MME Form 9
Rev. Mar. 59

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

OFFICIAL DOCKET FILE

Contract No. ~~xxx23x~~ Idm-E1191 Docket No. ~~MMEx~~ DMEA-4588

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [x] Closing Letter
- [x] Cost Audits 2-10-61
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes 5-9-58
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and Attachments

Right Side

- [x] Project Summary (final)
- [x] Work Completed Analysis (final) 3-2-61
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semiannual Report for Certified Project
- [x] Final Field Team Report (Tab) 2-24-61
- [x] Operator's Final Report (Tab) Folder #2
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam. Report (Tab) 10-3-57
- [ ] Settlement Sheets memo 10-7-57
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. 2 : Reports
- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [xx] Field Team Interim Reports
- [xx] Operator's Monthly Reports with Transmittal, Narrative and Maps

Folders No. _____ : Maps (Use pocket folder or envelope)

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty Material

52615

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
7/6/70		120
		220

JUL 7 1970

Mr. Joseph E. Zupan
1109 5th Avenue South
Great Falls, Montana 59401

Re: DMEA-4588 (Lead-Zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

Dear Mr. Zupan:

By the terms of the subject Exploration Project Contract, as amended, and Paragraph 5 of Amendment No. 4 thereto, all minerals mined or produced from May 9, 1958, to May 9, 1970, were subject to the Government's royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract.

Sincerely yours,

Harold Kirkemo (GLA)

Harold Kirkemo
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
OME Region I
Mr. Kirkemo
130

GLAult/a 7-6-70

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E1191, Docket DMEA-4588 (lead-zinc), dated May 9, 1958, with

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

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Dr. Kalloch Mine located in Judith Basin County, Montana, during the period May 9, 1958, through December 9, 1960.

In accordance with Amendment No. 4 and Article 6 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 12 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated February 10, 1961, indicated accepted costs under the exploration contract amounting to $5,195.00 with the Government's contribution on a 50 percent basis being $2,597.50.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established no sales subject to the Government's royalty for the period. Accordingly, as of December 9, 1960, the royalty account of this project was found to be:

Total Royalty Payable	$ -0-
Total Royalty Paid	-0-
Balance of Royalty Due	$ -0-

E. D. Talbert

E. D. Talbert, OME Auditor

June 11, 1962

Idm-E1191 John Zupan DMEA-4588

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provides that the Operator, as principal if the producer or as surety if not the producer, shall pay to the Government a percentage royalty on any mineral production from below 6,100.5 feet above sea level on the Doctor Kalloch patented lode mining claim located in the Barker Mining District. At the time the contract was executed, the Operator was the owner of the claim, but had leased that portion 6,100.5 feet above sea level plus a certain drift about 6,060 feet above sea level. This drift, however, is not excluded from the royalty provisions of the contract.

Exploration work under the contract was terminated effective December 9, 1960. Examinations of the property and consultations with the Operator disclosed no shipments of ore during the exploration period. The final report of the Acting Field Officer, OME Region I, states "About 2½ tons of probable ore-grade material is stockpiled at the mine, but no shipments have been made".

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

(1) The files disclose no evidence of sales of production from the property under the contract during the period covered by this review; and

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

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/8	Holt	500
	Amawalt	500
3/15	Seller	140
		140
3/16	Talbert	800
3/17	Selfridge	130
		110
3/17	gad	220

MAR 1 7 1961

Mr. John Zupan
Box 64
Sand Coulee, Montana

INTERIOR DEPT.
MAR 1 0 1961
SOLICITOR

Re: DMEA-4588 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

Dear Mr. Zupan:

By the terms of the subject Exploration Project Contract, as amended, and Paragraph 5 of Amendment No. 4, all minerals mined or produced from May 9, 1958, to May 9, 1970, are subject to the Government's royalty as set forth in the contract until the sum of $2,597.50 is repaid to the Government.

Royalty payments should be made to the Field Officer, OME, Region I, South 157 Howard Street, Spokane 4, Washington, by the purchaser, with checks drawn payable to the Office of Minerals Exploration. The purchaser should be advised to deduct royalties from the amount due on each shipment and send the check directly to the Field Officer. Each check should be accompanied by suitable sales evidence - such as copies of settlement sheets - showing the name of the purchaser, the quantity and grade of the products sold, and the price and charges, certified to be correct by the purchaser.

You are requested to notify the Field Officer of any changes in ownership or production rights that may have any effect on the Government's right to its percentage royalty. Your attention is called particularly to Article 2(c) of the contract relating to the preservation of the Government's right to a percentage royalty on production. Also, when production starts, please notify the Field Officer. Thereafter, if production ceases for any extended period, please notify him accordingly at six-month intervals.

Sincerely yours,

SPHolt/gla
3-8-61
cc to: Director's Reading File
Frank E. Johnson
Region I (2)
CA&A Division
Mr. Holt, Code 500
Docket
Chron

(signed) FRANK E. JOHNSON

Acting Director

RECEIVED
MAR 1 0 1961
ASST. SOLICITOR
MINERAL RESOURCES

43683

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. Mr. Johnson	2/10	[illegible]
2. Mr. Selfridge		
3. Mr. ~~Griswold~~ Hoet	2/13	S.P.H.
4.		
5.		
FROM: E. D. Talbert	2/10	

FOR: Check items for action desired

____ Action ____ Reply for signature of ____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

INT.-DUP. SEC., WASH., D.C. M56300-59

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

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

pertaining to Exploration Project Contract Idm-81191, DMEA No. 4588, including Amendments Nos. 1 through 4, for June 1958 to October 1960, inclusive, covering a lead-zinc project at the Doctor Kalloch Mine, Judith Basin County, Montana.

My review included an examination of the Monthly Reports (Forms MF-104 and MME 60) and supporting documents, comparison of the claimed costs with the contract and pertinent schedules, confirmation of work performed by reference to Field Team reports and correspondence, and a determination of the reasonableness and propriety of the costs.

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

> All of the claimed and accepted costs were under a contract provision for contribution by the Government on the basis of fixed unit costs of work performed.

The findings of this review are stated in the following summary and the attached schedule:

Total cost billed by Operator		$5,195.00
Exceptions:		
Prior to this review	$-0-	
Herewith	-0-	-0-
Acceptable cost		$5,195.00

The contract calls for a 50 percent contribution of the allowable costs by the Government. Therefore, if the project is otherwise accepted as having met the terms of the contract, payments as follows are valid and proper:

Payable on audited claim	$2,597.50
Paid to date	2,443.00
Balance due Operator	$ 154.50 Pd. to Apr. 2/20/61

February 10, 1961

E. D. Talbert, OME Auditor

Contract Idm-E1191 John Zupan DMEA-4588

Acceptable Costs:

Rehabilitation of drift and crosscut	$1,353.00
Construction of compressor house	250.00
Drifting, 132 ft. @ $27.00	3,564.00
Assaying, 7 samples @ $4.00	28.00
Total	$5,195.00

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 26 1960

DATE	INITIALS	CODE
5-26	gad	220
"	sla	500

Government's Copy

EXPLORATION PROJECT CONTRACT
JOHN ZUPAN
DOCKET NO. DMEA-4588

AMENDMENT NO. 4

It is agreed this 29th day of April, 1960, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and John Zupan, hereinafter called the "Operator," that Exploration Project Contract No. Idm-E1191 (Docket No. DMEA-4588), dated May 9, 1958, as amended, is further amended as follows:

1. (a) Work under the contract shall be suspended during the period beginning November 1, 1959, and ending not later than July 1, 1960.

(b) The Government will not contribute to any costs incurred by the Operator during the period of suspension or to any costs of rehabilitation and repair which in its opinion would not have occurred if there had been no suspension of work.

(c) The Operator, at his own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work and any property in which the Government has an interest.

2. The date fixed by Amendment No. 3 to the contract for completion of the work is December 9, 1960.

3. The maximum period for royalty payments and the lien to secure payment thereof, provided for in Article 6 of the contract, as amended and as stipulated in Amendment No. 3, is extended from eleven (11) years to twelve (12) years from the date of the contract.

4. It is the essence of this contract that the work be resumed before the termination of the period herein fixed for suspension, and be completed before the termination of the period herein fixed for completion; and if it is not so resumed and so completed, in the manner required by the contract, the following provisions shall thereupon become effective:

(a) the contract and all obligations of the parties thereunder, except as herein otherwise provided, shall be and are hereby terminated, as follows:

(i) effective November 1, 1959, if the work has not been resumed on or before July 1, 1960.

(ii) effective December 9, 1960, if the work is resumed on or before July 1, 1960, but is not completed on or before December 9, 1960.

(b) The Government will contribute only to the allowable costs of any work performed prior to the relevant dates as set forth under 4(a) above.

(c) The Operator shall promptly perform all winding-up and settlement actions provided for in the contract, including the rendering of the final reports and final account.

(d) The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of the contract, except as otherwise provided for in this Amendment No. 4.

5. The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator transfers his interest in the land), shall pay to the Government the royalty on production provided for in the contract in the same manner and amount and for the full period provided in the contract, the same as if certification of discovery or development had been made, such certification being hereby waived by the Operator. In addition, all rights of the Government provided for in the contract with respect to certification of discovery or development, percentage royalty and liens for its payment, and all rights of the Government as to records, audit, and recovery of any overpayment, are preserved.

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

Vernon Dallu

Executed in quintuplicate the day and year first above written.

App'd. Sol. Off.
aae
Approved
Talbert Selfridge

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Director, Office of
Minerals Exploration

JOHN ZUPAN
John Zupan

Government's Copy

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O. M. E.
RECEIVED JAN 7 1960

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EXPLORATION PROJECT CONTRACT
JOHN ZUPAN
DOCKET NO. DMEA-4588

AMENDMENT NO. 3

It is agreed this 27th day of November, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and John Zupan, hereinafter called the "Operator," that Exploration Project Contract No. Idm-E1191 (Docket No. DMEA-4588), dated May 9, 1958, as amended, is further amended as follows:

1. The date fixed in Amendment No. 2 to the Contract for completion of the work is further extended to December 9, 1960.

2. The maximum period for royalty payments and the lien to secure payment thereof, provided for in Article 6 of the Contract, as amended, is further extended from eleven (11) to twelve (12) years from the date of the Contract.

3. It is the essence of this Contract that the work be completed on or before December 9, 1960, and if not so completed in the manner required by the Contract, the following provisions shall thereupon become effective.

(a) The Contract and all obligations of the parties thereunder, except as hereinafter provided, shall be and are hereby terminated.

(b) The Government shall contribute only to the allowable costs incurred prior to December 9, 1960, except costs which may be billed subsequently for assays of samples shipped on or prior to that date.

(c) The Operator shall perform all winding up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

(d) The Operator hereby releases and agrees to save the Government harmless from all claims and demands under or arising out of the Contract, except as other wise provided for in this Amendment No. 3.

4. The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator transfers his interest in the land), shall pay to the Government the royalty on production provided for in the Contract in the same manner and amount and for the full period provided in the Contract, the same as if certification of discovery or development had been made, such certification being hereby waived by the Operator. In addition, all rights of the Government provided for in the Contract with respect to a certification of discovery or development, percentage royalty and liens for its payment, and all rights of the Government as to records, audit, and recovery of any overpayment, are preserved.

J. Lynch
Hoffman
Sullen
App'd. Sol. Off.
Minerals
Fisher
Selfridge

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

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Director, Office of
Minerals Exploration

JOHN ZUPAN

John Zupan

RECEIVED
DEC 28 1959
U. S. G. S.
SPOKANE, WASH.

November 18, 1959

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

JUSTIFICATION FOR AMENDMENT NO. 3

An amendment to extend the completion time from December 9, 1959, to December 9, 1960, for the cited contract was discussed with Mr. Frank E. Johnson on this date. It was agreed to concur with the Operator's request and with the Field Team's recommendation that the completion time be extended one year.

The Operator does not request a recess but states that he intends to operate as much as possible during this winter. If he is delayed in doing the remaining work under the terms of the contract, he should have ample time to complete this work during the summer months of 1960.

The memorandum from the Field Team, dated November 12, 1959, states that the Operator has advanced the drift about 70 feet; therefore, there remains 230 feet of drifting and 500 feet of long-hole drilling to be completed under the terms of the contract.

J. W. Alt

J. W. Alt

Government's copy

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 13 1959

DATE	INITIALS	CODE
4-13	C	220
~~4-14~~	~~[illegible]~~	~~500~~

EXPLORATION PROJECT CONTRACT
JOHN ZUPAN
DOCKET NO. DMEA-4588

Amendment No. 2

It is agreed this 23d day of March, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and John Zupan, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E1191 (Docket No. DMEA-4588), dated May 9, 1958, as amended, hereinafter called the "Contract," that the Contract is further amended as follows:

1. (a) Work under the Contract shall be suspended during the period beginning December 1, 1958, and ending not later than July 1, 1959.

(b) The Government will not contribute to any costs incurred by the Operator during the period of suspension or to any costs of rehabilitation and repair which in its opinion would not have occurred if there had been no suspension of work.

(c) The Operator, at his own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work and any property in which the Government has an interest.

2. The date fixed in Amendment No. 1 to the Contract for completion of the work is further extended to December 9, 1959.

3. It is the essence of this Contract that the work be resumed before the termination of the period herein fixed for suspension, and be completed before the termination of the period herein fixed for completion; and if it is not so resumed and so completed, in the manner required by the Contract, the following provisions shall thereupon become effective:

(a) The Contract and all obligations of the parties thereunder, except as herein otherwise provided, shall be and are hereby terminated, as follows:

(i) effective December 1, 1958, if the work has not been resumed on or before July 1, 1959.

(ii) effective December 9, 1959, if the work is resumed on or before July 1, 1959, but is not completed on or before December 9, 1959.

J. Lynch
Hoffman
Asst. Ad.
Klegbeckel
Harnard
Franklin
Selfridge

(b) The Government will contribute only to the allowable costs of any work performed prior to the relevant dates as set forth under 2(a) above.

(c) The Operator shall promptly perform all winding-up and settlement actions provided for in the contract, including the rendering of the final report and final account.

(d) The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain its interest in the land), shall pay to the Government the royalty on production provided for in the Contract, in the same manner and amount and for the full period provided for in the Contract, as amended, as if certification of discovery or development had been made, such certification being hereby waived by the Operator. In addition, all rights of the Government provided for in the Contract with respect to a certification of discovery or development, and all rights of the Government as to reports (including preservation of the Operator's records), audit, and recovery of any overpayment are preserved.

(e) The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of the Contract, except as otherwise provided for in this Amendment No. 2.

This Amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, the amount of any item designated as "maximum", or the fixed cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Director, Office of
Minerals Exploration

JOHN ZUPAN
John Zupan

Government's copy

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

DATE	INITIALS	COPY
1/14	C	120
1/15		50

EXPLORATION PROJECT CONTRACT
JOHN ZUPAN
DOCKET NO. DMEA-4588

AMENDMENT NO. 1

It is agreed this 19th day of December, 1958, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, and John Zupan, that Exploration Project Contract No. Idm-E1191 (Docket No. DMEA-4588), dated May 9, 1958, is amended as follows:

1. In Article 1, the completion date is extended from November 9, 1958, to October 9, 1959.

2. In Article 6, the royalty payment period is increased from 10 years to 11 years.

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

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
ACTING Director, Office of Minerals Exploration

JOHN ZUPAN

John Zupan

Government's copy

MF-200A
(Rev. April 1956)

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 2 1958

DATE	INITIALS	CODE

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	*Commodity*	*Contract No.*	*County*	*State*
4588	lead-zinc	*Idm-E* 1191	Judith Basin	Montana

It is agreed 9 MAY 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and John Zupan, an individual

whose mailing address is P. O. Box 64
Sand Coulee, Montana
hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before June 15, 1958, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 6 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $11,768.00. The Government will contribute 50 percent of the fixed unit cost of the work performed, not exceeding $5,884.00, in accordance with the provisions of Articles 4 and 5.

(c) The Operator shall not transfer or assign this contract or any right or obligation thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: None

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached, as follows: None

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after certification of discovery or development, to inspect production operations and underground workings. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling, assaying, or transportation performed or paid by the Operator or by anyone other than the buyer are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

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

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this Article.

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

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

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *Notices to be given by the Government* may be delivered to the Operator or may be sent by registered mail addressed to the Operator at the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

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Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

JOHN ZUPAN
(Operator)

By John Zupan
John Zupan

By C O Mitterdorff
Administrator, Defense Minerals
Exploration Administration

App'd Sol. Off.
Klugescheid
Langlus
Selfridge

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

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE: 1956—O-383069

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EXPLORATION PROJECT CONTRACT
JOHN ZUPAN
DOCKET NO. DMEA-4588

ANNEX I

The land referred to in Article 2 of the contract consists of the Doctor Kalloch patented lode mining claim, Patent No. 3559, situated in Judith Basin County, Montana.

The Operator is in possession of the property by virtue of a warranty deed executed by Mabel D. Raymond on March 17, 1956, and recorded in Volume 131, page 224 of the official records of Judith Basin County, Montana. The claim is shown on the map entitled "Map and Cross Section - Dr. Kalloch Claim Barker District, Judith Basin County, Montana, Plate 1," attached and made a part hereof.

By a Lease and Agreement, dated October 1, 1957, the Operator granted to Edward Taskila the right to prospect for and mine metalliferous ores in and above the "upper tunnel."

In a Supplemental Agreement, dated January 23, 1958, between the Operator and Edward Taskila, the "upper tunnel" is defined as being that tunnel ". . . which is 6,100.50 feet above sea level." However, the provisions of the Supplementary Agreement also grant to Edward Taskila the right to mine in "a certain drift running generally northeasterly and parallel to the upper tunnel, and which shall extend in said direction to the end of the said Doctor Kalloch mine." The elevation of this said drift is approximately 6060 feet above sea level.

EXCLUDED LAND

For the purpose of this contract, all land which is located 6,100.50 feet above sea level shall be excluded from the royalty provisions of this contract. All land below the 6,100.50 foot level shall be subject to the royalty provisions of the contract, the Supplementary Agreement, between John Zupan and Edward Taskila, notwithstanding.

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DMEA
RECEIVED JUN 1959

EXPLORATION PROJECT CONTRACT
JOHN ZUPAN
DOCKET NO. DMEA-4588

EXHIBIT "A"

The purpose of the project is to explore an altered and mineralized zone for lead-zinc ores, by means of drifting and long-hole drilling.

The actual locations, directions, and extent of all workings are subject to prior Government approval. The exploration work is indicated on the attached map entitled "Map and Cross Section Dr. Kalloch Claim, Barker District, Judith Basin County, Montana, Plate 1."

Rehabilitate the crosscut and drift on the 6016 level from the portal to the present face. The rehabilitation shall consist of cleaning up the drift, laying track and pipe, timbering where necessary, and installation of ventilation pipe.

On the 6016 level, extend the drift northeast along the vein for a maximum distance of 300 feet. The drift shall be 5 feet wide by 7 feet high in the clear and timbered as necessary.

A maximum of 100 feet of timbering shall be allowed in the drift. Timber sets shall consist of not less than 8-inch by 8-inch timber or the equivalent in round timber.

At intervals of approximately 60 feet, drill 14 longholes, each not to exceed 40 feet in depth to probe both the north and south walls of the drift. The holes shall be drilled horizontally and in the aggregate shall not exceed 500 feet of drilling.

Construct a compressor house having minimum dimensions of 8 feet by 10 feet.

All samples taken in the drift, or any sludge samples taken in the drill holes shall be assayed for lead, zinc and silver. Not more than 60 samples shall be allowed for assaying.

ESTIMATED COSTS OF THE PROJECT

Fixed Unit Costs

Rehabilitation of drift and crosscut	$1,353.00
Construct a compressor house	250.00

Drifting and/or crosscutting 300 feet @ $27.00/ft.	$8,100.00
Drift and/or crosscut timbering 100 feet @ $7.50/ft.	750.00
Long-hole drilling 500 feet @ $1.25/ft.	625.00
Assaying - 60 samples assayed for lead-zinc-silver @ $4.00/each sample	240.00
Consulting engineer-geologist 6 days @ $75.00/day	450.00
Estimated Total Cost of the Project	$11,768.00
Government Participation @ 50%	$5,884.00

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RECEIVED FEB 3 1958

DATE	INITIALS	CODE

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT made and entered into this 23rd day of January, 1958, by and between JOHN ZUPAN, of Sand Coulee, Montana, hereinafter designated as First Party; and EDWARD TASKIIA, of Great Falls, Montana, hereinafter designated as Second Party;

W I T N E S S E T H:

T H A T

WHEREAS, the parties hereto entered into a certain Lease and Agreement dated October 1st, 1957 for the purpose of certain mining operations in connection with a certain mine and mining property situated in the Barker Mining District, Judith Basin County, State of Montana, commonly known as:

Docter Kalloch, a patented mining claim
identified by Government Survey No. 3559,

and

WHEREAS, under said lease and agreement it was agreed between the parties hereto that said Second Party was to perform certain work under said lease which was confined to what was known therein as "upper tunnel", and "above said upper tunnel", and

WHEREAS, the parties hereto have been advised by the United States Department of the Interior, Defense Minerals Exploration Administration, to further define the "upper tunnel" referred to in said lease and agreement, and particularly with reference to the elevation above sea level of said "upper tunnel";

NOW, THEREFORE, for and in consideration of the covenants and provisions herein contained, IT IS UNDERSTOOD AND AGREED by and between the parties as follows:

I.

That wherever the terms "upper tunnel" or "above upper tunnel" appear in said lease and agreement, the same shall refer to the "upper tunnel" which is 6100.50 feet above sea level.

II.

Said First Party herein, in addition to the said "upper tunnel" referred to [illegible] and agreement hereby includes in said agreement a certain drift running

generally northeasterly and parallel with the said "upper tunnel", and which shall extend in said direction to the end of the said Docter Kalloch mine, it being intended by these presents to include said drift under the same terms and provisions of said lease and agreement. It is further agreed that the elevation of said drift, which is herein defined as "newworkings" is approximately 6060 feet above sea level.

III.

Said parties hereto hereby ratify and confirm the said lease hereinbefore referred to in all other particulars.

IV.

This supplemental agreement shall be attached to said Lease and Agreement as herein specified, incorporated therein, and made a part thereof.

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

John Zupan

John Zupan

First Party

Edward Taskila

Edward Taskila

Second Party

STATE OF MONTANA)
: ss
County of Cascade)

On this 23rd day of January, 1958, before me, the undersigned, a Notary Public for the State of Montana, personally appeared JOHN ZUPAN, of Sand Coulee, Montana, and EDWARD TASKILA, of Great Falls, Montana, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same.

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

Notary Public for State of Montana,
residing at Great Falls, Montana.
My Commission expires ~~October 8, 1958.~~
July 3, 1959.

LEASE AND AGREEMENT

By and Between

JOHN ZUPAN,

Lessor

and

EDWARD TASKILA,

Lessee

Dated: October ____, 1957

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DMEA
RECEIVED NOV 18 1957

DATE	INITIALS	CODE

LEASE and AGREEMENT

THIS INDENTURE Made this 1st day of October, 1957, between JOHN ZUPAN, of Sand Coulee, Montana, hereinafter designated as Lessor; and EDWARD TASKILA, of Great Falls, Montana, hereinafter designated as Lessee;

W I T N E S S E T H:

T H A T

For and in consideration of the rents, royalties, covenants and agreements hereinafter contained, and their prompt and complete fulfillment, and by the Lesee to be paid, kept and performed, the Lessor has granted, demised, leased and let, and by these presents does grant, demise, lease and let unto the said Lessee, that certain mine and mining property, situated in the Barker Mining District in Judith Basin County, State of Montana, commonly known as:

DOCTER KALLOCH, a patented mining claim
identified by Government Survey No. 3559,

and more particularly described in that certain deed recorded in Book 104 of Deeds, on pages 443 and 444, and recorded in the office of the County Clerk and Recorder of Judith Basin County, Montana.

Together with all appurtenances and rights and privileges to prospect the same for metalliferous ores, and to mine and extract the same, and to sell, mill or smelt or otherwise reduce and dispose of the same.

TO HAVE AND TO HOLD the same unto the said Lessee for the term of five (5) years from date hereof and subject to at least one hundred (100) days' work each year on said mine. Said lease expires at noon on the 1st day of October, 1962, unless sooner terminated as herein provided, provided further that the Lessee shall have the exclusive right and privilege to renew this lease for an additional period of time, the same to be subject to the agreement of the parties hereto.

IT IS FURTHER UNDERSTOOD AND AGREED that the Lessee shall have possession of said property commencing October 1st, 1957; that he shall have the right to make cuts, drifts, shafts, raises, tunnels, install mining machinery, equipment, and to do whatever is usual, customary, necessary and proper to successfully operate mines or

develop mines upon said property; that he shall do at least one hundred (100) man days' work per year during the term of this agreement in connection with the preparation, and extraction of ores and disposal thereof; that said work shall be prosecuted faithfully, diligently and as continuously as may be done.

The said Lessee hereby agrees that any work which he shall do on the above-described premises shall be done only on the upper tunnel thereof, and above said upper tunnel. In this connection it is understood that said Lessor has applied for a Government loan for financial assistance in working that portion of said mine below the said upper tunnel. If said loan shall not be approved, said Lessor agrees to include all portions of said mine in this said lease.

Said Lessor agrees to furnish all materials now existing at the site of the above-described mine consisting, among other things, of lumber, pipe and rails, and further agrees that anything which shall be furnished by said Lessee of a removable nature can be removed by him at the termination of said lease, except Lessee shall not remove any props, posts or timber placed in any tunnel, drift or shaft. It is further agreed by Lessor that Lessee shall have the right to the economical use of timber upon said mining property for mining purposes, and also the right to use culls and dry timber for firewood.

The Lessee further agrees to keep all sluices, ditches, drains, waterways and passage ways clear of loose rock and rubbish and to do all things necessary to promote the usefulness of said mining property as a workable mine and to develop the same and to do no act thereon during the term of this lease which would impede mining operations or impair the operating conditions of said mining claim, and generally to so conduct operations as to conform to the laws of the United States and the State of Montana, and to do no act and suffer no default which might in any way involve the said Lessor or his ownership in said mining property in liability of any kind.

IT IS FURTHER UNDERSTOOD AND AGREED that the Lessee shall pay to the Lessor as rent for the use of said premises twenty percent (20%) of all net smelter returns on all ores mined and disposed of from said mining claim during the first five (5) years of this lease, said smelter returns to be remitted directly to the Lessor at Sand Coulee, Montana, together with a report showing the gross and net proceeds of all

ores from said mining property purchased or treated, as provided by the laws of the State of Montana, to be in full payment of all rents and royalties for the use and privilege of extracting metalliferous ores from said property.

IT IS FURTHER UNDERSTOOD AND AGREED that the operation of said mining industry shall be without expense to the said Lessor, and said Lessee agrees to furnish his own labor in connection with said mining operation.

That said Lessee further agrees not to allow or permit any person or persons, other than his own agents, servants or employees, to take or hold of said premises or any part thereof, under any pretense whatsoever, except by order, judgment or decree of Court duly given and made and to ship to the proper smelters all ores having an assay high enough to warrant said shipment.

The Lessee agrees not to assign this lease or any interest hereunder, or to sublet said premises or any part thereof, without written consent of said Lessor.

The Lessee agrees to deliver up to said Lessor the said premises in good order and condition, and the mine in all points ready for continued work (accidents not arising from negligence alone excepted) without demand or further notice on the 1st day of October, 1962, or upon the expiration of any continued term hereunder, or upon the sooner termination of this lease, as hereinafter provided.

IT IS MUTUALLY UNDERSTOOD AND AGREED that time is of the essence of this agreement and that this lease may be terminated by the Lessor for failure to comply with the terms and agreements herein contained, by giving to the Lessee a written notice specifying particularly therein wherein he had failed to comply with the terms and agreements of this lease and requiring him to perform such conditions and agreements within thirty (30) days after the service of such notice upon him, and in event he fails to comply therewith and perform said conditions, then this lease shall be canceled and terminated upon the expiration of said thirty (30) days' notice; or the said Lessor may institute proper proceedings in Court to determine any facts in dispute, or to cancel and terminate this lease.

The said Lessor shall have the right at all times and all reasonable hours to enter upon said property for the purpose of inspecting the same and may do so either in person or by any agent, attorney or representative.

The Lessee further agrees to dump on the property all low grade ore, not worth smelting or freighting to a smelter, so t hat this ore may at some future date be milled on the property of and when facilities are available to so mill it.

Said Lessee agrees not to cause liens or encumbrances of any nature to be placed against the above described property, which, if not complied with, shall subject said lease to termination by said Lessor as herein provided.

Time shall be, and is hereby declared to be, of the essence of this agreement and the terms and conditions hereof shall be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

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

John Zupan

Lessor

Edward Taskila

Lessee

STATE OF MONTANA)
: ss
County of Cascade)

On this 23rd day of October, 1957, before me, JOHN P. WUERTHNER, a Notary Public for the State of Montana, personally appeared JOHN ZUPAN, of Sand Coulee, Montana, and EDWARD TASKILA, of Great Falls, Montana, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same.

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

John P. Wuerthner

Notary Public for State of Montana,
residing at Great Falls, Montana.
My Commission expires July 3, 1959.

W. F. WUERTHNER & WUERTHNER
ATTORNEYS AT LAW
FIRST NATIONAL BANK BUILDING
GREAT FALLS, MONTANA
W. F. WUERTHNER JOHN P. WUERTHNER

[illegible] 19, 1957

Mac 2-21

[illegible] Weissenborn
[illegible] Officer
[illegible] Land Office
[illegible] Station
[illegible] United States
[illegible]

Re: Weissenborn

[illegible]
[illegible] John Zupan, [illegible]

Accompanying the original application are the [illegible] explanation [illegible] the application, [illegible] the Dockter [illegible] Lode, [illegible] of the Anaconda Company.

Inasmuch as [illegible] of commencing [illegible] expediting [illegible] application.

If there [illegible] needs [illegible]

Very truly yours,

[illegible]

By

[illegible]:dh

Enc.

Items checked were submitted with Zupan's original application, filed Dec. 10, 1956, and mailed to D.C. 12/28/56. These same items were returned to Zupan by D.C. under letter dated 1/9/57. EMC

RECEIVED
FEB 21 1957

By [illegible] Mail No. 7424

EXTRA COPY
DMEA
RECEIVED

DATE	INITIALS	CODE

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

RECEIVED FEB 28 1957 DMEA

RECEIVED FEB 21 1957 U. S. G. S. SPOKANE, WASH.

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. .....
Metal or Mineral .....
Date Received .....
Estimated Cost .....
Participation (Government %) .....

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address:

JOHN ZUPAN
P. O. Box 64
Sand Coulee, Montana.

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract

Doktor Kalloch Lode, Barker Mining District, Judith Basin County, Montana, Township 15 North, Range 8 East, as shown on plat, Mineral Survey No. 3559, see copy of warranty deed enclosed.

(*b*) State any mine name by which the property is known. Docter Kalloch Mine

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise

Owner

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it None

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Lead, zinc, silver and gold

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within 30 days and be completed within 4 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)?

(*b*) How do you propose to furnish your share of the costs?

[ ] Money [X] Use of equipment owned by you [X] Other My work and government lien on property, if this application approved.

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated February 19th, 1957. ~~xxxxx~~

John Zupan
(Applicant)

By

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.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

JOHN ZUPAN
P. O. Box 64
Sand Coulee, Montana

4. Physical description:

(a) See accompanying plat of the Dr. Kalloch Mine. Upper workings - one adit approximately 400 feet, dug in 1890's and also in 1948. Rail and one car are still there, but taken out of lower workings in 1948, placed in upper workings; mouth caved.

Lower workings - one adit 180 feet long, from which a drift about 200 feet long follows main vein. Drifts of 20 and 60 feet follow other stringers. Workings date from about 1924 to 1935, periodically.

During August and September of 1956 a cut was made by applicant with a bulldozer on the ground surface on the southwestern and extension of the main vein and 150 feet lower than in the above-mentioned drift. At this point the vein is 6 to 7 inches wide. Sample No. 1 was taken at this point and an assay made by the Anaconda Company, copy attached.

Sample No. 2 was taken in the principal drift about 100 feet from its intersection with the adit of the lower workings.

The old lower workings are about 250 feet and the bulldozed area is about 100 feet from the county road from Monarch to Hughesville, Montana.

(b) Past production: unknown. 13 tons shipped in 1933 by applicant. Sample No. 2 saved from shipment of 13 tons.

(c) Vein deposit. I think there is sufficient ore present to be worked at a profit. Would start drifting. (See Map - Sample No. 1)

(d) Within 100 feet of county road. Ore would be trucked to East Helena, a distance of about 130 miles. Supplies would come from Great Falls, 70 miles to the northwest. Residence points are Hughesville and Monarch, Montana.

(e) Electric power available near mine. Water available.

5. (b) Proposed work: Drive tunnel from location of Sample No. 1 along vein (see map of mine).

(d) 40 years of coal and hard rock mining experience. Applicant will personally supervise operations.

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 28 1957

DATE	INITIALS	CODE

JOHN ZUPAN
P. O. Box 64
Sand Coulee, Montana

6. Estimate of costs:

(a) Independent contracts: Bulldozer and operator for 4 days at $7.00 per hour: $250.00.

(b) Labor, supervision, consultants: Applicant will personally supervise. Labor: 2 men at $18.00 per day for 90 days: $3240.00, or $30.00 per foot drifting.

(c) Operating materials and supplies:

Blasting powder - - - - - - - - -	$ 200.00
Blasting caps - - - - - - - - - -	15.00
Fuse- - - - - - - - - - - - - - -	10.00
Carbide - - - - - - - - - - - - -	5.00
Mine Insurance- - - - - - - - -	250.00
Hauling 1 shipment- - - - - - -	75.00
Connecting to power lines - - -	400.00
	$ 955.00

(d) Operating equipment:

Used Compressor - - - - - - - - -	$2000.00	(negotiating to rent an outfit)
Used Drilling Machine - - - - - -	250.00	
	$2250.00	

(e) Rehabilitatiom and repairs: None

(f) New buildings, improvements, installations:

Labor: Blacksmith shop - - - -	$ 150.00
Labor: Machine shop- - - - - -	150.00
Labor: Ore Beams - - - - - - -	250.00
Nails- - - - - - - - - - - - - -	25.00
Windows - - - - - - - - - - - - -	30.00
	$ 605.00

(g) Miscellaneous:

Maintenance of equipment- - - - $ 500.00 annually

(h) Contingencies: None

7. (a) Refer to application.

(b) Blacksmith outfit, rails, pipe, dump truck, supervisory time, timber sufficient for blacksmith and machine shop, timber sufficient for ore beams, sheet iron sufficient for ore beams.

SAMPLE No. 1

FORM 307—9-2-50 75531
THE ANACONDA COMPANY
GREAT FALLS REDUCTION CAMPAIGN
GREAT FALLS, MONTANA

GENERAL LABORATORY

10/1-3 1956

[illegible]	DATE	LOT	MOISTURE	ZN	PB	CU	PER 2000 LB. OZ. AG.	PER 2000 LB. OZ. AU.	INSOL.	FE	CD				
[illegible]	10/12	96		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]							

CHIEF CHEMIST

RECEIVED
OCT 26 1956

RECEIVED
DEC 10 1956
U. S. G. S.
SPOKANE, WASH.

RECEIVED
DEC 31 1956
D.M.E.A.

A. V. TRENT,
Owner-Manager

GOODALL BROTHERS

ASSAYERS AND METALLURGICAL CHEMISTS

46 SO. MAIN ST., HELENA, MONTANA

SAMPLE 66

TEL. 628
P. O. BOX 537

Date DEC 21 1954

UMPIRE ASSAY..... CONTROL ASSAY..... HAND SAMPLE.....

ASSAYED FOR: Zupan John call

MARKS: Sand Coulee, Mont.

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
		0.005	22.0	62.2						151.08

Gold not deducted:.....

Charges $ 3.00

GOODALL BROS.

By A. V. Trent

RECEIVED DEC 21 1956 HELENA

NPCo. C-1871

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

RECEIVED
31 1956
D.M.E.A.

December 28, 1956

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

Re: New application (lead-zinc-silver-gold)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana

Dear Mr. Selfridge:

Enclosed are three copies of an application for aid to explore for lead-zinc-silver-gold ore in Judith Basin County, Montana. On the basis of two assay returns submitted with the application the ore contains considerable silver and some gold.

The application does not include any statement as to what the applicant intends to do by way of exploration nor does it include any cost estimate.

You will note in the fourth paragraph of the applicant's letter dated November 28, 1956, that he requests the return of the warranty deed, the two assay certificates, and his map of the Doctor Kalloch mine.

Sincerely yours,

Donald R. MacLaren

Donald R. MacLaren
for: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I
Northwest District

Enclosures
cc: USBM(2)
Pinckney

MRS. ALEX MURRAY, CLERK
SAND COULEE, MONTANA

School District No. 5

STOCKETT-SAND COULEE SCHOOLS
OFFICE OF SUPERINTENDENT
SAND COULEE, MONTANA

November 28, 1956

[illegible] Weissenborn
[illegible] Officer
[illegible] Field Team, Region I
[illegible] District
South 157 Howard Street
Spokane 4, Washington

RECEIVED
31 1956

Dear Sir:

[illegible] Senator Mike Mansfield of Montana, he has suggested that I [illegible] to a government loan for exploring my mine which will [illegible] lead, [illegible] ver, and some gold. The mine is located in Hughesville, Montana, with the [illegible] mining claim identified as the Doctor Kalloch mine.

[illegible] interest in this mine since 1924, leasing it periodically, [illegible] now am the sole owner of the above mentioned mine. This [illegible] a bull-dozer make access roads to the discovered vein of ore, which [illegible] have had the ore assayed, showed up very promising as the enclosed [illegible] show. In order to fully develop the mine, I need additional [illegible] for a needed compressor and to hire the necessary labor. I have the necessary lumber, pipes, rails etc. on hand to begin work immediately but will need help to purchase the other items I mentioned.

As to my mining experience, I have had 40 years of mining experience in both coal mining and hard rock mining. I feel that with my back-ground in this field, I can justify my claim that I have the necessary know-how in this endeavor.

I am enclosing a copy of the warranty deed, two assay certificates, and a [illegible] of the Doctor Kalloch mine. I would appreciate having these returned to me at your earliest convenience.

Thank you for any assistance you can give me in this matter, I am

Sincerely yours,

John Zupan
Sand Coulee, Montana

Certified Mail #. 305870
RRR

5, return 4

RECEIVED

MF-103
(Revised April 1952)

DEC 10 1956

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

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

RECEIVED
DEC 31 1956
D.M.E.A.

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. 4588
Metal or Mineral Pb-Zinc-Silver-Gold
Date Received 12-31-56
Estimated Cost not given
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address:

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

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract

Doctor Kalloch Mine

(*b*) State any mine name by which the property is known.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise

owner

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it no liens

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.* (*a*) State the mineral or minerals for which you wish to explore

lead, zinc, silver, and gold

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within 30 days and be completed within 3 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)?

(*b*) How do you propose to furnish your share of the costs?

☐ Money ☒ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated November 28, 1956

John Zupan
(Applicant)

By John Zupan
Sand Coulee, Montana Box 64

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.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

COPY COPY COPY

WARRANTY DEED

THE GRANTOR, Mabel D. Raymond, for and in the consideration of _____ in hand paid, conveys and warrants to John Zupan,/P.PO.P)Box 64, Sand Coulee, Montana, the following described mining lode claim situated in the County of Judith basin, State of Montana:

Doctor Kalloch, a patented mining claim identified by Government Survey No 3559 and more particularly described in deed record 104 on pages 443 and 444, the records of the County Clerk and Recorder of Judith Basin County, Montana, embracing a portion of township 15, north of range 8, east of the Principal meridian, in the Barker Mining District, in the County of Judith Basin and described and platted as follows, with magnetic variation nineteen degrees and thirty minutes east:

Beginning at corner No. 1, a granite stone 21x9x6 inches, marked 1-3559, from which a blazed pine tree six inches in diameter marked 1 3559 B.T. bears north twenty two degrees and forty minutes east, eleven tenths feet distant; a blazed fir tree eight inches in diameter marked 1-3559 B.T. bears south eighty two degrees and five minutes west fourteen feet distant; corner No. 1 of Survey No. 2921, the Belt lode claim, being also corner No. 6 of Survey No. 3344, the Marcelline lode claim, bears south fifty-two degrees and fourty-one minutes west one hundred and eighty-four and four tenths feet distant; and Barker Initial Point bears south twenty-two degrees and fifty seven minutes west one thousand and sixty-five and two tenths feet distant. Thence, first course, north fifty-two degrees and forty-one minutes east seven hundred and twenty-one and five tenths feet to Corner No. 2, being also corner No. 4 of said Survey No. 2921. Thence second course, north fifteen degrees and ten minutes east two hundred and eighty and three tenths feet to corner No. 3. Thence, third course, north fifty-two degrees east one hundred and ninety-six and five tenths feet to corner No. 4. Thence, fourth course, south sixty-four degrees and thirty-seven minutes east three hundred and thirty-five and five tenths feet to a point from discovery shaft bears south fifty-two degrees west forty one feet distant; five hundred and eighty-one feet to corner No. 5. Thence fifth course, south fifty-eight degrees and twenty eight minutes

COPY

west one thousand three hundred and four feet to corner No. 6. Thence, sixth course, north sixty-four degrees and thirty-seven minutes west thirty-nineand sixth tenths feet, intersect line 3-4 of said survey No. 3344, at south fourteen degrees and thirty minutes west one hundred and two feet from corner No. 4, two hundred and nineteen and one tenths feet, intersect line 5-6 of said Survey No. 3344 at south fifty ~~feet~~ seven degrees and forty-three minutes west one hundred and six and one tenths feet from Corner No. 5; two hundred and thirty-eight and two tenths feet to corner No.1; the place of beginning. Expressly excepting and excluding from these presents all that portion of the ground hereinbefore described, embraced in said mining claim or SurveymNo. 3344, and also all that portion of said Doctor Kalloch vein or lode and all veins, lodes and ledges throughout their entire depth, the tops or apexes of which lie inside of such excluded ground; said lot No. 3559 extending one thousand three hundred and four feet in length along said Doctor Kalloch vein or lode, the granted premises in said lot containing eight acres and ninety-one hundreths of an acre of land, more or less. The property herein above described is the sole and separate property of the grantor herein and sold as such. The Grantee takes the above described property "as is."

Dated this 17th day of March, 1956.

/S/ Mabel D. Raymond (Seal)

STATE OF WASHINGTON)
)SS
County of King)

On this day personally appeared before me Mabel D Raymond, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 17th day of March, 1956

/S/ C.B.W.Raymond
Notary Public in and for the State of Washington, residing in Seattle

Documentary Stamp

COPY

106614

Indexed DO
Compared DL GO
Paged DL
Recorded DL

State of Montana)
County of Judith Basin)

Filed & Recorded
this 11th day of May AD 1956
at 11:30 oclock A.M. and
duly recorded in volume 131
on page 224
Records of Judith Basin County,
Montana /S/Grace T.Oldham
County Recorder

Fee paid

Sample No. 2

A. V. TRENT, Owner-Manager

GOODALL BROTHERS

ASSAYERS AND METALLURGICAL CHEMISTS

44 SO. MAIN ST., HELENA, MONTANA

TEL. 666
P. O. BOX 587

Date

UMPIRE ASSAY | CONTROL ASSAY | HAND SAMPLE

ASSAYED FOR: Zupan, John | Call

MARKS: Sand Coulee, Mont.

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
		0.005	22.0	62.2						151.08

MONTANA STATE LIBRARY
DEC 31 1962
DUPLICATE

Charges $ 3.00

GOODALL BROS.

By /s/ A. V. TRENT

NPCo. C-1871

SAMPLE No 1

FORM 36B—3M 2-56 7618

THE ANACONDA COMPANY
GREAT FALLS REDUCTION DEPARTMENT
GREAT FALLS, MONTANA

GENERAL LABORATORY

10/15 1956

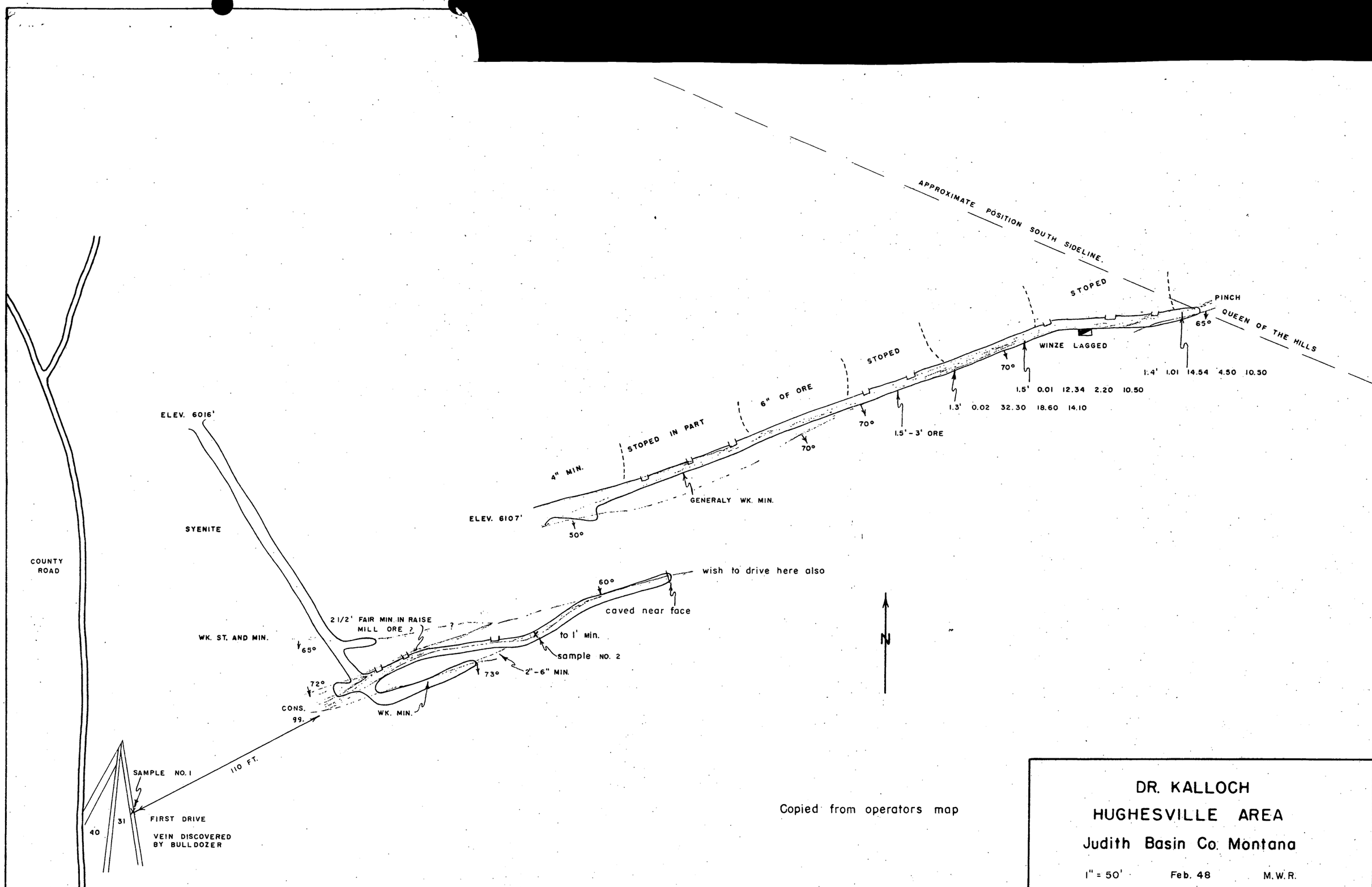
John Sugan Ore Sample

Sand Coulee, Montana

	PER 2000 LB						
	Cu	Au	Ag	NSO			

CHIEF CHEMIST

U.S. Department Of The Interior



Copied from operators map

DR. KALLOCH
HUGHESVILLE AREA
Judith Basin Co. Montana

1" = 50' Feb. 48 M.W.R.

15

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

May 8, 1970

Mr. Joseph E. Zupan
1109 5th Avenue South
Great Falls, Montana 59401

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 19 1970

INITIALS	CODE
gla	130
HK	120
	720

Re: DMEA-4588 (Lead-Zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

Dear Mr. Zupan:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Harold Kirkemo

Harold Kirkemo
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since March 28, 1969, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since March 28, 1969, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Joseph E. Zupan Title Son of John Zupan (Deceased)

Address 1109 - 5th Ave. So. Date June 12 - 1970

Great Falls, Mont.
59401

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/7/70		120
4/29	Cole	220
		130

Memorandum

APR 29 1970

To: Field Officer, Region I

From: Chief, Office of Minerals Exploration

Subject: DMEA-4588 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

As you mentioned in your memorandum of August 19, 1969, the royalty repayment period for the subject contract expires May 9, 1970. Should you have additional information concerning the property, which you reported as inactive at the time of your visit on August 11, 1969, we should appreciate being advised.

We are forwarding a form MME 63 to Mr. Joseph E. Zupan for information on the status of the property and possible production from it for the period March 28, 1969, to May 9, 1970.

Harold Kirkemo (gla)

Harold Kirkemo

cc: Director's Reading File
Mineral Resources
OME docket
OME Reading File
Mr. Kirkemo
130 (2)

GLAult/a 5-7-70

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
U.S. Court House, Rm. 656
West 920 Riverside Avenue
Spokane, Washington 99201
August 19, 1969

OFFICIAL COPY
O. M. E.
RECEIVED
AUG 21 1969

INITIALS	CODE
	130
	120
	220

Memorandum

To: Chief, Office of Minerals Exploration

From: Field Officer, OME, Region I

Subject: Royalty inspection
DMEA-4588 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

I visited the Dr. Kalloch mine near Hughesville, Montana, on Monday, August 11, 1969, to determine if there has been production recently. The royalty on the terminated contract extends until May 9, 1970. I found no evidence of recent activity at the mine and obviously there has been no recent production.

Mrs. Roy Thorson, the only inhabitant present in Hughesville, did not know of any recent activity at the mine. She told me that there had been some people interested in the old Block mine (we have had inquiries about this mine from a Mrs. Gwen McBride).

Willard P. Puffett

Willard P. Puffett

Distribution:
OME (Orig.&1)
Docket
CPF
Alpha File "McB"

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/3/69		120
		220

APR 3 1969

AIRMAIL

Mr. Joseph E. Zupan
1109 5th Avenue South
Great Falls, Montana 59401

Re: DMEA-4588 (Lead-Zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
Contract Idm-X1191

Dear Mr. Zupan:

Thank you for your letter of March 28, 1969, advising the status of the subject property, and requesting information as to any liens or encumbrances thereon under Contract Idm-X1191.

In accordance with Amendment No. 4 and Article 6 of the contract, all minerals mined or produced from May 9, 1958, to May 9, 1970, are subject to the Government's royalty as set forth in the contract until the total net amount ($2,597.50) contributed by the Government without interest is fully repaid, whichever occurs first. Our records indicate that no royalty has been received to reduce the amount of the Government's lien.

Your attention is directed to Article 2(c) of the contract which states:

> "The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable."

Please do not hesitate to write us again if you have additional questions.

Sincerely yours,

Harold Kirkemo (gla)

Harold Kirkemo
Acting Chief
Office of Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME file
OME Reading File
OME Region I w/cy incoming letter
Mr. Kirkemo
130

HKirkemo/gla 4-3-69

OFFICIAL
COPY
O. M. E.
RECEIVED
APR 2 1969
INITIALS | CODE
130
HR 120

March 28, 1969

U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Re: Docket No. DMEA-4588 (Lead Zinc Mine)
John Zupan - Docor Kallock
Judith Basin County, Montana
Contract No. IDM-E1191

Gentlemen:

The mine in question has been idle since my father (John Zupan) passed away in September, 1966. The records will show that I filled in the progress reports for that period of time.

I am now interested in either selling, leasing, or possibly operating it myself. Can you enlighten me as to any liens, encumbrances, etc. involved before I may take steps in that direction.

Your reply will be greatly appreciated.

Sincerely,

Joseph E. Zupan
1109 5th Avenue South
Great Falls, Montana 59401

Copy to OME Region I

INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Show to whom, date, and address where delivered ☐ Deliver ONLY to addressee

(*Additional charges required for these services*)

RECEIPT

Received the numbered article described below.

REGISTERED NO.

CERTIFIED NO.
133708

INSURED NO.

SIGNATURE OR NAME OF ADDRESSEE (*Must always be filled in*)

1 X Joseph E. Zupan

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

2

DATE DELIVERED

7/5/68

3

SHOW WHERE DELIVERED (*only if requested*)

c55—16—71548-10 GPO

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, $300

POSTMARK OF DELIVERING OFFICE

GREAT FALLS, MT
JUL 5
1968

INSTRUCTIONS: Show name and address below and complete instructions on other side, where applicable. Moisten gummed ends, attach and hold firmly to back of article. Print on front of article *RETURN RECEIPT REQUESTED.*

RETURN TO

NAME OF SENDER
U. S. Geological Survey,
Office of Minerals Exploration

STREET AND NO. OR P.O. BOX
Dept. of the Interior Building

POST OFFICE, STATE, AND ZIP CODE
Washington, D. C. 20242

4588 Zupan

POD Form 3811 Apr. 1967 055—16—71648-10

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

July 1, 1968

Joseph 8

Mr. John E. Zupan
1109 - 5th Avenue, South
Great Falls, Montana 59401

Re: Re: DMEA-4588 (Lead-Zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

OFFICIAL MAIL
O. E. E.
RECEIVED
JUL 11 1968

INITIALS	CODE
	130
	110
	220

Dear Mr. Zupan

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

copy to Region I

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since May 1967, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since May 1967, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☐

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Joseph E. Zupan Title Son of Deceased John Zupan

Address 1109-5th Ave. So. Date July 5-1968

Great Falls, Mont. 59401

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/25		110
		220

Mr. Joseph E. Zupan
1109 - 5th Avenue, South
Great Falls, Montana 59401

Re: DMEA-4588 (Lead-Zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

Dear Mr. Zupan:

We are in receipt of your letter of May 17, 1967, concerning the property under the subject contract, and deeply regret to learn of the passing on of your father.

The Government holds a lien in the amount of $2,597.50 on the land under the contract and any production therefrom until May 9, 1970. In order to help us maintain an accurate record on the property, a form letter has been sent to your father each year for his convenience in reporting on the property.

All that is required is to indicate in the appropriate space on the back of the form the answer to each question, date, sign, and return the form to this office. Another copy of the form is enclosed for your use.

Your cooperation in continuing to furnish reports on the status of ownership and production will be appreciated.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's reading file
Division file
Economic Geology file
OME file
OME reading file
OME Region I

FEJohnson/bih 5/25/67

Enclosure

23263

4588

MAY 17, 1967

FRANK E. JOHNSON
CHIEF, OFFICE OF
MINERALS EXPLORATION
DEAR SIR:

In Reference to your "request for information on certified project and project under royalty agreement"

First I must inform you that my Father passed away last September.

Now we would like to know what proceedure"s to take concerning the mine and the information you request.

My knowledgment of the operations of the mine, is limited . However Would appreciate writing me, and I will try and answer any questions pertaining to this matter. Sincerely

JOSEPH E. ZUPAN
1109-5th Ave. South
Great Falls, Montana 59401

OFFICIAL COPY
O. M. E.
RECEIVED
MAY 23 1967
INITIALS | CODE
110

IN REPLY REFER TO:
Office of Minerals Exploration

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

May 6, 1967

Mr. John Zupan
Box 64
Sand Coulee, Montana 59472

Re: DMEA-4588 (Lead-Zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 5 1967

INITIALS	CODE
gla	120 M
JEJ	~~110~~
J	120

only / need cc

Dear Mr. Zupan:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

Frank E. Johnson

Frank E. Johnson
Chief, Office of
Minerals Exploration

1 cy - R-I

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **May 1966**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since **May 1966**, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore	None	Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Joseph E. Zupan Title

Address 1109-5 Ave. So. Date 5-31-67

Great Falls, Mont.

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON, D.C. 20242

May 20, 1966

Mr. John Zupan
Box 64
Sand Coulee, Montana

Re: DMEA-4588 (Lead-Zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 6 1966

INITIALS	CODE
	~~120~~
~~JEJ~~	~~110~~
HK	120
RMS	120
	220

Dear Mr. Zupan:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

MME Form 63
Revised 7-65

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since May 1965, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since May 1965, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name John Zupan Title Owner

Address Box 64 Sand Coulee Mont Date May 31, 1966

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

May 27, 1965

Mr. John Zupan
Box 64
Sand Coulee, Montana

Re: MEA-4588 (Lead-Zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

Dear Sir:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Exploration Operations

CONFIDENTIAL
COPY
O. M. E.
RECEIVED
JUN 7 1965
INITIALS CODE
100
110
120
120
220

MME Form 63
Revised 3-62

DMEA-4588
Idm-E1191

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **October 1964**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since **October 1964**, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☑

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name John Zeppan Box 61 Title Owner

Address Sand Coulee, Montana Date June 2, 1965

4511

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane, Washington 99204
October 29, 1964

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 2 1964

DATE	INITIALS	
11/2	EEB	800
11/3	Fryan	120 m
		120
		520

Memorandum

To: Chief, Division of Exploration Operations

From: Acting Field Officer, Region I

Subject: Royalty Report
DMEA-4588 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

On September 29, 1964, en route from Lewistown, Montana, to Butte, I stopped for gas at the General Store in Monarch, Montana, where the road from the Dr. Kalloch mine joins U. S. Highway 89. The lady operating the store stated that her husband worked last year at a mine near the Dr. Kalloch, that she knows John Zupan and his son, and is certain that there has been no work done at the mine or any ore shipped during the last 2 years.

D R MacLaren

D. R. MacLaren

Distribution:
OME(Orig.&1)
Docket
CPF

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
		120
10/9		110
		100
		220

OCT 9 1964

Mr. John Zupan
Box 64
Sand Coulee, Montana, 59472

Re: DMEA-4588 (Lead-Zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

Dear Mr. Zupan:

Thank you for returning the two executed copies of MME Form 63 with your letter of October 2, 1964.

Work under the contract was automatically terminated under the provisions of Amendment No. 4 after several recesses and extensions had been granted. Time for doing the work had been extended from 6 months to over 2.5 years.

Funds under the subject contract were released when the contract was terminated and, so, are no longer available. In addition, lead and zinc are no longer eligible for exploration financial assistance. Thus, I regret that your request for funds must be denied.

Sincerely yours,

George Fumich, Jr.

Acting Director

GCSelfridge/mm (10/8/64)
cc: Director's Reading File
Region I w/cy of incoming letter
Docket
Code 120M
Mr. Selfridge

23263

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

September 14, 1964

Re: DMEA-4588 (Lead-Zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

Mr. John Zupan
Box 64
Sand Coulee, Montana

Dear Sir:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Exploration Operations

OFFICIAL FILE COPY
O. M. E
RECEIVED OCT 7 1964

DATE	INITIALS	CODE
10/7	EET	800
		100
		110
		120
		120

MME Form 63
Revised 3-62

DMEA-4588
Idm-E1191

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since December 1963, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since December 1963, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☑

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name John Zupan Box 64 Title Owner

Address Sand Coulee Montana Date September 30. 1964

Sand Coulee, Montana
Box 64 - 59472
October 2, 1964

United States Department of Interior
Office of Mineral Exploration
Washington, D. C.

Re: DMEA-4588 (Lead-Zinc)
Doctor Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

Dear Sirs:

On May 9, 1958 I entered into contract No. Idm-E-1191, DMEA No.4588 with the United States of America. This contract was intended to provide financial assistance to me in the exploration of the Dr. Kalloch mining Claim in Judith Basin County, State of Montana.

I was notified on December 6, 1960 of the termination of this contract but have been given no specific reason for this termination. Granted, the original contract called for completion of this work six (6) months after the date of contract negotiation, still I have been given extensions of time previously for completion of this project. I have, to the best of my knowledge met all government reporting requests and complied with every other term of my contract. At the present time I have used $2,597.00 of the funds originally allocated to this project. I can continue to work this claim if I could have the funds under this contract made available to me. If this were possible I feel certain that before the funds were exhausted the Kalloch mine and my judgement would prove themselves.

I am submitting this request with all respect, that you re-activate this contract and re-evaluate the contract in the light of present day costs for material and labor and my new discovery claim. I request further that you consider this request as soon as conveniently possible so that I may make arrangements to re-organize this work in the spring.

Enclosed are two copies of form MME 63 dated September, 1964.

Respectfully yours,

John Zupan

John Zupan

Enc. 2

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

December 5, 1963

Re: DMEA-4588 (Lead-Zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

Mr. John Zupan
Box 64
~~San Coulee~~, Montana
Sand Coulee,

OK for 1964

Dear Sir:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

s/F. M. Murphy

F. M. Murphy, Acting Chief
Division of Minerals

OFFICIAL FILE COPY
O. M. E
RECEIVED DEC 16 1963

DATE	INITIALS	C...
12/16		800
		~~120~~
		~~100~~
~~12/17~~	~~Murphy~~	~~500~~
		820

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since July 6, 1962, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since July 6, 1962, has there been any production from the land subject to the contract? Yes ☐ No ☑

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore	2 1/2	Tons	Lead, Zinc + Silver	Hughesville, Mont.
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☑

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name John Zuppan Title Owner

Address Box 64, Sand Coulee, Mont. Date December 12, 1963

4511

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
September 3, 1962

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 6 1962

DATE		
9-6		100
		~~110~~
		120
9/6		~~500~~
9/7		500
9/10		110
		~~500~~

220

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: Interim inspection
DMEA-4588 (Lead-Zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

The Doctor Kalloch mine was visited August 28, 1962. There is no evidence that any work has been done since the contract was terminated. The same small pile of sorted ore is outside the portal tunnel. When I last visited this property the "stock pile" was covered by a foot of snow. It is now estimated to contain little more than one ton of low-grade ore, which is of doubtful market value.

D. R. MacLaren

Distribution:
OME(3)
Docket
MacLaren

Zupan's letter 7/6/62 — inactive
gla

OFFICIAL FILE COPY
O. M. E
RECEIVED JUL 9 1962

DATE		
7/10	clw	800
"	Ja	500
"	Greenwald	500
"	~~Hoet~~ S.P.H.	500
		220

July 6, 1962

United States Department of the Interior
Office of Minerals Exploration
So. 157 Howard Street
Spokane 4, Washington

Attention: Mr. D. R. MacLaren, Acting Field Officer

Gentlemen:

RE: DMEA-4588 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

This will acknowledge receipt of Mr. MacLaren's letter dated June 26, 1962.

I wish to advise that no ore has been shipped from the Dr. Kalloch mine, due to the lack of an adequate amount of ore for shipping, and also because of the lack of shipping facilities.

Whenever any ore is shipped from the said mine, the Government will receive any royalty due, as this royalty would be deducted and paid directly to the Government by the smelter.

Yours very truly,

/s/ JOHN ZUPAN

John Zupan
Box 64
Sand Coulee, Montana

JZ:ejc
cc: Geo. Fumick, Jr., Director
Wash. D. C.

COPY

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
	Holt	500
	Musser	500
6/27	Selbredge	120
"	Johnson	110
	Fumich	100
		220

JUN 2 7 1962

Mr. John Zupan
Box 64
Sand Coulee, Montana

Re: DMEA-4588 (Lead-Zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

Dear Mr. Zupan:

Mr. MacLaren forwarded to us copies of your letter to him of June 11, 1962, and his reply, both concerning extension of the subject contract.

The information about your new discovery is most interesting, but we do not feel that it presents sufficient justification to reopen or extend this closed contract.

However, we will be interested in your reply to the inquiry in Mr. MacLaren's letter about the stockpiled ore.

Sincerely yours,

George Fumich, Jr.

Director

SPHolt/bih
6/26/62

cc to: Docket
Dir. reading file
CA & A Division
Region I (2)
Code 500

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
June 22, 1962

OFFICIAL FILE COPY
O. M. E
RECEIVED JUN 25 1962

DATE		CODE
6/25	mad	800
		~~120~~
		500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: DMEA-4588 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

Enclosed is a copy of a letter dated June 11, 1962, with enclosure, from the subject operator and a copy of our reply.

Ordinarily I would send out the OME information and a set of application forms with a request that a new application be submitted, but in this case I am reluctant to do so. Mr. Zupan was given 31 months to complete 300 feet of drifting, during which time he completed only 132 feet, an average of about 4 feet per month. He is too old to do the work himself and in the past relied on his son to carry out the project. Mr. Zupan was also beset with financial difficulties which also doubtlessly contributed to the small amount of work that was completed. I doubt that this operator would conduct another project with any more diligence than he did the last one.

Whether Mr. Zupan should be encouraged to submit another application, in view of the past record, is very close to a policy decision, and for that reason I am referring his letter to you for reply.

D R MacLaren
D. R. MacLaren

Enclosure

June 11, 1962

U. S. Department of the Interior
Bureau of Mines
Room 197 Federal Street
Helena 1, Montana
Attn: J.D. Maclaren, Area Field Officer, (Ma

Re: MMSA-4586 (Lead-Zinc)
Doctor Kalisch Mine
Judith Basin County, Montana
Contract Ida-21191

Dear Mr. Maclaren:

An article titled "$2 Million Given for Mineral Prospecting" appeared recently in our local paper (Great Falls Tribune, May 11, 1962 issue). In this article appears my name with the MMSA Contract appropriation of $5,000.00.

At termination of contract on Dec. 9, 1960, my records show a total spending of $2597.50, approximately 10% of U.S. Government assistance.

In view of above, and now that the Lead and Zinc Subsidy Bill has passed the House, this urgent appeal to re-open my contract with U.S. Government assistance, is prompted. Although no work has been done since Dec. 1960, I wish to resume work in the drift face of the workings and also to start sinking on my new discovery vein (Zinc Hill), which runs high in silver. I firmly believe, with the [illegible] and hanging walls in the drift face of 1960 workings and with one or two [illegible] or hanger walls that a rich ore discovery is inevitable. In further substantiation this belief, see attached assay report dated July 7, 1961.

Although your letter dated Feb. 9, 1961 denied my extension request, it is hereby requested, in view of above, that this denial be reconsidered and an extension on my MMSA Contract be granted and/or other U.S. Government loan assistance be arranged.

Thanking you in advance for your further consideration, I remain

Sincerely yours,

[signature]
[illegible] Jasper
Box 94
Land Coulee, Montana

Incl:

Assay Report dtd Jul 7, 1961

GOODALL BROTHERS

ASSAYERS AND METALLURGICAL CHEMISTS

46 South Main Street, Helena, Montana

TEL. 442-3770
P. O. BOX 597

Date JUL 7 - 1961

UMPIRE ASSAY _____ CONTROL ASSAY _____ HAND SAMPLE _____

ASSAYED FOR: John Zupan

MARKS: Sand Coulee, Montana

Sample No.	Description	Gold Oz. Per Ton	Silver Oz. Per Ton	Copper Per Cent	Lead Per Cent	Zinc Per Cent	Iron Per Cent	Sulphur Per Cent	Per Cent
		0.01	42.0	20.0		8.7			
		(Note - Zinc values not figured)							

Cold not detected _____

Charge $5.00 Paid

GOODALL BROS.

By /S/ A. V. Trant

So. 157 Howard Street
Spokane 4, Washington
June 22, 1962

Mr. John Zupan
Box 64
Sand Coulee, Montana

Re: DMEA-4588 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

Dear Mr. Zupan:

I have forwarded your letter of June 11, 1962, to our Washington, D. C., office for consideration and reply.

When I last visited the property, there was some sorted ore piled at the tunnel portal. I would be interested to know if this was ~~shipped and if so what it was worth. Your attention is directed~~ to Mr. Frank E. Johnson's letter of March 17, 1961, regarding the payment of royalty.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

DRMacLaren:my
cc: OME
Reading copies to:
Nolan
Robbs
Guild

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

JUN 1 1 1962

Memorandum

To: Acting Field Officer, Region I

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMSA-4588 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine
Judith Basin County, Montana
Contract Idm-81191

The original and one copy of a Report of Royalty Review covering the subject contract are enclosed. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington 25, D. C.; and

(b) One copy for your files.

This Report of Royalty Review is made for record purposes only; therefore, no copy for the Operator is provided.

As evidence of your concurrence, a copy of your memorandum transmitting the original report to the Fiscal Section should be furnished this Division. If for any reason you do not concur, both copies of the report should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 6-11-62

cc:
Docket
Director's Reading File
CA & A Division
Mr. Rothrock

43683

Docket copy

PROJECT SUMMARY REPORT

By: Stephen P. Holt March 2, 1961

1. DMEA-4588 (Lead-Zinc)
   Contract Idm-E1191

   Property - Dr. Kalloch Mine
   Judith Basin County, Montana

   Operator - John Zupan
   Box 64
   San Coulee, Montana

   Operator's Property Rights -

   The Operator owns one patented lode mining claim, The Dr. Kalloch, U. S. Survey No. 3559, situated in the Barker Mining District, Judith Basin County, Montana.

   All land which is located 6,100.50 feet (or more) above sea level is excluded from the royalty provisions of the contract. All land below the 6,100.50-foot level is subject to the royalty provisions of the contract.

2. Contract, dated May 9, 1958, on Short Form, MF-200A (Revised April 1956).

   Work Authorized -

   Rehabiliation of drift and crosscut
   Construction of a compressor house
   Drifting and/or crosscutting, 300 feet
   Drift and/or crosscut timbering, 100 feet
   Long-hole drilling, 500 feet
   Assaying, 60 samples for lead-zinc-silver
   Consulting engineer-geologist, 6 days

Estimated total cost of the project	$11,768.00
Government participation @ 50%	$5,884.00

   Amendments -

   No. 1, dated December 19, 1958, extended the completion date from November 9, 1958, to October 9, 1959, and extended the royalty payment period from 10 years to 11 years.

2. Contract -

Amendments (continued)

No. 2, dated March 23, 1959, authorized suspension of the work during a period beginning December 1, 1958, and ending not later than July 1, 1959, and added a "pseudo certification" to be effective if work was not resumed on or before July 1, 1959, or, if so resumed, was not completed on or before December 9, 1959.

No. 3, dated November 27, 1959, extended the period for completion of the work to December 9, 1960, extended the royalty payment period from 11 years to 12 years, and included a pseudo certification to be effective if the work was not completed on or before December 9, 1960.

No. 4, dated April 29, 1960, authorized suspension of the work during a period beginning November 1, 1959, and ending not later than July 1, 1960, restated the provisions of Amendment No. 3 which extended the completion period to December 9, 1960, and the royalty payment period to 12 years, and added a new pseudo certification, to become effective if work was not resumed on or before July 1, 1960, or if so resumed was not completed on or before December 9, 1960.

Work completed -

Rehabilitation of drift and crosscut, job	$ 1,353.00
Construction of compressor house, job	250.00
Drifting and/or crosscutting, 132 feet @ $27.00/ft.	3,564.00
Assays for lead-zinc-copper, 7 @ $4.00/spl.	28.00
Total accepted cost of the contract	$ 5,195.00
Government participation @ 50%	2,597.50

Work under the contract began in June 1958, and was stopped, with less than one-half of the work completed, on October 20, 1960. The contract was automatically terminated on December 9, 1960, by the terms of Amendment No. 4. [illegible] 2/06/61 of obligations

2-A Reports -

The Operator's narrative report for October, November, and December 1960 was accepted as the Operator's final report. The final report of the Field Officer, dated February 1961, was received February 27, 1961.

3. Audits -

A Report of Review in lieu of final audit, dated February 10, 1961, showed:

Total cost billed by the Operator	$5,195.00
Exceptions	0.00
Acceptable cost	$5,195.00
Government contribution @ 50%	$2,597.50

4. Certification -

A "pseudo certification," made a part of Amendment No. 4, became effective on December 9, 1960, upon termination of the contract under provisions of that amendment.

5. Comments -

Progress of work under the contract was slow and intermittent, hindered by bad weather, financial difficulties, and poor health of the Operator. Quality of the work that was performed was satisfactory.

The purpose of the project was to explore for lead and zinc by drifting and long-hole drilling on the 6016 level of the Dr. Kalloch mine, where the ore occurs as silver-bearing galena and sphalerite with some pyrite and chalcopyrite in a gangue of quartz, calcite, and possibly rhodochrosite, in narrow, northwesterly-striking lenses and stringers along an altered and mineralized shear zone in the Hughesville syenite near its eastern contact with the Wolf porphyry of the Mixes Baldy granite porphyry stock of Tertiary age.

Although the drift followed a persistent vein that for the last 80 feet carried ore averaging 0.018 oz. Aug, 2.45 oz. Ag, 20.07% Pb, and 19.56% Zn, the average width of the vein was only 3 inches, so it was concluded that no significant discovery had been made as the result of project work, and certification

5. Comments (continued) -

was not recommended. A few tens of tons of carefully hand-sorted ore might be produced from DMEA workings, in which event the Government's interest would be protected by the pseudo-certification in Amendment No. 4.

It is recommended that no Government funds be spent for additional exploration at the Dr. Kalloch mine at this time.

Stephen P. Holt

Stephen P. Holt

SPHolt/gla
3-2-61
cc to: Director's Reading File
Mr. Johnson
Docket
Chron

MME Form 17
Mar. 59

OFFICE OF MINERALS EXPLORATION

WORK COMPLETED ANALYSIS

X Certified "Pseudo"

After final audit or review report is received, prepare in duplicate. File original in official docket. Send copy to Code 210.

Operator: John Zupan

Actual Cost

State: Montana

Agreed Unit Cost: X

Final Report of Audit

Commodity: Lead-Zinc

Docket No.: DMEA-4588

Final Report of Review: X

Contract No.: Idm-E1191

Type of Work (Use these categories only)	Authorized by Contract and Amendments		Completed and Paid for		Net cost after sale of Gov't. Property
	Units	Cost 1/	Units	Cost 1/	
	Feet	$	Feet	$	$
Drifting & Crosscutting	300	8,100.00	132	3,564.00	3,564.00
Timbering Drift & Crosscut Raising	100	750.00			
Shafts					
Winzes					
Drilling (Specify) Long-hole	500	625.00			
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation		1,353.00		1,353.00	1,353.00
New Building, Improvements, etc.		250.00		250.00	250.00
Other (Specify) Engineer-Geologist		450.00			
Assaying		240.00		28.00	28.00
Totals		$11,768.00		$5,195.00	2/ $5,195.00

1/ Round off to dollars.
2/ Net cost total must agree with final report of audit or review.

Prepared by Stephen P. Holt Date 3.2.61
Stephen P. Holt

52616

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
February 24, 1961

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2/28	[illegible]	500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: DMEA-4588 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

Enclosed are three copies of our final report on the subject DMEA project.

Although a few tens of tons of carefully hand-sorted ore might be produced from the DMEA workings, it is concluded that no significant discovery was made. A pseudo-certification is included in Amendment No. 4.

It is recommended that no Government funds be spent for additional exploration at the Doctor Kalloch mine at this time.

D R MacLaren
D. R. MacLaren

Enclosures
cc: USGS(SRO)
MacLaren
Director
Econ. Geol.
B&FM

NOTE: 1 cy to ea. RHMote, USBM, & Harold Kirmemo, USGS, on 2/27/61.
H Berry

FINAL REPORT

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RECEIVED FEB 27 1961

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UNITED STATES

DEPARTMENT OF THE INTERIOR

OFFICE OF MINERALS EXPLORATION

REGION I

FINAL REPORT

[redacted] Contract 10a-D1191 [redacted]

by

Donald R. MacLaren
Geologist
U. S. Geological Survey

JOHN ZUPAN
P. O. Box 64
Sand Coulee, Montana

Docket No.:	DMRA-4588
Commodity:	Lead-Zinc
Contract date:	May 9, 1958
Termination date:	December 9, 1960

DOCTOR KALLOCH MINE
Barker Mining District
Judith Basin County, Montana

Spokane, Washington

February 1961

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Future Exploration Possibilities	8

ILLUSTRATIONS

Plate 1. Map and cross section — In pocket

FINAL REPORT

JOHN ZUPAN
Doctor Kalloch Mine
Barker Mining District
Judith Basin County, Montana

Contract Idm-E1191

* * * *

INTRODUCTION

This report describes an exploration project at the Doctor Kalloch mine in the Barber Mining District, Judith Basin County, Montana, which was conducted jointly by John Zupan and the Defense Minerals Exploration Administration. The project was conducted under the terms of Contract Idm-E1191 which became effective May 9, 1958, and was terminated prior to completion of the work December 9, 1960.

Summary

The purpose of the project was to explore an altered and mineralized shear zone for lead and zinc on the 6016 level by drifting and long hole drilling. The project was believed to be justified because the mineralized zone had produced more than 133 tons of ore that contained 4,004 ounces silver and 63,156 pounds of lead. One shipment included in the 133-ton total was of 13 tons that contained 0.39 ounces gold, 43 pounds of copper, and 4,143 pounds of zinc.

A single-stage contract provided for some drift rehabilitation, construction of a power house, 300 feet of drifting and/or cross-cutting, 100 feet of timbering, 500 feet of long hole drilling, assaying of 60 samples for lead, zinc, and silver and a consulting geologist for 6 days. The estimated cost of the project was $11,768.00, of which the Government's share was 50 percent, or $5,884.00.

Project work was started by June 15, 1958, and was terminated before completion on December 9, 1960, under the terms of Amendment No. 4. During this period the compressor house was constructed, the 6016 level was rehabilitated, the drift was advanced northeasterly a distance of 121 feet, and 7 samples were assayed. The total approved cost of the project was $5,195.00, of which the Government's share was 50 percent, or $2,597.00.

Conclusions and Recommendations

The drift followed a persistent vein that, in the last 80 feet, had an average content of 0.018 ounce gold and 28.45 ounces silver per ton, 20.07 percent lead, and 19.56 percent zinc, but the average width was only 3 inches. It is therefore concluded that the project did not result in a significant discovery, although after careful hand sorting a few tons of ore might be shipped. Amendment No. 4 contains a pseudo-certification.

It is recommended that no Government funds be spent for additional exploration at the Doctor Kalloch mine at this time.

THE PROPERTY

The property subject to the contract is the Doctor Kalloch patented lode mining claim, Patent No. 3559, situated near the NW corner of T. 15 N., R. 9 E. (unsurveyed), Judith Basin County, Montana. Prior to the DMA contract there were two principal workings and several tunnels, only one of which was not caved, of lesser importance. The largest workings were a crosscut adit 160 feet long from which 240 feet of drift had been driven along the main vein and its offshoots at an altitude of 6,016 feet, and an adit drift driven 426 feet along the vein at an altitude of 6,100 feet (pl. 1). There were no usable buildings or mining equipment on the property.

GEOLOGY

The regional geology is described in the following papers:

Weed, W. H., 1899, Description of the Fort Benton Quadrangle, Mont.: U. S. Geol. Survey Geol. Atlas, Folio 55

_____, and Pirsson, L. V., 1900, Geology of the Little Belt Mountains, Montana: U. S. Geol. Survey, 20th Ann. Rept., pt. 3, p. 257-595.

Spiroff, Kiril, 1938, Geological observations of the Black P mine, Hughesville, Montana: Econ. Geology, v. 33, p. 554-567

The local geology is described by William C. Prinz and John A. Bowsher in Field Examination Report, Docket DMEA-4588. The following is a summary of these papers:

The Doctor Kalloch mine is in an area that lies along the north flank of a broad domal uplift which forms the core of the Little Belt Mountains. Locally, small domes have been formed by the intrusion of Tertiary laccoliths and stocks around which the intruded sedimentary rocks have steep and variable dips. In the immediate vicinity of the Doctor Kalloch mine two Tertiary stocks were intruded into the sediments, the Hughesville syenite stock on the west and the Mixes Baldy granite porphyry stock on the east. The age relations between the two stocks is not known. The major ore deposits of the district are found either in fissures in the syenite or along the contact between the syenite or granite porphyry and the surrounding sedimentary rocks. The Hughesville stock forms a circular-shaped outcrop area about a mile in diameter. It is a medium-grained, gray or purplish-gray rock in which pink feldspar, dark hornblende, and biotite are visible in hand specimens. In some places the rock contains large phenocrysts of feldspar and thus passes into a syenite porphyry.

The Mixes Baldy stock forms a crudely circular outcrop area 2-2½ miles in diameter. It is mainly granite porphyry which Weed (1899) called Wolf porphyry. This is a dull gray rock with numerous dull white orthoclase and oligoclase phenocrysts 3-5 mm and rarely as much as 20 mm long in a fairly dense groundmass. Some dark-gray quartz and occasional clear transparent sanadinelike phenocrysts are also present, and some biotite is visible in the groundmass. Near the borders this rock grades into rhyolite.

The Doctor Kalloch mine is in the Hughesville syenite near its eastern edge where it is in contact with the Wolf porphyry of the Mines Baldy stock. The main structural feature within the property boundaries is an altered and mineralized zone which is probably related to shearing and which strikes N. 70°-75° W. and dips 55°-75° SE. The dip appears to steepen with depth (pl. 1). In the only accessible workings, the 6016 level, a zone of bleached and altered syenite ranges in width from 3 inches to more than 5 feet. Near the west end and the center of the drift are similar parallel structures which probably represent splits from the main structure. In this drift there are also two small cross structures of similar character and at least four parallel-striking shear zones.

Mineralization seen in the 6016 drift consists of pyrite, galena, sphalerite, and some chalcopyrite in a gangue of quartz, calcite, and possibly rhodochrosite. The latter was not observed by DMEA-OME personnel but is reported from the property in U. S. Bureau of Mines Information Circular 7602. Pyrite and traces of chalcopyrite occur in small grains disseminated through the altered wall-rock zone or as coatings on joint planes in adjacent unaltered syenite. Some limonite stain is also present in the altered rock. Galena and sphalerite form high-grade lenticular stringers in some places in the altered zone. Stringers up to 5 inches wide have been exposed on the 6016 level, and wider ones have been reported from the 6100 level and in the lagged and inaccessible areas of the 6016 level.

Ore appears to occur in early vertically raking lenses along the main structure. The final 80 feet (from half way between samples A-4 and A-5 to the east face) of the 6016 level contains one such lens that has an average width of 3 inches and an average grade of 0.018 ounce gold and 28.45 ounces silver per ton, 20.07 percent lead and 19.56 percent zinc. A partly stoped area on the 6100 level is almost directly above this zone. The lens on the 6016 level gradually increases in width toward the east, and in the face it is 5 inches wide. The face of the drift is below a reported 6-inch lens on the 6100 level.

Ore Reserves

There is no ore reserve of any significance. Assuming that the lens of ore-grade material extends from half way between samples A-4 and A-5 to only 5 feet beyond the present drift face and maintains the same average length, width, and grade to the 6100 level, there will be a block of ground 85 feet long, 90 feet high, and 3 inches wide. Based on a tonnage factor of 11 cubic feet to a ton this block of ground will contain 173.9 tons of ore with an average grade of 0.02 ounce gold and 28.45 ounces silver per ton, 20.07 percent lead and 19.56 percent zinc. Adjusted to a minimum mining width of 3 feet the grade would be reduced to 0.0015 ounce gold and 2.37 ounces silver per ton, 1.67 percent lead and 1.63 percent zinc. ?

It is possible that one or two men by careful sorting might be able to mine this ore, but it is doubtful that they could make wages for their effort.

THE PROJECT

Pyrite with minor amounts of chalcopyrite was found to occur within a strong zone of alteration probably related to shearing. Drifting on the 6016 level disclosed galena and sphalerite stringers in the altered pyritic rock with ore-grade material apparently occurring in lenses along the stringers. Some ore had been successfully mined from the zone above the 6100 level. It was therefore concluded that a modest program of drifting and long hole drilling had a good chance of intersecting one or more lenses containing small ore bodies.

A single stage unit cost program became effective May 9, 1958, and provided for the following:

- Rehabilitation of drift and crosscut
- Construction of a compressor house
- Drifting and/or crosscutting 300 feet on the 6016 level
- Timbering up to 100 feet of drift and/or crosscut
- Drilling 500 feet of long holes
- Assaying 60 samples for lead-zinc-silver
- Consulting engineer-geologist

The total estimated cost of the project was $11,768.00, of which the Government's share was 50 percent, or $5,884.00.

Lumber, track rails, water line and air line were hauled to the 6016 portal June 14, 1958, and by July 2 the compressor house, 10'x14'x6½' inside dimensions, was completed and a good start made in the rehabilitation of the portal area of the crosscut. By August 14, the workings had been cleaned out to the face of the drift and track, air, water, and vent lines had been installed.

In a letter dated August 20, 1958, the Operator's attorney advised the Field Team that unless the contract be modified to contribute to the cost of a compressor, jackhammer, and other necessary equipment the Operator could not continue the contract. He was advised that provision for these items was included in the unit price which could not be changed and that the Government's contribution to the cost of rehabilitation could not be released until drifting had been resumed and a measurable advance had been made. The date for completion of the contract was postponed from November 9, 1958, to November 9, 1959, by Amendment No. 1. Amendment No. 2 granted a period of recess and further postponed the termination date to December 9, 1959.

This impasse was not completely overcome until September 16, 1959, when an inspection disclosed a measurable advance in the drift of 17 feet; by December 3, 1959, the drift had been advanced 62.7 feet. Amendment No. 3 further postponed the termination date to December 9, 1960. Amendment No. 4 authorized a second recess period and provided a mandatory termination date.

Contract work was resumed during the last week of June 1960 and progressed fairly steadily though slowly until October 20, 1960, when heavy snow and sickness of the only miner prevented continuance. The contract was automatically terminated December 9, 1959, by the terms of Amendment No. 4.

Summary of Factual Data

Work completed under the contract on a unit cost basis is as follows:

Item	Units authorzied	Units completed	Unit cost	Total cost
Rehabilitation of drift and crosscut	1 job	1 job		$1,353.00
Construct a compressor house	1 job	1 job		250.00
Drifting and/or cross-cutting	300 ft	132 ft	$27.00/ft	3,564.00
Assaying for lead-zinc-copper	60 samples	7 samples	$4.00 ea	28.00
Total cost				$5,195.00

Total amount of contract	$11,768.00
Government participation at 50 percent	5,884.00
Total amount spent	$ 5,195.00
Government participation	2,597.50
Total amount unexpended	$ 6,573.00
Government share unexpended	3,286.50

The Government has no equity in equipment used on the project. About 2½ tons of probable ore-grade material is stockpiled at the mine, but no shipments have been made.

Future Exploration Possibilities

Based upon the showings on the 6100 level the most favorable area lies ahead of the present face of the 6016 level drift. Also the possibility of the existence of parallel ore-bearing structures is still fairly good and has not been tested by long hole drilling.

The Operator of this contract was beset with financial difficulties and could not complete the program, but if some operator with sufficient funds to pay his share of the costs should apply for aid, his application should be given consideration.

Enclosure
Distribution:
OME(3)
USGS(SRO)
Docket
MacLaren

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 17 1961

DATE	INITIALS	CODE
2/17	Cpe	210
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So. 157 Howard Street
Spokane 4, Washington
February 14, 1961

Memorandum

To: Chief, Fiscal Section, Division of Administrative Services
Office of the Secretary, Department of the Interior

From: Acting Field Officer, OME, Region I

Subject: [illegible]-4588 (Lead-Zinc)
John Zagon
Dr. Hallock Mine
Judith Basin County, Montana
Contract 14m-81192

Enclosed is the original of a Report of Review covering the costs of the subject contract.

The indicated balance due the Operator in the amount of $154.50 should be released for payment.

D. R. Maclaren

Enclosure

cc: CAAA Div., OME
OME(2)
Director
Econ. Geol.
BLM

One (1)

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O. M. E.
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DATE	INITIALS	CODE
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"	Hoelt	500

Re. 137 Howard Street
Spokane 4, Washington
February 14, 1961

Mr. John Logan
Box 6
Great Falls, Montana

Re: DMRA-4585 (Land-Sine)
Doctor Kalleck Sine
Judith Basin County, Montana
Contract Ibr-81192

Dear Mr. Logan:

There is enclosed for your information and files a Report of Review in lieu of a final audit of the referenced project. You should receive the indicated balance of $154.50 due the Operator within a few days.

Sincerely yours,

D. E. Hoelscher
Acting Field Officer, OME
Region I

Enclosure

cc: Fiscal Section, Div. of Admin. Services
Office of the Secretary
OME Div., OME
OME(2)
Director
Reon. Geol.
BAFM

MME Form 7
(10-58)

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2-10	gad	220
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FEB 10 1961

Memorandum

To: Acting Field Officer, Region I

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-4588 (Lead-Zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

As requested by your February 6 memorandum, a Report of Review covering the costs of the subject contract has been prepared. The original and two copies are attached.

If you concur in the facts as stated in this Report of Review, please make the distribution authorized by section 4 of DME Circular 2, dated February 17, 1960. If for any reason you do not concur, please return the original and both copies to this Division with your comments.

The original of the final (October 1960) Form [illegible]-104 and attachments is attached.

Attachments

EDTalbert/ama
February 10, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Mr. Rothrock

43683

Mae (3)

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No. 157 Second Street
Spokane 4, Washington
February 8, 1961

Mr. John Lugan
Box 6
Great Falls, Montana

Re: MSSA-4968 (Lead-Zinc)
Easter Ballach Mine
Judith Basin County, Montana
Contract 14m-81191

Dear Mr. Lugan:

In our letter of February 6, 1961, we referred in the third paragraph to your royalty obligation and stated: "This applies to all production during that 10-year period * * *." We should have stated: "This applies to all production below the 6,100.50 foot level during that 10-year period * * *." Annex I of the contract provides that "* * * all land which is above the 6,100.50 foot level shall be excluded from the royalty provision of this contract."

Sincerely yours,

D. R. Maclaren
Acting Field Officer, OMM
Region I

cc: OMM(3)
CFF
Director
Econ. Anal.
MFK

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No. 157 Mount Street
Spokane 4, Washington
February 6, 1961

Air Mail

Memorandum

To: Contract Administration and Audit Division, OME

From: Acting Field Officer, Region X

Subject: MMM-4588 (Lost-Mine)
John Rogan
Dexter Hallock Mine
Judith Basin County, Montana
Contract Min-8192

Work under the subject contract was terminated December 9, 1960, under the conditions of Item 4(a)(ii) of Amendment No. 4 to the cited contract.

The number of units of work completed by the Operator and accepted by the Acting Field Officer as conforming to contract specifications were:

Rehabilitation of drift and crosscut	1 job
Construction of compressor house	1 job
Drifting and/or crosscutting	172 feet
Assaying	7 samples

An acceptable final engineering and geological report was received from the Operator on January 19, 1961.

A Report of Review, in lieu of a final audit, is in order and requested. For this purpose the original copies of the final (October 1960) MF-104 and MMM-41, together with supporting documentation, are attached.

D. F. MacLaren

Attachments

cc: OME(E); Director; Econ. Geol.; MMM
104 File

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O. M. E
RECEIVED FEB 9 1961

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"	Hale S.V.H.	500

No. 157 Howard Street
Spokane 4, Washington
February 6, 1961

Mr. John Zugan
Box 6
Sand Coulee, Montana

Re: DMMA-4588 (Lead-Zinc)
Doctor Ehlisch Mine
Judith Basin County, Montana
Contract Ibm-X1191

Dear Mr. Zugan:

I regret to inform you that another extension of the completion period for your DMMA contract, which you requested in your narrative report for October, November, and December 1960, has been denied.

The above-cited narrative report has been accepted as fulfilling the requirements of Article 7(e) of the contract. We will request a Report of Review in lieu of a Final Audit of your contract, and when it has been completed, any balance of funds due you will be released.

Your attention is directed to items 3 and 5 of Amendment No. 4 which extend the period during which royalty on production is due the Government to May 9, 1970, and provide that you, if you are the producer, shall pay any royalty due the Government on production from May 9, 1958, until May 9, 1970, and that if you are not the producer, you are responsible for the payment of such royalty. This applies to all production during that 12 year-period including the 82 tons mentioned in your narrative report for October, November, and December 1960. You should give notice to the purchaser as provided in Article 6(h) of the contract requesting that royalty checks made payable to the Office of Minerals Exploration be sent to this office accompanied by two copies of the settlement sheet or royalty statement.

If you lease the Dr. Ehlisch claims during the royalty period, you should include in the lease a clause providing for the payment of royalty by the lessee and send a signed copy of the lease to this office.

We thank you for your interest in the program and regret that you were unable to complete the project.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, CMR
Region I

cc: CMR(3)
Director
Dem. Genl.
MAFE
CFF

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/31	Holt	500
	Mirabel	500
1/31	Talbut	800
1/31	GCS	130
"	Johnson	110
1/31	gad	220
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JAN 3 1 1961

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: DMEA-4588 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

The period for completion of the work was originally six months from the date, May 9, 1958, of the contract mentioned above. That completion period has twice been extended, the last time to December 9, 1960, more than two and one-half years from the date of the contract. Also, two periods of suspension of the work have been granted. Therefore, we concur with the recommendation in your memorandum of January 20, 1961, that a request of the Operator for a further extension of time be denied. Please advise the Operator that no further extension will be granted.

Also advise the Operator of his responsibility for payment of royalty to the Government on any minerals mined or produced from the property, including the 2½ tons mentioned in the narrative report for October, November, and December 1960, as well as any future production, until the end of the royalty repayment period, or May 9, 1970.

We also concur with your recommendation that the Operator's narrative report for October, November, and December 1960 be accepted as the Operator's final report.

SPHolt/gla
1-31-61

/s/ George C. Selfridge

cc to: Director's Reading File
Review Committee
Docket
Chron

43683

Re: E 1191

Mr. Selfridge:

Is last part of final sentence in order? Should we pay in full in view of small quantity of ore on hand and probable royalty payable (in future) to Govt.

Talbot
1/30/61

and also advise the Operator of his responsibility for payment of royalty to the Government on any minerals mined or produced from the property, (including the $2\frac{1}{2}$ tons mentioned in the narrative report for October, November and December, 1960), as well as any future production, until the end of the royalty repayment period, on May 9, 1970.

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/30	Holt	500
	Hiesel	500
		800
		130
		110
		220
		500

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: DMEA-4588 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

The period for completion of the work was originally six months from the date, May 9, 1958, of the contract mentioned above. That completion period has twice been extended, the last time to December 9, 1960, more than two and one-half years from the date of the contract. Also, two periods of suspension of the work have been granted. Therefore, we concur with the recommendation in your memorandum of January 20, 1961, that a request of the Operator for a further extension of time ~~is~~ be denied. Please advise the Operator that no further extension will be granted.

We also concur with your recommendation that the Operator's narrative report for October, November, and December 1960 be accepted as the Operator's final report. Please submit your request for a Report of Review in Lieu of Final Audit of this contract, advising the Operator that such request has been made, and that as soon as the Report of Review is cleared final payment of funds due the Operator, if any, will be made.

SPHolt/gla
1-30-61
cc to: Director's Reading File
Review Committee
Docket
Chron

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
January 20, 1961

OFFICIAL FILE COPY
O. M. E
RECEIVED JAN 23 1961

DATE	INITIALS	CODE
1-23	gad	VVO
1/23	[illegible]	800
1/24	Holt	500
	S.P.W.	

Air Mail

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

Subject: DMEA-4588 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

Enclosed are two copies of a narrative report for October, November, and December 1960 from the subject Operator. I am sending these to you because the second paragraph is apparently a request for another extension of time to complete the project and the third paragraph is intended to be the Operator's final report.

The Operator does not appear to be too intelligent, and I doubt if he could prepare a better final report. He has had continual difficulty financing his share of the project, and I strongly doubt if he has the money to pay his share of the cost of a consulting engineer, although provision for one is made in the contract. I therefore recommend that this report be accepted as meeting the requirements of the contract.

62.7
69.3
168.0
300.0

Due to lack of funds the advance from December 1, 1958, to December 3, 1959, was only 62.7 feet and from December 3, 1959, to December 9, 1960, was only 69.3 feet. At this rate it would require more than 2 years to complete the 168 feet remaining in the contract. There appears to be little chance that the Operator's financial condition will improve. He is an elderly man and is unable to work himself. His son has been working alone during the past season but is in no sense a hustler. Mr. Zupan has definitely done the best he can with what he has and for that reason it is with reluctance that I recommend that his request for an extension of time be denied.

D R MacLaren
D. R. MacLaren

SEE OPERATOR'S NARRATIVE REPORT IN FOLDER NO. 2 MARKED "OPR.'s FINAL REPORT"

Enclosures
cc: Director B&FM
Econ. Geol.

C O P Y

File-
DMEA-4588

OFFICIAL FILE COPY
O. M. E.
RECEIVED 1961 9 JAN
COPY

DATE	INITIALS	CODE
1-9	gad	VVO
1/9	[illegible]	800
1/10	[illegible]	500

Grand Coulee, Mont., Jan. 3, 1961

Dear Mr. MacLaren:

Referring to your communication of Dec. 20, 1960, I am sorry of not answering sooner. On Dec. 21, 1960, I have taken 3 more samples to A.C.M. Co. Smelter in Great Falls, Mont. but no response so far. The 5 copies and the sample~~s~~ reports will be sent to you as soon as I get them.

The 5 voucher copies for 11 feet advance, I had them prepared since Dec. 1, 1960. On Dec. 4,-60, I took sick 1 week in hospital (still under Dr. care). The main reason for this delay.

Sincerely yours,

/s/ ZUPAN

John Zupan
Box 64
Sandcoulee, Montana

Ore (3)

FILE COPY
O. M. E
RECEIVED DEC 27 1960

DATE	INITIALS	CODE
12/27	cal	210
12/29	[illegible]	800
"	[illegible]	500

So. 157 Howard Street
Spokane 4, Washington
December 20, 1960

Mr. John Zugan
Box 64
Saint Coulee, Montana

Re: DMSA-4388 (Lead-Zinc)
Doctor Kalloch Mine
Judith Basin County, Montana
Contract 14n-K1191

Dear Mr. Zugan:

Your voucher for August-September 1960 claiming an advance of 32 feet for the period, and a total advance of 121 feet to the end of September was paid in November 1960. You have not vouchered any advance for October, November or December. When I visited the property November 15, 1960, the total advance was 132 feet or an advance of 11 feet since your last voucher. We are enclosing the necessary forms to prepare a voucher for the work completed since the end of September.

The referenced DMSA contract was terminated as of December 9, 1960, by the provisions of item 4(a)(ii) of Amendment No. 4. Will you please submit five copies of a final report as required by Article 5(e) of the contract. The report may be a simple narrative giving the date work started, describing what work was completed, and any unusual difficulties encountered. You should also show on a sketch where each of the four samples were taken and indicate the width of cut and grade of each sample.

When we receive your voucher and final report, we will request that a Report of Review in lieu of a Final Audit be made, after which any funds due you will be released.

Your prompt attention to these matters will be appreciated.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

Enclosures

cc: OME(3); Director
Econ. Geol.; B&FM

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
12/15	Griswold	500
12/15	Talbert	800
12/15	GCS	130
"	Johnson	110
12/15	Cal	220
		500

DEC 15 1960

Memorandum

To: Acting Field Officer, Region I

From: Chief, Division of Field Operations

Subject: DMEA-4588 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine
Judith Basin County, Montana
Contract Idm-E1191

Now that the termination date of this contract (December 9) is past, will you kindly take appropriate closing action, advising the Operator of his responsibilities, et cetera.

(S) George C. Schildge (GCS)

WRGriswold/FEJohnson/gla
12-15-60
cc to: Director's Reading File
Review Committee
Docket
Chron

43683

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 10 1960

DATE	INITIALS	CODE
11-10	gad	770
11/10	[illegible]	800
11	aet	500

So. 157 Howard Street
Spokane 4, Washington
November 7, 1960

Mr. John Zupan
Box 64
Sand Coulee, Montana

Re: DMMA-4588 (Lead-Zinc)
Doctor Kalloch Mine
Judith Basin County, Montana
Contract Idm-K1191

Dear Mr. Zupan:

Your voucher has been forwarded to the Fiscal Section, Office of the Secretary, Department of the Interior, Washington, D. C., and you should hear from them in about 10 or 15 days.

Weather permitting, I plan to leave for Montana on Monday, November 14, 1960, and to inspect the Dr. Kalloch mine on Tuesday, the 15th. I will not know until I reach Missoula whether I will spend Monday night in Great Falls or Townsend as the weather and the condition of the roads will be the determining factor. If I stay in Great Falls, I should reach the property by about 9:30 a. m.; if I stay in Townsend, I should get there about 11:00 to 11:30 p. m.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

cc: OME(2) w/cys incoming 11/3/60
DHP
Hobbs

C O P Y C O P Y

Sand Coulee, Mont., Nov. 3, 1960

Mr. D. R. MacLaren

Spokane, Wash.

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

Dear Mr. MacLaren:

Referring to your letter of Oct. 24, 1960, I can't understand how we missed each other on Oct. 6, 1960. Around noon we have blasted the round in the mine, went to the cabin for lunch (The cabin where you stop on your inspection Aug. 23) Thereafter Stan and wife went for a load of wood, but I went to Monarch, stayed over night, next morning back to Hughesville (Oct. 7-60) still waiting for you on Oct. 8. (Your written notice at the mine would be quite helpful

RE: Your letter Oct. 28, 1960. The Narrative Report for Aug. and September 1960 is in 4 copies enclosed.

Sincerely yours,

/s/ JOHN ZUPAN

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 10 1960

DATE	INITIALS	CODE
11-10	gad	220
		800
		500

OFFICIAL FILE COPY
C. M. E.
RECEIVED OCT 31 1960

DATE	INITIAL	CODE
10/31	cae	210
11/1	[illegible]	800
"	aet	500

So. 157 Howard Street
Spokane 4, Washington
October 28, 1960

Mr. John Zupan
Box 6A
Sand Coulee, Montana

Re: DMEA-4588 (Lead-Zinc)
Doctor Ballach Mine
Judith Basin County, Montana
Contract IMm-K1191

Dear Mr. Zupan:

We have received your voucher forms, MMK 60 and MMK 61, for August and September 1960, but no Narrative Report on the results of the work done since July. The narrative may be a brief statement of how much drifting and/or other work was done, a description of the vein (width, length, and grade of any parts that look like ore), any unusual difficulties that were encountered, any delays and what caused them.

Until we receive four copies of your Narrative Report for August and September, we cannot continue to process your voucher for payment. Your early reply will be appreciated.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, CME
Region I

cc: CME(3)
DMF
Robbs
MacLaren

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 27 1960
DATE | CODE
10/27 coe 210
10/27 800
500

So. 157 Howard Street
Spokane 4, Washington
October 24, 1960

Mr. John Zupan
Box 64
Sand Coulee, Montana

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

Dear Mr. Zupan:

Enclosed are three sets of voucher forms requested in your letter of October 21, 1960.

I visited the property on October 6, arriving between 3:30 and 4:00 in the afternoon. No one was there, but judging by the gas and burned powder smell, someone had blasted not very long before I arrived. The air was not too bad for me to check the distance to the measuring point from the crosscut and the distance from the measuring point to the face. As of that date, the drift had been driven a total of 121 feet, or a distance of 32 feet since my inspection of August 23, 1960.

It will probably be the week of November 14 before I will be in Montana again. It is doubtful that I will go to Great Falls, but even if I did and should take you from Centerville to the property, I could not take you back as I would have to go on to Townsend after the inspection. It is most probable that I will work out of Townsend and will go up to the property and back the same day. I will let you know the date I plan to make the inspection as soon as my plans are definite.

Sincerely yours,

D. R. Maclaren
Acting Field Officer, OME
Region I

Enclosures

cc: OME(2) w/cys incoming
DRF

C O P Y

C O P Y

Grand Coulee, Mont., Oct. 21, 1960

Mr. D. R. MacLaren

Spokane, Washington

Dear Mr. MacLaren:

Referring to your letter of Sept. 13, 1960 you stated that you will try to visit the property again the first week in October, so far you havent done so. Please let me know when you are coming. Wishing you would pick me up at my home in Centerville near Sand Coulee, Mont.

The former inspectors have given me the rides on several occasions. The advance in the drift is now 137 feet. I have none of copies - vouchers to make the reports.

Sincerely yours,

/s/ JOHN ZUPAN

[redacted]

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 13 1960

DATE	INITIAL	CODE
9-16	gad	1440
9/16	[illegible]	800
"	Act	500

So. 157 Howard Street
Spokane 4, Washington
September 13, 1960

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

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

Dear Mr. Zupan:

The voucher to which you refer was mailed to the Fiscal Section in Washington, D. C., on August 30, 1960. If you will recall, I told you in Montana that I would send it in as soon as possible after my return to Spokane. Because of the Labor Day Holiday the voucher was probably not received in Washington until September 6.

You should receive a check within the next 10 days, but if you do not, please advise me and I will write to Washington and inquire about it.

I am glad to hear that you have been able to advance the drift another 20 feet since my inspection. I will try to visit the property again the first week in October.

Sincerely yours,

D. R. MacLaren
Acting Field Officer, OME
Region I

cc: OME(3) w/copies coming
[illegible]
MacLaren

C O P Y

Sand Coulee, Sept. 12, 1960

Dear Mr. MacLaren:

I wish to know why the check for the 20 feet measurable advance is not forthcoming. In order to proceed on my contract I need more powder supplies) but I am afraid asking the powder comp. for more credit, before I have the former bill paid. (20 feet advance since you was out here) Please advise.

Sincerely yours,

/s/ JOHN ZUPAN

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 16 1960

DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
August 11, 1960

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

DATE	INITIALS	CODE
8-15	gad	VVO
8/15	[illegible]	800
"	[illegible]	500

Memorandum

To: Chief, Division of Field Operations

From: Acting Field Officer, Region I

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

On July 12, 1960, I called John Zupan to find out whether or not work under the subject contract had been resumed by July 1. He told me that during the last week in June he had started cleaning up equipment preparatory to resuming drifting and that drifting would commence "within a few days." I asked him to write me a letter telling me the exact dates he had started cleaning up and when the drifting would be resumed. That letter is the one referred to in his enclosed letter of August 9 as not having been sent.

I plan to make the Montana-Idaho run starting August 22 and will visit Zupan on that trip. I am reluctant to leave earlier because I want to check the Golden Copper Queen (Docket No. OME-6050) as near to the end of the month as practicable. By going to Zupan first, then making the examination for the application of Robert Weston Dickie, OME-6095, I will get to the Golden Copper Queen the 26th or 27th.

D R MacLaren
D. R. MacLaren

Enclosure

[illegible]

U. S. Department of the Interior
Office of Mineral Exploration
Spokane Washington

Gentlemen:

Since May [illegible] was waiting for [illegible]
to hear at the mine in Stockwell Idaho.

But I am [illegible] what happen. [illegible]
[illegible] promise to [illegible] Since I [illegible]
nothing has been done [illegible]

Hope [illegible]

Sincerely yours
John Zupan

JOHN ZUPAN
Box 64
Sandcoulee, Montana

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 13 1960

DATE	INITIALS

RECEIVED
AUG 10 1960
U.S.G.S.
SPOKANE, WASH.

OFFICIAL FILE COPY O. M. E. RECEIVED MAY 6 1960		
DATE	INITIALS	CODE
5-6	gad	VVO
5/6	[illegible]	800
5/9	aej	500

So. 157 Howard Street
Spokane 4, Washington
May 3, 1960

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

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

Dear Mr. Zupan:

Enclosed are the original and four copies of a proposed Amendment No. 4 to the above-referenced contract, signed by the Acting Director for the Government. This amendment has been prepared in accordance with your request for a recess. We therefore asked our Washington office to prepare the proposed amendment authorizing such a recess starting November 1, 1959, and ending on or before July 1, 1960.

If this amendment meets with your approval, would you please sign all copies and return them to this office, keeping the one marked "Operator's Copy." If this amendment does not meet with your approval, please return all copies with your comments.

Sincerely yours,

S. W. Zoldok
For: D. R. MacLaren
Acting Field Officer, OME
Region I

Enclosures

cc: OME(2)
USBM
Sample
Director's Reading File

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
4/27	ADP	500
	Amaud	500
4/27	Talbot	800
4/29	GCS	130
"	Johnson	110
4/29	gad	220
		500

APR 29 1960

Memorandum

To: D. R. MacLaren, Acting Field Officer, Region I

From: Chief, Division of Field Operations

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

Referring to your memorandum of April 11, 1960, we are enclosing the original and four copies of a proposed Amendment No. 4 (three pages) to the cited contract, signed by the Acting Director for the Government. Two extra copies are also enclosed for the use of the Field Officer.

If the proposed amendment is satisfactory to you and the Operator, all five copies should be signed by the Operator. The Operator should retain his copy, you should retain the Field Office copy, and the Government's, Audit's, and Fiscal Section copies should be returned to this office.

If any part of the amendment does not have your approval or that of the Operator and cannot be altered within your delegated authority, the original and all copies are to be returned to this office together with the proposed changes for consideration.

/s/ George C. Selfridge (JLB)

Enclosures

JWAlt/gla
4-27-60
cc to: Director's Reading File
Review Committee
Docket
Chron

43683

ME Form 7
(10-58)

INTERIOR DEPT.
APR 22 1960
SOLICITOR

OFFICIAL FILE COPY

Date	Surname	Code
4/21	GOP	500
	Griswold	140

April 21, 1960

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: W. R. Griswold, Chief, Division of Minerals

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

RECEIVED
APR 22 1960
ASSOC. SOLICITOR
MINERAL RESOURCES

Please prepare Amendment No. 4 for the cited contract. A draft of the proposed amendment is attached to this memorandum.

Attachment

W. R. Griswold

43683

[illegible]
4/[illegible]/60
[illegible]/gla

DOCKET COPY

EXPLORATION PROJECT CONTRACT
JOHN [illegible]
DOCKET NO. [illegible]-4543

AMENDMENT NO. 4

It is agreed this _____ day of _____, 1960, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and John [illegible], hereinafter called the "Operator," that Exploration Project Contract No. Ida-41191 (Docket No. [illegible]-4543), dated May 9, 1958, as amended, is further amended as follows:

1. (a) Work under the contract shall be suspended during the period beginning November 1, 1959, and ending not later than July 1, 1960.

(b) The Government will not contribute to any costs incurred by the Operator during the period of suspension or to any costs of rehabilitation and repair which in its opinion would not have occurred if there had been no suspension of work.

(c) The Operator, at his own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work and any property in which the Government has an interest.

2. The date fixed by Amendment No. 3 to the contract for completion of the work is December 9, 1960.

3. The maximum period for royalty payments and the lien to secure payment thereof, provided for in Article 6 of the contract, as amended and as stipulated in Amendment No. 3, is extended from eleven (11) years to twelve (12) years from the date of the contract.

4. It is the essence of this contract that the work be resumed before the termination of the period herein fixed for suspension, and be completed before the termination of the period herein fixed for completion; and if it is not so resumed and so completed, in the manner required by the contract, the following provisions shall thereupon become effective:

(a) the contract and all obligations of the parties thereunder, except as herein otherwise provided, shall be and are hereby terminated, as follows:

(i) effective November 1, 1959, if the work has not been resumed on or before July 1, 1960.

(ii) effective December 9, 1960, if the work is resumed on or before July 1, 1960, but is not completed on or before December 9, 1960.

(b) The Government will contribute only to the allowable costs of any work performed prior to the relevant dates as set forth under 4(a) above.

(c) The Operator shall promptly perform all winding-up and settlement actions provided for in the contract, including the rendering of the final reports and final account.

(d) The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of the contract, except as otherwise provided for in this Amendment No. 4.

5. The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator transfers his interest in the land), shall pay to the Government the royalty on production provided for in the contract in the same manner and amount and for the full period provided in the contract, the same as if certification of discovery or development had been made, such certification being hereby waived by the Operator. In addition, all rights of the Government provided for in the contract with respect to certification of discovery or development, percentage royalty and liens for its payment, and all rights of the Government as to records, audit, and recovery of any overpayment, are preserved.

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

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Acting Director, Office of
Minerals Exploration

JOHN ZUPAN

_____

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
April 11, 1960

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

DATE	INITIALS	CODE
4-15	gad	120
		130
4-18	ael	500

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region I

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

In reference to your letter of March 18, 1960, we are enclosing three copies of an undated letter from the subject Operator.

We recommend that an amendment be prepared to authorize a recess starting November 1, 1959, and ending on or before July 1, 1960.

By Field Team, Region I

A. E. Weissenborn

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

Stephen C. Zoleton
for O. M. Bishop, Member
U. S. Bureau of Mines

Enclosures

[illegible]

Dear Sir:

In reply to your letter dated March 22, 1960, the amendment that you [illegible] to authorize a recess is fine with me. The winter has been [illegible] and work at the mine was possible this winter.

I plan to resume work just as soon as the weather will permit which should [illegible] about the middle of May. I am very anxious to get started and you can be [illegible] that work will begin at the earliest possible time.

Thank you for your efforts in this matter.

Sincerely yours,

John Zupan
Sand Coulee, Montana

Re: Docket No. DMEA-4588 (Lead-Zinc)
Doctor Kalleck Mine
Judith Basin County, Montana
Contract No. Idm-[illegible]191

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 25 1960

DATE	INITIALS	
3/25		800
3/31		500.

So. 157 Howard Street
Spokane 4, Washington
March 22, 1960

Mr. John Zugan
P. O. Box 64
Sand Coulee, Montana

Re: Docket No. DMEA-4988 (Lead-Zinc)
Doctor Kalloch Mine
Judith Basin County, Montana
Contract No. Idm-E1191

Dear Mr. Zugan:

In our letter of December 15, 1959, we advised you that one of our field men inspected the project on December 3 and reported that there was no activity at the mine and apparently had not been for some time. In your reply of December 17, 1959, you stated that the last date of contract work was October 24, 1959, but that since that date intermittent work has and is being accomplished. Then you stated that this office would be advised as to the exact date work was resumed.

As we have received no vouchers, progress reports, or other word from you since December 17, 1959, we can only assume that your contract has been in an unauthorized recess. In order that we can request an amendment to authorize the recess, will you please advise us promptly of the date by which work will be resumed. We suggest that the amendment should authorize a recess beginning October 24, 1959, and ending on or before July 1, 1960.

Your prompt attention to this matter will be appreciated.

Sincerely yours,

Donald R. Maclaren
Alternate Acting Executive Officer
OME Field Team, Region I

cc: OME(2)
USEM(2)
Sample
DRF

ME FORM 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/16	[illegible]	500
	[illegible]	500
3/17	Talbut	800
3/18	[illegible]	130
3/18	[illegible]	110
3/18	[illegible]	220
		500

MAR 18 1960

Memorandum

To: Executive Officer, OME Field Team, Region I

From: Chairman, Operating Committee, OME

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

With reference to the cited contract, we note that it is in an unauthorized recess. Please supply us with the necessary information so that we may prepare an amendment allowing the Operator to recess operations.

/s/ George C. Selfridge

(JHB)

APPROVED:

P. F. Yopes (JHB)
Member, Bureau of Mines

W. P. Williams (JHB)
Member, Geological Survey

JWAlt/kb-March 16, 1960
cc to: Director's reading file
Operating Committee
H. M. Callaway, USBM
Harold Kirkemo, USGS
Docket
Chron.

43683

Selfridge

Re: DMEA-4588

I have surnamed proposed ltr. to Ex. Off., but I think it would have been preferable merely to inquire as to Ofr. reply to Goldoki 12/15/59 ltr.

Talbot
3/14/60

→ I still think so, even after the rewrite of 3/16/60

Talbot
3/17/60

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/14	WD	500
	Hurnel	500
3/14	Talbert	800
		130
		110
		220
		500

Memorandum

To: Executive Officer, OME Field Team, Region I

From: Chairman, Operating Committee, OME

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

With reference to the cited contract, it appears from our records that this project is in a state of unauthorized recess. A memorandum from S. W. Zoldok, Mining Engineer, Bureau of Mines, dated December 7, 1959, states that the project was inspected on December 3 and that there has been no activity at the project for some time. He also states that it is doubtful that the project will become active before spring. This is the last information we have in our docket regarding this contract.

If the project is inoperative, an amendment will be necessary to allow the Operator to suspend operations for a definite period of time. In order to prepare this amendment, we will need to know the date when the Operator stopped work and, also, when he expects to resume work under the terms of the contract. By the terms of Amendment No. 3, the completion date is December 9, 1960. This should give the Operator sufficient time to complete the work of the project.

An early reply furnishing this information will be appreciated.

APPROVED:

Member, Bureau of Mines

Member, Geological Survey

JWAlt/gla 3-14-60
cc to: Director's Reading File
Operating Committee
H. M. Callaway, USBM
Harold Kirkemo, USGS
Docket
Chron

43683

No. 157 Second Street
Spokane 1, Washington
November 21, 1959

Mr. John Zupan
P. O. Box [illegible]
Great Falls, Montana

Re: Docket No. [illegible] (Lead-Zinc)
Doctor Sulloch Mine
Judith Basin County, Montana
Contract No. [illegible]

Dear Mr. Zupan:

We regret that we cannot agree to the additions to Amendment No. 3 which you request in your letter of November 17, 1959. The raising on the property does would be development work and not eligible for development assistance. The mining leading to the mine is admittedly in poor condition, but it is serviceable for the requirements of your exploration contract.

As you state that Amendment No. 3 is satisfactory, we are returning the original and four copies for your signature. After signing all five copies, you should keep the one marked for the Operator and return the other four to this office. Until we receive the four signed copies, your contract is in default. If you decide not to sign the amendment, please return all five copies unsigned.

Sincerely yours,

A. E. Weissenborn
Executive Officer, OME
Field Team, Region 3

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 28 1959

DATE	INITIALS	CODE
12/23	C	220
	[illegible]	800
1/4/60	[illegible]	500

Enclosure

cc: OME(2) w/cys incoming
OEME(2) w/cys incoming
OEME(AD) w/cy incoming
Sample " "
Director's Reading File

December 17, 1959
Sand Coulee, Montana

A. E. Weissenborn
Executive Officer, OME
So. 157 Howard Street
Spokane 4, Washington

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

Dear Sir:

In reference to your letter dated November 30, 1959 and the proposed Amendment No. 3 attached thereto; the following comments are respectfully submitted.

Amendment No. 3 in its present form is satisfactory although I would like to insert the following proposals, for your consideration and approval, and that they be made a part of said Amendment.

At present workings, around 80 feet, a very promising ore vein has been discovered and there is no doubt, in my opinion, that that is the right place to follow. It is, therefore, deemed by the undersigned that the present contract covering long hole drilling be released and assistance for 100 foot raise between present workings and upper tunnel be authorized. This is deemed advisable for better air and safety conditions.

Also, for insertion in referred Amendment, authorization for funds to be used for repair and improvement of roadway leading to the mine.

With reference to your letter of December 15, 1959, the last date of contract work was October 24, 1959. Since that date intermittent work has and is being accomplished. My personal records indicate various delays and interruptions due to weather, awaiting arrival of new carbide bids and illness of the undersigned and/also employee. Your office will be advised as to exact date work is resumed.

I apologize for the delay in replying and hope it will not hinder or influence your decision.

Very truly yours,

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

Enclosure

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 22 1959

DATE	INITIALS	CODE
12/22	RCW	225
"	EEJ	800
12/23	aet	500

1221 N. Division St.
Spokane 2, Washington

December 15, 1959

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

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

Dear Mr. Zupan:

In your letter of November 9, 1959, in which you requested an extension of the time allowed to complete your DMEA contract, you stated that an extensive recess was not requested as you intended to operate as much as possible during the winter months.

One of our field men inspected the project on December 3, 1959, and reports that there was no activity at the mine and apparently had not been for some time.

Will you please advise us of the last date contract work was done and the date when it will be resumed.

Sincerely yours,

Stephen W. Zoldok
For: A. E. Weissenborn
Executive Officer, OME
Field Team Region I

cc: OME (2)
USBM (2)
USBM (AD)
Sample
Director's Reading File

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

DATE	INITIALS	CODE
12-4	gad	770
12/4	[illegible]	800
"	[illegible]	[illegible]

Rm. 157 Forest Street
Spokane 4, Washington
November 30, 1959

Mr. John Regan
P. O. Box [illegible]
Saint Cloud, Montana

Re: Docket No. [illegible]-1960 (Amd-Sim)
Doctor Hallock Mine
Judith Basin County, Montana
Contract No. [illegible]

Dear Mr. Regan:

Enclosed are the original and four copies of a proposed Amendment No. 3 to your DMM contract, signed by the Acting Director for the Government. This amendment extends the time to complete the contract to December 9, 1960.

Your attention is called to Items 3 and 4 of the proposed amendment. Item 3 states certain provisions and obligations which become effective in case the contract work is not completed by December 9, 1960. Item 4 provides for a permit-certification which means that you will be responsible for the payment of royalty that may be due from any production from the land described in the contract until 10 years from the date of the contract or until the Government funds that have been expended are repaid whichever comes first. In other words, if you transfer your interest in the land, you should include a provision in the articles of transfer to assure that the person to whom the transfer is made will be obligated to pay any royalty due the Government.

If the terms and conditions of this proposed amendment are satisfactory to you, please sign all copies, retain the copy marked for the Operator, and return the rest to this office. If it does not meet with your approval, please return it immediately, unsigned, with your comments.

Sincerely yours,

A. E. Weinzierl
Executive Officer, OMM
Field Team Region 1

Enclosures

cc: OMM(2)
UMMM(2)
UMMM(AD)
Sample
Director's Reading File

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
11/24	[illegible]	500
	Hussmann	500
11/24	Talbot	800
11/27	[illegible]	130
11/27	Johnson	110
11-27	gad	220
		500

NOV 27 1959

Memorandum

To: Executive Officer, OME Field Team, Region I

From: Chairman, Operating Committee, OME

Subject: Docket No. DMEA-4588 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine
Judith Basin County, Montana
Contract No. Idm-21191

Referring to your November 12 recommendation, we are enclosing the original and four copies of a proposed Amendment No. 3 (2 pages) to the cited contract, signed by the Acting Director for the Government. We are also enclosing two extra copies for the use of the Field Team.

If the proposed amendment meets with your approval, kindly present it to the Operator for approval and signature and, when completed, distribute the copies in the usual manner. In the event the amendment is not satisfactory and cannot be amended within your delegated authority, return all copies with your recommendations concerning any modifications.

/s/ George C. Selfridge (JHB)

Enclosures

APPROVED:

P. F. Yopes (JHB)
Member, Bureau of Mines

Harold Kirkemo (JHB)
Member, Geological Survey

JWAlt/gla 11-24-59
cc to: Director's Reading File
Operating Committee
Mr. Bishop, USBM
Mr. Kirkemo, USGS
Docket
Chron

43683

Government's Copy

EXPLORATION PROJECT CONTRACT
JOHN ZUPAN
DOCKET NO. DMEA-4588

AMENDMENT NO. 3

It is agreed this _____ day of _____, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and John Zupan, hereinafter called the "Operator," that Exploration Project Contract No. Idm-E1191 (Docket No. DMEA-4588), dated May 9, 1958, as amended, is further amended as follows:

1. The date fixed in Amendment No. 2 to the Contract for completion of the work is further extended to December 9, 1960.

2. The maximum period for royalty payments and the lien to secure payment thereof, provided for in Article 6 of the Contract, as amended, is further extended from ~~ten (10)~~ eleven (11) to twelve (12) years from the date of the Contract.

3. It is the essence of this Contract that the work be completed on or before December 9, 1960, and if not so completed in the manner required by the Contract, the following provisions shall thereupon become effective.

(a) The Contract and all obligations of the parties thereunder, except as hereinafter provided, shall be and are hereby terminated.

(b) The Government shall contribute only to allowable costs incurred prior to December 9, 1960, except ~~the costs for assays shipped to laboratories on or prior to that date, which may be billed subsequently~~.

(c) The Operator shall perform all winding up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

(d) The Operator hereby releases and agrees to save the Government harmless from all claims and demands under or arising out of the Contract, except as otherwise provided for in this Amendment No. 3.

J. Lynch
Hoffman
Seller
App'd. Sol. Off

4. The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator transfers his ~~its~~ interest in the land), shall pay to the Government the royalty on production provided for in the Contract in the same manner and amount and for the full period provided in the Contract, the same as if certification of discovery or development had been made, such certification being hereby waived by the Operator. In addition, all rights of the Government provided for in the Contract with respect to a certification of discovery or development, percentage royalty and liens for its payment, and all rights of the Government as to records, audit, and recovery of any overpayment, are preserved.

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

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Acting Director, Office of
Minerals Exploration

JOHN ZUPAN

_____

OFFICIAL FILE COPY

Date	Surname	Code
11/19	alt	500
		140

INTERIOR DEPT.
NOV 20 1959
SOLICITOR

November 19, 1959

Memorandum

RECEIVED
NOV 20 1959
ASSOC. SOLICITOR
MINERAL RESOURCES

To: Associate Solicitor
Division of Mineral Resources

From: W. R. Griswold, Chief
Division of Minerals

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

Will you please prepare Amendment No. 3 for the cited contract. A draft of the proposed amendment is attached to this memorandum.

FROM SOLICITOR
NOV 23 1959
FOR SIGNATURE

Attachment

43683

DRAFT
11/19/59
JWAlt/gla

Docket copy

EXPLORATION PROJECT CONTRACT
JOHN ZUPAN
DOCKET NO. BMKA-4588

AMENDMENT NO. 3

It is agreed this _____ day of _____, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and John Zupan, hereinafter called the "Operator," that Exploration Project Contract No. Idm-E1191 (Docket No. BMKA-4588), dated May 9, 1958, as amended, is further amended as follows:

1. The date fixed in Amendment No. 2 to the Contract for completion of the work is further extended to December 9, 1960.

2. The maximum period for royalty payments and the lien to secure payment thereof, provided for in Article 6 of the Contract, is extended from ten (10) to twelve (12) years from the date of the Contract.

3. It is the essence of this Contract that the work be completed on or before December 9, 1960, and if not so completed in the manner required by the Contract, the following provisions shall thereupon become effective:

(a) The Contract and all obligations of the parties thereunder, except as hereinafter provided, shall be and are hereby terminated.

(b) The Government shall contribute only to allowable costs incurred prior to December 9, 1960, except the costs for assays shipped to laboratories on or prior to that date, which may be billed subsequently.

(c) The Operator shall perform all winding up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

(d) The Operator hereby releases and agrees to save the Government harmless from all claims and demands under or arising out of the Contract, except as otherwise provided for in this Amendment No. 3.

4. The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer (for example, if the Operator transfers its interest in the land), shall pay to the Government the royalty on production provided for in the Contract in the same manner and amount and for the full period provided in the Contract, the same as if certification of discovery or development had been made, such certification being hereby waived by the Operator. In addition, all rights of the Government provided for in the Contract with respect to a certification of discovery or development, percentage royalty and liens for its payment, and all rights of the Government as to records, audit, and recovery of any overpayment, are preserved.

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

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Acting Director, Office of
Minerals Exploration

JOHN ZUPAN

_____

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
November 12, 1959

OFFICIAL FILE COPY O. M. E. RECEIVED NOV 16 1959		
DATE	INITIALS	CODE
11-16	gad	VVO
		~~130~~
10/17	ell	500

Memorandum

To: Chairman, Operating Committee, OME

From: OME Field Team, Region I

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

Enclosed are two copies of a letter from the referenced Operator requesting that the termination date be extended to December 9, 1960. Amendment No. 2 provides for termination on December 9, 1959, if the work is not completed by that date.

As we stated in our letter of November 26, 1958, Mr. Zupan is a small operator in the strictest sense. He has been beset with financial difficulties from the start. Perhaps his worst set back occurred when his lawyer, Mr. John P. Wuerthner, wrote us August 20, 1958, regarding the contract and ended his letter with the statement that Mr. Zupan "is unable to proceed further with this work until we are in receipt of further advices from you as to additional Government participating." As a result of this letter, we withheld $676.50 which we were about to release for the rehabilitation work which had been completed. This, in turn, resulted in Mr. Zupan's having difficulty in financing further work. It was not until late July or early August that he was able to resume work. Since then he has advanced the drift about 70 feet.

We feel that had we been able to release the $676.50 in August of 1958 when it was claimed, work would have been continued except for periods of bad weather last winter and would be considerably farther advanced by now.

Although Mr. Zupan does not give the widths over which his samples were taken and his sampling accuracy may be questionable, the assays reported by Goodall Brothers of Helena, Montana, are:

Sample No.	Ounces per ton Gold	Silver	Percent Lead	Zinc
1	0.04	4.1	1.2	4.8
2	0.03	16.6	7.2	13.1
3	0.01	42.2	47.4	14.7

In the last interim report Dean C. Holt, Mining Engineer, Bureau of Mines, states: "The drift follows a narrow high grade vein having a width of about 5 to 6 inches in the face."

Now that Mr. Zupan is "off dead center" we believe that if we are patient with him he will finish the contract and may find a small body of ore commensurate to the amount of funds that will be spent. Therefore, we recommend that if it is administratively feasible the contract be amended to extend the termination date to December 9, 1960.

Wing G. Agnew

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

D.R. MacLaren

D. R. MacLaren, Acting Member
U. S. Geological Survey

Enclosures

NOV 12 1959

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-4568 (lead-zinc)
Doster Kalloch Mine
Judith Basin County, Montana
Contract No. Idm-51191

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 NF-104 and NF-104A.

Very truly yours,

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

RECEIVED
NOV 1 1959
U. S. G. S.
SPOKANE

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 16 1959

DATE	INITIALS	CODE

No. 157 Bennett Street
Spokane 4, Washington
November 13, 1959

Mr. John Engum
P. O. Box [illegible]
Sand Coulee, Montana

In: Docket No. [illegible]-4988 (Lead-Zinc)
Rocker Hillyard Mine
Judith Basin County, Montana
Contract No. [illegible]-[illegible]

Dear Mr. Engum:

We have forwarded to our Washington office for their consideration your letter of November 9, 1959, in which you request that the termination date of your contract be extended from November 9, 1959, to November 9, 1960.

As Item 3(a)(ii) of Amendment No. 2 sets the termination date as November 9, 1959, "If work is . . . not completed on or before November 9, 1959" we do not know whether or not the request will be approved. If it is, we will notify you as soon as we receive word. We wish to emphasize that until such time as the request is amended to extend the termination date beyond November 9, 1959, any work you do after that date will be for your own account without Government participation.

By Field Team, Region I

Ving E. Agee, Acting Dep. Director
U. S. Bureau of Mines

P. B. Mathews, Acting Member
U. S. Geological Survey

cc: OME(2)
USBM(2)
USGS(AB)
Sample
Director's Reading File

OMEA

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 31 1959

DATE	INITIALS	CODE
8/31	gad	VVO
9/1	[illegible]	LVO
9/1	[illegible]	800
9/2	[illegible]	[illegible]

So. 157 Howard Street
Spokane 4, Washington
August 25, 1959

Mr. John Lupan
P. O. Box 64
San Coulee, Montana

Re: Docket No. DMEA-4588 (Lead-Zinc)
Doctor Kalloch Mine
Judith Basin County, Montana
Contract No. Idm-81191

Dear Mr. Lupan:

This is in reply to your inquiry of August 21, 1959, concerning an inspection of the new work at the cited property.

On August 18, Mr. Dean C. Holt, OME representative, measured the new drift advance at 23 feet.

Mr. Holt's inspection disclosed that while the height of the new drift was adequate, the width was too narrow and did not meet contract specifications. According to Exhibit 'A' of the contract, 'The drift shall be 5 feet wide by 7 feet high in the clear and timbered as necessary.'

Mr. Holt informed your son, who was in Hughesville, that it would be necessary to widen the new advance to the specified 5 feet before reimbursement could be made. As soon as you have done this, you can claim reimbursement for the 23 feet of new work and any additional advance that you might make that meets contract specifications.

By Field Team Region I

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

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

cc: OME(2) w/cys incoming
USBM(2)
AD
Sample w/cy incoming

AUG 24 1959

Sand Coulee, Mont. Aug. 21. 1959.

U. S. Department of Interior
1201 N. Division Street
Spokane 2, Washington

Gentlemen:

Referring to your letter of Aug. 5. 1959
On Aug. 17. 1959 Mr. Dean C. Holt has made an
inspection of my new work and while not pres
I don't know how much credit was given me fo
measureable advance. Please advice.

Sincerely
John Jupe
P. O. Box
Sand Coulee, Mo

Re: Docket No. DMEA-4588 (LEAD-ZINC)
DOCTOR KALLOCH MINE
JUDITH BASIN COUNTY, MONT.
CONTRACT NO. IDM-E 1191

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 10 1959

DATE	INITIALS	CODE
8-10	gad	VVO
8/11	[illegible]	800
~~[illegible]~~	~~[illegible]~~	~~[illegible]~~

1201 N. Division St.
Spokane 2, Washington

August 5, 1959

Mr. John Zupan
P. O. Box 64
Head Coulee, Montana

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

Dear Mr. Zupan:

This will acknowledge your undated letter received in this office August 3, 1959.

Mr. Dean C. Holt, OME representative, will be in Monarch, Montana on or about August 14 and will make an inspection of the new work.

Enclosed are 5 copies each of Forms MF-104 and MF-104A for your voucharing requirements.

Sincerely yours,

Wing G. Agnew
Acting Executive Officer, OME
Field Team Region I

By: S. W. Zoldok

Enclosures
cc: OME (2)
USGS (2)
USBM (AD)
Dean C. Holt
Docket

W. I. ZUPAN, SUPT.
SAND COULEE, MONTANA

MRS. ALEX MURRAY, CLERK
SAND COULEE, MONTANA

School District No. 5

STOCKETT-SAND COULEE SCHOOLS
OFFICE OF SUPERINTENDENT
SAND COULEE, MONTANA

OME

June 19, 1959

Docket DMEA-4588 (Pb-Zn)

Wing G. Agnew
Attn: Donald R. MacLaren
Acting Executive Officer
OME Field Team, Region I

Dear Sir:

In reply to your letter dated June 15, 1959, I have the following information.

On June 11, we started the rehabilitation work which consisted of clearing the portal in the tunnel which had 35 feet of ice. The tracks have been cleared to the face and we are now ready with the compressor and will start drilling June 22, 1959.

In further correspondence with me, will you please omit any correspondence with Wuerthner & Wuerthner as they no longer represent me. Thank you for your interest and help on this matter.

Sincerely yours,

John Zupan
Sand Coulee, Montana

Re: Docket No. DMEA-4588 (Lead-Zinc)
Decter Kalloch Mine
Judith Basin County, Montana
Contract No. Ida[redacted]1191

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 29 1959

DATE	INITIALS	CODE
6/29	G	220
6/29	[illegible]	800

OME

No. 137 Howard Street
Spokane 4, Washington
June 15, 1959

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

Re: Docket No. DMA-4538 (Land-Kinc)
Doctor Kalloch Mine
Judith Basin County, Montana
Contract No. Ida-E1191

Dear Mr. Zupan:

This is to remind you that the recess of your DMEA contract, authorized in Amendment No. 2, ends not later than July 1, 1959.

Your attention is particularly directed to Item 3(a) of Amendment No. 2 which stipulates that the contract will be automatically terminated effective December 1, 1958, if the work is not resumed on or before July 1, 1959.

We would appreciate being advised of your plans.

Sincerely yours,

Donald R. MacLaren
For: Ving G. Agnew
Acting Executive Officer
OME Field Team, Region I

cc: Wuerthner & Wuerthner
First National Bank Bldg.
Great Falls, Montana

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 19 1959

DATE	INITIALS	CODE
6/22	a	220
6/22	[illegible]	800
6/23	[illegible]	500

So. 157 Howard Street
Spokane 4, Washington

April 1, 1959

OFFICIAL FILE COPY
O. M. E
RECEIVED APR 3 1959

DATE	INITIALS	CODE
4-3	C	220
4/9	[illegible]	800
	[illegible]	

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

Re: Docket No. DMEA-1588 (Lead-Zinc)
Doctor Kalloch Mine
Judith Basin County, Montana
Contract No. Idm-81191

Dear Mr. Zupan:

Enclosed are the original and four copies of proposed Amendment No. 2, which authorizes a recess from December 1, 1958 to July 1, 1959. However, work may be resumed any time prior to July 1, 1959.

We call your attention to Item 3(a) which provides for automatic termination of the contract effective December 1, 1958 if work is not resumed on or before July 1, 1959, or effective December 9, 1959 if work is resumed on or before July 1, 1959 but is not completed on or before December 9, 1959.

If the terms and conditions of the amendment are acceptable, please sign all copies, retain that copy marked for the Operator, and return the rest to this office. If the amendment is not satisfactory, please return all copies, unsigned, to this office with your comments.

Sincerely yours,

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

cc: Wuerthner & Wuerthner
First National Bank Bldg.
Great Falls, Montana

OME (2)
USBM (2)
USBM(AD)
Prinz

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/19	Klugescheid	500
	[illegible]	500
3-19	[illegible]	800
3/24	[illegible]	130
"	[illegible]	110
		~~100~~
		~~[illegible]~~
3/24	[illegible]	220
		500

500

MAR 24 1959

Memorandum

To: Executive Officer, OME Field Team,
Region I, Spokane, Washington

From: Chairman, Operating Committee, OME

Subject: Docket No. DMA-4588 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine
Judith Basin County, Montana
Contract No. Idm-E1191

In accordance with your recommendation, dated February 27, 1959, and the request of the Operator, dated February 23, 1959, we are enclosing the original and four copies of proposed Amendment No. 2 (two pages) to the cited contract, signed by the Acting Director, for the Government. We are also enclosing two extra copies for the use of the Field Team.

If the amendment meets with your approval, kindly present it to the Operator for approval and signature and, when completed, distribute the copies in the usual manner. In the event that the amendment is not satisfactory and cannot be amended within your delegated authority, return all copies with your recommendations concerning any modifications.

/s/ George C. Selfridge

(HB)

Enclosures

APPROVED:

H. G. Iverson (HB)
Member, Bureau of Mines

N. E. Nelson (HB)
Member, Geological Survey

WPKlugescheid/er 3/19/59
Copy to: Docket
Dir Read File
Mr. Kiilsgaard, USGS
Op. Committee
Mr. Bishop, USBM USBM
Chron

43683

Government's copy

EXPLORATION PROJECT CONTRACT
JOHN ZUPAN
DOCKET NO. DMEA-4588

AMENDMENT NO. 2

It is agreed this _____ day of _____, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and John Zupan, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E1191 (Docket No. DMEA-4588), dated May 9, 1958, as amended, hereinafter called the "Contract," that the Contract is further amended as follows:

1. (a) Work under the Contract shall be suspended during the period beginning December 1, 1958, and ending not later than July 1, 1959.

(b) The Government will not contribute to any costs incurred by the Operator during the period of suspension or to any costs of rehabilitation and repair which in its opinion would not have occurred if there had been no suspension of work.

his

(c) The Operator, at ~~its~~ own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work and any property in which the Government has an interest.

Add 2.-

3. It is the essence of this Contract that the work be resumed before the termination of the time herein fixed for suspension, and be completed before the termination of the time fixed for completion in Amendment No. 1; and if it is not so resumed and completed in the manner required by the Contract, the following provisions shall thereupon become effective:

(a) The Contract and all obligations of the parties thereunder, except as herein otherwise provided, shall be and are hereby terminated, as follows:

(i) effective December 1, 1958, if the work has not been resumed on or before July 1, 1959.

December

(ii) effective ~~October~~ 9, 1959, if the work is resumed on or before July 1, 1959, but is not completed on or before ~~October~~ 9, 1959.

December

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code

March 13, 1959

Memorandum for the Files

From: W. P. Klugescheid, Mining Enginner
Division of Base Metals

Subject: Justification for Amendment No. 2
Docket No. DMEA-4588 (Lead-Zinc-Silver-Gold)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
Contract No. Idm-E1191

The Operator ceased work due to bad weather and a compressor failure. He apparently did not know enough to ask for a recess and was informed by the Field Team that he would have to request one if he expected to continue the work. The request for recess has finally come through and it is to the interest of the Government that the project be completed as to date there has been progress that would indicate the possibilities of the property and there is ore visible in the face of the drift.

W. P. Klugescheid

W. P, Klugescheid

WPK/er
CC: Docket
Dir Read File
Chron.

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/11	Kluegel Chief	500

500

March 11, 1959

Memorandum

To: Associate Solicitor, Division of Minerals Resources

From: Chief, Division of Base Metals

Subject: Preparation of Amendment No. 2 for Docket No. LM A-4500, John Zupan, Dr. Kalloch Mine, Judith Basin County, Montana, Contract No. Idm-E1191 (Lead-Zinc)

Will you kindly prepare Amendment No. 2 for the cited contract as follows:

1. (a) Work under the contract shall be suspended during the period beginning December 1, 1958, and ending not later than July 1, 1959.

(b) The Government will not contribute to any costs incurred by the Operator during the period of suspension or to any costs of rehabilitation and repair which in its opinion would not have occurred if there had been no suspension of work.

(c) The Operator at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect work and any property in which the Government has an interest.

2. It is the essence of this contract that the work be resumed before the termination of the time here fixed for suspension and be completed before the termination of the time fixed for completion in Amendment No. 1; and if it is not so resumed and completed in the manner required by the Contract, the following provisions shall thereupon become effective:

43683

(a) The contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated, as follows:

(i) effective December 1, 1958, if the work has not been resumed on or before July 1, 1959.

(ii) effective October 9, 1959, if the work is resumed on or before July 1, 1959, but is not completed on or before October 9, 1959.

(b) The Government will contribute only to the allowable costs of any work performed prior to the relevant dates as set forth under 2(a) above.

(c) The Operator shall promptly perform all winding-up and settlement actions provided for in the contract, including the rendering of the final report and fianl account.

(d) The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the Producer (for example, if the Operator either transfers or fails to retain its interest in the land), shall pay to the Government the royalty on production provided for in the contract, in the same manner and amount and for the full period provided for in the contract, as amended, as if certification of discovery or development had been made, such certification being herey waived by the Operator. In addition, all rights of the Government provided for in the contract with respect to a certification of discovery or development, and

all rights of the Government as to reports (including preservation of the Operator's records), audit, and recovery of any overpayment, are preserved.

3. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under and arising out of the contract, except as otherwise provided for in this Amendment No. 2.

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

W. R. Griswold

W. R. Griswold

WRGlugescheid/er 3/11/59
CC: Docket
Dir Read File
Chron.

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

February 27, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 5 1959

DATE	INITIALS	CODE
3/5	C	220
		130
~~3/5~~	~~Ring~~	~~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 two copies each of a letter dated February 23, 1959 from Mr. Zupan and our reply.

When we were processing Mr. Zupan's application it was late June before we could get in to the property. Therefore, we recommend that an amendment be prepared granting a recess from December 1, 1958 to July 1, 1959.

By Field Team Region I

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

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

cc: USBM (2)
USBM(AD)
Prinz

ORIGINAL FILE COPY
RECEIVED MAR 6 1959
DATE | INITIALS | CODE

No. 157 Howard Street
Spokane 4, Washington

February 27, 1959

Mr. John Zupan
P. O. Box [illegible]
Sand Coulee, Montana

Re: Docket No. DMEA-588 (Lead-Zinc)
Doctor Kalloch Mine
Judith Basin County, Montana
Contract No. idm-11191

Dear Mr. Zupan:

We have received your letter of February 23, 1959 requesting a recess from the end of November 1958 until spring, and have forwarded it to our Washington office for their consideration.

We call your attention to our letters of September 1[illegible] and November 14, 1958 in which we have advised you that we cannot release the $676.50 which has been withheld from your July voucher until we receive a voucher for a measurable advance in the drift face. We explained this withholding in our letter of August 25, 1958 to Mr. John F. Wuerthner in reply to his letter of August 20 which he wrote on your behalf. As soon as you have the compressor repaired, have actually begun work, and have submitted a voucher for the advance, we can release the funds we are withholding.

By Field Team Region I

[illegible] E. Weissenborn, Exec. Officer
U. S. Geological Survey

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

cc: OMR (2)
USBM (2)
USGS(AD)
Prinz
Wuerthner & Wuerthner
1st Nat'l Bank Bld.
Great Falls, Montana

W. L. ZUPAN, SUPT.
SAND COULEE, MONTANA

MRS. ALEX MURRAY, CLERK
SAND COULEE, MONTANA

School District No. 5

STOCKETT-SAND COULEE SCHOOLS
OFFICE OF SUPERINTENDENT
SAND COULEE, MONTANA

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 5 1959

DATE	INITIALS	CODE

February 23, 1959

(Bid orig + 2 cc's.)

A. E. Weissenborn
Executive Officer, OME
So. 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMA-4,[illegible] (Lead-Zinc)
Doctor Kalloch Mine
Judith Basin County, Montana
Contract No. Idm-[illegible]91

Dear Sir:

This will acknowledge your letter of February 12, 1959. Herewith is my narrative report you requested. Sorry for the delay. I have just mis-understood your request, hence the delay.

On November 25, after securing a compressor, we drilled 3 holes in the drift. Then the compressor failed to build up sufficient pressure and the work was discontinued. The weather plus this minor compressor failure forced me to stop work until this spring. I will begin operation as soon as the weather will allow us to.

Therefore I request a recess until spring and would at this time urgently ask you to release the funds for my last claim. This release will certainly assure a successful completion of my project contract.

Thank you for your help on this matter.

Sincerely yours,

John Zupan
Sand Coulee, Montana

So. 157 Howard Street
Spokane 4, Washington

February 12, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 18 1959

DATE	ACTIVITY	CODE
2/17	C	220
2/17	4107	800
~~2/18~~	~~Chg~~	~~800~~

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

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

Dear Mr. Zupan:

We have received the signed copies of Amendment No. 1 but as yet have not received any narrative report indicating that work is being continued. As we advised you in our letter of November 14, 1958, if the work is to be discontinued for any appreciable period of time you should request a recess. Your request should indicate the last date contract work was done, the date by which work will be resumed, and the reason for the delay.

We urge you to give this your prompt attention.

Sincerely yours,

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

cc: Wuerthner & Wuerthner
First Nat'l Bank Bldg.
Great Falls, Montana

OME (2)
USBM (2)
USBM(AD)
Prinz

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
2/17	Hugeschard	500
	Hirsowa	500
2/17	Schwartz	120
		~~110~~
		~~100~~
2/18	C	220
		500

FEB 18 1959

Hon. Mike Mansfield
United States Senate
Washington 25, D. C.

Re: Docket No. DMEA-4586 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine
Judith Basin County, Montana
Contract No. Idm-E1191

Dear Senator Mansfield:

In Mr. John Zupan's letter to you of January 30, 1959, enclosed with your letter of February 11, 1959, to Mr. C. O. Mittendorf, he does not give any assurance that he will resume the work under the contract or will be able to finance his share of the cost to completion.

The DMEA contracts are considered firm commitments on the part of the operator to complete the work within the time specified in the contract. The operator also represents that he has sufficient funds to finance his share of the work. If the operator fails to complete the work or is in unauthorized recess, he is in default and subject to the return of the Government's contribution unless the default is cured within a reasonable time. Whenever an operator recesses work under the contract, it is our policy to withhold the last payment due him to protect the Government's interest. In view of Mr. Zupan's unauthorized recess and lack of funds to continue the work, payment on his last voucher was withheld accordingly.

43683

If Mr. Zupan can give us reasonable assurance that he intends to resume work as soon as weather permits and can finance his share of the cost of completing the contract within the time specified in the contract, we will be able to release part of the funds claimed on his last voucher, and the balance as soon as some drifting is performed under the contract.

In response to your request Mr. Zupan's letter is returned herewith. Incidentally, Mr. Mittendorf left the Office of Minerals Exploration in October, 1958, to accept a position with the International Cooperation Administration in Iran.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Enclosure

WPKlugescheid/er 2/17/59

Copy to: Docket
Dir Read File
MR
DL
DCCO
Sec. Reading File
Mr. Bishop, USBM
Mr. Hiilsgaard, USGS
Region I (2)
Chron.

PRS - 7704

Cross Ref. PRS-6118

THEODORE FRANCIS GREEN, R. I., CHAIRMAN
J. W. FULBRIGHT, ARK.
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GEORGE D. AIKEN, VT.
HOMER E. CAPEHART, IND.

CARL MARCY, CHIEF OF STAFF
DARRELL ST. CLAIRE, CLERK

United States Senate

COMMITTEE ON FOREIGN RELATIONS

February 11, 1959

PRS
FEB 13 1959 7704

TO: MDM	
REPLY TO BE PREPARED BY:	MDM
FOR SIGNATURE OF:	MDM
COPY OF LETTER FURNISHED	
MR DL	
SEND REPLY COPY TO ABOVE	

Cross ref.
PRS 6118

Mr. C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

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

Dear Mr. Mittendorf:

I have received the enclosed letter pertain to the above mentioned Docket.

In view of the contents of Mr. Zupan's letter I would appreciate your advising me if there is a possibility that the money now being withheld might be released at an early date. Please return the enclosure with your reply.

Thanking you and with best personal wishes, I am

Sincerely yours,

Mike Mansfield

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 13 1959

DATE	INITIALS	CODE
2-13	C	320
2-13	Klug	500

Copy.

Sand Coulee, Mont., Jan 30, 1959.

Hon. Mike Mansfield
United States Senate
Washington 25, D. C.

Dear Senator Mansfield:

Your letter of Dec. 30, 1958 and the encl. reply letter from the Acting Director of Department of the Interior have received with pride.

Dear Senator, I wish I could be sitting across the table with you and have a heart to heart talk with you explaining my difficulties of last year and the hardships in years 1924 - 1935. I had the mine under Lease and Bond then. But in March 1956, with a friends help I purchased the property and the same year have applied for U. S. Assistance for the Exploration work, which with your assistance the Application was approved. On June 14, 1958 with 2 miners help the work has been started.

First: The compressor house was constructed and my voucher for $125.00 (50%) was paid by Govt. with no objections. My cost for the building: Wages $210.00 Mens Insurance $30.17 and my own lumber etc. not including my work nor the transportation.

On June 23rd the Rehabilitation was started as follows: 435 feet of 16 lbs of new mine rail laid 390 ft. of 2 inch air pipe put in, and 360 feet of 8 inch brand new ventilation pipe conected.

The Rehab. work was O. K. and approved by the field inspector with a promise the money would be released soon as the voucher ($676.50) gets to Spokane, Wash. His statement was witnessed by Mr. Robert Schroeder of Great Falls, Mont.

Now with all the equipment, supplies and necessary tools on place, 105 cu. ft. air compressor (rented), blacksmith outfit, 2 mine cars, 1 timber truck, 150 lbs. of giant powder, fuse, dynamite caps, greases, carbide, gasoline and oils, more rails, pipe and parts on place.

The bulldozing of about 500 feet 16-18 degree of road to the mine has been done. The transportation of equipment and supply there, and with very promising ore showings in the drift. I can't understand why this won't show "Acting in "Good Faith".

The money withheld for Rehab. work has not only delayed the project, but has given me personal abuses in regard to my two employees. If otherwise I would have the contract finished on time.

It is impossible to resume the mining at present because of heavy snow and ice. The extension on my contract has been granted to Oct. 9, 1959.

With impatience awaiting to resume the work in hopes the money would would be released which I believe I am intitled to receive. The 2 miners threaten a law suit (I cant blame them).

I have given them some advance pay, but am not able to pay in full.

I would appreciate any assistance you may be able to give me on this important matter. May I hear from you?

Sincerely yours

John Zupan
Box 64
Sand Coulee, Montana

So. 157 Howard Street
Spokane 4, Washington

December 30, 1958

OFFICIAL FILE COPY O. M. E. RECEIVED JAN 7 1959		
DATE	INITIALS	CODE
1-7	C	220
"	[illegible]	800
1-8	[illegible]	500

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

Re: Docket No. DMEA-4588 (Lead-Zinc)
Doctor Halloch Mine
Judith Basin County, Montana
Contract No. Ibm-E1191

Dear Mr. Zupan:

In accordance with your request, our Washington office has prepared the enclosed original and four copies of proposed Amendment No. 1. This amendment extends the completion date of your contract from November 9, 1958 to October 9, 1959.

If it meets with your approval, will you kindly sign all copies, keep that copy marked for the Operator, and return the rest to this office. If it does not meet with your approval, please return all copies, including the Operator's Copy, to this office with your comments.

Sincerely yours,

Donald R. Maclaren
For: A. E. Weissenborn
Executive Officer, OME
Field Team Region I

cc: Wuerthner & Wuerthner
1st Nat'l Bank Bldg.
Great Falls, Montana

OME (2) ✓
USBM(2)
USBM(AD)
Prinz

MEA Form
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
12/23	Klugescheid	500
	Diamond	500
12/27	[illegible]	120
		~~110~~
		~~100~~
12/23	C	220
		500
12-23	Chandler	

DEC 23 1958

Hon. Mike Mansfield
United States Senate
Washington 25, D. C.

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

Dear Senator Mansfield:

We have your letter of December 17, 1958, and also the letter from Mr. Zupan which you enclosed and which we are returning to you.

It has not been the practice of Defense Minerals Exploration Administration or the Office of Minerals Exploration to grant money for the sole purpose of rehabilitation, but we do permit rehabilitation where it is necessary to prepare access to a point of attack for true exploration.

In this case the Operator has completed the rehabilitation work and the Field Team has withheld payment therefor until some progress has been made on the exploration proper. The reason for withholding payment is, to make sure that the Operator is acting in good faith and will really commence the exploration. Mr. Zupan has been informed that as soon as the next voucher, claiming a measurable advance in the drift, has been received the money withheld will be paid.

Mr. Zupan was advised, while the application was being processed, that cash would be required to carry his share of the costs and he assured us that he would be able to obtain the money. It now appears that he is having difficulty securing the money to carry on the work. He recently requested an extension of the completion time and this has been granted.

Sincerely yours,

George C. Selfridge
Acting Director

WPKlugescheid/er 12/23/58
CC: Docket
Dir Read File
~~Op. Committee~~
MR
DL
DCCO
Sec. Read.File
Mr. Bishop, USBM
Mr. Kiildgaard, USGS
Region I (2)
Chron.

PRS - 6118

Enclosure

8623

RANCIS GREEN, R. I., CHAIR
J. W. FU K.
JOHN SPAR LA.
HUBERT H. HUMPHREY, MINN.
MIKE MANSFIELD, MONT.
WAYNE MORSE, OREG.
RUSSELL B. LONG, LA.
JOHN F. KENNEDY, MASS.
ALEXANDER WILEY, WIS.
H. ALEXANDER SMITH, N. J.
BOURKE B. HICKENLOOPER, IOWA
WILLIAM LANGER, N. DAK.
WILLIAM F. KNOWLAND, CALIF.
GEORGE D. AIKEN, VT.
HOMER E. CAPEHART, IND.

CARL MARCY, CHIEF OF STAFF
DARRELL ST. CLAIRE, CLERK

United States Senate

COMMITTEE ON FOREIGN RELATIONS

PRS
DEC 19 1958 6118

TO: MDM	
REPLY TO BE PREPARED BY:	MDM
FOR SIGNATURE OF:	MDM
COPY OF LETTER FURNISHED	
MR DL	
SEND REPLY COPY TO ABOVE	

December 17, 1958

Mr. C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

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

Dear Mr. Mittendorf:

Enclosed herewith is a letter I have received from Mr. John Zupan of Sand Coulee, Montana, in which he refers to difficulties encountered in the process of a voucher he has pending for rehabilitation funds under his DMEA contract.

I would appreciate being advised as to the status of this voucher and if you care to make any additional comments, I would appreciate hearing from you. As you may recall we have corresponded with your office concerning this contract in the past several years. Please return the enclosure with your reply.

Thanking you and with best personal wishes, I am

Sincerely yours,

Mike Mansfield

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 19 1958

DATE	INITIALS	CODE
12/19	C	220
		500

MRS. ALEX MURRAY, CLERK
SAND COULEE, MONTANA

School District No. 5

STOCKETT-SAND COULEE SCHOOLS
OFFICE OF SUPERINTENDENT
SAND COULEE, MONTANA

December 11, 1958

Honorable Mike Mansfield
United States Senator
Washington D. C.

Dear Senator Mansfield:

I know that you are an extremely busy man but I have a problem that I would like to explain to you and see if you can give me some assistance on it.

As you may recall, I have a DMEA contract with the Department Of The Interior to work the Doctor Kallach Mine in Judith Basin County, Montana. In the last phase of my correspondence to them, I submitted a voucher for rehabilitation in the amount of $676.50. Up till this time they have not released that money to me. I feel that I have fulfilled my part of the agreement and definitely need that money to continue my operation of the mine. At the present time I owe two miners who have worked for me $620.00 and they will not continue working until they are paid their wages.

I have all the necessary equipment at the mine to continue operation and if you could assist me and get a release of the money, I can start working in the mine and both parties will be satisfied.

May I thank you for any assistance you can give me on this matter?

Sincerely yours,

John Zupan
Sand Coulee, Montana

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Klugescheid	500
	Harrold	500
12-18	Chambers	800
12/19	GCS	130
"	Johnson	110
		100
12/22	C	220
		500

DEC 1958

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

Re: Docket No. DMEA-4588 (Lead-Zinc)
John Zupan
Dr. Kelleck Mine
Judith Basin County, Montana
Contract No. Idm-81191

Dear Mr. Weissenborn:

In accordance with your recommendation, dated November 26, 1958, and the request of the Operator, dated November 18, 1958, we are enclosing the original and four copies of proposed Amendment No. 1 (one page) to the cited contract, signed by the Acting Director for the Government. We are also enclosing two extra copies for the use of the Field Team.

If the amendment meets with your approval, kindly present it to the Operator for approval and signature and, when completed, distribute the copies in the usual manner. In the event that the amendment is not satisfactory and cannot be amended within your delegated authority, return all copies with your recommendations concerning any modifications.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

G. T. BAROCH

Member, Bureau of Mines

N. E. Nelson

Member, Geological Survey

WPKlugescheid/er/fw-12/17/58
cc: Docket
Dir. Reading File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

Enclosures

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code

December 10, 1958

Memorandum for the Files

From: W. P. Klugescheid, Mining Engineer
Division of Base Metals

Subject: Justification for Amendment No. 1, for Docket No. DMEA-4588, John Zupan, Doctor Kalloch Mine, Judith Basin County, Montana, Contract No. Idm-E1191, Lead-Zinc.

The time necessary to complete the work was calculated from the on-site report of the Field Team. Obviously this was too short a period of time for a man with the mining experience of the Operator. As the contract was calculated to run only into November no winter difficulties were taken into account.

The work on the project commenced on or before June 15, 1958. This first work consisted in trucking in materials.

The preliminary work has been completed and after some difficulty in obtaining one, the compressor has been installed and the advance work on the tunnel has been begun.

The Field Team believes that there is an excellent chance for a modest discovery but points out that the Operator is a small Operator in every sense of the word. The extension requested by Mr. Zupan is recommended by the Field Team but no recess will be included in this Amendment as it may be possible to continue work for some time longer.

It is to the advantage of the Government to see how the vein in the face of the adit pans out as then it would be possible to certify the project if the results were favorable. The present face (recently cleared and squared off) shows a good structure, the vein being about 1.5 feet wide and shows indications of widening.

W. P. Klugescheid

W. P. Klugescheid

WPK/er
Copy to: Docket
Dir Read File
Chron.

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
12/9	Klugescheid	500

500

December 9, 1958

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: Chief, Division of Base Metals

Subject: Preparation of Amendment No. 1 for Docket No. DMEA-4588, John Zupan, Doctor Kalloch Mine, Judith Basin County, Montana, Contract No. Idm-E1191, Lead-Zinc.

Will you kindly prepare an amendment for the cited contract as follows:

The completion date is to be extended from November 9, 1958, to October 9, 1959.

The royalty payment period is to be increased from 10 years to 11 years.

W. R. Griswold

W. R. Griswold

WPKlugescheid/er
Copy to: Docket
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Chron.

8623

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 2 1958

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November 26, 1958

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 two copies of a letter dated November 18, 1958, in which the operator requests an amendment to extend the date of completion of the referenced contract from November 9, 1958 to September 15, 1959.

After completing the rehabilitation of the crosscut and drift the operator had considerable difficulty in locating a used compressor. This was largely because promised financial backing did not materialize. However, W. C. Prinz, one of our geologists, visited the property November 23 and reports that a portable compressor is now installed and two miners are available. One of the miners lives with his family at the property and will probably be available all winter. Therefore, it now appears that the work will be carried on.

In the breast of the drift the vein is beginning to open up and is about a foot and a half wide comprising quartz and sulfide minerals.

Mr. Zupan is a small operator in the strictest sense and doubtless will continue to have financial difficulties. It will therefore call for considerable patience before the work will be completed. We believe that if we are patient there is a good chance that he will complete the project.

Rehabilitation and construction of the compressor house are completed but the target for the drift is still unexplored. The chances for a modest discovery appear good. Because there are 300 feet of drift and crosscut to be driven and as winter conditions

and the operator's financial status will undoubtedly cause delay in the work, we recommend that the termination date be extended to September 15, 1959 as requested by Mr. Zupan.

By OME Field Team, Region I

A. E. Weissenborn

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

Thomas E Howard

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

Enclosure

cc: USBM (2)
USBM(AD)
Prinz

P. O. Box 64
Sand Coulee, Montana O. M. E.

OFFICIAL FILE COPY
RECEIVED DEC 2 1958

DATE	INITIALS	COPY

November 18, 1958

United States Department of Interior
Office of Minerals Exploration
So. 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-4588 (Lead-Zinc)
Dester Kalloch Mine
Judith Basin County, Montana
Contract No. Idm-K1191

Gentlemen:

Receipt is acknowledged of your letter of November 14, 1958 advising that the expiration date on my DMEA contract expired November 9, 1958. As you know, and the file will indicate, there have been unavoidable delays in completing the exploratory work under the contract.

Last week we had a severe snow storm in the vicinity of the mine and we expect, from now on during the winter months, that weather will further interrupt our progress under the contract. I, therefore, request the contract be extended, with reference to the completion of the exploratory work required thereunder, until September 15, 1959.

Your letter mentioned if it was necessary to interrupt the work for an appreciable period of time during the winter months. I should request a recess. It is still possible this fall to do some work in the mine and I do not wish to request such a recess until weather conditions make access to the mine impossible.

I wish it understood, however, that the expiration date of the contract should be extended to September 15, 1959 and I will notify you later this fall or during the early part of the winter with reference to a recess for the winter months and will advise you the approximate date, at that time, when work will be resumed.

This is to advise that the muck from the one round blasted in the toe of the inclined drift face has been removed. At the present time I am having trouble with the compressor building up sufficient pressure to drill additional blasting

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relief but this should be remedied this week. I am sure when your Mr. Prinz visits the property on November 23 or 24, 1958, I will be able to show him a measurable advance so that you will release the $676.50 which you have been withholding.

Will you please advise me with reference to this letter as soon as possible.

Very truly yours,

John Zapen

JZ:sm

No. 157 Howard Street
Spokane 4, Washington

November 28, 1958

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

Re: Docket No. DMEA-4588 (Lead-Zinc)
Doctor Kelloch Mine
Judith Basin County, Montana
Contract No. Idm-21191

Dear Mr. Zupan:

We have received your letter of November 18, 1958 in which you request an extension of the completion date of your contract and we have forwarded it to Washington for consideration. As soon as we learn of the decision we will advise you.

Any work done after November 9, 1958 will be at your own risk as payment therefor cannot be made until the completion date has been extended by amendment to the contract.

Sincerely yours,

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

cc: Wuerthner & Wuerthner
1st Nat'l Bank Bldg.
Great Falls, Montana

OME (2)
USBM (2)
USBM (AD)
Prinz

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11/18	[illegible]	800
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So. 157 Howard Street
Spokane 4, Washington

November 14, 1958

Mr. John Zupan
P. O. Box 61
Sand Coulee, Montana

Re: Docket No. DMEA-[illegible] (Lead-Zinc)
Doctor Kalloch Mine
Judith Basin County, Montana
Contract No. Idm-81191

Dear Mr. Zupan:

The time for completion of the work set forth in your DMEA contract expired November 9, 1958. If you wish to continue work under the terms of the contract, it will be necessary for you to request by letter that the contract be amended to postpone the termination date. Your request should fix the date by which you expect to complete the project. If it will be necessary to interrupt the work for an appreciable period of time during the winter, you should also request a recess giving the date the recess is to start and the date on or before which work will be resumed.

In reference to our letter of September 16, 1958, our field men report that as of October 15 only part of one round had been blasted in the toe of the inclined drift face and the muck had not been removed. This does not constitute a measureable advance in the drift. We cannot release the $075.50, which has been withheld from your July 1958 voucher for rehabilitation, until we have received from you a voucher for measureable advance in the drift.

Mr. Prinz expects to visit the property on November 23 or 24 to check on the progress and discuss with you any questions you may have. However, payment cannot be made for any work done after November 9, 1958 until the termination date is postponed by amendment to the contract.

By Field Team Region I

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

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

cc: Wuerthner & Wuerthner
1st Nat'l Bank Bldg.
Great Falls, Montana

GMM (2) ✓
USBM (2)
USBM(AD)
Prinz

1201 N. Division St.
Spokane 2, Washington

September 16, 1958

9-22 C 220
~~9/22 Cy~~ ~~500~~

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

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

Dear Mr. Zupan:

This letter is in reply to Mr. John P. Wuerthner's letter of September 5, 1958, stating that you are now familiar with the various elements that are included in the unit cost items of the contract.

We are pleased to learn that you intend to proceed with the drifting phase of the contract. As soon as we receive your next voucher claiming a measurable advance in the drift, we shall release the $676.50 being withheld from your July 1958 voucher for rehabilitation of the drift and crosscut.

By Field Team, Region I

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

D. R. MacLaren, Acting Member
U. S. Geological Survey

cc: Wuerthner & Wuerthner
DMEA (2)
USBM (2)
USBM (AD)
Bowsher

GREAT FALLS, MONTANA
CALLUS J. WUERTHNER JOHN P. WUERTHNER

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DMEA

September 5, 19[illegible]

Messrs. Wing G. Agnew, Acting Exec. Officer,
U. S. Bureau of Mines and

D. R. MacLaren, Acting Member
U. S. Geological Survey
U. S. Department of the Interior
Defense Minerals Exploration Administration
So. 157 Howard St.,
Spokane 4, Washington

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

Gentlemen:

Receipt is acknowledged of your letter of August 25th with reference to the above contract.

We have had extensive discussions with Mr. Zupan as a result of the same, and have also conferred with your Mr. John Bowsher of Butte.

Mr. Bowsher further explained various costs included in the Government contract, and Mr. Zupan is now convinced that he can proceed under the contract and complete the drifting. You may therefore treat this letter as such assurance, as Mr. Zupan now is more conversant with the contract and will proceed under the same.

If there is any further assurance you need in this connection, kindly advise.

Very truly yours,

WUERTHNER & WUERTHNER

John P. Wuerthner

JPW/lj
cc: Mr. John Zupan
PO Box 64
Sand Coulee, Montana

y sent to 800

OFFICIAL FILE COPY
DMEA
RECEIVED 1958
CODE
8/28 C 220
K 500

Sp. 157 Howard Street
Spokane 4, Washington

August 25, 1958

Mr. John P. Wuerthner
Wuerthner & Wuerthner
First National Bank Building
Great Falls, Montana

Re: Docket No. DMEA-4588 (Lead-Zinc)
John Supan
Doctor Malloch Mine
Judith Basin County, Montana
Contract No. I4n-41191

Dear Mr. Wuerthner:

This is in reply to your air mail letter of August 20, 1958, regarding Mr. Supan's exploration contract with the Defense Minerals Exploration Administration. You state that Mr. Supan has been advised that the contract does not cover any contribution by the Government to the cost of a compressor, jack hammer, stope hammer, and other equipment necessary to complete the contract and that unless the contract can be modified to contribute to the cost or rental of these items, Mr. Supan doubts whether he will be able to complete the exploration work.

The allowance for a compressor, jack hammer and other equipment is included in the authorized unit costs which are $1,353 for rehabilitation, $27 per foot for drifting, $7.50 per foot for timbering, and $1.25 per foot for long hole drilling. A stope hammer is not necessary for drifting operations.

Because Mr. Supan stated in his application that he proposed to contribute his share of the costs by labor and by furnishing certain operating materials, we wrote to him on October 9, 1957, advising him that our experience with many DMEA contracts has indicated to us that this method of meeting the Operator's share of the cost has never been adequate. We then asked him if he would advise us whether or not he was prepared to meet his share of the cost that might not be covered by his labor, or supervisory time, and equipment.

In his reply, dated October 21, 1957, Mr. Supan stated: "I realize that furnishing labor and operating materials only is usually insufficient to cover the Operator's share of the cost. However, I have contacted the Montana Bank of Great Falls, Montana, with reference to backing, and they would agree to loan me capital if I can advise her much it will take. That, of course, will depend upon how much Government assistance I receive." On the basis of this assurance we continued to process the application and DMEA prepared the contract.

In our letter of May 14, 1950, with which we sent the contract to Mr. Rogan, we stated: "If it does not meet with your approval, please return all copies of the contract, unsigned, with your comments." Mr. Rogan therefore knew how much the Government would allow for the cost of rehabilitation, drifting, timbering, etc. and how much he would need to meet his share of the cost of the project before signing the contract. After a contract has been signed by an Operator, it is considered a binding legal document and the unit prices cannot be changed.

The normal exploration work is the drifting and long hole drilling. Only because they were necessary before drifting could be started was provision made in the contract for rehabilitation of the old crosscut and drift and for construction of a compressor house. In view of your statement that Mr. Rogan may now be unable to do the drifting, we must withhold payment for the rehabilitation work until we receive assurance that Mr. Rogan is financially able to do the drifting. Since Mr. Rogan did not complete enough of his project to explore at least a portion of the target area he may be required to refund all monies advanced to him by the Government. He has been reimbursed $125 for the construction of a compressor house.

If Mr. Rogan is unwilling or unable to furnish his share of the costs of exploration we suggest that he request the contract be rescinded. If this is done, it will be necessary for Mr. Rogan to return the $125 the Government contributed to the cost of the compressor house.

By Field Team, Region I

Ming C. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

D. R. Mankaren, Acting Director
U. S. Geological Survey

cc: DMEA (3)
UMRM (AD)
UMRM (2)
Prinz

[illegible] BUILDING
[illegible] MONTANA
JOHN [illegible]

August 20, 1958

Mr. A. E. Weissenborn,
Executive Officer,
U.S. Department of the Interior

[illegible] 157th Howard St.,
[illegible] 4, Washington

Re: Docket DMA-4588 (lead-zinc)
John Zupan
Dester Kallech Mine
Judith Basin County, Montana

Dear Mr. Weissenborn:

We are writing in behalf of the contract No. DMA-I 1191, which you have with the above person, and which contract is dated May 9th, 1958.

Mr. Zupan has completed all of the rehabilitation work on the mine [illegible] compressor house. As we understand his contract, the Government would [illegible] 50% of the cost of this project, the forms for payment of which have [illegible] been received by your office.

At the present time, in order to further proceed with the balance of the [illegible] work, it is necessary for Mr. Zupan to secure a compressor, jack hammers, [illegible] hammer, and other equipment necessary to fulfill his bargain under the [illegible]. He has been advised that your contract with him does not cover any [illegible] by the Government for these items. Unless you are able to modify [illegible] and contribute at least 50% toward the cost or the rental of these [illegible] Zupan doubts whether he will be able to complete the exploration work under [illegible] contract.

Specifically, w e are asking the Government to modify the contract and [illegible] 50% contribution for the purchase or rental of a compressor, one stope [illegible], one jack hammer, together with a complete outfit. Mr. Zupan has the [illegible] a compressor at $160 per month, or a larger compressor for $300 [illegible] hammers for $60.00 per month; jack hammers for $45.00 per month [illegible] of applying a minimum of three months rental on the purchase [illegible] not have the capital available at the present time to purchase [illegible] will rent the same until production is commenced at his mine.

It will also be necessary for Mr. Zupan to secure a blower for [illegible] the minimum amount for the blower cost is $[illegible] [illegible] for a minimum of [illegible] [illegible]

You are [illegible]

[illegible]

Re: Docket DMEA-4588
John Zupan

ore in paying quantities will be discovered as a result of this work. However, he is hopeful that when the work is completed, ore in paying quantities will be discovered and he will be in a position to purchase these items. In the event the operation is unsuccessful, naturally, he would have to dispose of these expensive items of equipment were he to purchase the same.

He is unable to proceed further with his work until we are in receipt of further advices from you as to additional Government participating. Awaiting your earliest advices, and with best wishes, we are

Very truly yours,

WUERTHNER & WUERTHNER

John P. Wuerthner

JPW/lj
via air mail

Via Air Mail

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6/5	[illegible]	500

So. 157 Howard Street
Spokane 4, Washington

May 29, 1958

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

Re: Docket No. DMEA-1588 (Lead-Zinc)
Doctor Kalloch Mine
Judith Basin County, Montana
Contract No. Idm-E1191

Dear Mr. Zupan:

This is in reference to your letter of May 20, 1958, with which you enclosed the original and three executed copies of DMEA contract No. Idm-E1191.

The forms you request were mailed to you by the Certifying Officer on May 27, 1958.

You may start the contract work any time up to and including June 15, 1958. If the work is performed diligently and without unnecessary interruption or delay, it should be completed by November 6, 1958. However, should unavoidable delays make it impossible for you to complete the contract work by that date, an extension would be considered.

Sincerely yours,

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

cc: DMEA (2) w/2 cys incoming
USBM (2)
USBM(AD)
Prinz

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Mac
ae
USBM cc
AD cc (Dorothy to do)
DMEA

May 20, 1958

Mr. A. E. Weissenborn,
Executive Officer,
U. S. Department of the Interior
DMEA,
South 157th Howard St.,
Spokane 4, Washington

Re: Docket DMEA-4588 (lead-zinc)
John Zupan
Docter Kalloch Mine
Judith Basin County, Montana

Dear Mr. Weissenborn:

I am enclosing an original and three copies of the executed short form contract for my project, and have retained the operator's copy. Would you kindly send me the necessary operator's records, including the monthly report and voucher forms, the unit cost and progress report forms, so that I can commence my operations immediately?

Dorothy

I know I am allowed six months from May 9th, 1958 to complete the project. I trust that if the project is not quite completed by the deadline, the Government would extend the terms of the contract so it could be completed early in the spring of 1959. As you know, we may have an early winter in Montana, which would necessitate closing down my operations because of the weather.

Very truly yours,

John Zupan
Box 64
Sand Coulee, Montana

Encls.

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

May 28, 1958

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Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
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 Government and Audit copies of the above referenced contract. Other copies of the contract have already been distributed. Also enclosed are two copies of a letter dated May 20, 1958, from John Zupan.

Sincerely yours,

A. E. Weissenborn

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

Enclosures

cc: USBM (2)
USBM (AD)
Prinz

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 2 1958
DATE

May 20, 1958

Mr. A. E. Weissenborn,
Executive Officer,
U. S. Department of the Interior
DMEA,
South 157th Howard St.,
Spokane 4, Washington

DMEA

Re: Docket DMEA-4588 (lead-zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana

Dear Mr. Weissenborn:

I am enclosing an original and three copies of the executed short form contract for my project, and have retained the operator's copy. Would you kindly send me the necessary operator's records, including the monthly report and voucher forms, the unit cost and progress report forms, so that I can commence my operations immediately?

I know I am allowed six months from May 9th, 1958 to complete the project. I trust that if the project is not quite completed by the deadline, the Government would extend the terms of the contract so it could be completed early in the spring of 1959. As you know, we may have an early winter in Montana, which would necessitate closing down my operations because of the weather.

Very truly yours,

John Zupan
Box 64
Sand Coulee, Montana

Encls.

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So. 157 Howard Street
Spokane 4, Washington

May 14, 1958

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

Re: Docket No. DMEA ~~1598 (Lead-Zinc)~~
Doctor Kalloch Mine
Judith Basin County, Montana

Dear Mr. Zupan:

Enclosed are the original and four copies of a proposed short-form contract for the cited project, signed by the Administrator, for the Government. It consists of the form (MF-200A), Annex I (one page), Exhibit A (two pages), and one map.

Article 1(a) of the contract provides that work is to begin on or before June 15, 1958, and shall be completed within 6 months from the date of the contract, May 9, 1958, or by November 9, 1958. Please inform us when you expect to commence work.

Your attention is called to Annex I, Excluded Land which states that "All land below the 6,100.5 foot level shall be subject to the royalty provisions of the contract, the Supplementary Agreement, between John Zupan and Edward Taskila, notwithstanding."

Your attention is also called to Article 6 of the contract which deals with repayment by the Operator from royalty on production. Any production from the land described in the contract is subject to the royalty provisions of the contract whether or not the ore was known to exist prior to the date of the contract or it is discovered or developed by the work under the contract. This applies to all production during the period in which the Government may certify or, if the project is certified, to all production during the repayment period specified in the contract.

If the proposed contract meets with your approval, please sign all copies, retain the one marked for the Operator, and return the others to this office. If it does not meet with your approval, please return all copies of the contract, unsigned, with your comments.

Sincerely yours,

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

Enclosures

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

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/16	Klugescheid	500
	Freeman	500
"	Johnson	110
"	Mittendorf	100
		220
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MAY 16 1958

Hon. Mike Mansfield
United States Senate
Washington, D. C.

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

Dear Senator Mansfield:

We refer to your letter dated October 28, 1957, concerning the cited project.

We forwarded a proposed contract to the Field Team for review and for presentation to the Applicant for signature on May 9, 1958.

Sincerely yours,

C. O. Mittendorf

Administrator

WPKlugescheid/er 5/16/58
Copy to: Docket
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MR
DL
DCCO
Sec. Read.File
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region I (2)
Chron.

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DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/9	Klugescheid	500
	Murrell	500
5-9	Chambers	110
5/9	Selfridge	110
"	Johnson	110
"	Hartnedy	100
5/12	"	220
		500

500

MAY 9 1958

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

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

Dear Mr. Weissenborn:

Enclosed are the original and four copies of a proposed short-form contract for the cited project, signed by the Administrator, Defense Minerals Exploration Administration. It consists of the form (MF-200A), Annex I (one page), Exhibit A (two pages), and one map. Two extra copies of Annex I, Exhibit A, and the map are also enclosed for the use of the Field Team.

You will notice that only the land above the 6,100.5 foot level has been excluded, and royalties must be paid on all production below that level.

If the proposed contract meets with your approval, kindly present it to the Applicant for approval and signature and, when completed, distribute the copies in the usual manner. In the event that the contract is not satisfactory, and cannot be amended within your delegated authority, return all copies with your recommendation concerning any modification.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (HR)

APPROVED:

Frank D. Lamb (HR)
Member, Bureau of Mines

Thor H. Kiilsgaard (HR)
Member, Geological Survey

WPKlugescheid/er 5/9/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

Enclosures

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DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
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	Mann	500
5/7	Selfridge	130
5/7	Lamb	130
5/7	Kiilsgaard	130
5/7	Johnson	110
"	Whitaker	100
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		500

MAY 7 1958

WPKlugescheid/er Rm 4444, Ext. 2690

DMEA - Division of Base Metals

14X4401(01 Revolving Fund,
Defense Production Act, Interior,
(Transfer to Office of Secy.)

TELETYPE

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Date:

To: Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region I, Spokane, Washington

Reurtt May 6, Docket No. DMEA-4588, John Zupan. Expect final action on ~~proposed contract~~ in about one week.

Docket No. DMEA-4732, Western America of Montana, Inc. What is status of this contract?

George C. Selfridge

Chairman, Operating Committee (24B)

WPKlugescheid/er 5/7/58
Copy to: Docket (2)
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

8623

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SPOKANE WASH 5-6-58 1650U

GEORGE C. SELFRIDGE, CHAIRMAN OPERATING COMMITTEE DMEA

DEPT OF THE INTERIOR, WA (25)

REOURLET APRIL 10 RE DOCKET NUMBER DMEA 4588 JOHN ZUPAN, PLEASE ADVISE US STATUS OF THIS APPLICATION.

A E WEISSENBORN, EXECUTIVE OFFICER DMEA FIELD TEAM REGION I

10 4588

EKC 1653U

MAY 7 9 13 AM '58

BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/1	Klugescheid	500

500

May 1, 1958

Memorandum

To: Associate Solicitor, Division of Minerals Resources

From: Director, Division of Base Metals

Subject: Preparation of Contract for Docket No. DMEA-~~1855~~ 4588, John Zupan, Doctor Kalloch Mine, Judith Basin County, Montana, Lead-Zinc.

Will you kindly prepare a contract for the cited project. A draft of the contract, Annex I, Exhibit A and copies of 1 map are attached to this memorandum.

W. R. Griswold

WPKlugescheid/er
Copyto: Docket
Chron.

8623

Memorandum for the Files

From: W. P. Klugescheid, Division of Base Metals

Subject: Docket No. DMEA-4588, John Zupan, Doctor Kalloch Mine, Judith Basin County, Montana, Lead-Zinc

TIMBERING

Assume 100'---5' x 7' in the clear
Minimum length of cap 5' plus 1'4" :: 6'4" say 7'0" Posts also 7'0"
Use 4" x 6" x 4'4" min. say 5'0" collar braces
Assume 8-2" x 12" x 5'0" for lagging
Assume 6-8" x 8" x 1'0" for blocking and wedges.

Labor and Supervision

2 men @ $17.25/day ::	$34.50
1-Leadman-Compressorman @ $18.75/day	18.75
	$53.25
Assuming 3 sets or 15'/day ::	$ 3.55/day.

Timber

3 - 8"x8"x7'0" :: 3 x 37.34 ::	112.00	Bd. Ft.
2 - 4"x6"x5'0" :: 2 x 10 ::	20.00	" "
8 - 2"x12"x5'0" :: 8 x 10 ::	80.00	" "
6 - 8"x8"x1'0" ::	32.00	" "
Total	244.00	Bd. Ft.

244 Bd. Ft. @ $65.00/M :: 65 x 0.244 :: $15.86/set
15.86/5 :: $ 3.17/ft.

Power and Fuel 20.40/100 :: 0.20/ft.

Equipment Depreciation 31.33/100 :: 0.31/ft.

Miscellaneous $53.25 x 0.149 :: $7.93/day/15 :: 0.53/ft.

SUMMARY OF COST

Labor & Supervision	$3.55/ft.
Timber	3.17 "
Power and Fuel	0.20 "
Equipment Depreciation	0.31 "
Miscellaneous	0.53 "
Total calculated Cost	$ 7.76/ft.

Call it $ 7.50/ft.

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

OFFICIAL FILE COPY
DMEA
RECEIVED APR. 14 1958
DATE | INITIALS | CODE
4/15 | | 220
4/15 | | 320

April 10, 1958

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

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

Dear Mr. Selfridge:

This is in reply to your letter of April 3, 1958, in which you ask us to discuss with Mr. Zupan the impossibility of excluding from royalty any production below the 6100.5 level, as well as the relation between the Taskila workings and those proposed by Mr. Zupan.

We do not have anybody immediately available to go to the property, a trip which would require about three days. However, we were able to get Mr. Zupan on the telephone.

The Taskila workings are on another vein about parallel to and 50 feet southeast of the vein Mr. Zupan proposes to explore. If you will refer to plate 1 accompanying the examination report, you will see limited workings at station 5941. About 60 feet northwest of these workings is indicated where Zupan said he uncovered his vein in a trench. The examiners could not see the vein here as the trench was badly caved. The vein in the limited workings contained limonite and copper stained stringers but did not appear impressive. Moreover, this structure definitely was not the one followed by the 6016 and 6100.5 drifts (see section on pl. 1). From Mr. Zupan's description of the location, the Taskila drift could well be on this structure. If a contract becomes effective, we will tie in and map the Taskila workings during interim inspections.

Regarding royalty, Mr. Zupan is willing to pay royalty on all ore produced below the 6100.5 level. At first he did not understand why royalty should be paid on production from another vein but when we explained that all contracts included production from any working on the property included in the contract he simply said that he had already agreed to be responsible for royalty payments and

repeated that he would pay royalty on Taskila's production from the 20 percent he will receive. He did, however, ask if he was committed to signing a contract before he had seen it. We assured him that he was under no obligation to sign the contract unless he found the terms acceptable.

By Field Team, Region I

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

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

cc: USBM (2)
Prinz

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/31	Klugescheid	500
	Thiaw	500
4/2	[illegible]	110
3	Rutledge	100
4/2	Lefferdy	130
4/2	Yoder	130
4/2	Nelson	130
4/3	[illegible]	220
		500

APR 3 1958

Mr. John Zupan
Post Office Box 64
Sand Coulee, Montana

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

Dear Mr. Zupan:

We have your letter, dated March 25, 1958, in which you state, in the third paragraph, "I would be willing to assign a portion of my rights under my agreement with Taskila to the Government as security for the loan."

The location of the "certain drift running generally northeasterly and parallel with the said "upper tunnel" etc.", which you mentioned in your Supplemental Agreement with Taskila under II, is still very uncertain. Is this part of the same vein that it is intended to explore on the 6016 level? If so, the amount of possible ore that can be found on the 6016 level with such a small vertical interval remaining would hardly warrant consideration of a possible contract. Usually we would hesitate to consider even such a small vertical interval as that between level 6016 and level 6100.5 but in this case there is no other reasonable point of attack available.

It may be possible to continue the processing of the contract if you would be willing to pay the royalty which would in other cases be due the Government on any production between the 6060 level and the 6100.5 level. This would, of course, have to come out of the royalty paid to you by Taskila.

8623

We are sending a copy of this letter to Mr. Weissenborn in Spokane with instructions that he discuss the matter of the location of the vein on the 6060 level with you. At this distance it is very difficult to come quickly to a thorough understanding of the situation created by the new drift on the 6060 level.

Mr. Weissenborn will know what information we require and how to clear up all doubts once and for all.

Sincerely yours,

(sgd)
Administrator

WPKlugescheid/er 3/31/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region I (2)
Chron.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/31	Klugescheid	500
	Friawald	500
4/2	GCS	130
"	Yopes	110
3	Weissenborn	100
		~~UP~~
		220
		500

APR 3 1958 500

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

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

Dear Mr. Weissenborn:

We have received a letter from Mr. Zupan, dated March 25, 1958, copies of which are enclosed.

We have answered this letter and if you will get in touch with this gentleman, possibly we shall be able to come to some real understanding as to what has been done on this property recently. He refers to the new drift on the 6060 level as being parallel with the "upper tunnel". Is this drift being driven on a new vein or is it on the same one it is proposed to explore under the proposed project. Mr. Zupan cannot, of course, get out of his agreement with Taskila at this time and in our letter we have suggested that we might consider the payment of the usual royalty on all ore extracted between the 6060 level and the 6100.5 level as a solution to the problem. The royalty would, of course, actually come out of the royalty he will receive from Taskila. In a proposed contract we would consider all ore mined between the 6016 and the 6100.5 levels as subject to royalty. You might discuss this matter with Mr. Zupan and see what he would be willing to do along these lines.

We hope that we will be able to come to a definite decision concerning this project very shortly.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Enclosures
APPROVED:

P. F. Yopes (GCS)
Member, Bureau of Mines

N. E. Nelson (GCS)
Member, Geological Survey

WPKlugescheid/er 3/31/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

8623

DMEA
RECEIVED MAR 26 1958
DATE | INITIALS | CODE
3/27 | C | 220
3/27 | [illegible] | 500

Sand Coulee, Montana
March 25, 1958

Mr. C. O. Mittendorf, Administrator
United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

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

Dear Mr. Mittendorf:

I have just received your favor of February 28th, 1958, advising that you cannot process my application unless I agree to include all ground below the 6100.5 level as subject to Defense Minerals Exploration Administration royalty and include that as a part of my project.

It is certainly agreeable with me to include all ground below that level except a new discovery running generally parallel to the upper tunnel at an elevation of approximately 6060 feet above sea level. This portion is tied up by lease to Edward Taskila, and I have no authority to release this particular vein.

However, if this fact will keep my application from being approved I would be willing to assign a portion of my rights under my agreement with Taskila to the Government as security for the loan.

Will you please advise as soon as possible with reference to this matter?

Very truly yours,

John Zupan

air mail

John Zupan
Box 64
Sand Coulee, Montana

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/27	Klugescheid	500
	[illegible]	500
2/28	[illegible]	120
"	[illegible]	110
"	[illegible]	100
3/3	[illegible]	220
		500

FEB 28 1958

Mr. John Zupan
Post Office Box 64
Sand Coulee, Montana

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

Dear Mr. Zupan:

We have recently received a copy of your Supplemental Agreement with Edward Taskila, dated January 23, 1958.

We note that under Clause II, there is included "a certain drift running generally northeasterly and parallel with the said "upper tunnel", etc.". The elevation of this drift is given as approximately 6060 feet above sea level.

We regret that we cannot continue to process your application unless all the ground below the 6100.5 level can be made subject to Defense Minerals Exploration Administration royalty and be included as part of the project.

Kindly advise us at your earliest convenience what you wish to do in this matter.

Sincerely yours,

[illegible] (for)

Administrator

WPKlugescheid/er 2/27/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region I (2)
Chron.

8623

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

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 3 1958

DATE	INITIALS	CODE
2/3	gb	220
		500

January 29, 1958

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

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

Dear Mr. Selfridge:

Enclosed are the original and one copy of a Supplemental Agreement, to be included with the referenced application, which you requested in your letter of January 6, 1958.

We note under paragraph II of the Supplemental Agreement that the ground leased to Mr. Taskila includes a new working at approximately 6,060 feet above sea level, or 44 feet vertically above the 6016 level. This would leave less than 45 feet of backs in the plane of the vein above the drifting recommended by the examiners.

The applicant proposed to drift from a site in a trench where he took a sample which he said assayed 0.025 ounce gold and 18.1 ounces silver per ton, 4.5 percent lead and 0.2 percent zinc over an unknown width. This trench is off his property and he could not show the examiners the "vein." If the vein were traced by trenching west of the 6016 level drift and a portal site found near his property line, there might be as much as 90 feet of backs from this level to the 6060 level. However, such a drift would require about 400 feet to get under the start of the 6016 level drift rather than 110 feet as indicated on the applicant's map, and an additional 470 feet to explore the known favorable ground. This would be too costly in view of the information now available to us. We concur with the modest recommendation of the examiners, and are willing to recommend that the ground above the 6100.5 level be excluded from royalty, but we do not consider it advisable to extend the exclusion to the 6060 level.

We recommend that you write the applicant, or authorize us to do so, telling him that we cannot agree to a program unless all the ground below the 6100.5 level can be made subject to DMEA royalty.

By Field Team, Region I

A. E. Weissenborn

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

Thomas E Howard

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

Enclosures

cc: USBM (2)
Albee

WUERTHNER & WUERTHNER
ATTORNEYS AT LAW
FIRST NATIONAL BANK BUILDING
GREAT FALLS, MONTANA
JULIUS J. WUERTHNER JOHN P. WUERTHNER

Ma
al
USBM
DMEA
ANSWERED

January 23, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 3 1958
DATE INITIALS CODE

Mr. A. E. Weissenborn,
Executive Officer,
U. S. Department of the Interior
DMEA,
South 157th Howard St.,
Spokane 4, Washington

Re: Docket DMEA-4588 (lead-zinc)
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana

Dear Mr. Weissenborn:

Pursuant to your advices of the 14th inst. to Mr. John Zupan with reference to the above matter, we are enclosing four copies of a Supplemental Agreement which describes, among other things, the elevation of the "upper tunnel" which you requested.

You may attach the enclosed copies to the lease agreement which was previously sent you covering the mine.

We would appreciate your expediting the processing of Mr. Zupan's application as soon as possible.

Very truly yours,

WUERTHNER & WUERTHNER

John P. Wuerthner

JPW/lj
Encls. Supplemental Agreement
(orig and 3 copies)

RECEIVED
JAN 27 1958
U.S.G.S.
SPOKANE, WASH.

DMEA

So. 157 Howard Street
Spokane 4, Washington

January 14, 1958

1/20 gb 220
1/20 ab 500

Mr. John Zupan
Box 64
Sand Coulee, Montana

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

Dear Mr. Zupan;

We have been advised by our Washington office that the lease and agreement between you and Edward Taskila does not definitely indicate the area to be explored by the lessee. This could be clarified if you and Mr. Taskila will execute a supplemental instrument, or a new lease, which would state the elevation above sea level of the tunnel now referred to as the "upper tunnel."

The map prepared by our field men shows two principal tunnels, a crosscut and drift with a portal altitude of 6,016 feet, and a drift with a portal altitude of 6,100½ feet. The map accompanying your application shows the elevation of the drift to be 6,107 feet but, to avoid further confusion, it would be better to use the altitudes determined by our engineers. Therefore, the supplemental instrument required might merely state that the "upper tunnel" referred to in the lease and agreement is the tunnel which is 6,100½ feet above sea level.

As soon as we receive this supplemental agreement, we will forward it to Washington and processing of your application will be resumed.

Sincerely yours,

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

cc: DMEA (2)
USBM (2)
Prinz

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
12/31	[illegible]	500
	[illegible]	500
1/3	GCS	130
	[illegible]	110
3	[illegible]	100
		~~UD~~
1/6	gb	220
		500

500

JAN 6 1958

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

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

Dear Mr. Weissenborn:

We have referred the lease and agreement between John Zupan and Edward Taskila to the Legal Division for their interpretation, and are enclosing copies of their memorandum for your files.

Accordingly, it will be necessary for the parties to the lease to execute a supplemental instrument which will identify positively the tunnel which is called the "upper level". We assume that this is the level which is called the "6100 adit" on the map (Plate I) which accompanies the field examination report. It may be, however, that Mr. Zupan and the lessee have another name for this level. The supplemental instrument might merely state that the "upper tunnel" of the agreement is that tunnel which is 6,100½ feet above sea level.

As soon as we receive the above-mentioned instrument, we will continue to process the application.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Enclosures
APPROVED:

P. F. Yopes (JHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

WPKlugescheid/er 12/31/57
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

DEC 26 1957

Memorandum

To: Director, Division of Base Metals, DMEA

From: Associate Solicitor, Division of Mineral Resources

Subject: Interpretation of lease for Docket No. DMEA-4588 (Lead-Zinc), John Zupan, Doctor Kalloch Mine, Judith Basin County, Montana

We share your opinion that the language of the lease does not definitely indicate the area to be explored by the lessee. It is recommended that the parties to the lease execute a supplemental instrument which would identify with particularity the demised premises. This could be done by stating the tunnel elevation above sea level.

You are correct that the area crosshatched in yellow on the plat attached to the deed to the applicant from Mabel D. Raymond is excluded from the patented Doctor Kalloch claim, USMS No. 3559.

Robert P. Dwyer

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Klugescheid	

500

December 23, 1957

Memorandum

To: Associate Solicitor, Division of Minerals Resources

From: Director, Division of Base Metals

Subject: Interpretation of Lease for Docket No. DMEA-4588 (Lead-Zinc), John Zupan, Doctor Kalloch Mine, Judith Basin County, Montana.

We have recently received the Lease and Agreement between John Zupan, the Applicant and Lessor, and Edward Taskila, Lessee. As you will note, this agreement gives Taskila the right to prospect and to mine minerals for a period of five years. There is a further provision that the work shall be done only on and above the upper level. If you will examine the map on the right hand side of the docket, Plate I, vertical section, upper left hand corner, you will note that the 6,100 adit is the highest one that is accessible. It might be reasonable to assume that this is the level referred to in the lease agreement and that the 6,016 level is the one that Mr. Zupan intends to explore under his application. He does not however state definitely in the agreement which level is considered the upper level.

In the revised application, dated February 19, 1957, physical description, what the Applicant refers to as the Lower Workings, seems to be the 6,016 level and this is the one that the examining team states is the one on which he wishes to carry on the exploration (on-site report).

We wish your opinion as to whether the language of the Lease and Agreement is sufficiently clear as to which level is meant by the upper tunnel or whether it would be necessary to have further clarification.

We wish to refer to the yellow copy of the deed and the Plat accompanying it. In the third paragraph on page I, under the description of the boundaries of the Dr. Kalloch Claim, are we correct in our interpretation that the area cross-hatched in yellow is excluded as being part of the claim having survey number 3344?

W. R. Griswold

WPKlugescheid/er
Copy to: Docket
Chron.

8623

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

COPY DMEA RECEIVED NOV 18 1957		
DATE	INITIALS	CODE
11/18	C	220
11/18	Jwa	500

November 13, 1957

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

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

Dear Mr. Selfridge:

In further reference to our letter of October 30, 1957, we are enclosing two copies of a lease which we have just received from the subject applicant.

We find the lease a bit confusing in that the Docter Kalloch claim, which in the application is also referred to as the Doktor Kalloch and Doctor Kalloch, has been leased but the lessee can only work on and above the upper tunnel if the lessor secures a DMEA contract. Also the lessor agrees to furnish, among other things, lumber, pipe, and rails that are on the property. However, as the applicant has assured us in his letter of October 24, 1957, that the Montana Bank of Great Falls, Montana, will supply him with sufficient funds to meet his share of the cost, this may not be too important.

We recommend that the lease be referred to the Legal Division to determine whether or not the applicant has retained valid control of the property below the upper tunnel. If he has and a contract is to be offered, we recommend that the ground above a horizontal plane through the 6100 level be excluded.

By Field Team, Region I

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

Stephen A. Zoldok
for Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosures

cc: USBM (2)
Prinz

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
10/31	[illegible]	500
	Finance	500
		~~110~~
		~~100~~
10/31	gb	220
		500

OCT 31 1957

Hon. Mike Mansfield
United States Senate
Washington, D. C.

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

Dear Senator Mansfield:

We refer to your letter, dated October 28, 1957, in which you request information concerning the application of Mr. John Zupan for Government exploration assistance.

A Field Team report has been received by this office, but we have not reached a decision in this case.

On October 9, Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region I, Spokane, Washington, wrote to Mr. Zupan asking him if he is prepared to meet his share of the cost of the proposed project or to lease the property to others which we understand is now under consideration. To date we have had no reply from Mr. Zupan.

You may be assured that upon receipt of the requested information from Mr. Zupan, that we will make every effort to expedite the processing of this application.

Sincerely yours,

Frank E. Johnson (fw)

ACTING Administrator

JWAlt/er 10/31/57
Copy to: Docket
Admr R File
~~Op. Committee~~
MR
DL
DCCO
Sec. Rad.File
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region I, (2)
Chron.

PRS - 2947

8623

THOMAS C. HENNINGS, JR., MO., CHAIRMAN
CARL HAYDEN, ARIZ.
THEODORE FRANCIS GREEN, R. I.
MIKE MANSFIELD, MONT.
HERMAN E. TALMADGE, GA.
CARL T. CURTIS, NEBR.
JOHN SHERMAN COOPER, KY.
JACOB K. JAVITS, N. Y.
CLIFFORD P. CASE, N. J.
GORDON F. HARRISON, CHIEF CLERK AND COUNSEL

United States Senate

COMMITTEE ON
RULES AND ADMINISTRATION

SUBCOMMITTEE ON
PRIVILEGES AND ELECTIONS

SUBCOMMITTEE:
MIKE MANSFIELD, MONT.
CHAIRMAN
THEODORE FRANCIS GREEN, R. I.
CARL T. CURTIS, NEBR.
JAMES H. DUFFY, CHIEF COUNSEL

October 28, 1957

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

PRS
OCT 30 1957 2947

TO: MDM	
REPLY TO BE PREPARED BY:	MDM
FOR SIGNATURE OF:	MDM
COPY OF LETTER FURNISHED	
MR DL	
SEND REPLY COPY TO ABOVE	

Honorable Frank E. Johnson
Acting Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Dear Mr. Johnson:

With respect to your letter of September 12 concerning the above-mentioned docket, I would appreciate your advising me at this time if the field report has been received, and what decision has been made with regard to Mr. Zupan's application.

Thanking you for your continued consideration, and with best wishes, I am

Sincerely,

Mike Mansfield

OFFICIAL FILE COPY
TO DMEA
RECEIVED OCT 30 1957

DATE	INITIALS	CODE
10/30	C	220
10/30	Jura	500

IN REPLY REFER TO:

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

October 31, 1957

Memorandum

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

From: W. P. Williams, U. S. Geological Survey

Subject: Review of Field Examination Report, DMEA 4588 (lead-zinc), John Zupan, Doctor Kalloch Mine, Judith Basin County, Mont.

The examining team believe that the chances of finding small lead-zinc ore bodies on the applicant's property are good. They point out that a strong geologic structure in the form of an altered shear zone is present in a Tertiary syenite host rock. The structure is mineralized.

Commercial-grade ore has been mined and shipped from the property, but the records appear to be incomplete. Assays of samples taken by the DMEA examiners show low grade, but the samples were taken in a worked out part of the mine.

I agree with the examining team's recommendations for a small exploration project on the applicant's property. The project would seem likely to result in the discovery of moderate sized ore deposits.

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 1 1957

DATE	INITIALS	CODE
11/1	C	220
11/4	ab	500

W. P. Williams

W. P. Williams

OFFICIAL FILE COPY
DMEA
RECEIVED 1957
DATE
11/4 gb 220
11/5 all 500

So. 157 Howard Street
Spokane 4, Washington

October 30, 1957

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

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

Dear Mr. Zupan:

Thank you for your letter of October 24, 1957 regarding your lease. Will you please furnish us with four copies of your lease, one of which should be a photostat showing signatures or a certified true copy.

Sincerely yours,

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

cc: DMEA (2)
USBM (2)
Prinz

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

DDRA RECEIVED NOV 4 1957		
DATE	INITIALS	CODE
11/4	gb	220
11/5	ad.	500

October 30, 1957

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

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

Dear Mr. Selfridge:

Enclosed are three copies of a letter dated October 24, 1957, from the subject applicant in reply to our letter of October 9, 1957, regarding his ability to finance his share of the costs should a contract be offered, and the question of his lease with other parties.

While we have no objections to excluding the ground above a horizontal plane through the 6100 level, it is difficult to determine from Mr. Zupan's letter whether by "upper working" he means both the 6100 and the 6016 levels. If his lease includes the 6016 level, we believe that no contract can be offered to him as he would no longer be in control of the ground to be explored.

We will ask Mr. Zupan for a copy of his lease, and will forward it to you as soon as we receive it.

By Field Team, Region I

A. E. Weissenborn by [illegible]
A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

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

Enclosures

cc: USBM (2)
Prinz

BUREAU OF MINES
OCT 28 1957
SPOKANE, WASH.

Sand Coulee, Montana
October 24, 1957

Field Team, Region I
U. S. Department of the Interior
Defense Minerals Exploration Administration
1201 N. Division St.,
Spokane 2, Washington

Attention: Mr. A. E. Weissenborn, Executive Officer
U. S. Geological Survey

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

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

Gentlemen:

Receipt is acknowledged of your letter of the 9th inst. with reference to my application for government assistance in connection with the above mine.

I realize that furnishing labor and operating materials only is usually insufficient to cover the operator's share of the cost. However, I have contacted the Montana Bank of Great Falls, Montana, with reference to backing, and they would agree to loan me capital if I can advise how much it will take. That, of course, will depend upon how much Government assistance I receive.

I am sure the Bank will match any amount which I obtain from Government assistance to efficiently operate my mine. You may verify this fact with Mr. Rodney Kurth of the Montana Bank, Great Falls, Montana.

Now with reference to my proposed lease on the property,- the Lessee would probably take over the contract if it were offered to him. He is at present working the mine and employing three men. In return I receive 20% of the net smelter returns on all ore shipped by the Lessee. One load has already been hauled to the smelter at East Helena, Montana, and I anticipate he will be able to haul at least three loads per week from now on weather permitting.

My lease with him runs for a term of five years, and only covers the upper workings of the mine. This does not include any shafts in the other portion. The Lessee recently discovered a new vein which should prove promising, near the upper workings. My lease contains a provision that if I do not secure the Government loan that the Lessee will agree to work all portions of the mine, which includes Nos. 1, 2 and 3 tunnels. In the event that my loan is approved I will make a different arrangement with him with reference to permitting him to work other portions of the mine not covered by the present lease.

In any event, should the Lessee take over the contract I still intend to do all supervising on the project if my loan is approved. If not, I intend to turn the entire operation over to the Lessee as stated in this letter, and retain 20% net royalty. I will be glad to furnish you with a copy of my lease should you desire.

This matter has been delayed so that we have lost the 1957 season and winter is fast closing up operations. I hope that this loan will be approved before the spring of 1958 so that necessary equipment and labor can be arranged for. I would like to go into full scale operations early next spring.

If there is anything further that I can do to expedite this matter, please advise.

Very truly yours,

John Zupan

John Zupan
PO Box 64
Sand Coulee, Montana

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

October 18, 1957

Re: DMEA 4588; Lead-Zinc;
John Zupan
Doctor Kalloch Mine
Judith Basin County, Mont.

Memorandum

To: W. B. Griswold, DMEA

From: O. M. Bishop, USBM

Subject: Review of field examination report dated October 3, 1957 on subject amended application of February 21, 1957.

I have reviewed the report on the investigation of the Dr. Kalloch mine held by John Zupan in Judith Basin County, Montana.

Field examiners, William C. Prinz (USGS) and John A. Bowsher (USBM) conclude that the chance of discovering small orebodies in the altered zone of the syenite stock is good and recommend that a program involving 300 feet of drifting and 500 feet of longholing be approved at a cost of $11,818.

The Field Team has concurred with these recommendations but recommend the application be held in abeyance pending determination of Mr. Zupan's financial responsibility.

The Dr. Kalloch claim is in the eastern edge of the Hughesville syenite stock near the Wolf granite porphyry contact. The mineralized zone strikes N70°-75°E and appears to be part of an altered shear zone. Accessible workings on the structure include 420 feet of drift at the 6,100 level and 240 feet of drift on the 6,016 level. Observation by the field examiners indicated the ore occurred as lenses, and some high grade galena-sphalerite stringers up to 2 inches in width were noted. The only authenticated sample data (DMEA Samples 1, 2, & 3) showed the mineralization to be less than 2½ feet and of low grade. Ore backs in stoped areas were either inaccessible, non-existent, or were neglected by the examiners. On the basis of past production there is little doubt that small pods of high grade lead-silver ore and some copper-zinc ore were present.

In view of the more than 700 feet of development on the shear zone and the relatively small output and poor showings, and the lack of evidence to suggest that new work will be in more favorable structures, I recommend that the application be denied.

O. M. Bishop

O. M. Bishop

Copy to: Division of Minerals
Mr. Kiilsgaard
Mr. Lamb
Mr. Bishop
F I L E S

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

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 14 1957

DATE		CODE
10/14	C	220
10/14	Jwa	500

October 10, 1957

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

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

Dear Mr. Selfridge:

Enclosed are eight prints of plate 1 on which is designated the proposed work to be used with copies of a contract if one is negotiated.

Sincerely yours,

D. R. MacLaren
Alternate Acting Exec. Officer
DMEA Field Team, Region I

Enclosures

cc: USBM (2)
Prinz

RECEIVED 1957
DATE
10/14 C 220
10/14 Jwa 500

1201 N. Division St.
Spokane 2, Washington

October 9, 1957

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

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

Dear Mr. Zupan:

Reference is made to your application for Government assistance in the exploration of the Doctor Kalloch mine in Judith Basin County, Montana.

Your application states that you propose to furnish your share of the costs by "blacksmith outfit, rails, pipe, dump truck, supervisory time, timber sufficient for blacksmith and machine shop, timber sufficient for ore bins, sheet iron sufficient for ore bins." Our experience with many DMEA contracts indicates that furnishing labor and operating materials as you propose has never been adequate to cover the operator's share of the cost.

We understand that you are considering leasing your property, and would like to know whether or not the lessee would wish to take over your contract should one be offered. If you are not leasing your property, will you please advise us whether or not you are prepared to meet your share of the cost that may not be covered by your labor, or supervisory time, and equipment. We cannot process your application further until we receive this information.

By Field Team, Region I

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

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

cc: DMEA (2)
USGS (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

So. 157 Howard Street
Spokane 4, Washington

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 9 1957

DATE	INITIALS	CODE
10/9	B	220
10/14	JHB	130
10/15	C	220
10/15	Jwa	500

VIA AIR MAIL

October 7, 1957

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

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

Dear Mr. Selfridge:

Enclosed are three copies of a memorandum examination report by William C. Prinz, Geologist, U. S. Geological Survey, and John A. Bowsher, Mining Engineer, U. S. Bureau of Mines, on the subject property.

An altered and mineralized zone near the eastern edge of the Hughesville syenite stock is known to have produced at least 4,004 ounces of silver, 63,156 pounds of lead, 4,143 pounds of zinc, and small amounts of copper and gold from 133 tons of ore. Stoping as shown on the applicant's map indicates considerably more than 133 tons, but there are no records to support this indication.

Prinz and Bowsher conclude that the chance of discovering small ore bodies is good and recommend that a program involving 300 feet of drifting and 500 feet of long holing be approved. The recommended program is estimated to cost $11,818 of which the Government's share will be 50 percent or $5,909.

The Field Team concurs with the recommendations of the examiners that a modest exploration program is justified; however, we recommend that the application be held in abeyance until the applicant can demonstrate his financial ability to pay his share of the exploration costs or leases his property to a financially responsible lessee. We understand that three men are interested in leasing the property and are now cleaning out the upper workings, bulldozing additional trenches and constructing a road from the county highway to the property.

We are writing the applicant concerning our action in this matter and will advise you as soon as we hear from him.

By Field Team, Region I

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

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

Reviewed by DMEA OPERATING COMMITTEE 10-14-57 (date)

Enclosures
cc: USBM (2)
USGS (SRO)
Prinz

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 9 1957

DATE	INITIALS	CODE
10/14		130
		220

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Corporation
So. 157 Howard Street
Spokane 4, Washington

October 3, 1957

MEMORANDUM

To: DMEA Field Team, Region I

From: William C. Prinz, Geologist, U. S. Geological Survey, and John A. Bowsher, Mining Engineer, U. S. Bureau of Mines

Subject: Field Examination Report, Docket No. DMEA-4588 (Lead-Zinc), John Zupan, Doctor Kalloch Mine, Judith Basin County, Montana

INTRODUCTION

An application for DMEA aid in exploring a lead-zinc-silver vein on the Doctor Kalloch claim in the Barker Mining District, Judith Basin County, Montana, was received from John Zupan on December 10, 1956. Upon the request of the Base Metals Division for more information, Mr. Zupan submitted an amended application on February 21, 1957. The applicant is vague in his proposed exploration program but essentially would like to drive an adit northeast along a mineralized vein exposed in a bulldozer cut at an altitude of about 5,940 feet. He also suggests extending 6016 level workings northeastward. The applicant estimates that it would cost about $7,800, with Government participation of $3,900, for about 110 feet of drifting which according to the applicant's map would be sufficient footage to drift from the vein in the dozer cut to an area below old productive upper workings; however, the examining team's mapping shows that the applicant's map is incorrect and that it would actually take 480 feet of drifting. This would substantially increase the estimated cost of the applicant's program.

An attempt was made to examine the property in May 1957 by R. D. Sample, Geologist, Geological Survey, and J. A. Bowsher, Mining Engineer, Bureau of Mines; however, at this time the 6016 level was inaccessible because of an ice dam at the portal. The entrance was finally cleared and the property was examined July 7, 1957, by Sample, Bowsher, and W. C. Prinz, accompanied by John Zupan, owner. Bowsher and Prinz re-examined the property August 1, 1957, to check claim corners and to gather additional information.

Reviewed by
DMEA OPERATING COMMITTEE

10-14-57
(date)

SUMMARY

On the Doctor Kalloch claim a strong zone of alteration, probably related to shearing, in a Tertiary syenite stock strikes N. 70°-75° E. and dips 55°-75° S. Pyrite with minor chalcopyrite is disseminated along this altered zone and also coats joint planes in adjacent unaltered syenite. Galena and sphalerite stringers are found in the altered pyritic rock with the ore apparently occurring in lenses along these stringers. The chances of intersecting one or more of these lenses and thus of discovering small ore bodies appears good. A modest program of drifting and long-hole drilling is warranted because: (1) a good strong structure is present on the property, (2) it is mineralized, and (3) ore has been shipped from the property.

Unfortunately, it appeared to the examining team that the applicant would be unable to carry out a program and should a contract be approved, he would probably have to assign it to a lessee.

RECOMMENDATIONS

The recommended program consists of drifting 300 feet easterly along the vein from the present east face of the 6016 drift and of drilling 14, 40-foot horizontal long holes from the sides of the drift. The holes should be drilled both north and south and should be spaced about 60 feet apart.

LOCATION AND ACCESSIBILITY

The Doctor Kalloch claim is in the Barker Mining District in T. 15 N., R. 8 or 9 E. (unsurveyed), Judith Basin County, Montana. It is about 59 miles by road southeast of Great Falls, Montana. The property is accessible by passenger car by following the graded dirt road eastward from U. S. Highway 89 at Monarch, Montana, and continuing through Hughesville, Montana (about 12½ miles east of Monarch) to the Doctor Kalloch claim which is 0.7 mile northeast of Hughesville. West of the property is the dump of the old Block P mine, a large producer in the area. The road is good and is, or could easily be made, accessible all year long. Ore produced from the property could be trucked 140 miles to the American Smelting and Refining Co. smelter at East Helena and supplies could be obtained from Great Falls.

APPLICANT

John Zupan, P. O. Box 64, Sand Coulee, Montana, is sole owner of the property considered in this application. According to the application, he proposes to provide his share of the cost by

supervisory time and by use of the following equipment: blacksmith outfit, rails, pipe, dump truck, timber for blacksmith and machine shop, timber for ore bins, and sheet iron for ore bins. While on the property, Mr. Zupan asked whether a DMEA contract would prohibit his leasing the property and intimated that he was considering leasing the claim. The examining team further felt that Mr. Zupan would be unable to carry his share of the program financially and that if a contract were awarded, it would have to be assigned to a lessee in order for the work to be completed.

PROPERTY RIGHTS

The property included herein consists of one patented mining claim, the Doctor Kalloch claim, Government Survey No. 3559 which is recorded in Deed Record 104, pages 443 and 444, County Clerk and Recorder's Office, Judith Basin County, Montana. Mr. Zupan is owner of the property, having purchased it from Mabel D. Raymond on March 17, 1956. The Warranty Deed was recorded in Judith Basin County on May 11, 1956, in volume 131, page 224. Data in this section were taken from a copy of the Warranty Deed submitted with Mr. Zupan's original application and were not verified by the examining team.

DESCRIPTION OF PROPERTY

The Doctor Kalloch claim is located on the east side of the valley of Galena Creek along a rather steep slope with elevations ranging from about 5,850 to 6,250 feet.

Several old underground workings and some recent dozer trenches are on the property (pl. 1). The major underground workings are a crosscut adit 160 feet long from which 240 feet of drifts have been driven along the main vein and its offshoots at an elevation of 6,016 feet, and a drift 420 feet long driven on the vein at an elevation of about 6,100 feet. The 6016 workings are accessible but track and all mining equipment has been removed; the 6100 drift is inaccessible because of a cave near the portal and nothing is known of the winze reported near the eastern end of this adit. In addition, there are 70 feet of workings in the southwestern part of the claim at an elevation of 5,941 feet. These workings are accessible but contain water up to 3 feet deep. A discovery shaft and a completely caved and almost obliterated portal are also present above the 6100 adit.

The applicant bulldozed 3 trenches totaling about 600 feet in length in August and September 1956. His map shows these trenches 110 feet southwest of the southwestern end of the 6016 workings; however, mapping by the examining team has proved that they are, for the most part, outside of the Doctor Kalloch claim.

At the present time there are no usable buildings or mining equipment on the property. All have been removed or are decayed.

HISTORY

According to Almon F. Robertson and Robert N. Roby (Mines and mineral deposits (except fuels) Judith Basin County, Mont.: U. S. Bureau of Mines, Information Circular 7602, 1931) the Doctor Kalloch claim was located in September 1887 by the Queen Esther Mining Company. No production records are available prior to 1917, but it is reported that before the railroad was built (1891?) ore from the Doctor Kalloch claim "paid freight charges of $52 a ton and netted the shipper $52.48 a ton" (U. S. Bureau of Mines, Inform. Circ. 7602, p. 21). The mine was worked intermittently between 1917 and 1943 and ore shipments are reported totaling 133 tons of ore containing 0.39 ounce gold, 4,004 ounces silver, 43 pounds copper, 63,156 pounds lead, and 4,143 pounds zinc. All of the reported gold, copper, and zinc came from one 13-ton shipment made by the applicant in 1933 (U. S. Bureau of Mines, Inform. Circ. 7602, p. 21). Stoping on the 6100 level as shown on the applicant's map indicates considerably more production than the reported 133 tons.

GEOLOGY

The description of the regional geology is taken from the following:

Weed, W. H., 1899, Description of the Fort Benton Quadrangle, Mont.: U. S. Geol. Survey Geol. Atlas, folio 55.

Weed, W. H., and Pirsson, L. V., 1900, Geology of the Little Belt Mountains, Montana: U. S. Geol. Survey, 20th Ann. Rept., pt. 3, p. 257-395.

Spiroff, Kiril, 1938, Geological observations of the Block P mine, Hughesville, Montana: Econ. Geology, v. 33, p. 554-567.

The area considered in the present application lies along the north flank of a broad domal uplift which forms the core of the Little Belt Mountains. This gentle dome is interrupted by small domes formed by the intrusion of Tertiary laccoliths and stocks around which the surrounding sedimentary rocks have steep and variable dips.

The area in the immediate vicinity of the Doctor Kalloch claim is dominated by two Tertiary stocks which were intruded into Paleozoic sediments. The Hughesville syenite stock has proven to

be the more productive of the two and it forms a circular-shaped outcrop area about a mile in diameter. The other stock (or bysmalith as Weed believes it might be), the Mixes Baldy granite porphyry stock, lies immediately to the east of the Hughesville syenite stock and it forms a crudely circular outcrop area 2-2½ miles in diameter. The syenite in the Hughesville stock is a medium-grained, gray or purplish gray rock in which pink feldspar and dark hornblende and biotite are visible in hand specimens. In some places the rock contains large phenocrysts of feldspar and thus passes into a syenite porphyry. The Mixes Baldy stock consists mainly of granite porphyry, called Wolf porphyry by Weed. This is a dull gray rock with numerous dull white orthoclase and oligoclase phenocrysts 3-5 mm and rarely as much as 20 mm long in a rather dense groundmass. Some dark gray quartz and occasional clear transparent sanadinelike phenocrysts are also present, and some biotite is visible in the groundmass. Near the borders of the intrusion, this rock grades into a rhyolite. Spiroff in his study of the Block P mine found dikes of quartz sanadine basalt porphyrite and quartz porphyry cutting the syenite. His description of the quartz porphyry is similar to the description of the Wolf granite porphyry in the Mixes Baldy stock; however, Spiroff states that more petrographic work is necessary before the dikes can be related to a particular large intrusive body. So far as is known to the present authors, the age relations between the syenite and granite porphyry are unknown. The major ore deposits of the district are found either in fissures in the syenite or along the contact between the syenite or granite porphyry and the surrounding sedimentary rocks.

The Doctor Kalloch claim is in the Hughesville syenite stock near its eastern edge where it is in contact with the Wolf granite porphyry of the Mixes Baldy stock. The main structural feature of the claim is an altered and mineralized zone probably related to shearing. This zone strikes N. 70°-75° W. and dips 55°-75° S.; the dip appears to be steepening with depth (cross section, pl. 1). It was mapped and studied in the 6016 drift where a zone of bleached and altered syenite varies in width from 3 inches to the total width of the drift, about 5 feet. Near the west end and in the eastern third of the drift are similar parallel structures which probably represent splits from the main structure. In addition, two small cross structures of similar character and four minor parallel-striking shear zones were found in this level. The 6100 drift adit, the caved portal at 6,184 feet, and the discovery shaft at 6,232 feet are certainly on the same structure, but these workings are all inaccessible. The 6100 level workings shown on the map (pl. 1) were enlarged from a map furnished by the applicant. Dumps around the caved 6184 portal and the discovery shaft show that these workings were not extensive.

At the level of the easternmost dozer cut, 5,941 feet, there are 70 feet of accessible workings along a zone of altered

syenite similar in character to the main structure. Part of this zone is along the contact between syenite and porphyritic rhyolite or granite porphyry similar in character to the Wolf porphyry of the Mixes Baldy stock or to the quartz porphyry dike described by Spiroff in the Block P mine. This structure, however, strikes N. 85° E. and dips 60-75° S. and does not lie on the projection of the main vein. The altered zone here could be: (1) the main vein, assuming a change in its strike and dip, (2) a split from the main vein, or (3) a totally unrelated structure. The writers feel that either hypotheses 2 or 3 is correct. Mr. Zupan reported finding a vein in the easternmost dozer cut near the place where the main structure projects downward, and this may be the main vein at the 5941 dozer level. Unfortunately, the cut is now somewhat caved and the examining team was unable to locate this vein.

Sulfide mineralization along the main structure on the 6016 drift consists of pyrite, galena, sphalerite, and some chalcopyrite. The pyrite with a trace of chalcopyrite occurs in small grains disseminated through the altered wall rock zone or as a coating on joint planes in adjacent unaltered syenite. Some limonite stain is also present in the altered rock. The galena and sphalerite form lenticular-shaped high-grade stringers in some places in the altered zone. Stringers up to 2 inches wide were observed; however, they are reported to have been wider in the 6100 level and in the lagged and inaccessible areas of the 6016 level. From the pattern of stoping in the 6100 level, it appears that the ore occurred in lenses along the main structure, and the inaccessible raises on the 6016 level indicate that the ore shoots have an almost vertical rake. Quartz, calcite, and rhodochrosite are gangue minerals present; the last named was not seen by the examining team but is reported from the property in U. S. Bureau of Mines, Inform. Circ. 7602.

Mineralization on the small cross and parallel structures consists only of pyrite, both disseminated in altered rock and as a film on joint planes in unaltered rock. Some disseminated pyrite with limonite and a trace of green copper stain are found along the structure in the workings just east of the dozer cuts, and an assay furnished by Mr. Zupan from the vein reported in the dozer cut indicates some mineralization there too.

The control of the ore shoots is, at the present, unknown; however, mapping in the 6016 drift indicates that they may be controlled by small cross structures which are found near each of the two raises.

Three D&FA samples from the 6016 workings were assayed and the results are shown on the map (pl. 1). The assays show small amounts of silver, lead, and zinc; however, the better parts of the vein are mined out and inaccessible because of rotten

raise timber and lagging. The applicant submitted two assays without data as to the type or size of sample and his assays are also shown on plate 1. One sample, A-1, from the easternmost dozer cut is similar to the DMEA assays except for a high silver content. The other, A-2, from the 6016 workings is abnormally high in lead and is obviously a hand-picked sample. Three assays were shown on the operator's map submitted with the application. These assays, all from the eastern third of the 6100 drift, are as follows:

Width (feet)	Gold oz/ton	Silver oz/ton	Zinc %	Lead %
1.3	0.02	32.30	18.60	14.10
1.5	0.01	12.34	2.20	10.50
1.4	1.01	14.54	4.50	10.50

No assay plan is given and the columns headed "zinc" and "lead" may be reversed. The order shown is based on production data from U. S. Bureau of Mines Information Circular 7602 ("HISTORY") which, when converted to ounces per ton and percent, yield the following results for shipped ore: 0.03 ounce gold per ton, 30.1 ounces silver per ton, 23.7 percent lead, and 15.9 percent zinc. This is said to have been sorted ore. Thus, although the DMEA samples yielded discouraging results, data from now inaccessible areas are more encouraging.

The purpose of the proposed program is to explore the 6016 level under two of the stoped areas on the 6100 level.

APPLICANT'S PROPOSAL

In his application Mr. Zupan is extremely vague regarding a program. He states in his application that he would like to drift northeast from the reported vein occurrence in the easternmost dozer cut. Although he does not say so in his application, on his map at the eastern face of the 6016 drift is a notation "wish to drive here also." Mr. Zupan estimates that it would cost $7,800 to drift 110 feet from the dozer cut which, according to his map, would be sufficient distance to reach a point under the southwest corner of the 6016 workings. Mr. Zupan's map is in error and it would actually take about 480 feet of drifting to reach this objective. In addition, the reported vein in the dozer cut, which is also the site of the applicant's proposed portal, is not on his property. Thus, a long drift from this lower level does not seem warranted at the present time.

Mr. Zupan's second proposal to extend the 6016 level eastward is much sounder and a modest program is recommended for this level.

RECOMMENDED PROGRAM

The program recommended for approval consists of drifting northeast along the vein from the present face on the 6016 level (pl. 1). Three hundred feet of drifting is proposed which would be sufficient to explore the vein below two of the three stoped areas along the 6100-foot adit. It is also recommended that 500 feet of long-hole drilling be provided to probe the walls to a maximum depth of 40 feet both north and south of the drift. Fourteen long holes should be placed approximately 60 feet apart and should be drilled horizontally. Their purpose is to test for parallel structures and for splits in the main vein.

Assume 85' above
100' below
185' height.

COST ANALYSIS

Should the Government approve a contract to participate in the exploration of the property, the following costs are recommended for consideration.

Equipment to be Furnished by Applicant

		Value	Deprec./Mo.
1 - 250 cfm gasoline portable compressor	(used)	$2,000	$33.33
1 - truck	(used)	2,000	33.33
1 - jackhammer	(used)	200	3.33
1 - air leg drill	(new)	715	11.92
1 - Eimco 12-B mucker	(new)	3,435	57.25
1 - Universal 10 HP air trammer	(new)	2,150	35.83 ?
1 - Air receiver	(new)	350	5.83
5 - mine cars @ $250/ea.	(new)	1,250	20.83 ?
1 - ventilating fan, 5 HP	(new)	360	6.00

Rehabilitation of Crosscut and Drift

330 feet - 5'x7' in the clear
Advance: 50 feet/shift
7 days or 1/4 month

1. Independent contracts — none

2. Labor and supervision

2 miners x $17.25/day ea. x 7	$241.50	
1 leadman-compressor x $18.25/day x 7	127.75	
	369.25	
8.3% O.T. x $369.25	30.65	$399.90

3. Operating materials and supplies

Explosives	none
Drill accessories	none
Mucking machine accessories	
50-ft. 3/4" air hose @ $34.40/ea.	34.40
Line oiler @ $21.00/ea. (50% salvage)	10.50

Track (370 feet--includes 40 feet on dump)

3,952 lbs. rail (740' - 16#) @	$11.65/cwt.	(50% salv.)	230.20
38 pr. fishplates @	0.75/pr.	(50% ")	14.25
152 track bolts @	0.0562/ea.		8.54
740 spikes @	0.021/ea.		15.54
1 switch stand @	21.20/ea.	(50% salv.)	10.60
1 frog @	35.25/ea.	(50% salv.)	17.63
185 ties @	0.35/ea.		64.75

3. Operating materials and supplies (continued)

Timber	none	
Pipe		
350 ft. 2" air line @ $0.454/ft. (50% salv.)	$ 79.45	
350 ft. 1" water " @ 0.216/ft. (50% ")	37.80	
	117.25	
Fittings - 25% of $117.25	29.31	
	146.56	
Ventilation		
340 ft. 10" ventube @ $111.15/100 ft. (50% salv.)	188.96	
Power and Fuel		
9 gals. gasoline @ $0.35/gal. x 15 da.	47.25	
Grease and oil - 10% of $47.25	4.73	
	51.98	
Misc. small tools - expendable	50.00	
		$843.91

4. Operating equipment - to be furnished - 1/4 month

Compressor	33.33 x .25	8.33	
Air receiver	5.83 x .25	1.46	
Truck	33.33 x .25	8.33	
Mucking machine	57.25 x .25	14.31	
Air trammer	35.83 x .25	8.96	
5 mine cars	20.83 x .25	5.21	
Ventilating fan, 5 HP	6.00 x .25	1.50	
			48.10

5. Rehabilitation and repairs — none

6. New buildings, etc. — none

7. Miscellaneous
   Unemploy. comp., FIC, etc.
   14.9% of $399.90 — 59.59

8. Contingencies — none

Total cost - 330 ft. crosscut and drift rehab. — $1,351.50

Cost per foot - $4.10

Drifting

300 feet - 5'x7' in the clear
Advance: 4 feet/shift
75 days or 3 months

1.	Independent contracts		none
2.	Labor and supervision		
	2 miners x $17.25/day ea. x 75	$2,587.50	
	1 leadman-compressor-trammer x 18.75/day x 75	1,406.25	
		3,993.75	
	8.3% O.T. x $3,993.75	331.48	
			$4,325.23 14.41/ft.
3.	Operating materials and supplies		
	Explosives		
	Dynamite, 3000# @ $22.40/cwt.	672.00	2.24/ft.
	Caps, 1020 @ 2.30/100	23.46	
	Fuse, 10,200' @ 1.37/100'	139.74	0.46/ft.
		835.20	
	Drill accessories		
	14 carbide bits @ 15.60/ea.	218.40	
	14 - 6' drill rods @ 9.10/ea.	127.40	1.46/ft.
	1 - 50-ft. 3/4" air hose @ 34.40/ea.	34.40	
	2 - 50-ft. 1/2" water hose @ 28.80/ea.	57.60	
		437.80	
	Track (300 feet)		
	3,200 lbs. rail (600' - 16#) @ $11.65/cwt. (50% salv.)	186.40	
	30 pr. fishplates @ 0.75/pr. (50% ")	11.25	0.90/ft.
	120 track bolts @ 0.0562/ea.	6.74	
	600 spikes @ 0.021/ea.	12.60	
	150 ties @ 0.35/ea.	52.50	
		269.49	
	Pipe		
	275 ft. 2" air line @ 0.454/ft.(50% salv.)	62.43	
	275 ft. 1" water " @ 0.216/ft.(50% ")	29.70	0.38/ft.
		92.13	
	Fittings - 25% of $92.13	23.03	
		115.16	
	Ventilation		
	250 ft. 8" ventube @ $87.30/100'(50% salv.)	109.13	0.36/ft.
	Repair parts		
	300 ft. @ $0.75/ft.	225.00	0.75/ft.

3. Operating materials and supplies (continued)

Power and Fuel

10 gals. gasoline @ $0.35/gal. x 60	210.00	
Grease and oil - 10% of $210.00	21.00	0.89/ft.
	231.00	
Misc. small tools - expendable	35.00	
		$2,257.78

4. Operating equipment - to be furnished - 3 months

Compressor	33.33 x 3	99.99	
Air receiver	5.83 x 3	17.49	
Truck	33.33 x 3	99.99	
Jackhammer	3.33 x 3	9.99	
Air leg drill	11.92 x 3	35.76	
Mucking machine	57.25 x 3	171.75	
Air trammer	35.83 x 3	107.49	
5 mine cars	20.83 x 3	62.49	
Ventilating fan	6.00 x 3	18.00	
			622.95 2.08/ft.

5. Rehabilitation and repairs — none

6. New buildings

Compressor house and shed minimum 8'x 10' — 250.00

7. Miscellaneous

Unemploy. comp., FIC, etc.
14.9% of $4,325.23 — 644.46 2.15/ft.

8. Contingencies — none

Total cost - 300 feet of drifting — $8,100.42 ✓
250.00

Cost per foot - $27.00 * ✓

*Less cost of compressor house.

Timbering

100 feet - 5'x7' in the clear
Advance: 25 feet (5 sets)/shift
4 days or 0.2 months

1. Independent contracts — none

2. Labor and supervision

2 miners x $17.25/day ea. x 4	$138.00	
1 leadman-compressor x $18.75/day x 4	75.00	
	213.00	
8.3% O.T. x $213.00	17.68	
		$230.68

3. Operating materials and supplies

Explosives	none	
Drill accessories	"	
Track	"	
Pipe	"	
Ventilation	"	
Timber (framed)		
42 posts @ $2.10/ea.	88.20	
21 caps @ 2.10/ea.	44.10	
40 girts @ 2.10/ea.	84.00	
1,575 bd. ft. lagging @ $65.00/M	102.38	
	318.68	
Blocks and wedges - 5% of $318.68	15.93	
	334.61	
Power and fuel		
10 gals. gasoline x $0.35/gal. x 4	14.00	
Grease and oil - 10% of $14.00	1.40	
	15.40	
Misc. small tools - expendable	5.00	
		355.01

See pre-calculations

4. Operating equipment - to be furnished - 0.2 months

Compressor	33.33 x 0.2	6.67	
Air receiver	5.83 x 0.2	1.17	
Truck	33.33 x 0.2	6.67	
Air trammer	57.25 x 0.2	11.45	
5 mine cars	20.84 x 0.2	4.17	
Ventilating fan	6.00 x 0.2	1.20	
			31.33

5.	Rehabilitation and repairs	none
6.	New buildings, etc.	none
7.	Miscellaneous Unemploy. comp., FIC, etc. 14.9% of $230.68	34.37
8.	Contingencies	none

Total cost - 100 feet of timbering $651.39

Cost per foot - $6.50 Change to $4.50/foot

Long Hole Drilling

500 feet of long hole drilling @ $1.25/ft. $625.00

Assaying

60 samples every 5 feet of drift

60 Au and Ag	@ $2.00/ea.	$120.00	
60 Pb	@ 1.50/ea.	90.00	
60 Zn	@ 1.50/ea.	90.00	
60 Cu	@ 1.50/ea.	90.00	
			$390.00

Technical Services

Consulting geologist-engineer
2 days/month @ $75.00 x 3 $450.00

SUMMARY OF ESTIMATED COSTS

Rehabilitation of 330 feet of drift and crosscut @ $4.10/ft.	$1,353.00
Construct compressor house	250.00
300 feet drift and/or crosscut @ $27.00/ft.	8,100.00
100 feet timbering @ ~~6.50~~/ft. 7.50	750.00 ~~650.00~~
500 feet long hole drilling @ 1.25/ft.	625.00
240 chemical determinations* in 60 samples @ $6.50/ea.	390.00
*60 Au and Ag @ $2.00/ea. 60 Pg @ 1.50/ea. 60 Zn @ 1.50/ea. 60 Cu @ 1.50/ea.	
Consulting engineer-geologist, 6 days @ $75.00/day	450.00
Total cost of project	$11,818.00
Government participation @ 50%	$ 5,909.00

Enclosure
Distribution:
DMEA(3)
USBM(5)
USGS(SRO)
Docket
Prinz

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9/11	Klugescheid	500
		~~110~~
		~~100~~
9/12	C	225
		500

SEP 12 1957

Hon. Mike Mansfield
United States Senate
Washington, D. C.

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

Dear Senator Mansfield:

We refer to your letter, dated September 5, 1957, in which you request information as to the status of the Defense Minerals Exploration Administration application of Mr. John Zupan.

The original application gave very little information concerning the property so it became necessary to request further data. Mr. Zupan then submitted a second application which again gave insufficient data; however, the project was referred to the field for examination. There were some delays in making the field examination, due to work load of the examining team and also unfavorable weather, but it has now been made and we are awaiting the report on this examination.

You may rest assured that on receipt of this report, it will receive prompt and careful attention and we will make every effort to expedite our decision.

As requested, we are returning Mr. Zupan's letter.

Please feel free to call upon me at any time when I can be of service to you.

Sincerely yours,

Frank E. Johnson
(by [illegible])
ACTING Administrator

WPKlugescheid/er 9/11/57
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region I (2)
DCCO
Enclosure
MR
DL
Chron.

8623

THEODORE FRANCIS GREEN, R. I., CHAIRMA
J. W. FULBRIGHT, ARK.
JOHN SPARKMAN, ALA.
HUBERT H. HUMPHREY, MINN.
MIKE MANSFIELD, MONT.
WAYNE MORSE, OREG.
RUSSELL B. LONG, LA.
JOHN F. KENNEDY, MASS.
ALEXANDER WILEY, WIS.
H. ALEXANDER SMITH, N. J.
BOURKE B. HICKENLOOPER, IOWA
WILLIAM LANGER, N. DAK.
WILLIAM F. KNOWLAND, CALIF.
GEORGE D. AIKEN, VT.
HOMER E. CAPEHART, IND.

CARL MARCY, CHIEF OF STAFF
C. C. O'DAY, CLERK

United States Senate

COMMITTEE ON FOREIGN RELATIONS

September 5, 1957.

RECEIVED
SEP 10 1957
D.M.E.A.

Mr. C. O. Mittendorf
Administrator
Defense Minerals Exploration
Administration
Interior Building
Washington, D.C.

Dear Mr. Mittendorf:

In October of 1956 we corresponded relative to the D.M.E.A. application for a loan made by Mr. John Zupan of Sand Coulee, Montana.

At that time you suggested that we send his application to the D.M.E.A. field office in Spokane, Washington. I have received the enclosed letter from Mr. Zupan indicating that a decision has not been rendered to date on his application.

I would appreciate being advised as to the status of this application. Please return the enclosed with your reply.

With best personal wishes, I am

Sincerely yours,

Mike Mansfield

P. R. S.
1400 SEP - 9 1957
To: MDM
Reply to be prepared by: MDM
For Signature of: MDM
Info copy of this letter furnished the following
HR DL
Furnish copy of reply for the above

School District No. 5

[illegible]

[illegible]

[illegible]

August 26, 1977

Hon. Mike Mansfield
U.S. Senate
Washington, D. C.

Dear Senator Mansfield:

As you may recall, I have made application for government assistance to help me get my claim finished at Engineering, [illegible]. This claim has been in process for quite awhile now and I am getting rather impatient for some sort of attention.

I have not received any decision from the government inspectors who have inspected my property. I am writing to you in hopes you can expedite a decision from the department of mining claims. Any assistance on this matter will be greatly appreciated.

Thank you,

Sincerely yours,

[illegible]

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

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 22 1957

DATE	INITIALS	CODE
8/22		220
8/22	Jure	500

August 19, 1957

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

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

Dear Mr. Selfridge:

Enclosed are two copies each of a self-explanatory letter from Mr. John P. Wuerthner and our reply.

By Field Team, Region I

A. E. Weissenborn

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

Wing G. Agnew

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

Enclosures

cc: USBM (2)
Prinz

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 22 1957

DATE	INITIALS	CODE

So. 157 Howard Street
Spokane 4, Washington

August 19, 1957

Mr. John P. Wuerthner
Attorney at Law
First National Bank Building
Great Falls, Montana

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

Dear Mr. Wuerthner:

This is in reply to your letter of August 13, 1957, regarding the return of certain documents submitted as substantiating data with an application for DMEA aid (Docket 4588) by Mr. John Zupan.

In the letter of transmittal dated November 28, 1956, with which he enclosed his original application, Mr. Zupan states in the fourth paragraph "I am enclosing a copy of the warranty deed, two assay certificates, and a map of the Dr. Kalloch mine. I would appreciate having these returned to me at your earliest convenience." These documents were received and forwarded to Washington, D. C. with the application for processing.

In a letter dated January 9, 1957 from W. R. Griswold, Chief Base Metals Division, to Mr. Zupan, Mr. Griswold requested certain additional information, and in the last paragraph of his letter says "as you requested in your letter, dated November 28, 1956, to Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region I, Northwest District, we are returning a copy of the warranty deed, two assay certificates, and a map of the Doctor Kalloch mine."

In your letter of February 19, 1957 to A. E. Weissenborn, with which you enclose a second application in quadruplicate, you state in the second paragraph "accompanying the original application are the following documents: Copy of warranty deed, explanation of various items in the application, plat of the Dockter Kalloch Lode, assay of Goodall Brothers and assay of the Anaconda Company." When we received this letter we made a check mark over the warranty deed, the plat of the Dockter Kalloch Lode, and the two assay reports, and made a marginal note that "items checked were submitted with Zupan's

original application (DMEA 4588) rec'd Dec 10, 1956 and mailed to D. C. 12/28/56. These same items were returned to Zupan by D. C. under letter 1/9/57." Had these items been included with the second application we would have had no occasion to make a marginal notation on your February 19 letter of transmittal to the effect that the missing items had already been received, forwarded to Washington, and returned to Mr. Zupan.

All applications and supporting documents are forwarded to Washington, D. C. as soon as possible. In order to be sure that the requested documents have not turned up there a second time, we are forwarding copies of your letter of August 13, 1957 and this letter to our Washington, D. C. office.

On August 14, 1957, we returned the claim map loaned to Mr. Bowsher by Mr. Zupan.

By Field Team, Region I

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

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

cc: DMEA (2)
USBM (2)
Prinz

W. ... A. WERTHNER
... LAW
... BANK BUILDING
... MONTANA
... JOHN P. WERTHNER

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 22 1957

DATE	INITIALS	CODE

OFF[redacted] FILE COPY
DMEA
RECEIVED JUL 29 1957

DATE	INITIALS	CODE
7/29	P.K.	220
7/29	alt	500

No. 157 Howard Street
Spokane 4, Washington

July 25, 1957

Mr. John Zupan
Post Office Box 64
Sand Coulee, Montana

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

Dear Mr. Zupan:

In reply to your letter of July 15, 1957, stating that in April your attorney, Mr. Wuerthner, sent to this office two assay certificates and two maps of the Dr. Kalloch mine and requesting that we return this material to you, we find after searching our file that Mr. Wuerthner sent us only the original and three copies of the revised application for aid and mentioned in the second paragraph of his transmittal letter of February 19, 1957, that the material you ask for was sent in by you with the original application in November 1956. A Thermo-fax copy of Mr. Wuerthner's letter is enclosed together with a copy of your letter of November 28, 1956, in which you state in the fourth paragraph that you were enclosing a copy of the warranty deed, two assay certicates, and a map of the Doctor Kalloch mine.

We find also in our file a copy of a letter sent to you from our Washington office under date of January 9, 1957, from which we quote the last paragraph:

> "As you requested in your letter, dated November 28, 1956, to Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region I, Northwest District, we are returning a copy of the warranty deed, two assay certificates, and a map of the Doctor Kalloch mine."

We have been informed that Mr. John Bowsher of the Bureau of Mines has a claim map which you handed to him and which will be returned to you probably some time within the next two weeks when he is in your vicinity rechecking your claim boundaries.

Sincerely yours,

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

Enclosures

cc: DMEA(2) w/cps of incoming Geologist
USBM(2) " "

C O P Y C O P Y

JOHN ZUPAN
Box 64
Sand Coulee, Montana

July 15, 1957

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

Dear Sir:

In April of this year, my attorney, Mr. Wuerthner sent your office two assay certificates and two mapes of the Doctor Kalloch mine. Would you please return this material as soon as possible, as I am in need of it. Thank you.

Sincerely yours,

/s/ JOHN ZUPAN

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

OFFICIAL FILE COPY
D M E A
RECEIVED JUL 29 1957

DATE	INITIALS	CODE

OFFICIAL FILE COPY
DMEA
RECEIVED APR 22 1957
DATE | INITIAL | CODE
4/29 | | 220
4/29 | | 500

So. 157 Howard Street
Spokane 4, Washington

April 22, 1957

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

Re: Docket No. DMEA-4588 (Lead-Zinc-Silver-Gold)
Doctor Kalloch Mine
Judith Basin County, Montana

Dear Mr. Zupan:

Your letter of April 18, 1957, regarding the status of your application for DMEA assistance has been referred to me for reply.

I am leaving for Butte, Montana today, where I will be joined by Mr. John Bowsher of the U. S. Bureau of Mines. We have several examinations to make in Jefferson County this week but expect to examine your property next week. As soon as we know when we will be in Judith Basin County, we will telephone you to arrange a date for the examination. We will appreciate it if you or your representative will accompany us during the examination and it is necessary that we meet with you to discuss your program.

Sincerely yours,

R. D. Sample
Geologist

cc: DMEA (2)
USBM (2)
Sample

IN REPLY REFER TO:

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 18 1957

DATE	INITIALS	CODE
3/18	C	220
3/20 3/18	JWA	500

March 15, 1957

Re: DMEA 4588
John Zupan
Doctor Kalloch Mine
Judith Basin Count, Mont.
No cost estimate
Lead-zinc

Memorandum

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

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

Subject: Review of supplemental information.

In the original application the applicant requested assistance in exploring a narrow vein on which at least 3 levels have been driven. Little definitive information was given concerning the vein, work done and work to be done.

The supplemental information now supplied, adds little to that given, except that the vein width is given as 6 to 7 inches, and that a 13-ton shipment was made by the applicant in 1933. Grade of the shipment is not given.

Again referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

DMEA Form 7
(12-56)

500

OFFICIAL FILE COPY

Date	Surname	Code
3/11	Alt	500
3/11	[illegible]	500
3/13	Selfridge	130
"	[illegible]	110
"	[illegible]	100
3/14	C	250
		500.

MAR 13 1957

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

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

Dear Mr. Weissenborn:

This is to acknowledge your letter dated February 25, 1957, and the copies of the amended application regarding the cited application.

We also note that the Applicant does not indicate that he is prepared to furnish any money for his share of the cost of the work of the project. Inasmuch as Mr. Zupan had an attorney prepare the amended application and he has stated that he will rent a used compressor for $2,000.00, we may assume that he is prepared to share his cost of the proposed work.

The application is being referred to your office for consideration, a field examination of the property if warranted, and recommendation.

Copies of memoranda, dated January 4 and January 7, 1957, by N. E. Nelson, Geological Survey, and O. M. Bishop, Bureau of Mines, respectively, relating to the project, are enclosed for your information.

Also enclosed is one copy of the application and the amended application for the use of the Field Team.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Enclosures

JWAlt/er 3/11/57

Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS

APPROVED:

P. F. Yopes (GCS)
Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/11	All	500
3/11	Arianson	500
3/13	Selfridge	130
"	Johnson	110
"	Mittendorf	100
		225
		500.

MAR 13 1957

Mr. John Zupan
Post Office Box 64
Sand Coulee, Montana

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

Yopes
Tailegood

Dear Mr. Zupan:

Your application for Government assistance to explore the cited property has been received by the Base Metals Division of the Defense Minerals Exploration Administration and is being referred to:

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

If additional information concerning your application is needed, the Field Team will get in touch with you at an early date.

Sincerely yours,

C. O. Mittendorf

Administrator

JWAlt/er 3/11/57
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region I, N.W. Dist.(2)
Chron.

8623

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

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 28 1957

DATE	INITIALS	CODE
3/1	C	220
3/1	Jwa.	500

February 25, 1957

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

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

Dear Mr. Selfridge:

Enclosed are three copies of a letter dated February 19, 1957, from John P. Wuerthner and the original and two copies of an accompanying amended application from John Zupan.

This apparently is in reply to Mr. Griswold's letter of January 9, 1957, to Mr. Zupan requesting additional information in connection with the above-referenced application.

We note that, in spite of Mr. Griswold's statement in his letter to Mr. Zupan that use of equipment would not be adequate to carry half the cost of the proposed work, the applicant does not indicate that he is prepared to furnish any money.

By Field Team, Region I, NW Dist.

A. E. Weissenborn

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

Wing G. Agnew

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

Enclosures

cc: USBM (2)
Pinckney

WUERTHNER & WUERTHNER
ATTORNEYS AT LAW
FIRST NATIONAL BANK BUILDING
GREAT FALLS, MONTANA
JULIUS J. WUERTHNER JOHN P. WUERTHNER

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 18 1957

DATE	INITIALS	CODE
2/18	C	220
2/20	atr.	500

February 15, 1957

Mr. W. R. Griswold, Chief
Base Metals Division
Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Re: DMEA #4588 (Lead-Zinc)
John Zupan
Dr. Kalloch Mine, Judith Basin County, Montana

Dear Mr. Griswold:

On behalf of the above party we wish to acknowledge yours of the 12th inst., requesting advice as to whether Mr. Zupan is still interested in applying for exploration assistance.

As his initial application was incomplete it has taken some time to assemble the necessary information requested on the application form. We are in the process of preparing a new application for Mr. Zupan, and the same should be submitted within the next ten days.

Very truly yours,

WUERTHNER & WUERTHNER

John P. Wuerthner

JPW/lj

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/12/57	J. Alt	500
	Griswold	130
2/12	Johnson	110
		~~100~~
"	Rutherford	100
2/13	C	1225
		500.

FEB 12 1957

Mr. John Zupan
Post Office Box 64
Sand Coulee, Montana

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

Dear Mr. Zupan:

Reference is made to our letter of January 9, 1957, requesting additional information concerning the subject application for exploration assistance.

Will you please advise us at your earliest convenience as to whether you are still interested in your application for Government exploration assistance.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Base Metals Division

HWAlt/er 1/12/57
Copy to: Docket
Admr File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaare, USGS
Chron.
Chrg 1, H.W. Bish (2)

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/9/57	Colt	500
		~~500~~
1/9	H Johnson	110
		~~100~~
1/9	CW	225
		500

JAN 9 1957

Mr. John Zupan
Post Office Box 64
Sand Coulee, Montana

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

Dear Mr. Zupan:

Your application dated November 28, 1956, for Government exploration assistance for the cited property has been received and reviewed by the Base Metals Division of the Defense Minerals Exploration Administration.

Your application is so incomplete that it is impossible to make an appraisal of your project. In order to make your application more complete, it is necessary that you answer carefully and in detail all items as listed on the application.

Please submit a property map and on this map show where your propose to do your exploration work. Also, state the amount of work that you desire to do with detailed costs of this work.

Any geological information with maps showing the geology of your property will be appreciated.

Under Item 7(b) "How do you propose to furnish your share of the costs?", you indicate that this will be done by the use of equipment owned by you. The use of your equipment would not be adequate to carry half of the costs of the work of the project. Therefore, you should be prepared to finance your share of the proportion of the costs incurred for this work.

RCH.

8623

Please submit the above information, in quadruplicate, at your earliest convenience so that we may expedite the processing of your application.

As you requested in your letter, dated November 28, 1956, to Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region I, Northwest District, we are returning a copy of the warranty deed, two assay certificates, and a map of the Doctor Kalloch mine.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Base Metals Division

Enclosures

J.W.alt/ew
~~WRG/er~~
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region I, NW Dist. (2)
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

DATE	INITIALS	CODE
1/8	JWa	500

RECEIVED JAN 17 1957
DMEA

January 7, 1957

Re: DMEA 4588; Lead-Zinc
$
John Zupan, Sand Coulee, Mont.
Doctor Kalloch Mine
Judith Basin County, Mont.

Memorandum

To: W. R. Griswold, DMEA

From: O. M. Bishop, Branch of Base Metals

Subject: Application dated November 28, 1956, received January 3, 1957.

The applicant, following through on a suggestion from Senator Mansfield has filed an application for exploration assistance. The data furnished me shows analyses of unidentified samples and also includes a Department of Interior map showing two adit levels one of which has apparently been the site of some stoping on narrow veins of silver-lead-zinc ore.

The face of the 6,016-foot has the notation "wish to drive here also" and there is yet another notation in the lower left corner "first drive."

Apparently the Field Team has discussed the proposal with the applicant and are in a position to add to the information already given.

I recommend that the application be referred to the Field Team for a review and field examination if they deem the latter justified.

O. M. Bishop

O. M. Bishop

Copy to: Division of Minerals
Mr. Kiilsgaard
Mr. Lamb
Mr. Bishop
Files

IN REPLY REFER TO:

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 7 1957

DATE	INITIALS	CODE
1/7	alb	500
✓		

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

January 4, 1957
Re: DMEA 4588
John Zupan
Doctor Kalloch Mine
Judith Basin County, Montana
No estimate - Lead-zinc

Memorandum

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

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

Subject: Review of application.

In an incomplete application, assistance is requested in doing work on a narrow vein on which two higher levels have been driven. Considerable stoping is indicated.

Apparently the vein has been uncovered near the road by bulldozing, and the applicant intends to drift on the vein 110 feet as "first drive". Work from the face of the now lower level (6016') is also indicated, presumedly to get below the uppermost level (6107') from which at least 3 stopes have been opened.

Assay certificates indicate good lead-silver samples can be had, but details as to what the samples represent are not given. From sampling in the upper level, it may be inferred ore remains below that level.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

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

December 31, 1956

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

Subject: DMEA-4588

Dear Mr. Zupan

Your application for exploration assistance, dated November 28, 1956 submitted to our office at Spokane, has been assigned Docket Number DMEA-4588 and referred to the Base Metals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

(Sgd) Allen S. Dakan

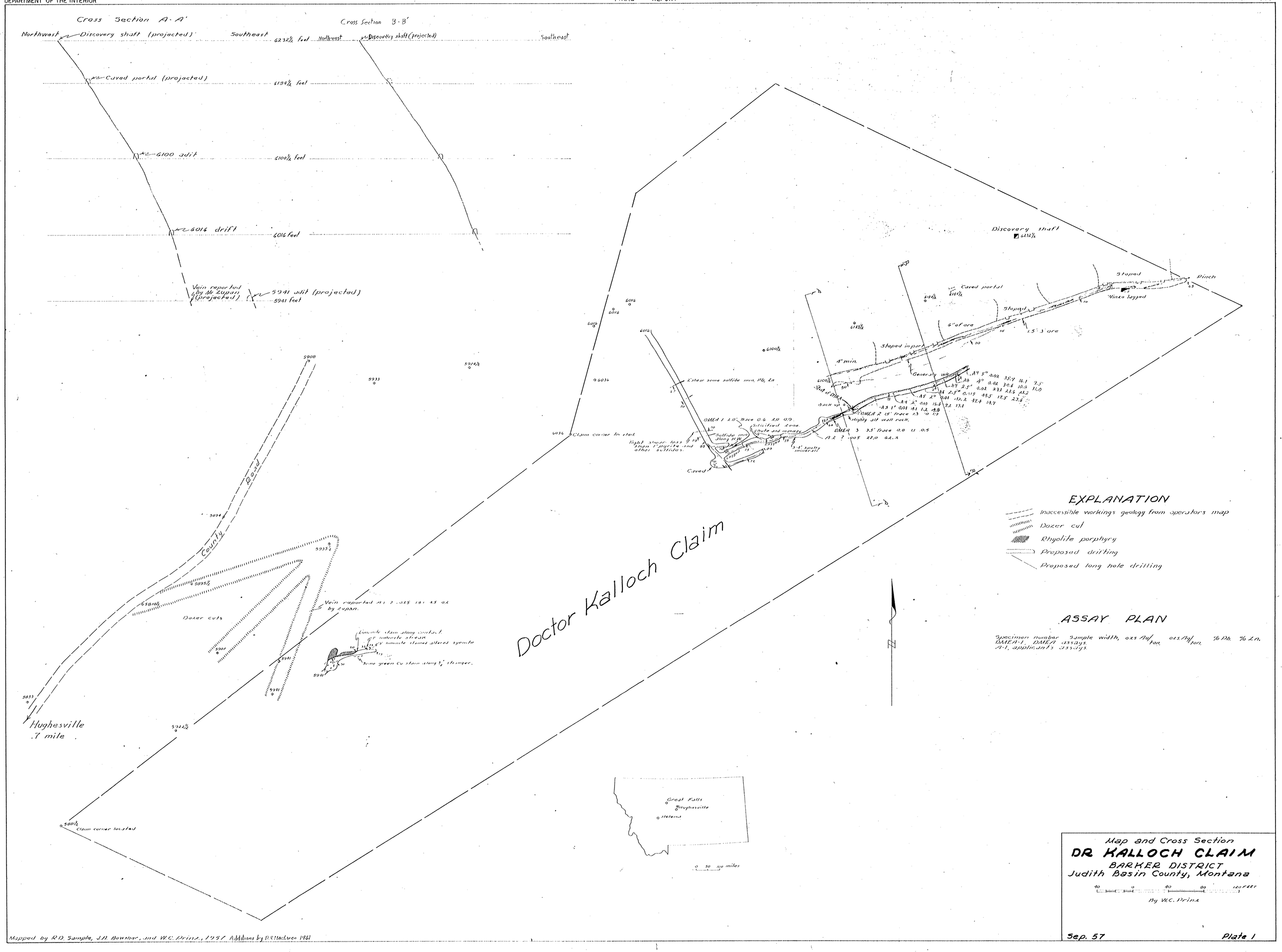
Allen S. Dakan, Director
Operations Control and
Statistics Division

Copy to:

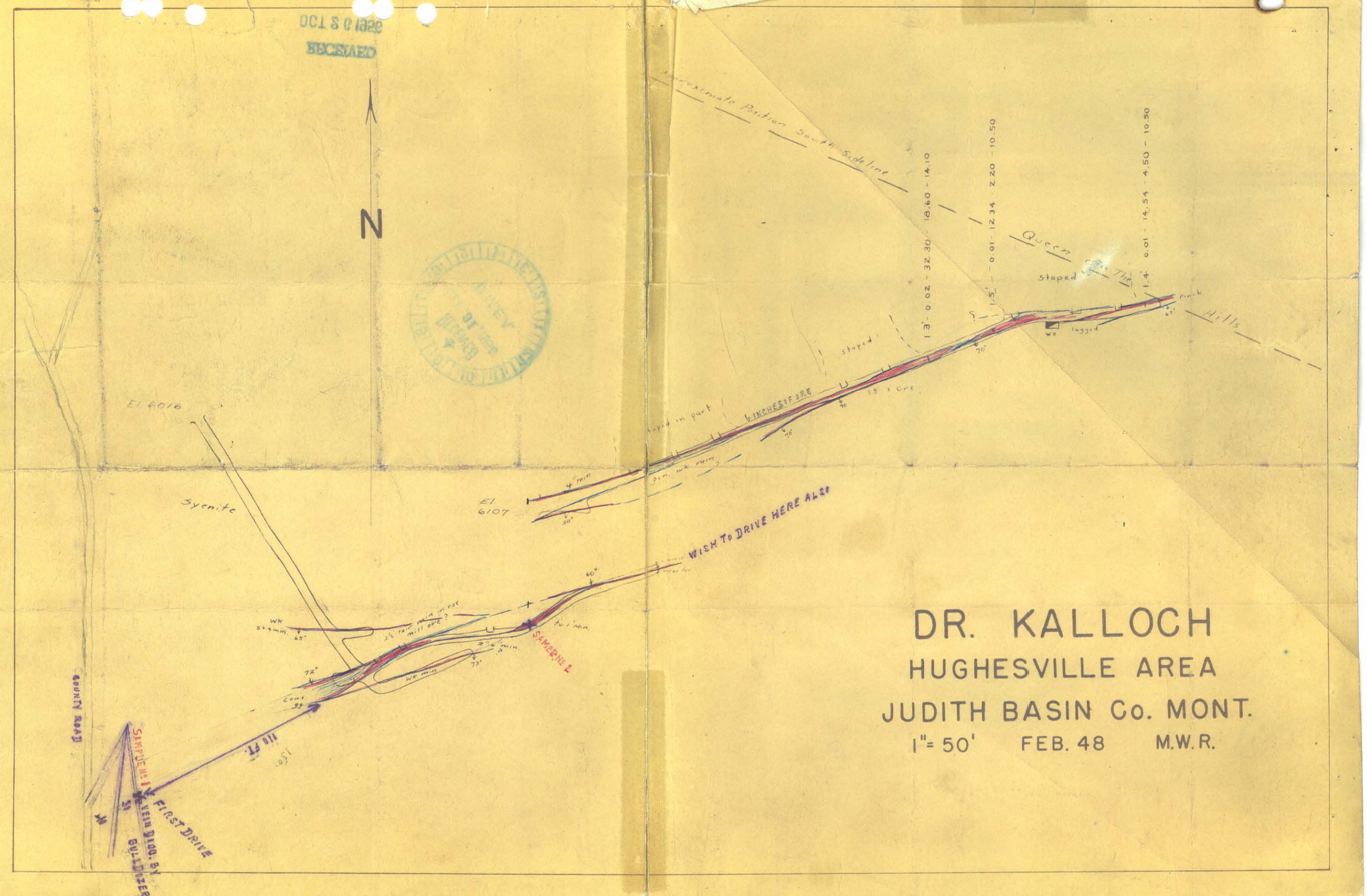
Region I,N.W. Spokane, Washington

Code 500

6816


Cross Section A-A'
Northwest
Discovery shaft (projected)
Southeast
6232½ feet
Caved portal (projected)
6194½ feet
6100 adit
6100½ feet
6016 drift
6016 feet
Vein reported by Mr Zupan (projected)
5941 adit (projected)
5941 feet
Cross Section B-B'
Northwest
Discovery shaft (projected)
Southeast
Discovery shaft
6232½
Caved portal
Stopped
Pinch
Winze lagged
6" of ore
1.5' 3' ore
Stoped in part
4" min.
Generally wk
Back up
Slightly alt wall rock.
Caved
Claim corner located
Road
County
Dozer cuts
Vein reported A1 1 .025 19 .45 02 by Zupan.
Limonite stain along contact
1" hematite stream
2" limonite stained altered syenite
Some green Cu stain along 1/2" stringer.
Hughesville
.7 mile
Doctor Kalloch Claim
Claim corner located
Great Falls
Hughesville
Helena
0 50 100 miles
EXPLANATION
Inaccessible workings geology from operators map
Dozer cut
Rhyolite porphyry
Proposed drifting
Proposed long hole drilling
ASSAY PLAN
Specimen number Sample width, ozs Au/ton. ozs Ag/ton. % Pb. % Zn.
DMEA-1, DMEA assays
A-1, applicants assays
Map and Cross Section
DR KALLOCH CLAIM
BARKER DISTRICT
Judith Basin County, Montana
40 0 40 80 120 FEET
By W.C. Prinz
Sep. 57
Plate 1
Mapped by R.D. Sample, J.H. Bowthar, and W.C. Prinz, 1957. Additions by D.S. Mackenzie 1961

OCT 8 0 1929
RECEIVED



DR. KALLOCH

HUGHESVILLE AREA

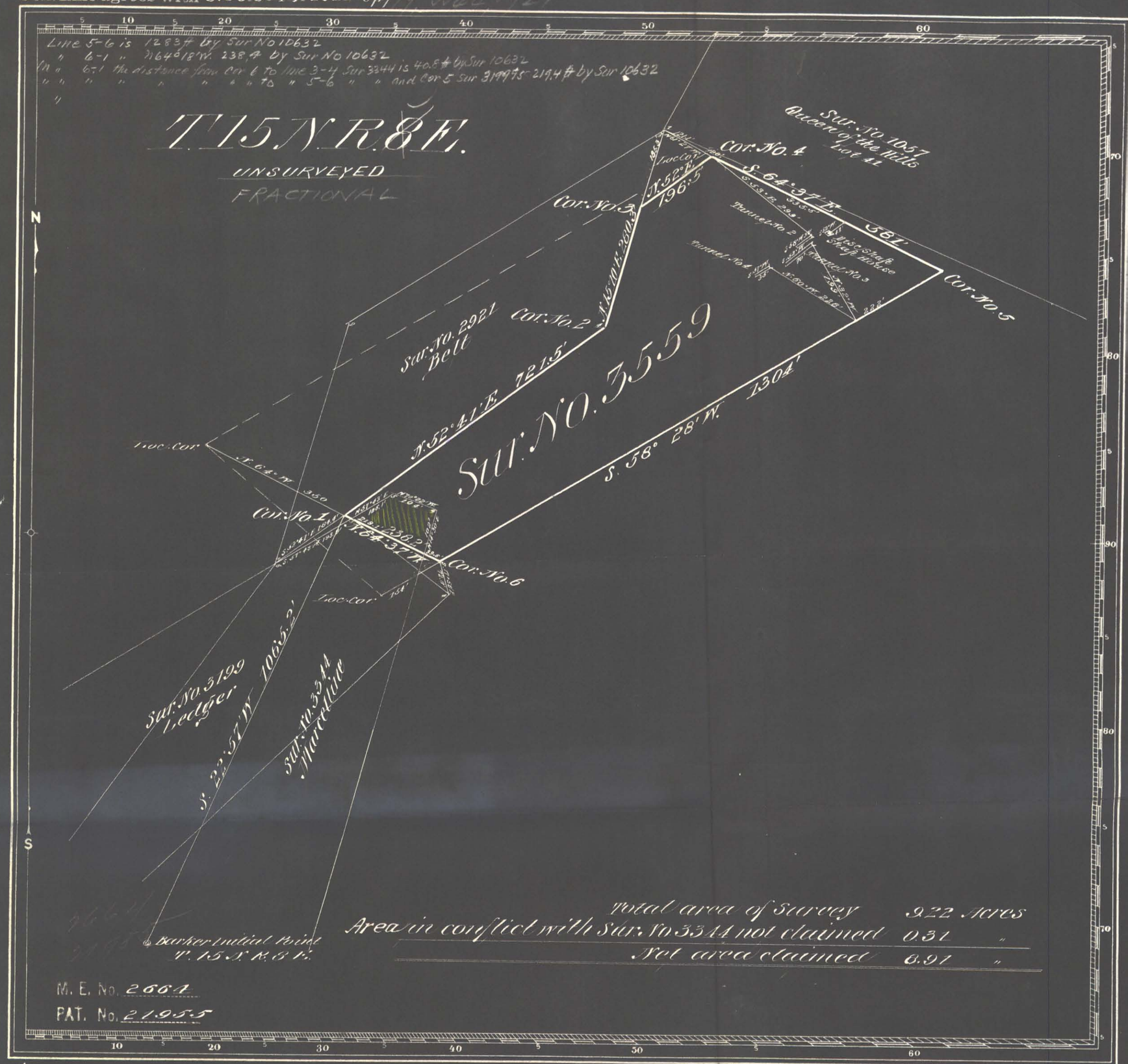
JUDITH BASIN Co. MONT.

1" = 50' FEB. 48 M.W.R.

Con. Line agrees with 3199. 3344. 2921 3717

(4-675)

Line 5-6 is 1283# by Sur No 10632
" 6-1 " N 16°18' W. 238.4 by Sur No 10632
In " 6-1 the distance from Cor 6 to line 3-4 Sur 3344 is 40.8# by Sur 10632
" " " " " " " 7.8 " 5-6 " " and Cor 5 Sur 3199 is 219.4# by Sur 10632



Total area of Survey	9.22 Acres
Area in conflict with Sur. No 3344 not claimed	0.31 "
Net area claimed	8.91 "

M. E. No. 2664

PAT. No. 21955

Claim Located September 7th 1881

Mineral Survey No. 3559

Lot No.

Helena Land District.

PLAT

OF THE CLAIM OF

Queen Esther Mining Co

KNOWN AS THE

Dockter Halloch Lode

IN Barker (Unorganized) MINING DISTRICT,
Meagher COUNTY, Montana
Containing an Area of 8.91 Acres.
Scale of 200 Feet to the inch.
Variation 19° 30' E.

SURVEYED July 23-27th 1891 BY
Harry V. Wheeler
U.S. Deputy Mineral Surveyor.

The Original Field Notes of the Survey of the Mining Claim of Queen Esther Mining Co. known as the

Dockter Halloch Lode

from which this plat has been made under my direction, have been examined and approved, and are on file in this Office; and I hereby certify that they furnish such an accurate description of said Mining Claim as will, if incorporated into a patent, serve fully to identify the premises, and that such reference is made therein to natural objects or permanent monuments as will perpetuate and fix the locus thereof.

I further certify that Five Hundred Dollars worth of labor has been expended or improvements made upon said Mining Claim by claimant or its grantors, and that said improvements consist of Hoist Shaft, three tunnels and house valued at $1550.00

that the location of said improvements is correctly shown upon this plat, and that no portion of said labor or improvements has been included in the estimate of expenditures upon any other claim.

And I further certify that this is a correct plat of said Mining Claim made in conformity with said original field notes of the survey thereof, and the same is hereby approved.

U.S. Surveyor General's Office
Helena Montana
Aug. 29th 1891.

Geo. O. Eaton
U.S. Surveyor General for Montana

3559

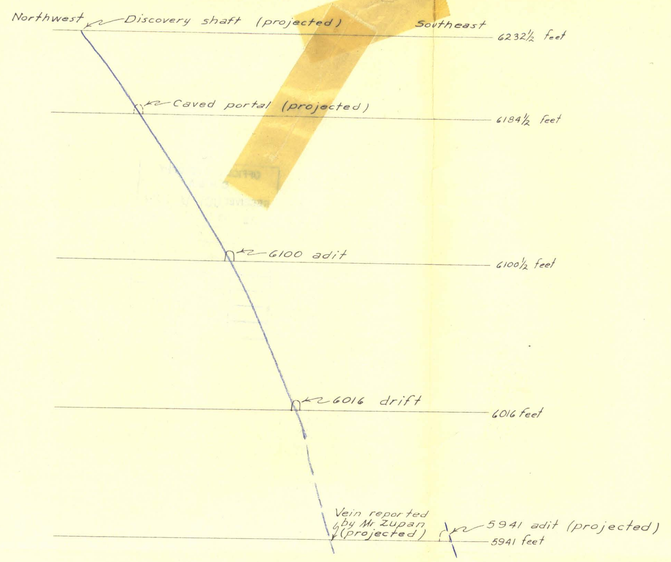
Index. Claim.
Index. Claimant.
Con. Sheets. 381

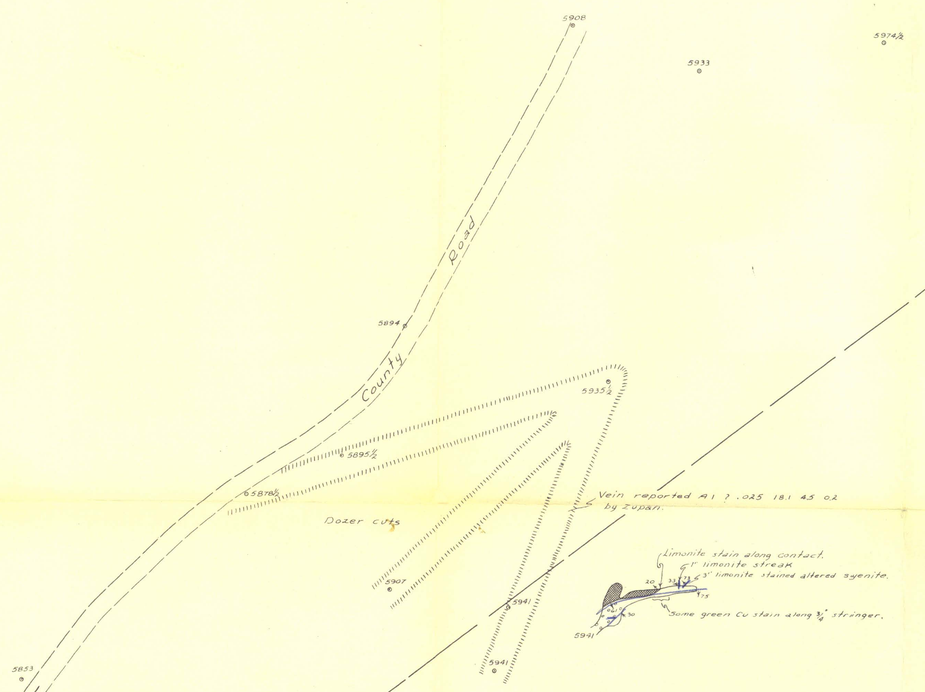
3559

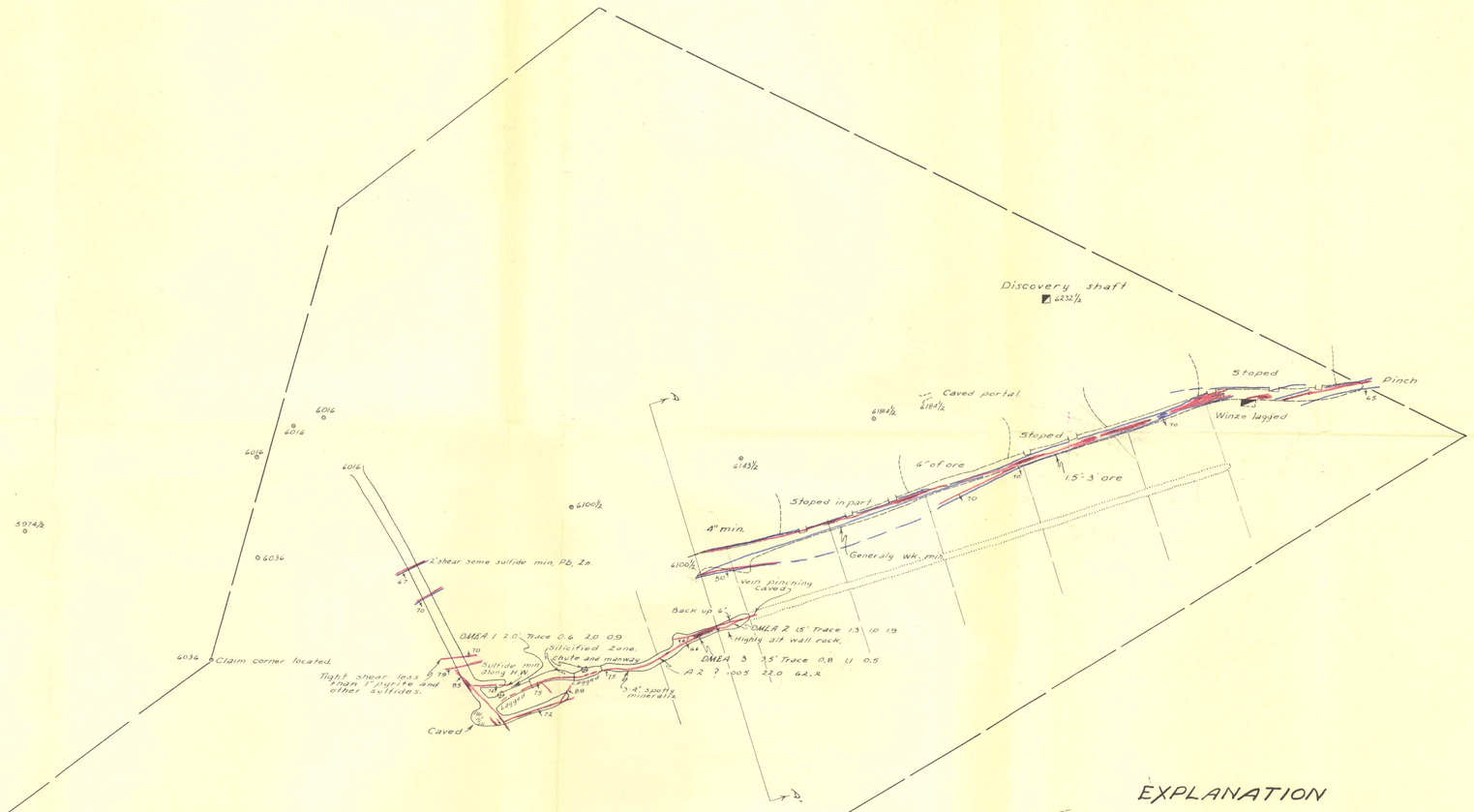
UNITED STATES
DEPARTMENT OF THE INTERIOR

Prepared for
Defense Minerals Exploration Administration
Examination Report

Docket No. DMEA 4588







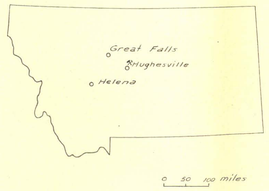
Doctor Kalloch Claim

EXPLANATION

- Inaccessible workings geology from operators map
- Dozer cut
- Rhyolite porphyry
- Proposed drifting
- Proposed long hole drilling

ASSAY PLAN

Specimen number Sample width, ozs. Au/ton, ozs. Ag/ton, % Pb. % Zn.
DMEA-1, DMEA assays.
A-1, applicant's assays.



Map and Cross Section
DR KALLOCH CLAIM
BARKER DISTRICT
Judith Basin County, Montana

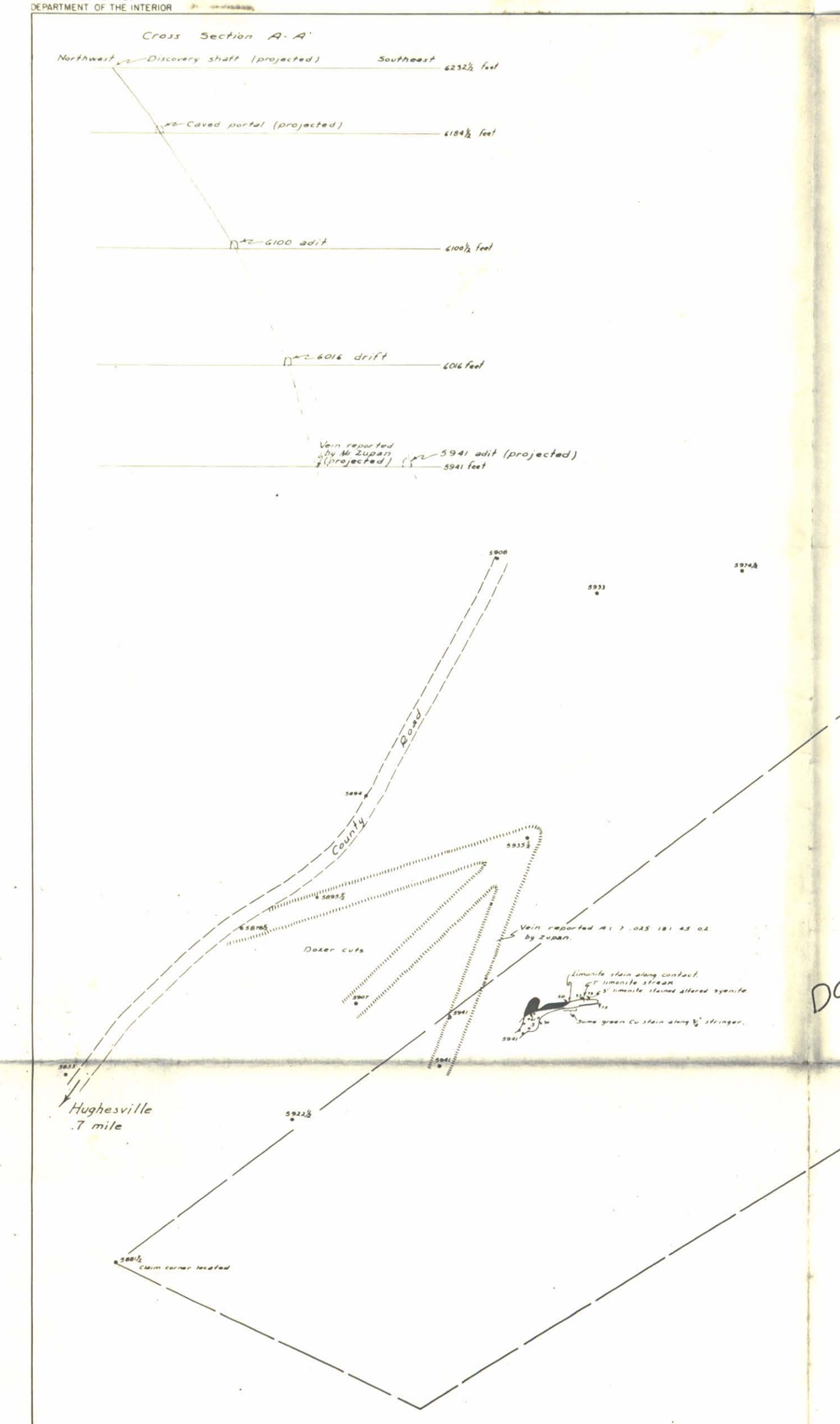
40 0 40 80 120 FEET

By W.C. Prinz

Sep. 57

Plate 1

Mapped by R.D. Sample, J.A. Bowsher, and W.C. Prinz, 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR

DMEA-4588