UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 28 1960

DATE	INITIALS	CODE
11-28	gad	220
"	JEO	110
		720
11/28		800
"	act	500

November 22, 1960

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: Interim inspection report, Docket No. DMEA-4588 (lead-zinc), John Zupan, Dr. Kalloch Mine, Judith Basin County, Montana, Contract No. Idm-E1191

The project was inspected November 15, 1960, in the company of Stan Zupan, the Operator's son, who has been working alone at the property. The last inspection was made October 6, 1960.

There has been no work done in the drift since October 20, as Stan Zupan has been ill with a cold. Outside the portal there is about 1½ feet of snow. The distance from the starting point to the face is now 132 feet, an advance of 11 feet since the last inspection.

The Operator arrived in Hughesville while the mine was being inspected, and was interviewed. He said work would be continued until the termination date, December 9, 1960, unless more snow makes it impossible.

D. R. MacLaren

D. R. MacLaren

cc: OME(3)
Docket
MacLaren
~~DRF~~
~~Hobbs~~
~~Guild~~

Sch. 1153

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

RECEIVED

JAN 20 1961

U. S. DEPT. OF INT. SPOKANE, WASH.

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of OCT. 1960 Docket No. DMEA 4588 Contract No. 1DM-E1191

Operator's Name JOHN ZUPAN Minerals LEAD-ZINC

Address P. O. Box 64 SANDCOULEE, MONT.

Contract Amount, $ 11,768.00 Government Participation: 50% Amount, $ 5,884.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting FT 11	297.00	326.70	3,564.00			
" 121						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		1,353.00	1,353.00			
(6) New Bldgs., Improvements, etc.		250.00	250.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis 3	12.00	16.00	28.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	309.00	4,886.00	5,195.00			

EXTRA COPY
O. M. E.
RECEIVED FEB 21 1961

DATE	INITIALS	CODE
2/21		110
		120
2/23		500

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

Date JAN 19-61 Payee JOHN ZUPAN

Per John Zupan 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:

$ 154.50

Signature _____ (Authorized Certifying Officer)

Date 2/20/61 Vou. No. 3377

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

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

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 872893

MME FORM 61
SEPT. 1959

RECEIVED JAN 20 1961

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of OCT. 1960 Docket No. DMEA-4588

Operator's Name JOHN ZUPAN Contract No. 14-23-090-IDM-E1191

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	FT	11	132	356400			
Crosscutting							
Raising							
Shafts							
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs				1333 00			
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.				250 00			
Operating Equipment Purchases							
Analytical Work 7 Samples @ $ 4.00				28.00			
TOTAL TO DATE (per MME Form 60)				5,195.00			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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 JAN 19 1961 Operator JOHN ZUPAN

Per John Zupan Title OWNER

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature

Title

Government Representative

Date

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

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DATE	INITIALS	CODE

NARRATIVE, OCT. NOV. DEC. 1960

No work has been done since Oct. 21, 1960. Due to the dropped prices on lead & zinc (my hopes) beside higher miners wages ~~is very difficult~~ for me to operate the mine unless I get more help. The compressor I am renting at 20% of net smelting returns, may be ~~taken away, because~~ no shippment of ore. About $2\frac{1}{2}$ tons out on the platform.

The Amendment No. 4 dated 29th of April 1960 has expired on Dec. 9, 1960, which my request for one more year extension on to the contract and possible more assistance, please.

5(c) of the Contract: On June 26, 1958, the work on Building started, completed June 21, 1958, paid as per contract. On July 1, 1958, Rehib. work started, completed Aug. 16, 1958. The check for $676.50 withheld until 9-17-1959. On June 15, 1959, new workings, drifting started, measurable advance by July 31, 1960, 89 feet paid as per contract. Aug.-September 1960 measurable advance 32 feet, paid as per contract. Octo 1960 measurable advance 11 feet, the measurements enclosed.

Sample	No. 1	at 30	feet	N.W.	1 inch	
"	No. 2	" 50	"	"	2	"
"	No. 3	" 70	"	"	2	"
"	No. 4	" 85	"	"	2-3	"

(All on hanging wall bottom.)

Sample	No. 5	at 110	feet	2-3
Sample	No. 6	" 125	"	4 inch
"	No. 7	"*137	"	4-5 "

*DRIFT FACE

The drift face 137 feet, less 5 feet allowable 132 feet. Some samples may contain GERMANIUM.

OPERATOR'S FINAL REPORT

Narrative, Oct Nov. Dec. 1960

No work has been done since Oct. 21 1960.
Due to the dropped prices on lead + zinc (my shapes) beside higher miners wages is very difficult for me to operate the mine, unless I get more help. The compressor I am renting at 20% of net smelting returns, may be taken away, because no shipment of ore, 40 tons is now out on the platform.

The Amendment No 1 dated 29th of April 1960 has expired on Dec. 9. 1960 which my request for one more year extension on the contract and possible more assistance, please.

5 (c) of the Contract: On June 16-1958 the work on building started, completed June 21-1958 paid as per contract
On July 1. 1958 Rehab. work started, completed Aug. 16-19
the check for $ 676.50 withheld until 9-17-1959
On June 15-1959 new workings - drifting started, measurable advance by July 1-1960 89 feet paid as per contract
Aug. - September 1960 measurable advance 32 feet, paid as per cont
Oct. 1960 measurable advance 11 feet, the documents are sent

Sample No 1 at 30 feet N.W. 1 inch Sample No 5 - at 110 feet 2-3 all on
" No 2 " 50 " " 2 " " No 6 " 125 " 1 inch hanging
" No 3 " 70 " " 2 " " No 7 " 137 " 1-5 " wall Bottom
" No 4 " 85 " " 2-3 " DRIFT FACE

The drift face 137 feet less 5 feet allowable 132 feet, Some samples may contain GERMANIUM

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U. S. G. S.
SPOKANE, WASH.

GENERAL LABORATORY

John Zupan Ore Sample	Date	Lot	Moisture	Zn	Pb	Cu	PER 2000 LB. Oz. Ag.	Oz. Au.	Insol.	Fe	Ca
Ore Sample #5 Rock Sample	12/28	97		21.2	23.6		[illegible]	.020			

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JAN 20 1961
U. S. G. S.
SPOKANE, WASH.

COMPANY
Department
Montana

GENERAL LABORATORY

John Bugan Ore Sample	Date	Lot	Moisture	Zn	Pb	Cu	Oz. Ag.	Oz. Au.
Sample #6 (Single Rock)	12/28	98		91.0	[illegible]		30.0	[illegible]

T—6-60

Chief Chemist

RECEIVED
1961

THE ANACONDA COMPANY
Great Falls Reduction Department
Great Falls, Montana

GENERAL LABORATORY

1/10, 196

John Zupan Ore Sample	Date	Lot	Moisture	Zn	Pb	Cu	PER 2000 LB. Oz. Ag.	PER 2000 LB. Oz. Au.	Insol.	Fe	Cd				
Ore Sample #7 (Bucket Sample)	12/28	99		9.5	16.1		35.9	0.020							

Chemist

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JAN 20 1961
U. S. G. S.
SPOKANE, WASH.

Mr. John Zupan
Big Coulee, Montana

GREAT FALLS, MONT. January 11, 1961

THE ANACONDA COMPANY

GREAT FALLS REDUCTION DEPARTMENT

REFERENCE S. F. 000 YOUR ORDER NO. BILL NO. 1082

To charge you with your proportion of assay charges as follows:

	Sample #5	Sample #6	Sample #7	
Gold	$ 3.00	$ 3.00	$ 3.00	$ 9.00
Silver	3.00	3.00	3.00	9.00
Zinc	1.20	1.20	1.20	3.60
Lead	1.20	1.20	1.20	3.60
				$ 25.20

GREAT FALLS, MONT. August 17, 60

John Zapan
General Delivery
Grand Coulee, Montana

THE ANACONDA COMPANY

GREAT FALLS REDUCTION DEPARTMENT

ANACONDA

REFERENCE S. F. 000 YOUR ORDER NO. BILL NO. 804

Assays on Ore Sample:

Gold	3.00
Silver	3.00
Zinc	1.20
Lead	1.20
	$ 8.40

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OFFICE OF THE SECRETARY

MME FORM 60
SEPT. 1959

RECEIVED
OCT 28 1960
U. S. G. S.
SPOKANE, WASH

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. DME-4588
Contract No. 14-23-090-IDM-E1191
Contract Amount $11768.00
Gov't. Participation % 50 $5884.00
Mineral(s) LEAD - ZINC

OPERATOR'S MONTHLY VOUCHER

For Month of AUG. SEPT 1960

Operator's Name JOHN ZUPAN
Address P.O. BOX 64 SAND COULEE MONT.

O.M.E.
NOV 9 1960

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						11/10/60 - J.M.L.
(1) Independent Contracts:						
Bulldozing						
Drifting 32	$864.00					
Crosscutting 89		2,403.00	3,267.00			
Drilling						
REHAB - JOB		1353.00	1353.00			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.		250.00	250.00			
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work	4.00	12.00	16.00			
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	868.00	4018.00	4886.00	868.00	4,018.00	4,886.00

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

Date OCT. 8 1960 *Payee JOHN ZUPAN

Per John Zupan 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.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 434.00

Signature _____
(Authorized Certifying Officer)

Date 11/8/60 Vou. No. 1901

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. _____

Signature _____ Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature _____ Title _____ Date _____

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

INT.DUP.,D.C.59- 61579

MME FORM 61
SEPT. 1959

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OCT 28 1960
SPOKANE, WASH.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of AUG.-SEPT. 1960 Docket No. DMEA-4588

Operator's Name JOHN ZUPAN Contract No. 14-23-090 IDM-E 1191

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting	FT	32	121	$3267.00			
Crosscutting							
Raising							
Shafts							
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings				1353.00			
New Buildings, Fixtures, etc.				250.00			
Operating Equipment Purchases							
Analytical Work 4 Samples @ 4.00				16.00			
TOTAL TO DATE (per MME Form 60)				4886.00			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date OCT. 8 1960 Operator JOHN ZUPAN

Per John Zupan Title OWNER

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature

Title

Government Representative

Date

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

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NOV 7 1960
OFFICE OF THE SECRETARY
FISCAL SECTION

Narrative - August - September 1960

On October 20, 1960 the vein at approximately 137 feet of the new workings is 5½ ft. in width and for the last 15 feet the showings (samples) on both footwall and hangingwall with sufficient gouge in drift face are very promising for a body of ore discovery large enough

Have drilled 2 - 4 feet pilot holes with no ore showings and drilled deeper holes with present on hand drilling outfit. On Sept. 21, 1961 bulldozing at 250 - 300 feet of three workings from drift

U.S.G.S. 1960 SPOKANE, WASH.

No work since October 21 - 1961, the new prospect fall of 1961 feet besides financial handicaps. The work will be resumed as soon as possible

E.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
October 12, 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 17 1960

DATE	INITIALS	CODE
10-17	gad	1120
"	[illegible]	110
		120
"	[illegible]	800
"	alt	500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: Interim inspection report, Docket No. DMEA-4588 (lead-zinc), John Zupan, Dr. Kalloch Mine, Judith Basin County, Montana, Contract No. Idm-E1191

The project was inspected October 6, 1960. The inspection was made about 4:00 p.m. and no one was at the mine. For the last 150 feet toward the face gas was increasingly bad so I assume a round had been blasted earlier in the day. The face was about half full of muck. Because of the bad air and the fact that I was alone, I limited the inspection to a check measurement to the initial point and a measurement from there to the face but did not examine the vein or attempt to do any mapping. The drift has been driven a total of 121 feet from the initial point for an advance of 32 feet since August 23, 1960, the date of the last inspection.

There is a pile of sorted vein material at the portal, estimated to be about 200-300 pounds, but where it came from was not determined.

D R MacLaren
D. R. MacLaren

Distribution:
OME(3)
Docket
MacLaren

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

157 So. Howard Street
Spokane 4, Washington
September 5, 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 9 1960

DATE	INITIALS	CODE
9-9	gad	220
~~9-9~~	~~[illegible]~~	110
9/9	[illegible]	800
	[illegible]	500

Memorandum

To: Chief, Division of Field Operations, OME

From: Acting Field Officer, Region I

Subject: Interim inspection report, Docket No. DMEA-4588 (lead-zinc), John Zupan, Dr. Kalloch Mine, Judith Basin County, Montana, Contract No. Idm-E1191

The project was inspected August 23, 1960, in the company of the operator. The last inspection was made by S. W. Zoldok on December 3, 1959.

One miner was mucking out a round at the face. The distance to the face measured 89.0 feet, an advance of 26.3 feet. There is little change in the character of the vein in the newly exposed portion, although the lenses of lead and zinc sulfides are small and erratically spaced. The vein in the face appears to be pinching but throughout its length it has had a tendency to swell and pinch.

Mr. Zupan said that he had found it difficult to get miners; the one presently working is his son, and it is doubtful that work has been carried on with any degree of regularity. It was emphasized to Mr. Zupan that under Amendment No. 4 the contract would terminate December 9, 1960, whether or not the work was completed.

Status of contract:
Date of contract: May 9, 1958
Termination date: December 9, 1960

Item	Authorized	Completed
Rehab. drift and crosscut	$1,353.00	$1,353.00
Compressor house	250.00	250.00
Drift and/or crosscut	300 ft.	89 ft.
Timber	100 ft.	None
Long hole drilling	500 ft.	None
Assaying	60 samples	3
Consultant	6 days	None

D R MacLaren
D. R. MacLaren

MF-500 OFFICE OF MINERALS EXPLORATION
UNITED STATES
DEPARTMENT OF THE INTERIOR
~~DEFENSE MINERALS ADMINISTRATION~~

REFERENCE SLIP

DATE 9/12/60

REFERRED TO:

1. Chief, Div. of Field Operations, OME
2.
3.
4.

Docket DMEA-4588
John Zupan
Judith Basin County, Montana

FOR: Contract Idm-E1191

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

REMARKS: In my absence the MF-104's were forwarded thru the proper channel for payment but as no distribution is noted on the covering memo, I am enclosing copies; however, if you have these, please destroy.

Check (X) before the items needing attention.

Mary L. Smelser
Initials of sender.
Secretary to Acting Field Officer, Region I

GPO 16—63815-1

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 15 1960

DATE	INITIALS	
9-15	gad	200
9/15		800
*	Gett	500

So. 157 Howard Street
Spokane 4, Washington
August 30, 1960

Memorandum

To: Chief, Fiscal Section, Office of the Secretary

From: Acting Field Officer, Region I, OME

Subject: Transmittal of Operator's Monthly Voucher, Progress Report, and Narrative for July, 1960
Docket No. DMEA-4588 (Lead-zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
Contract No. Idm-E1191
Appropriation Symbol 14X4401

Enclosed are the original and two copies of a voucher from the subject Operator for work completed in July 1960. This contract was in recess when all the Region I fiscal records were sent to Washington as of March 1, 1960. Presumably, at that time some funds due the Operator were being withheld, but I am uncertain on this point. Also I do not know what he has been paid for on previous vouchers.

I visited the project August 23, 1960, and as of that date the total drifting completed was 89.0 feet, four samples had been assayed, and $1,353 authorized for rehabilitation had been completed. Apparently 70 feet of drifting, the rehabilitation, and three assays have been previously claimed. The fourth assay will be claimed on the next voucher.

D. R. MacLaren

C O P Y

C O P Y

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 15 1960

DATE	INITIALS	CODE
9-15	gad	VVO
9/15		800
		500

Grand Coulee, Mont., Aug. 24, 1960

Mr. D. R. MacLaren
Acting Field Officer, OME, Region I
U. S. Department of the Interior
So. 157 Howard Street
Spokane 4, Washington

Dear Mr. MacLaren:

Enclosed you will find 4 copies of Sample No. 4. Sample taken at 85 feet of the new workings (Drift) at the Dr. Kalloch mine.

Withholding (1) one copy for my files)

Sincerely yours

/s/ ZUPAN

John Zupan
Box 64
Sandcoulee, Montana

Re: Docket No. DMEA-4588 (Lead-Zinc)
Docter Kalloch Mine
Judith Basin County, Montana
Contract No. IDM-E1119

P.S. The sample No. 4 not listed on Form MF-104A (8/9/1960)

(The above sample was referred to in our memo 8/30/60 to the Fiscal Section, Office of the Secretary)

SAMPLE No 4

ANACONDA COMPANY
Great Falls Reduction Department
Great Falls, Montana Mr. John Zupan

GENERAL LABORATORY

8/12, 1960

Ore Sample	Date	Lot	Moisture	Zn	Pb	Cu	PER 2000 LB. Oz. Ag.	PER 2000 LB. Oz. Au.	Insol.	Fe	Cd			
	8/9	5		22.6	17.5		44.5	0.015						

EXTRA COPY
O. M. E.
RECEIVED SEP 15 1960
DATE CODE
INITIALS

RECEIVED
AUG 29 1960
U. S. S. R.
SPOKANE, WASH.

Form 28B—3M—6-60
Standard

Great Falls

SAMPLE NO 4

THE ANACONDA COMPANY
Great Falls Reduction Department
Great Falls, Montana Mr. John Zupan

GENERAL LABORATORY

8/15 1960

Ore Sample	Date	Lot	Moisture	Zn	Pb	Cu	PER 2000 LB. Oz. Ag.	PER 2000 LB. Oz. Au.	Incol.	Fe	Cd			
	8/9	51		22.6	17.5		44.5	0.015						

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 15 1960
DATE
INIT. US

RECEIVED
AUG 29 1960
U. S. G. S.
SPOKANE, WASH.

Form 33B—3M—6-60
Standard

Chief Chemist

SAMPLE NO 4

THE ANACONDA COMPANY
Great Falls Reduction Department
Great Falls, Montana

Mr. John Zupan

GENERAL LABORATORY

8/12, 1960

Ore Sample	Date	Lot	Moisture	Zn	Pb	Cu	PER 2000 LB. Oz. Ag.	PER 2000 LB. Oz. Au.	Insol.	Fe	Cd				
	8/9	51		23.6	17.5		44.5	0.015							

EXTRA COPY
O. M. E.
RECEIVED SEP 15 1960
DATE
S

RECEIVED
AUG 29 1960

Form 33B—3M—6-60
Standard

Chief Chemist

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

RECEIVED
AUG 16 1960
U. S. MOCKANG, DEN

Sch 317

Budget Bureau No. 42-R1036.5

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

Month of July 1960 Docket No. DMEA 4588 Contract No. 1DM-E
Operator's Name JOHN ZUPAN Minerals LEAD-2
Address P.O. BOX 63 SAND COULEE, MONT.
Contract Amount, $ 11,768.00 Government Participation: 50% Amount, $ 5,884.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling LONGHOLE						
Bulldozing						
~~Crosscutting~~ REHAB.	✓	1353.00	1353.00			
✓ Drifting	550.00	1925.00	2475.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
✓ Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		250.00	250.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		12.00	12.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	550.00	3540.00	4090.00	478.00	3,540.00	4,018.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 8/9/1960 *Payee JOHN ZUPAN
Per John Zupan 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:
$ 239.00*

Signature OK
(Authorized Certifying Officer)
Date 9/6/60 Vou. No. 915
(See other side)

*See Suspension attached

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

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

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 872893

Form MF-104A
(April 1952)

RECEIVED
AUG 16 1960
U. S. G. S.
SPOKANE, WASH.

Budget Bureau No. 42-R1151.2

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

Month of July 1960 Docket No. DMEA #588 Contract No. IDM-E 1191
Operator's Name JOHN ZUPAN Minerals LEAD - ZINC
Address P.O. BOX 64, SAND COULEE, MONT.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	FT	550.00	20	2475.00	90	3.02500	300	27.50
Crosscutting								
Raising REHAB.	JOB			1353.00		1,353.00		1353.00
Shafts TIMBER	FT						100	7.50
Winzes								
Drilling: Core LONG HOLE	FT.						500	1.25
Churn								
Auger								
Stripping ASSAYS	EA			12.00	3	12.00	60	4.00
Trenching								
Test Pits								
Roads and Trails								
CONS ENG. GEOL	DAY						6	75.00
Total Distributed Costs		550.00		3840.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				250.00				
Total Costs		550.00		4090.00				

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

Date 8/9. 1960 Operator JOHN ZUPAN

Per John Zupan Title OWNER

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

Narative.

On June 29. 1960 we have started rehib work chopping ice, cleaning Tunnel - Drift, tuning up the compressor e.t.c. Having difficulty hiring miners because of the new wage shedule. Now the new workings in drift face is 90 feet. At 85 feet taking samples to A. C. M. Co. Smelter in Great Falls Mont. no returns as yet.

John Zupan

RECEIVED
AUG 16 1960
U. S. G. S.
SPOKANE, WASH.

6157
46677

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of the Secretary
Accounting Unit
Washington

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: John Zupan
P. O. Box 64
Sand Coulee, Montana

Amount Claimed:	Differences (Explained Below)	Amount Approved
to date 4,090.00	72.00	4,018.00 Gott. Part. 50% 2,009.00
Bu. Voucher No.	Payee's Invoice No. E-1191	Period July 1960

EXPLANATION

Amount claimed to date for drifting and/or crosscutting:

90 feet @27.50 2,475.00

Amount allowed:

89.0*feet @27.00** 2,403.00

72.00

*Per Acting Field Officer, D. R. MacLaren

**Per contract

Amount paid this voucher 239.00

Any reclaim for items deducted must be supported by the original of this statement and submitted to the office shown above.

Suspension made by:
(Sgd.) Opal M. Alexander
Signature

Assistant Chief, Accounting Unit
Title

6157
46677

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of the Secretary
Accounting Unit
Washington

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: John Eugan
P. O. Box 64
Hand Coulee, Montana

Amount Claimed:	Differences (Explained Below)	Amount Approved
to date 4,000.00	72.00	4,028.00 Cott. Part. 50% 2,039.00
Bu. Voucher No.	Payee's Invoice No. B-1191	Period July 1960

EXPLANATION

Amount claimed to date for drifting and/or crosscutting:

90 feet @27.50 2,475.00

Amount allowed:

89.0 feet @27.00 2,403.00

72.00

Per Acting Field Officer, D. R. Maclaren

Per contract

Amount paid this voucher 239.00

Any reclaim for items deducted must be supported by the original of this statement and submitted to the office shown above.

Suspension made by:

(Sgd.) Opal M. Alexander
Signature

Assistant Chief, Accounting Unit
Title

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
December 10, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 14 1959

DATE	INITIALS	CODE
12-14	gad	220
"	[illegible]	110
12/15	[illegible]	800
"	[illegible]	500

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region I

Subject: Transmittal of inspection report

Enclosed are the original and three copies of the following interim inspection report:

DMEA		Date
4588	John Zupan, Dr. Kalloch Mine, Judith Basin County, Montana	12/ 7/59

A. E. Weissenborn

Enclosure - in quad.

cc: USBM
Director's Reading File

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1201 N. Division St.
Spokane 2, Washington

December 7, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 14 1959

DATE	INITIALS	CODE
12-14	gad	220
		110
		800
		500

MEMORANDUM

To: OME Field Team, Region I

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

Subject: Interim inspection report, Docket No. DMEA-4588 (lead-zinc) John Zupan, Dr. Kalloch Mine, Judith Basin County, Montana, Contract No. Idm-E1191

The project was inspected on December 3, 1959. The previous inspection was made on September 16, 1959, by Dean C. Holt, Mining Engineer, Bureau of Mines.

There was no one at the mine during the inspection. There has been no activity at the project for sometime, as there was about 3 feet of undisturbed snow at the portal; the area in from the portal was covered by about 12 inches of ice and the hand tools at the face were covered by at least $\frac{1}{2}$ inch of fungus growth.

The road from Monarch to Hughesville is accessible only by jeep and it is doubtful that the project will become active before spring.

The drift has been advanced for 62.7 feet from the initial point and follows a narrow lensy high grade vein that varies in width from less than 1 inch to about 12 inches. The footwall of the vein is composed of a highly sheared granite with heavy pyrite mineralization. The vein material is composed of quartz heavily mineralized with galena, sphalerite and pyrite. The vein in the face dips 50° south and varies in width from about 2 inches in the foot of the drift to 12 inches in the back. The hanging wall is highly silicified for about 3 feet from the vein and carries considerable pyrite and minor blebs of galena and sphalerite.

In his September-October 1959 voucher the Operator claimed an advance of 30 feet, making a total of 70 feet completed under the project. His narrative states that "the drift face should be near 80 feet." It appears that the Operator is merely guessing on the advance, which is only 62.7 feet. Currently the Operator has been overpaid for 7.3 feet.

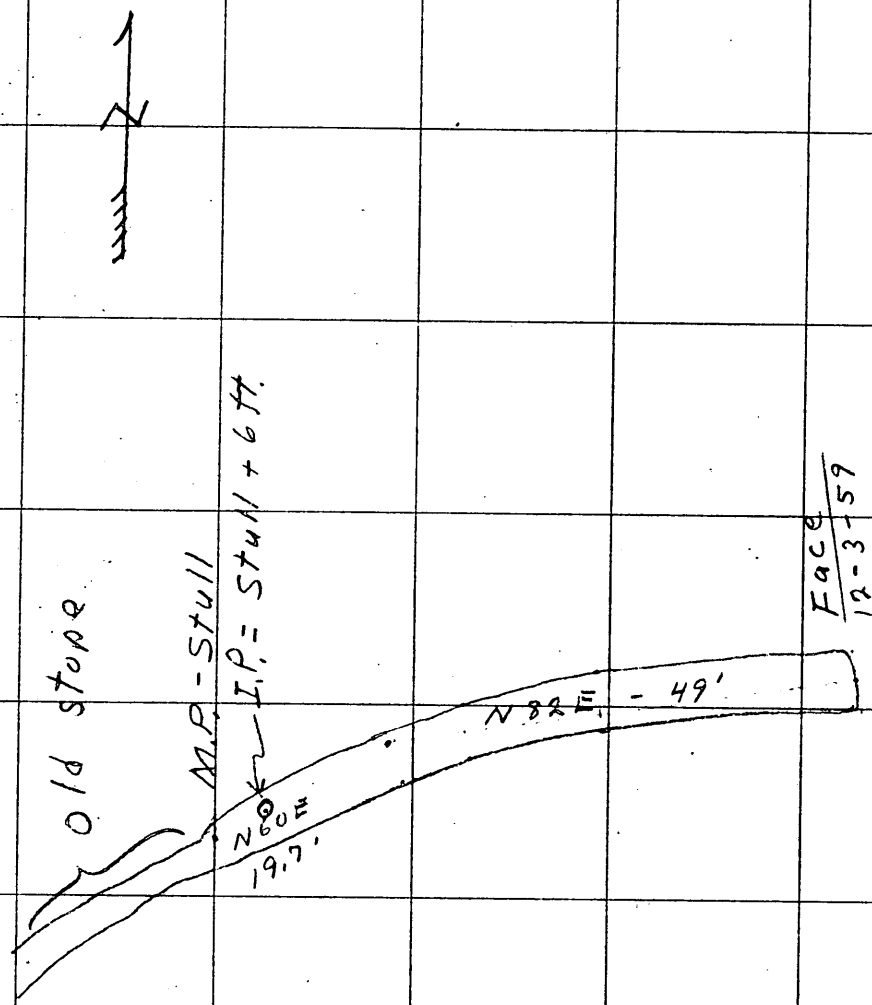
Status of contract is:

Date of contract: May 9, 1958
Termination date: December 9, 1960 (Amend. No. 3)
Amount of contract: $11,768.00
Amount spent: 3,540.00 (thru October 1959)

Item	Authorized	Advance	Completed
Rehab. Drift and crosscut	$1,353.00		$1,353.00
Compressor house	250.00		250.00
Drift and/or crosscut	300 ft.	22.7 ft.	62.7 ft.
Timber	100 ft.		none
Long hole drilling	500 ft.		none
Assaying	60 samples		3
Consultant	6 days		none

S. W. Zoldok

Distribution:
OME (4)
USGS (2)
USBM (AD)
Docket
Zoldok



6016 Adit
Doctor Kanoch Mine
Judith Basin County, Mont.
Docket No. D.M.E.A. 4588
1" = 20'

S.W. Zoldok Dec 3, 1959.

K+E ALBANENE 195M ® TRACING PAPER 628
J. A. Gendron Co., Spokane

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

NOV 13 1959 O.M.E.

Month of SEP. OCT. 1959 Docket No. DMEA 458 Contract No. DM-E 1191
Operator's Name JOHN ZUPAN Minerals
Address P.O. BOX 64 SAND COULEE, MONT.
Contract Amount, $ 11,768.00 Government Participation: 50% Amount, $ 5884.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						11/24/59 J.W.L.
✗ Drilling						
Bulldozing						
Crosscutting REHIB	~~1353.00~~	1353.00	1,353.00		1353.00	1353.00
✗ Drifting	1100.00	1100.00	1,100.00	825.00	1100.00	1925.00
	825.00	~~0.00~~	825.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
✗ Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) ✗ New Bldgs., Improvements, etc.	~~250.00~~	250.00	250.00		250.00	250.00
(7) Miscellaneous:						
Repairs to Equipment						
✗ Sampling and Analysis	12.00		12.00	12.00	—	12.00
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
	837.00					
TOTALS	~~3540.00~~	2703.00	3540.00	837.00	2703.00	3540.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date NOV. 9. 1959 *Payee JOHN ZUPAN
Per John Zupan 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:

$ 418.50

Signature Dorothy F. Long
(Authorized Certifying Officer)

Date 11/13/59 Vou. No. 2333

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 1191 in accordance with the terms of the contract.

Signature /s/ Stephen W. Goldak Title Mining Eng. Date 11-12-59

APPROVAL BY ~~DMEA~~ OME EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Wing H. Agnew Title Acting Exec. Date 11-13-59

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 SEP. OCT. 1959 Docket No. DMEA 4588 Contract No. IDM-E 1191
Operator's Name JOHN ZUPAN Minerals LEAD-ZINC
Address P.O. BOX 61 SAND COULEE, MONT.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	FT	825.00	30	1925.00	70		300	27.50
Crosscutting								
Raising REHAB	JOB			1353.00				1353.00
Shafts TIMBER	FT						100	7.50
Winzes								
Drilling: Core LONG HOLE	FT						500	1.25
Churn								
Auger								
Stripping ASSAYS	EA	12.00	3	12.00	3		60	4.00
Trenching								
Test Pits								
Roads and Trails								
CONS. ENG. CELL	DAY						6	75.00
Total Distributed Costs		837.00		3290.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				250.00				
Total Costs		837.00		3540.00				

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

Date NOV. 9 1959 Operator JOHN ZUPAN
Per John Zupan Title OWNER

Remarks:

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

(Instructions on reverse)

11-12-59 **(For Government use only)**

A. W. Zoldok
Mining Engr.

NOV 23 1959
O.M.E.

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

November 9, 1959
Sand Coulee, Montana

A. E. Weissenborn
Exec. Officer, U. S. Geological Survey
1201 N. Division St.
Spokane 2, Washington

Re: Docket No. DMEA-4588 (lead-zinc)
Doctor Kalloch Mine
Judith Basin County, Montana
Contract No. Idm-E1191

Dear Mr. Weissenborn:

On September 16 and 18, 1959, Mr. Dean C. Holt, OME representative, made an inspection of my new work and he advised me to get ore samples every 10 feet in the drift face. Samples as follows:

Sample No. 1 at 50 feet of new workings
Sample No. 2 at 60 feet of new workings
Sample No. 3 at 70 feet of new workings.

It appears quite evident my contract dated July 1, 1959 - December 9, 1959 cannot be finished. We are, and have been, trying to operate as much as possible and by now, the drift face should be near 80 feet, however; we have been experiencing several unexpected delays, such as a new snowfall on Sept. 27th and continuing periodically to date.

An extensive recess is not requested as we intend operating as much as possible during the winter months, however, it is requested my contract be extended to the same period in 1960.

Enclosed are 4 copies each of Sample Assay Reports 1, 2, and 3 (copy of this letter and one each of reports withheld by undersigned) and also enclosed are 5 copies each of Forms MF-104 and MF-104A.

Very truly yours,

John Zupan
P. O. Box 64
Sand Coulee, Montana

A. V. TRENT,
Owner-Manager

GOODALL BROTHERS

ASSAYERS AND METALLURGICAL CHEMISTS

46 South Main Street, Helena, Montana

TEL. HI 2-3770
P. O. BOX 537

Date OCT 24 1959

UMPIRE ASSAY _____ CONTROL ASSAY _____ HAND SAMPLE _____

ASSAYED FOR John Zupan Box 64 | MARKS: Sand Coulee, Montana

Sample No.	DESCRIPTION	GOLD Ozs. Per Ton	SILVER Ozs. Per Ton	WET LEAD Per Cent	COPPER Per Cent	ZINC Per Cent	IRON Per Cent	INSOL. Per Cent	Per Cent	Total Value Per Ton
1		0.04	4.1	1.2		4.8				5.09
2		0.03	16.6	7.2		13.1				27.27

(Zinc values not figured)

Gold not deducted:

Charges $ 10.00 Paid

GOODALL BROS.

By A. V. Trent

A. V. TRENT,
Owner-Manager

GOODALL BROTHERS

ASSAYERS AND METALLURGICAL CHEMISTS

46 South Main Street, Helena, Montana

TEL. HI 2-3770
P. O. BOX 537

Date Nov 1 - 1953

UMPIRE ASSAY _____ CONTROL ASSAY _____ HAND SAMPLE _____

ASSAYED FOR [illegible] Box 64

MARKS: [illegible]

Sample No.	DESCRIPTION	GOLD Ozs. Per Ton	SILVER Ozs. Per Ton	WET LEAD Per Cent	COPPER Per Cent	ZINC Per Cent	IRON Per Cent	INSOL. Per Cent	Per Cent	Total Value Per Ton
3		0.01	4.2	47.4		14.7				129.21

Gold not deducted: Paid

Charges $ See Paid

GOODALL BROS.

By O. T. Trent

4

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1201 N. Division St.
Spokane 2, Washington

OFFICIAL FILE COPY O. M. E. RECEIVED OCT 12 1959		
DATE	INITIALS	CODE
10/12	RCW	225
"	[illegible]	110
10/13	[illegible]	800
10/13	[illegible]	500

September 18, 1959

MEMORANDUM

To: OME Field Team, Region I

From: Dean C. Holt, Mining Engineer, Bureau of Mines

Subject: Interim inspection report, Docket No. DMEA-4588 (lead-zinc) John Zupan, Dr. Kalloch Mines, Judith Basin County, Montana, Contract No. Idm-E1191

The project was inspected on September 16, 1959, while in the general vicinity of the mine on other work. Mr. Zupan and his son accompanied me on the inspection. The previous inspection was made by myself on August 18.

The face had been advanced 17 feet since my last inspection, and the DMEA section of the drift was widened to 5 feet, as specified in the contract.

A stoper is used for drilling and a loaded mine car as a platform. The Operator is using a 14 hole round. The drift follows a narrow high grade vein having a width of about 5 to 6 inches in the face, striking N. 55° E. and dipping 70° to the S.E.

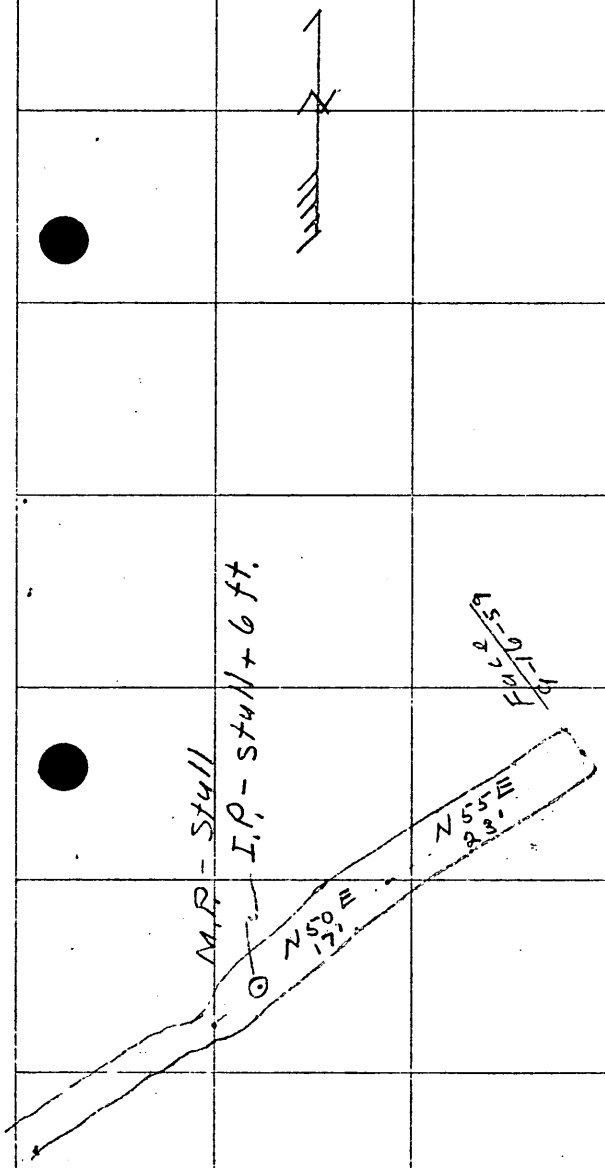
Status of contract is:

Date of contract: May 9, 1958
Termination date: December 9, 1959
Amount of contract: $11,768.00
Amount spent: 2,703.00 (thru August 1959)

Item	Authorized	Advance	Completed
Rehab. Drift and crosscut	$1,353.00		$1,353.00
Compressor house	250.00		250.00
Drift and/or crosscut	300 ft.	17 ft.	40 ft.
Timber	100 ft.		
Long hole drilling	500 ft.		
Assaying	60 samples		
Consultant	6 days		

Dean C. Holt
Dean C. Holt

Distribution:
OME (4) Docket
USGS (2) Zoldok
USBM (AD)



6016 Adit
Doctor Kalloch Mine
Judith Basin County, Mont.
Docket No. DMEA-4588
1" = 20'

"ALBANENE" NO. 1 DOM K & EGO., N.Y.
REG. U.S. PAT. OFF.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEP 21 1959

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of AUG. 1959 Docket No. DMEA 458 Contract No. IDM-E1191
Operator's Name JOHN ZUPAN Minerals LEAD - ZINC
Address P.O. BOX 64 SANDCOULEE, MONT
Contract Amount, $ 11,763.00 Government Participation: 50 % Amount, $ 5884.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling LONG HOLE				9/22/59		
Bulldozing						
X Crosscutting REHAB	1353.00		1353.00		1353.00	1353.00
X Drifting	1100.00	0.2	1100.00	1100.00	—	1100.00
(2) Labor and Supervision:						
Labor						
Supervision						
X Technical Services						
(3) Operating Mat'ls. and Supplies:						
X Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	250.00		250.00		250.00	250.00
(7) Miscellaneous:						
Repairs to Equipment						
X Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
						2683.00
TOTALS	2,703.00		2,703.00	1100.00	1603.00	2703.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date SEPT. 8. 1959 Payee JOHN ZUPAN
Per John Zupan 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:
$ 550.00
Signature Dorothy H. Long
(Authorized Certifying Officer)
Date 9/17/59 Vou. No. 2324
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 1191 in accordance with the terms of the contract.

Signature /S/ Stephen W. Zoldak Title Mining Engr. Date Sept. 16, 1959

APPROVAL BY ~~DMEA~~ ONE EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Donald R. MacLaren Title Alternate Acting Exec. Officer Date Sept. 17, 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

SEP 21 1959
O.M.E.

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

Month of AUG. 1959 Docket No. DMEA 4588 Contract No. 1DM-E 1191
Operator's Name JOHN ZUPAN Minerals LEAD ZINC
Address P.O. BOX 64 SAND COULEE MONT

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Ft	1,100.00	40	1,100.00	40	1,100.00	300	27.50
Crosscutting								
Raising REHAB.	JOB			1353.00				1353.00
Shafts TIMBER	Ft.						100	7.50
Winzes								
Drilling: Core LONG HOLE	Ft						500	1.25
Churn								
Auger								
Stripping ASSAYS	EA						60	4.00
Trenching								
Test Pits								
Roads and Trails								
CONS. ENG. GEOL	DAY						6	75.00
Total Distributed Costs		1,100.00		2,453.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				250.00				250.00
Total Costs		1,100.00	40	3,703.00				

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

Date ~~AUG.~~ SEPT. 8 1959 Operator JOHN ZUPAN

Per John Zupan 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.

Remarks:

(Instructions on reverse)

(For Government use only)

/s/ Stephen W. Zoldak
Mining Engr.
Sept. 16, 1959

INSTRUCTIONS

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

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

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

GPO 872894

Narrative

On June 11, 1959 we started the Rehab. work by chopping the ice at portal - tunnel - 40 feet and cleared the drift to the face and getting some mine timbers by June 20

On July 1. the motor of compressor was taken to Stanford, Mont. for repairs, by having difficulties obtaining the parts, the motor was overhauled and delivered for work on July 27.

On Aug. 18 inspected by Mr. Dean C. Stolt has only given me credit for 20 feet, while actually was 37 feet (now 43) from the last stall of my old workings. Here where the new drilling begard. Referring to your letter of Aug. 25 1959 the work has been done, I hope to meet the contract specifications,

My claim for reimbersement of 40 feet, I need that badly, please consider, also the check for $676.50 of last year would be very welcome.

John Jugard

EXTRA COPY
O. M. E.
RECEIVED SEP 21 1959

DATE	INITIALS	CODE

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

Budget Bureau No. 42-R1036.5

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

Month of JULY, 1958 Docket No. DMEA 4588 Contract No. IDM-E 1191
Operator's Name JOHN ZUPAN Minerals LEAD - ZINC
Address P.O. BOX 64 SAND COULEE, MONT.
Contract Amount, $ 11,768.00 Government Participation: 50% Amount, $ 5884.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:				9/22/59	O.K.R.K.	
X Drilling LONG HOLE				X		
Bulldozing						
X ~~Crosscutting~~ REHAB.	1353.00		1353.00	1353.00	—	1353.00
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
X Technical Services						
(3) Operating Mat'ls. and Supplies:						
X Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.		250.00	250.00		250.00	250.00
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1353.00	250.00	1603.00	1353.00	250.00	1603.00

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

Date AUG 16, 1958 Payee JOHN ZUPAN

Per John Zupan 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:

$ 676.50

Signature Dorothy F. Fay (Authorized Certifying Officer)

Date 9/17/59 Vou. No. 2324

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 1191 in accordance with the terms of the contract.

Signature /s/ Stephen W. Goldok Title Mining Engr. Date Sept. 16, 1959

APPROVAL BY ~~DMEA~~ RMF EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Donald R. MacLaren Title Alternate Acting Exec. Officer Date Sept. 17, 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

SEP 21 1959 O.M.E.

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

Month of JULY 1958 Docket No. DMEA 4588 Contract No. IDM-2-1191
Operator's Name JOHN ZUPAN Minerals LEAD - ZINC
Address P.O. Box 64, SAND COULEE, MONT.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	FT						300	27.50
Crosscutting								
Raising REHAB	JOB	1353.00	JOB	1353.00				1.353.00
Shafts TIMBER	FT						100	7.50
Winzes								
Drilling: Core LONG HOLE	FT						500	1.35
Churn								
Auger								
Stripping ASSAY	EA						60	4.00
Trenching								
Test Pits								
Roads and Trails								
CONS - ENG - GEOL							6	75.00
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				250.00				
Total Costs				1603.00				

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

Date AUG. 16 - 1958 Operator JOHN ZUPAN

Per Johnd Zupard 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:

(For Government use only)

/s/ Stephen W. Zoldok
Mining Engr.
Sept. 16, 1959

INSTRUCTIONS

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

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

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

GPO 872894

Narrative

Crosscut and drift rehabilitation had advanced to solid face by July 29-58 with track and air line in place. There was some delay in obtaining ventilation pipe. Stringing ventilation line began July 31. and by August 1st. the line was to the face.

There will be some delay in getting forward compressor to property and in place. This is expected to be done in August.

EXTRA COPY
O. M. E.
RECEIVED SEP 21 1959

DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
August 24, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 27 1959

DATE	INITIALS	CODE
8-27	gad	rro
		~~rro~~
8/27	LEF	800
~~[illegible]~~	~~[illegible]~~	~~[illegible]~~

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region I

Subject: Transmittal of inspection report

Enclosed are the original and three copies of the following inspection report:

		Date
DMEA-4588	Zupan, John, Dr. Kalloch Mines, Judith Basin County, Montana	8/20/59

A. E. Weissenborn

A. E. Weissenborn

Enclosure - in quad.

cc: USBM

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1201 N. Division St.
Spokane 2, Washington

August 20, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 27 1959

DATE	INITIALS	CODE
8-27	gad	1120
		120
		800
		500

MEMORANDUM

To: OME Field Team, Region I

From: Dean C. Holt, Mining Engineer, Bureau of Mines

Subject: Interim inspection report, Docket No. DMEA-4588 (lead-zinc) John Zupan, Dr. Kalloch Mines, Judith Basin County, Montana, Contract No. Idm-E1191

The project was inspected at 10:30 A.M., August 18, 1959; none of the operating personnel were present. The previous inspection was made on July 22, 1959.

The face was 29 feet from the spad in the stull or 17 feet from the easternmost face of the drift. The face, prior to start of contract work, slanted upward (see sketch accompanying December 1, 1958 inspection report by W. C. Prinz) over a length of about 12 feet. If half of this distance is taken as a valid starting point, then the advance under the contract was from the stull + 6 feet to 29 feet or 23 feet. The new work varies from 3.4 to 4.2 feet in width and will average less than 4 feet.

After the inspection Mr. John Zupan's son was contacted in Hughesville and I informed him that the contract specified a 5x7 foot drift and told him it would be necessary to widen the drift.

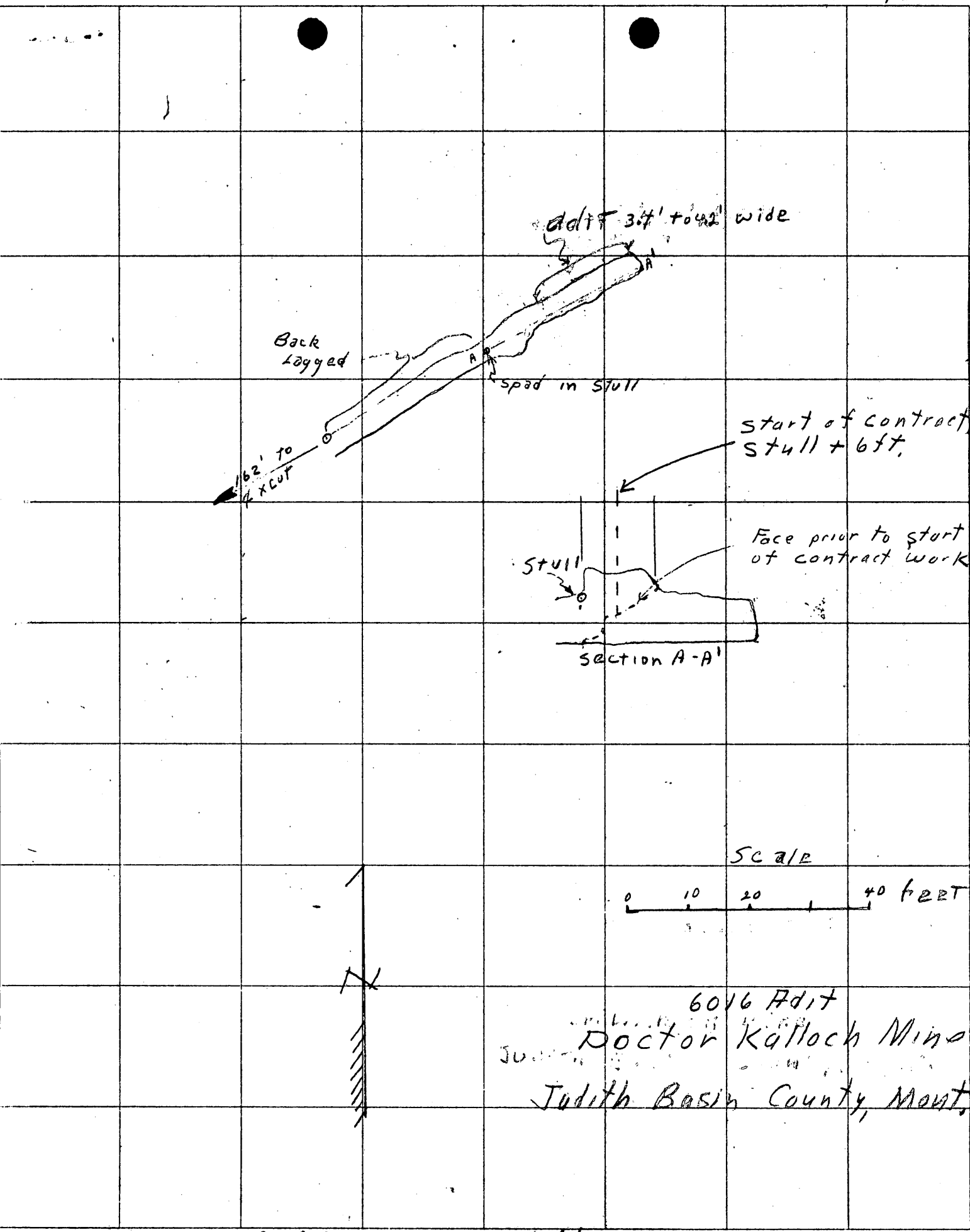
Mr. Zupan stated that his father was bringing in more equipment and supplies from Stanford, Montana.

Dean C. Holt

Dean C. Holt

Distribution:
OME (4)
USGS (2)
USBM (AD)
Docket
Zoldok

Docket No. DMEA-4588



Mapped Aug. 18, 1959 — Dean C. Holt

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 27 1959

DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
1201 N. Division St.
Spokane 2, Washington

July 28, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 4 1959

DATE	INITIALS	CODE
8-4	gad	rro
4		110
8/4		800
~~8/5~~	~~K~~	~~500~~

MEMORANDUM

To: OME Field Team, Region I

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

Subject: Interim inspection report, Docket No. DMEA-4588 (lead-zinc) John Zupan, Dr. Kalloch Mine, Judith Basin County, Montana, Contract No. Idm-E1191

The project was inspected on July 22, 1959, accompanied by Mr. John Zupan's son, who will do the drifting. The previous inspection was made on November 23, 1958, by W. C. Prinz, U. S. Geological Survey.

Mr. Zupan stated that he started to drill, but that the compressor engine was in poor shape and couldn't supply enough air at the face. It appears that the main difficulty is the poor condition of the used compressor, the high altitude (6,000 ft.), the small capacity of the compressor (Worthington 105 c.f.m.), the constricted air line ($1\frac{1}{2}$ inches), lack of an adequate air receiver and large size (stoper) of the drill machine. The only other machine at the project appeared to be a pavement breaker that Mr. Zupan was going to try.

I suggested to Mr. Zupan that he try 2-inch air line and to place an air receiver somewhere near the present face.

I believe that Mr. Zupan is very desirous of completing the project, but that lack of experience and finances could preclude any effective exploration work under the contract.

S. W. Zoldok

Distribution:
OME (4)
USGS (2)
USBM (AD)
Docket
Zoldok

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
December 5, 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 8 1958

DATE	INITIALS	CODE
12/8	C	220
"	KD	110
12/9	[illegible]	800
~~12/9~~	~~KBG~~	~~500~~

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

Re: Docket No. DMEA-4588 (Lead-Zinc)
John Zupan, Doctor Kalloch Mine
Judith Basin County, Montana
Contract No. Idm-E1191

Dear Mr. Selfridge:

Enclosed are the original and three copies of an interim inspection report by W. C. Prinz, Geologist, U. S. Geological Survey, on this project.

We are submitting this report separately in connection with our letter of November 26, 1958, in which we recommended an extension of the completion date of the contract.

Sincerely yours,

A. E. Weissenborn

A. E. Weissenborn
Executive Officer, OME
Field Team, Region I

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 8 1958

DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
December 1, 1958

MEMORANDUM

To: OME Field Team, Region I

From: William C. Prinz, Geologist, U. S. Geological Survey

Subject: Interim inspection report, Docket No. DMEA-4588 (lead-zinc), John Zupan, Dr. Kalloch Mine, Judith Basin County, Montana, Contract No. Idm-E1191

The Doctor Kalloch mine was examined on November 23, 1958, accompanied by John Zupan, Operator. Rehabilitation has been completed to the solid rock face, which is inclined at an angle of about 35°. (See attached map.) About 10 cubic feet of rock has been blasted from the toe of this inclined face and the muck has been removed. As yet, there has been no measurable advance in the solid rock.

The vein at the face is stronger than where visible in the caved area at the time of the original examination of the property. At the face it has widened to $1\frac{1}{2}$ feet and consists mainly of quartz and some sulfide minerals. A strong, north-dipping shear zone splits from the main vein a short distance back from the face.

I also talked with two miners living near the property. Mr. Zupan owes them wages for the rehabilitation work, but he cannot pay them until the Government releases its share of the cost of the rehabilitation and the miners are reluctant to go back to work at the mine until they have been paid. However, one of the miners said that he would put in a round or two so that the actual exploration work can get started and Mr. Zupan can get paid for the completed rehabilitation. Mr. Zupan stated that these miners would go back to work at the Dr. Kalloch mine as soon as they have been paid their back wages and he feels that he will be able to complete the contract work in spite of his limited finances. Both miners expressed some doubt as to the efficiency of the portable compressor installed at the mine, but Mr. Zupan is now making arrangements to have it repaired and to install a suitable receiver.

The Operator has requested that the date of completion in his contract be extended to September 15, 1958, and the Field Team in their letter of November 26, 1958, has recommended that this request be approved. ?

Attachment
Distribution:
OME(Orig.&3); USBM(2); USBM(AD)
Docket; ~~Sample~~ Prinz

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

1201 N. Division St.
Spokane 2, Washington

September 11, 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 7 1958

DATE	INITIALS	CODE
10/7	C	220
10/7	[illegible]	100
"	[illegible]	110
10/8	[illegible]	800
10/8	[illegible]	500

MEMORANDUM

To: DMEA Field Team, Region I

From: John A. Bowsher, Mining Engineer, Bureau of Mines

Subject: Interim inspection report, Docket No. DMEA-4588 (lead-zinc) John Zupan, Dr. Kalloch Mine, Judith Basin County, Montana, Contract No. Idm-E1191

Mr. Zupan was met in Great Falls on September 5 and he reported that no advance work had been done since my visit of August 16 to check the completion of the rehabilitation work.

The rehabilitation work has been completed in accordance with the contract, i.e., cleaning debris, timbering where necessary and the installation of track, air line and ventilation pipe from portal to solid rock face.

I had a discussion at the office of Wuerthner & Wuerthner, Attorneys-at-Law, Great Falls, Montana, with Messrs. John Zupan and John P. Wuerthner. The main subject of discussion was the letter of Mr. Wuerthner to A. E. Weissenborn, August 20, and the Field Team reply of August 25.

I informed Messrs. Zupan and Wuerthner that the Field Team reply was self-explanatory and explicit, and no doubt the payment for the rehabilitation work would be approved as soon as assurance was made that the drifting would be completed.

I explained in detail the method of cost analysis, the categories covered such as labor, supplies and materials, depreciation, etc., in computing unit costs established for DMEA contracts.

No production was made from the property.

The status of the contract is given on the attached sheet.

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

John A. Bowsher

Contract No. Idm-E1191

Date of contract: June 15, 1958
Termination date: December 11, 1958
Contract amount: $11,768.00
Amount spent: 250.00 (thru June '58)

	Authorized	Completed	Vouchered
Construct compressor house	$ 250.00	Yes	$250.00
Rehab. drift and crosscut	1,353.00	Yes	
Drift and/or crosscut	300 ft.		
Timbering drift and/or Xcut	100 ft.		
Long hole drilling	500 ft.		
Assaying	60 samples		
Cons. engr-geologist	6 days		

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
1201 N. Division St.
Spokane 2, Washington

August 20, 1958

SEP 2 1958

DATE	INITIALS	CODE
9/2	C	220
9/2	Com	100
"	[illegible]	110
9/2	[illegible]	800
	[illegible]	500

MEMORANDUM

To: DMEA Field Team, Region I

From: John A. Bowsher, Mining Engineer, U. S. Bureau of Mines

Subject: Interim inspection report, Docket No. DMEA-4588 (lead-zinc) John Zupan, Dr. Kalloch Mine, Judith Basin County, Montana, Contract No. Idm-E1191

The project was visited July 30; none of the operating personnel were present. The previous visit was on July 2.

A discussion with Mr. John Zupan, Operator, was held in Great Falls on July 31.

During the interim of July 2-30 the crosscut and main drift had been cleaned of debris to solid rock at the face; timber was installed where necessary. Mine track and 2-inch air line had been installed to within about 15 feet of the face. Rehabilitation, as specified in the contract, will be completed with the installation of the ventilation pipe.

The face of the drift is not vertical but recedes at about 35°-50°. The walls at the bottom are narrow and excavating will be necessary to advance the track. The actual place of beginning the DMEA advance can be assumed to begin about shoulder height on the slope of the face. The starting place will be designated when the operating personnel or the Operator is present, probably at the time of the next inspection.

The face, inaccessible at the time of the examination, shows a vein split or intersection of two veins with the one veering to the right consisting of unmineralized (or slightly) disintegrated light-colored material. The Operator believes the left lead to be the main vein and proposes to drift along that structure; he has been told to do so.

The Operator reports difficulty in locating a used compressor and mine fan. Since there is no electrical power facilities at the mine portal an air-motored mine fan is sought, which is very difficult to obtain. The nearest electrical transmission line is across the gulch, several hundred yards away, at the old Block P mine.

There has been no production from the project during the interim.

The status of the contract is:

Date of contract: June 15, 1958
Termination date: December 15, 1958
Contract amount: $11,768.00
Amount spent: 250.00 (thru June '58)

	Authorized	Completed	Vouchered
Construct compressor house	$250.00	Yes	$250.00
Rehabilitate drift and X-cut	$1353.00		
Drift and/or crosscut	300 ft.		
Timbering drift and/or X-cut	100 ft.		
Long hole drilling	500 ft.		
Assaying	60 samples		
Conslting engr-geologist	6 days		

John A. Bowsher

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

1201 N. Division St.
Spokane 2, Washington

July 10, 1958

OFFICIAL FILE COPY DMEA RECEIVED AUG 4 1958		
DATE	INITIALS	CODE
8/5	J. G.	225
7	Cohn	100
"	Fred	110
8/11	[illegible]	800
		500

MEMORANDUM

To: DMEA Field Team, Region I

From: John A. Bowsher, Mining Engineer, Bureau of Mines

Subject: Interim inspection report, Docket No. DMEA-4588 (lead-zinc) John Zupan, Dr. Kalloch Mine, Judith Basin County, Montana, Contract No. Idm-E1191

The project was visited June 19; none of the operating personnel were present. Building lumber had been delivered to the project site. The project was visited again on July 2, accompanied by the two miners employed by the Operator.

Discussions were held with Mr. John Zupan, Operator, at his home in Sand Coulee on June 19 and in Great Falls on July 3; terms of the DMEA contract were clarified. Mr. Zupan reported that the work of trucking material and supplies to the project site began on or before June 15, 1958.

During the interim of June 19 to July 2 the Operator had prepared a building site and cleared and levelled the dump site, constructed a compressor shed (10'x14'x6½' inside dimensions and open on one end), laid 51 feet of track on the dump from tipple to the portal (first timber set) and thence 25 feet from portal inside, installed 20 feet (5 drift sets) of timber from portal inside crosscut (one more set is to be placed outside).

Status of the contract is:

Date of contract: June 15, 1958 Contract amount: $11,768.00
Termination date: Dec. 15, 1958 Amount spent: 250.00

	Authorized	Completed	Vouchered
Construct compressor house	$ 250.00	Yes	$250.00
Rehab. drift and crosscut	1353.00		
Drift and/or crosscut	300 ft.		
Timbering drift and/or xcut	100 ft.		
Long hole drilling	500 ft.		
Assaying	60 samples		
Consulting engr.-geol.	6 days		

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

John A. Bowsher

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

Budget Bureau No. 42-R1036.5

RECEIVED JUL 21 1958 D.M.E.A.

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

Month of JUNE, 1958 Docket No. DMEA 4588 Contract No. DMM-E 1091

Operator's Name JOHN ZUPAN Minerals LEAD-ZINC

Address P.O. BOX 64 SAND COULEE, MONT.

Contract Amount, $ 11,768.00 Government Participation: 50 % Amount, $ 5,884.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
X Drilling LONG HOLE				8/13/58. OWPK		
Bulldozing						
X Crosscutting REHAB						
X Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
X Technical Services						
(3) Operating Mat'ls. and Supplies:						
X Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.	250.00	0.0	250.00	250.00	—	250.00
(7) Miscellaneous:						
Repairs to Equipment						
X Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	250.00	0.0	250.00	250.00	—	250.00

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

Date JUNE 30, 58 Payee JOHN ZUPAN

Per John Zupan 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:

$ 125.00

Signature Dorothy T. Lang (Authorized Certifying Officer)

Date 7/15/58 Vou. No. 2280

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Ec 1191 in accordance with the terms of the contract.

Signature /s/ John A. Bowsher Title Mining Engr. Date 7-9-58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Wesley E. Agnew Title Acting Exec. Date 7-15-58

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECD

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

RECEIVED JUL 21 1958 D.M.E.A.

Month of JUNE 1958 Docket No. DMEA 4588 Contract No. DM-E 1191

Operator's Name JOHN ZUPAN Minerals LEAD - ZINC

Address P.O. BOX 64, SAND COULEE, MONT.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	FT						300	27.50
Crosscutting								
~~Raising~~ REHAB	JOB							1,353.00
~~Shafts~~ TIMBER	FT						100	7.50
Winzes								
Drilling: ~~Core~~ LONGHOLE	FT							1.25
Churn							500	~~1.50~~
Auger								
~~Stripping~~ ASSAYS	EA						60	4.00
Trenching								
Test Pits								
Roads and Trails								
CONS ENG - GEO	DAY						6	75.00
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		250.00	1	250.00				
Total Costs		250.00		250.00				

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

Date JUNE 30-1958 Operator JOHN ZUPAN

Per John Zupan 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:

(For Government use only)

1st John A. Lowsher
Mining Engr., 7/9/58

INSTRUCTIONS

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

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

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

GPO 872894

R

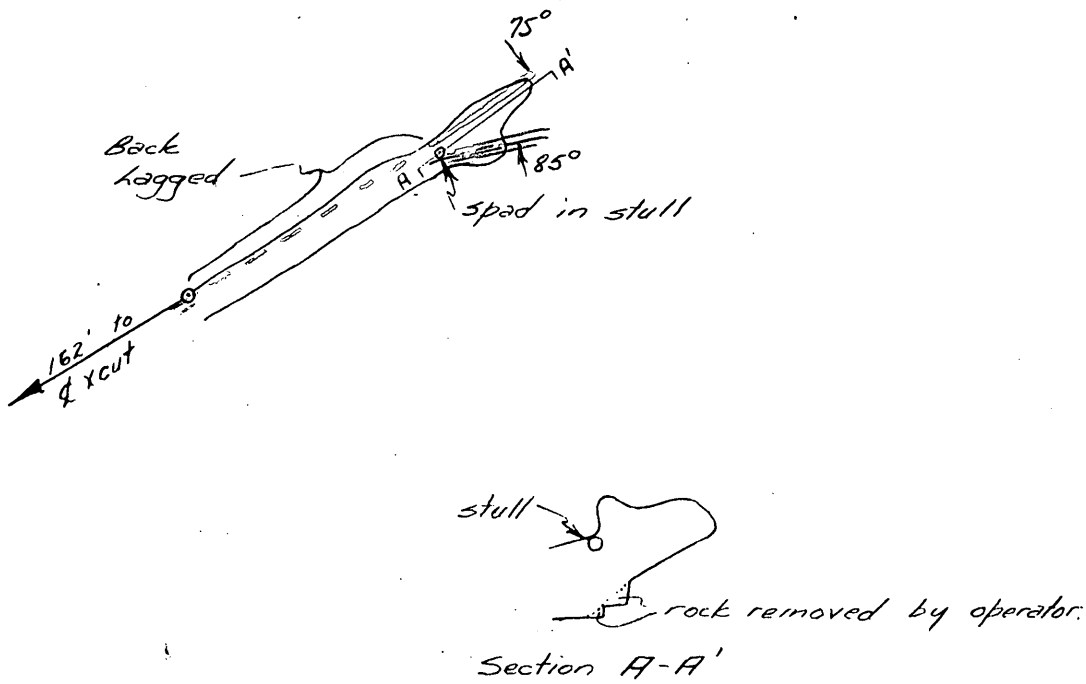
On June 10 '38 the first one load of building lumber, rice, nails, water and cement was delivered to the project site

On Monday June 13 the compressor building pile was started and completed

On Saturday June 18 the compressor building was completed open on one end. The floor area inside is 10 ft. x 14 ft and the overheight average 7 ft

On Monday June 23 - back filling from dump to portal was started. By June 30 76 ft. of rock 31 ft dump to portal and 25 ft from portal on rose cut was back filled. Four sets of rift timber 10 ft were installed from portal

Sam Tupper



Geologic Map
Eastern End--6016 Adit
DOCTOR KALLOCH MINE

Judith Basin Co., Montana

0 20 40 feet

Mapped by W.C. Prinz, U.S.G.S., 11/23/58

November 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 8 1958

DATE	INITIALS	CODE