copy of this document of formal conveyance, we shall in turn forward to you copies of the assignment for the signature of both parties concerned.

In the event Mrs. Allen prefers to execute an Owner's Consent to Lien, in lieu of a formal conveyance to her husband of her interests in the property, such a Consent to Lien will be acceptable to us provided that she is still part owner of the property. Copies of a Consent to Lien agreement are enclosed, to be used should Mrs. Allen elect this alternative.

By Field Team, Region II

Wing G. Agnew, Acting Executive Officer
U. S. Bureau of Mines

Thor H. Kiilsgaard, Acting Member
U. S. Geological Survey

Enclosure

cc: DMEA (2); USBM (2); Nickelson

APR 16 1954

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-8163 (Copper)
Elmer L. and Jessie M. Allen
Allen Property
Sanders County, Montana
Contract IAm-8423

Dear Mr. Weissenborn:

In response to your letter dated March 15, we have drafted the enclosed combined assignment of contract, assignee's acceptance, and Government's consent which has been executed by the Administrator in behalf of the Government.

However, before the form is delivered to the Allens for signature, it is required that a copy of the document of formal conveyance of the land from Jessie M. Allen to her husband, Elmer L., be furnished to the Government, as we consider the letter dated March 1, 1954, from Jessie M. Allen to you insufficient in this regard. You will note that a blank has been left in the second paragraph of the form for the insertion of the date of such an instrument.

If Jessie M. Allen prefers to execute an Owner's Consent to Lien in lieu of a formal conveyance to her husband of her interest in the property, this would be acceptable to us, provided that she is still a part owner of the property.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures 6

Approved:

J. H. Hedges
Member, Bureau of Mines

D. M. Larrabee
Member, Geological Survey

HCRubin:ep 4-9-54

Copy to: Docket
Admr. Reading File
Operating Committee
Mr. C. H. Johnson, B/M (3561)
Mr. A. K. Kinkel, Jr., BLM (B-042-A, GSA)
Mr. Ellis
Mr. Hoffland
Mr. Rubin
Chron.
Pending

1/12/54 gla

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

January 5, 1954

Air Mail

Mr. Elmer L. Allen
155 East 6790 So.
Midvale, Utah

Re: Docket No. DMEA-2103 (copper)
Contract No. Idm-2423

Dear Mr. Allen:

Reference is made to your letter of December 21, 1953, to Mr. A. E. Weissenborn, Executive Officer, DMEA, concerning the legality of subcontracting the tunnel work on your property, which you wish to do beginning on January 1, 1954.

Amendment No. 2 to your contract allows work to be recessed from November 10, 1953, to not later than May 31, 1954. This amendment states that during the recess period the Government shall not contribute to any costs incurred by the Operator. Our interpretation of the amendment is that work should commence by May 31 as that should mark the end of any winter season; however, if weather would permit the Operator to resume work at an earlier date, the Government would simply consider the contract as no longer being in recess and, therefore, participate in the costs of project work. For this reason, if you wish to subcontract the tunnel work on your property, you could commence work and we would consider the contract as no longer being in recess. We would caution you, however, to be sure that your subcontractor would continue with the work once it was started because if he should find the winter weather or other conditions made work unattractive, he might quit after a short period of time, in which case it might be necessary for us to call upon you to continue work under adverse winter conditions.

By Field Team, Region II

A. E. Weissenborn, Executive Officer
(U. S. Geological Survey)

Thomas E. Howard, Acting Member
(U. S. Bureau of Mines)

cc: DMEA (2)
USBM (2)
Nickelson

DMEA

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1953

December 24, 1953

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

Re: Docket No. DMEA-2103 (copper)
Allen Property
Sanders County, Montana
Contract No. Im-425

Dear Mr. Selfridge:

Attached are the original and two signed copies of Amendment No. 2 to the subject contract.

Distribution of this amendment is being made in the usual manner.

Sincerely yours,

[illegible]
Executive Officer, DMEA
Field Team, Region II

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

12/23/53 gla

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

December 16, 1953

Mr. Elmer L. Allen
155 East 6790 So.
Midvale, Utah

Re: Docket No. DMEA-2103 (copper)
Allen Property
Sanders County, Montana
Contract No. Idm-2423

Dear Mr. Allen:

Enclosed are several copies of Amendment No. 2 to the above contract, which will allow for a recess period from November 10, 1953, to not later than May 31, 1954.

If the terms and conditions of this amendment meet with your approval, please see that all copies are signed, retain that copy marked for the Operator and return the remaining copies to this office.

Sincerely yours,

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

Enclosure

cc: DMEA (2)
USBM (2)
Nickelson

DEC - 4 1953

Mr. [illegible] Heimerdinger
Executive Officer
Field Team, Region II
[illegible] 17 Howard Street
[illegible], Washington

Re: Docket No. [illegible]-2193 (Copper)
Contract No. [illegible]-123
[illegible] and Jessie [illegible] Allen
[illegible] County, Montana

Dear Mr. Heimerdinger:

Reference is made to the Field Team's letter of November 23, 1953, recommending that the captioned operator be given a recess until May 31, 1954 and an extension of the completion date to October 31, 1954.

In view of the difficulty of operating at this property during the winter months and the fact that 211 feet of drifting on overburden remain to be done, this contract is in accord with the Field Team's recommendation. Since the contract term after the proposed extension will not exceed two years, it is suggested that you draw up and execute the necessary amendment.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Concur:

J. H. Hedges
Member, Division of Mines

D. M. Larrabee
Member, Exploration Survey

MChing/db
12-2-53
cc to: Adm. Reading File
Operating Committee
Docket
Messrs: C. H. Johnson, Rm. 3621
A. R. Kinzel, Rm. F-2028, GSA
Ellis
Ching

12/1/53 gla

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

Department of the Interior
Defense Minerals Administration
Received
NOV 30 1953

1201 N. Division St.
Spokane 2, Washington
November 23, 1953

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

Subject: Docket No. DMEA 2103 (copper)
Elmer and Jessie Allen
Sanders County, Montana
Contract No. Idm-E423

Dear Mr. Selfridge:

Mr. Elmer Allen, Operator of the subject project, has requested a recess in operations for the winter and also an extension of time to complete work under the exploration project contract.

The Operator has had difficulty with bad ground requiring spiling, which resulted in a slower rate of advance than originally estimated. Access to the property is difficult during the winter months, and living conditions are quite primitive.

Taking these factors into consideration, it is recommended that the Operator be given a recess until May 31, 1954 and an extension of time to complete the contract until October 27, 1954.

By Field Team, Region II

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

M. E. Volin, Member
U. S. Bureau of Mines

cc: USGS (2)

11/12/53 gla

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

DEPARTMENT
DIVISION
NOV 10 1953

1201 N. Division St.
Spokane 2, Washington
November 6, 1953

Mr. Elmer L. Allen
% Charles A. Allen
Dixon, Montana

Subject: Docket No. DMEA 2103 (copper)
Elmer and Jessie Allen
Sanders County, Montana
Contract No. Idm-E423

Dear Mr. Allen:

Mr. W. S. Anderson, field engineer, visited your property October 27, 1953, and at that time you were uncertain as to whether you would continue the exploration work this fall. As you know, the expiration date of the contract was October 27, 1953; therefore, an extension of time would be required if you plan to continue the work under the exploration project contract.

Will you please inform us as to your plans for completing your contract? If you are going to suspend operations for the winter and resume again as soon as weather permits in the spring, it will be necessary for you to write us, requesting a recess and an extension of time.

By Field Team, Region II

M. E. Volin, Acting Exec. Officer
U. S. Bureau of Mines

Thor H. Kiilsgaard, Acting Member
U. S. Geological Survey

cc: DMEA, Wash. (2)
USGS (2)

NOV 5 1953

Mr. A. L. Weigerston
Executive Officer
Field Team, Region II
North 157 Howard Street
Spokane 1, Washington

Re: Docket No. [illegible] (Copper)
Contract No. [illegible]
Chas. L. and Jessie V. Allen
Sanders County, Montana

Dear Mr. Weigerstonn:

The completion date on the captioned project has expired. Our latest information on this project indicates that the work as outlined in the contract has not been completed.

It is suggested that you take action, if appropriate, to have the completion date extended.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

[illegible]

J. H. Hedges
Member, Bureau of Mines

A. R. Kinkel, Jr.
Member, Geological Survey

MChing/db
11-3-53
cc to: Adm. Reading File
Opr. Committee
Docket
Messrs. O.H. Johnson, Rm. [illegible]
A.R. Kinkel, Rm. [illegible], CSA
Ellis
Ching

10/21/53 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
No. 157 Howard Street
Spokane 4, Washington

October 15, 1953

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

Re: Docket No. DMEA-2103 (Copper)
Elmer L. and Jessie M. Allen
Sanders County, Montana
Contract No. idm-5403

Dear Mr. Selfridge:

Attached are the original and two signed copies of Amendment No. 1 to the subject contract, with attached justification.

Distribution of this amendment is being made in the usual manner.

Sincerely yours,

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

Attachment

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

COPY

TELETYPE

OCTOBER 2, 1953
Phoned at 11:50 A.M.

GEORGE C. SELFRIDGE, CHAIRMAN
OPERATING COMMITTEE, DMEA
DEPARTMENT OF THE INTERIOR
WASHINGTON 25, D.C.

SUBJECT: DOCKET DMEA-2103 (COPPER), ELMER AND JESSIE ALLEN CONTRACT. AMENDMENT NO. 1 WAS TRANSMITTED TO YOUR OFFICE SEPTEMBER 8 FOR APPROVAL BY THE ADMINISTRATOR. PAYMENT BEING WITHHELD PENDING RECEIPT OF APPROVAL. PLEASE ADVISE.

A. E. WEISSENBORN
EXECUTIVE OFFICER, REGION II

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT - 5 1953

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

Kane
Rubin
Ching
Ellis

SEP 30 1953

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2103 (Copper)
Elmer L. and Jessie E. Allen
Sanders County, Montana
Contract No. Idm-2183

Dear Mr. Weissenborn:

Reference is made to your letter of September 8, 1953, with which you enclosed six copies of a proposed Amendment No. 1 to the subject contract.

We concur with the changes set forth in the proposed amendment. In order to expedite matters we are authorizing you to execute the amendment and we are returning all copies herewith.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosure 6

Approved:

J. H. Hedges
Member, Bureau of Mines

A. R. Kinkel, Jr.
Member, Geological Survey

rewritten
AEKane/emd 9/28/53
FEJohnson/emf 9/30/53
Copy to: Docket
Admr. E. File
Op. Committee
J. H. Hedges
L. P. Thayer
E. W. Ellis
A. E. Kane
J. L. Hofflund
chron pending

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 9-30-53

REFERRED TO:

1. ~~Mr. Murphy~~ Mr Ching
2. Div. contract file
3.
4.

mc

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	..... Your information
..... Initials	
..... Mailing	
..... Previous correspondence	

REMARKS: Our contract is being circulated with the letter prepared by the Legal Division. gla

Check (X) before the items needing attention.

Initials of sender.

GPO 16—63815-1

9/30/53 gh

800

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

September 29, 1953

Memorandum

To: Mr. Frank E. Johnson
Acting Administrator

From: Jay L. Chambers, Chief (Signed) J. L. Chambers
Contract Administration and Audit Division

Subject: Docket No. DMA-2103 (Copper)
Elmer L. and Jessie M. Allen
Sanders County, Montana
Contract No. Idm-2423

I am transmitting herewith a proposed contract amendment to be executed in the Field. The letter of transmittal, which is the third one to be proposed to accompany the proposed amendment, now states that we concur with the changes and the Executive Officer may execute the contract in the Field.

The first proposed letter to the Executive Officer stated that there were no changes in the unit prices and therefore the execution of the amendment was within his delegated authority. The second proposal stated that the Executive Officer had the authority to execute the amendment even though a new unit of work and a new unit cost was established. Now the third proposal is that we ask the Field to execute the proposed amendment with our concurrence.

It appears to me that when a contract based on agreed unit costs is to be amended by new work at new unit costs, this should be done in the Washington office.

Attachment

JLChambers/wb
September 29, 1953

Copy to: Docket
Admr. Reading File
Operating Committee
Mr. Hofflund
Mr. Ellis
Mr. Chambers

800

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

September 25, 1953

Memorandum

To: Operating Committee

From: Jay L. Chambers, Chief (Signed) J. L. Chambers
Contract Administration and Audit Division

Subject: Docket No. DMEA-2103 (Copper)
Elmer L. and Jessie M. Allen
Sanders County, Montana
Contract No. Ida-E423

I am forwarding to you a proposed letter and a proposed amendment to the above-cited contract without summaring them for the following reasons:

(1) The Executive Officer of Region II sent the amendment to Washington for approval because he said it was outside of his delegated authority.

(2) Item two of the proposed amendment is a new item with an agreed unit cost. If this proposed amendment is returned by the Operating Committee with a statement that it falls within the delegated authority of the Executive Officer, it will set a precedent under which new items under agreed unit costs contracts may be established without referral to the Washington Office.

Attachment

JIChambers/wb
September 25, 1953

Copy to: Docket
Admr. Reading File
Mr. Hofflund
Mr. Ellis
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 21 1953

September 14, 1953

Mr. Elmer L. Allen
c/o Charles A. Allen
Dixon, Montana

Re: Docket No. DMEA-2103 (Copper)
Sanders County, Montana
Contract No. Idm-2423

Dear Mr. Allen:

On September 8, 1953, we forwarded to our Washington office proposed Amendment No. 1 to your contract.

As this amendment involves rehabilitation of a caved drift at a proposed unit cost, it must have the approval of the Operating Committee, at which time you will be notified of the Committee's action.

Very truly yours,

Mary L. Smelser
for A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: [illegible](2)
[illegible](2)
Campbell

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
SEP 21 1953

September 14, 1953

Mr. Ernest W. Ellis, Acting Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2103 (Copper)
Elmer and Jessie Allen property
Sanders County, Montana
Contract No. Idm-2423

Dear Mr. Ellis:

On September 8, 1953, we forwarded to you six copies of a proposed Amendment No. 1 to the subject contract.

In paragraph 2, line 3, would you please substitute the word "drift" for "shaft".

Thank you for your attention to this matter.

Sincerely yours,

Mary L. Smelser
for A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM(2)
Campbell

9/17/53 gla

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

September 8, 1953

Mr. Ernest W. Ellis, Acting Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2103(Copper)
Elmer and Jessie Allen property
Sanders County, Montana
Contract No. Idm-E423

Dear Mr. Ellis:

Enclosed are six copies of proposed Amendment No. 1 to the subject contract.

This amendment has been prepared for the Executive Officer's signature by Mr. Webb Anderson, U. S. Bureau of Mines. However, as it involves rehabilitation of a caved shaft at a proposed unit cost, it is being forwarded to the Operating Committee for approval.

Justification for the proposed work is attached to the amendment.

Sincerely yours,

Thor H. Kiilsgaard
for A. H. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosures 6
cc: USBM(2)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 20 1953

1201 N. Division St.
Spokane 2, Washington
July 15, 1953

Mr. Elmer L. Allen
Dixon, Montana

Subject: Elmer and Jessie Allen Property
Sanders County, Montana
Contract Idm-E423
Docket No. DMEA 2103 (copper)

Dear Mr. Allen:

This is to inform you that the Field Team agrees to your suggestion to crosscut from the adit to bypass the cave in the drift. It is recommended that the crosscut be started from a point 90 feet northeast of brass tag USBM #301, which is approximately 30 feet to the southwest of the quartz vein. The crosscut should be carried on a bearing of S. 55° E. and should intersect the vein after approximately 80 feet of advance.

In your narrative you stated you would like to have the iron ore on the dump checked for manganese content. A spectrographic analysis of a grab sample of the dump taken by Mr. Anderson shows the manganese content of the ore to be between 0.1 and 1% and the iron content to be greater than 10%.

The Field Engineer will probably visit the property within the next two weeks, and if you have further questions you can talk them over with him at that time.

By Field Team, Region II

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

Thomas E. Howard, Acting Member
(U. S. Bureau of Mines)

cc: DMEA, Wash. (2)
USGS (2)

C
O
P
Y

Dixon, Montana
May 4, 1953

Defense Minerals Exploration Administration
1201 N. Division St.
Spokane 2, Washington

Subject: Docket No. DMEA 2103 (copper)
Contract Idm-E423
Start of work

Thomas E. Howard
Chief, DMEA Section
Bureau of Mines, Region II

Dear Mr. Howard:

I received your letter of May 28 and am happy to inform you that my property is now accessible and that I will be on it from now on except for a short period of time about May 20th, at which time my wife will be operated on in Salt Lake.

There were patches of snow for about 100 yards which I had to shovel to get to the property but the road up was otherwise good.

When the field engineer comes to start the work - the man that owns the property - ? near the highway where they start up the mountain - has put a lock on his gate but there will be a key under a flat rock just inside the fence by the second post to the west from the gate.

I will be hoping to hear from your field team soon.

Sincerely,

Elmer L. Allen
% Charles A. Allen
Dixon, Montana

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

Note to files:

Anderson, Bureau of Mines, scheduled inspection trip for May 6, 1953.

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

1201 N. Division St.
Spokane 2, Washington
April 28, 1953

Mr. Elmer L. Allen
% Charles A. Allen
Dixon, Montana

Subject: Docket No. DMEA 2103
Contract Idm-E42
Start of work

Dear Mr. Allen:

Thank you for your letter of April 21, 1953, informing us of your intention to try to get to the property by April 27, 1953, in order to start work under the contract.

Please inform us when the property is accessible as it will be necessary for an engineer from this office to make an inspection at the earliest possible date and establish starting points for work to which the Government will contribute on the basis of units of work accomplished.

Sincerely yours,

Thomas E. Howard
Chief, DMEA Section
Bureau of Mines, Region II

cc: DMEA, Wash. (2)
USGS (2)
DMEA
AD
EWB
DF

TEH/he

C
O
P
Y

Midvale, Utah
April 21, 1953

Mr. M. E. Volin
Member, DMEA Field
Team, Region II
Defense Minerals Exploration
Administration
1201 North Division St.
Spokane 2, Washington

Subject: Docket No. DMEA 2103
Exploration project Contract
Idm-E423, Sanders County,
Montana

Gentlemen:

In compliance with Mr. Howard's request that we inform your office of the time we expect to start work on our property in the Sepsey Creek Mining District of Sanders County, Montana, according to the terms of our contract.

I will be up there on the 27th of April. However, I am doubtful if I will be able to get right to the mine by that time on account of the snow.

I will arrive by April 27 and will write to your office from there of the first date that I think it will be profitable for your men to be there: If this meets with your approval, write me in c/o Charles A. Allen at Dixon, Montana.

Sincerely,

Elmer L. Allen /s/

Elmer L. Allen
155 East 6790 South
Midvale, Utah

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

[redacted]
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 8 1952

December 2, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket DMEA-2103 (Copper)
Allen Property
Sanders County, Montana
Contract Idm-5423

Dear Mr. Johnson:

Enclosed are the original and two copies of the subject contract, signed by the partners, Elmer L. and Jessie M. Allen.

Copies of this contract have been retained by the Operator, the Finance Officer, and by the Field Team.

Sincerely yours,

Thor H. Kullsgaard
Acting Executive Officer
DMEA Field Team, Region II

Enclosure

cc: UKDM (2)

12/9/52 gla

Reply to: M. E. Volin
Member, DMEA Field
Team, Region II

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

December 3, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 8 1952

Elmer L. and Jessie M. Allen, partners
155 East 6790 South R.F.D.
Midvale, Utah

Subject: Docket No. DMEA 2103
Exploration project contract
Idm-E423, Sanders County,
Montana

Gentlemen:

Your attention is directed to Article 3 of the subject contract which states that work on the project must be started within 180 days from the date of the contract. This provision was included to permit delay in starting work until spring if necessary.

As the contract provides for Government contribution to the cost of the project on the basis of units of work accomplished, it will be necessary for a representative of this office to visit the property before or at the time work is begun. It will be appreciated, therefore, if you will inform us of the date you expect to start work under the contract.

Sincerely yours,

Thomas E. Howard
Chief, DMEA Section
Bureau of Mines, Region II

TEH/vf

cc: DMEA - Wash. 2
USGS - 2
D/F
DMEA
EWB

OCT 27 1952

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Re: Docket No. DMEA-2103 (Copper)
Elmer L. and Jessie M. Allen
Sanders County, Montana

Dear Mr. Weissenborn:

Enclosed are the original and five copies of the subject contract which have been signed by the Government. When the original and all copies have been signed by the Operator, the copies marked "Operator's Copy", "Field Team's Copy" and "Finance Officer's Copy" are to be given to the proper parties. The original and the other copies are to be returned to Washington.

This short form contract has been written in accordance with the draft of a contract written by your office, enclosed in your letter of August 22, 1952.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee

Enclosures

APPROVED:

Charles N. Merrell
Member, Bureau of Mines

A.R. Kinkel, Jr.
Member, Geological Survey

FESchmidt/jem/gla 10/22/52
cc to: Adm. Reading File
Docket
Messrs. CHJohnson-3621
ARKinkel-5214 GSA
Mr. Ellis
Mr. Schmidt
Operating Committee
Field Team, Region IV

10/21/52 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
140
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

October 20, 1952

Memorandum

To: Administrator

Through: E. W. Ellis

From: Chief Counsel

Subject: Elmer L. and Jessie M. Allen - Docket No. DMEA-2103

There is attached, in satisfactory legal form for execution, a contract covering the above-described project, subject to the attachment of the maps referred to therein.

J. L. Hoffluend
J. L. Hoffluend
Chief Counsel

Attachment