OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Howard C. Banks, an individual
421 Oak Street
Anaconda, Montana

pertaining to Exploration Project Contract No. 14-23-090-2007, OME No. 6028, including Amendments No. 1, for July 1959 to June 1960, inclusive, covering a lead-zinc project at the Hidden Hand Mine, Powell County, Montana.

My review included an examination of the Monthly Reports (Forms MF-104 and MMB-60) and supporting documents, comparison of the claimed costs with the contract and pertinent schedules, verification of work performed by reference to Field Officer 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 acceptable 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		$9,021.00
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Acceptable cost claimed by Operator		$9,021.00
Acceptable cost not claimed		3.60
Total acceptable cost, if claimed		$9,024.60

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	$4,510.50
Paid to date	4,410.50
Balance due Operator	$ 100.00
Additional payable, if claimed	$ 1.80

August 19, 1960

E. D. Talbert, OME Auditor

Contract 14-23-090-2007 Howard C. Banks OME-6028

Acceptable costs not claimed:

Underclaim for timbering,	.6 ft. @ $ 6.00	$ 3.60

Total acceptable cost, if claimed:

	Stage I	
Adit Rehabilitation	450 ft. @ $ 1.60	$ 720.00
Repairs to Buildings		150.00
Drifting & Crosscutting	200 ft. @ 29.00	5,800.00
Timbering	43.6 ft. @ 6.00	261.60
Samples assayed	11 ea. @ 3.00	33.00
	Stage II	
Drifting & Crosscutting	70 ft. @ 29.00	2,030.00
Long-hole Drilling	24 ft. @ 1.25	30.00
Total		$9,024.60

EXTRA COPY
O. M. E
RECEIVED SEP 6
DATE | INITIALS | CODE
600

So. 157 Howard Street
Spokane 4, Washington
August 31, 1960

MEMORANDUM

TO : Chief, Fiscal Section, Secretary's Office

FROM : Acting Field Officer, OME, Region I

SUBJECT: Report of Review
Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract 14-23-090-2007

Enclosed is the original of a Report of Review in lieu of a Final Audit on the subject contract.

The original and two copies of the Operator's final MME Form 60 and Form 61 were forwarded to you July 14, 1960.

Please release for payment the $100.00 balance due the operator and distribute the copies of the MME Forms in accordance with OME Circular 1.

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

Enclosure

Copies to:
OME (2)
CA&A Div.,OME
File
Chrono
Dir's Reading

EXTRA COPY O. M. E RECEIVED SEP 6 1960		
DATE	INITIALS	CODE
		800

So. 157 Howard Street
Spokane 4, Washington
August 31, 1960

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract No. 2007

Dear Mr. Banks:

Enclosed for your information is a copy of a Report of Review in lieu of a Final Audit.

You should receive the $100.00 shown as "Balance due the Operator" which will be released automatically, but you must claim the $1.80 shown as "Additional payable, if claimed."

Sincerely,

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

Enclosure

Copies to:
OME (2)
CA&A Div.,OME ✓
File
Chrono
Dir's Reading

AUG 19 1960

Memorandum

To: Acting Field Officer, Region I

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

Subject: OME-6028 (Lead-zinc)
Howard C. Banks
Hidden Hand Mine
Powell County, Montana
Contract 14-23-090-2007

Attached are the original and two copies of a Report of Review, in lieu of a final audit of the subject contract, as requested by your August 16 memorandum.

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

Attachments

EDTalbert/ama
August 19, 1960

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

EXTRA COPY O. M. E RECEIVED AUG 19 1960		
DATE	INITIALS	CODE
		800

So. 157 Howard Street
Spokane 4, Washington
August 16, 1960

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: OME-6028 (Lead-Zinc)
Hidden Hand Group
Powell County, Montana
Contract No. 2007

Dear Mr. Banks:

We have received your final account and report on your OME project and find it acceptable.

We will request a final audit after which any funds now being withheld and found due will be sent to you.

Thank you for your interest in the program and your cooperation with our field men.

Sincerely yours,

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

cc: OME(2) w/2 cys incoming
MacLaren w/cy incoming
MRF

Mr. MacLaren, I am not sure what is required in a final report, but hope that this is adequate. If it is not, please let me know what else is necessary as soon as possible. I have discontinued work for the time being.

Howard C. Banks

RECEIVED
AUG 18 1960

EXTRA COPY
O. M. E
RECEIVED AUG 19 1960
DATE INITIALS CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
August 16, 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 19 1960

DATE	INITIALS	CODE
8-19	gad	rro
		800

Memorandum

To: Chief, Contract Administration & Audit Division

From: Acting Field Officer, Region I

Subject: OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract No. 2007

Work under the subject contract was terminated about the end of June when the operator completed 75 feet of drifting under Stage II.

The number of units of work completed by the operator and accepted as conforming to contract specifications were:

Stage I -	Adit rehabilitation	450 feet
	Repairs to buildings	1 job
	Drift and/or crosscut	200 feet
	Timbering	43.6 "
	Assaying	11 samples
Stage II -	Drift and/or crosscut	70 feet
	Long hole drilling	24 "

An acceptable final engineering and geological report was received from the operator on August 16, 1960.

A Report of Review, in lieu of a final audit, is in order and requested. The original and two copies of the final (June 1960) MME-60 and MME-61 were forwarded to the Chief, Fiscal Section, Division of Administrative Services, Office of the Secretary, July 14, 1960, with a recommendation that $100.00 be withheld pending field examination and possible termination of the contract.

D. R. MacLaren

D. R. MacLaren

Sch 317

Standard Form No. 1048
Form approved by Comptroller General U. S.
September 20, 1927

MEMORANDUM

PUBLIC VOUCHER FOR REFUNDS

Se[illegible] No. _____

D. O. Voucher No. 913

U. S. Department of the Interior - Office of the Secretary - Accounting Unit
(Department or Establishment, Bureau or Office)

Location: _____

Appropriation or Fund: 14X6875(01) Suspense, Department of the Interior

PAID BY

(FOR USE OF PAYING OFFICE)

To
Address

Howard C. Banks
421 Oak
Anaconda, Montana

Deposit received from the above-named depositor on _____, 19____

for _____

has been applied as herein stated and the balance indicated is returned herewith:

Amount of deposit _____ $ _____

Applied as explained in "Remarks" below _____ _____

_____ _____

Balance authorized to be refunded _____ $ 100.00

Remarks:

Release of contract holdback per Report of Review dated 8/19/60 on 14-23-090-2007

Date _____, 19____ (Memorandum—Do not sign) _____

Title _____

Refund by

Check No. _____, dated _____ for $ _____ on Treasurer of the U. S. in favor of payee named above.

Cash, $ _____ on _____ (Signature of payee) _____
(Memorandum—Do not sign)

Other method, $ _____, _____
(Describe)

16—9488

MME FORM 60
SEPT. 1959

RECEIVED
JUL 14 1960
U.S. BUR. OF MINES
SPOKANE, WASH.

Sch 90
BV# 298

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. OME 6028
Contract No.
14-23-090- 2007
Contract Amount $ 13,900.00
Gov't. Participation % 50 $6,950.00
Mineral(s) Lead-zinc

OPERATOR'S MONTHLY VOUCHER

For Month of June, 1960

Operator's Name Howard C. Banks
Address 421 Oak, Anaconda, Montana

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and (1) ~~Independent Contracts:~~						
~~Building~~ Stage I & II	$1,174.50	$6,655.50	$7,830.00			
Drifting						
Crosscutting						
Drilling						
Timbering		258.00	258.00			
Long holes	30.00		30.00			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.		150.00	150.00			
Operating Equipment		720.00	720.00			
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work Assays		33.00	33.00			
Payroll Taxes						
Employee's Liability Ins.						
	1,204.50		9021.00			
TOTALS	~~$1,174.50~~	$7,816.50	~~$8,991.00~~	1,204.50	7816.50	9,021.00

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

Date 7-12-60 *Payee Howard C. Banks

Per _____ Title _____

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

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

(INSTRUCTIONS ON REVERSE)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of: 602.25 { 502.25 to operator, 100.00 to Suspense

$ _____

Signature _____ OK
(Authorized Certifying Officer)

Date 7/19/60 Vou. No. 298

(SEE OTHER SIDE)

Certification by Government Representative:

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

Signature _____ Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature _____ Title _____ Date _____

OPERATOR'S MONTHLY REPORT

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

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

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

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

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

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

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

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

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

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

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

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

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

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

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

MME FORM 61
SEPT. 1959

RECEIVED
JUL 14 1960
U.S.G.S.
SPOKANE, WASH.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of June, 1960 Docket No. OME 6028

Operator's Name Howard C. Banks Contract No. 14-23-090-2007

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting Stage I & II	ft.	40.5	270	$7,830.00			
Crosscutting							
Raising/Timbering	ft.		43	258.00			
Shafts							
~~Winzes~~ Long holes	ft.		24	30.00			
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
Adit Rehabilitation	ft.		450	720.00			
Roads and Trails							
Stripping/Assays			11	33.00			
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs				150.00			
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				9,021.00 ~~$8,991.00~~			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date 7-12-60 Operator Howard C. Banks

Per _____ Title _____

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

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

Signature _____

Title _____
Government Representative

Date _____

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

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

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

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

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

Following the report for May, the drift was continued during June to a total length since the beginning of the contract of 279 feet. Since only 270 feet of this--40.5 feet since the end-point reported for May--had been authorized, only that distance is mentioned in this voucher.

The first fifteen feet were continued in the same direction as before, approximately eastward, to find out just where the foot-wall was, since at this point the vein seemed to be veering off toward the left, or hanging-wall side.* Drifting then followed the direction of the two walls, slightly toward the north of east. Except for a limited fault area, the drift has been through mineralized quartz, with streaks of high-grade up to a foot wide, lying primarily along the foot-wall side, but also scattered throughout the width of the drift.

At the 245' mark, approximately, a long hole was drilled into the foot-wall for 14 feet before basalt was encountered. The drillings showed that the mineralized quartz extended that far, with various streaks of high-grade lying papallel to the present line of the drift. At about the 270' mark another long hole was drilled into the hanging-wall side, with similar result, basalt being encountered after about 10 feet. The drillings from these holes have been sent in for assay, but the report has not been received.

We were unable to find long-hole steel in either Butte or Helena, and finally borrowed some from Mr. Nugent, of the Bunker-Hill mine at Ellistn. It broke before we were were able to go ahead with the long-hole drilling which Mr. MacLaren suggested we try farther back along the drift. We were planning to do this, and will do so when we have suitable steel, since what we had did not prove satisfactory for such a long hole.

At present it appears that the drift is being carried on between fairly well defined foot-wall and hanging-wall, near the middle of a 25-30 foot width of mineralized quartz. Assayed, this showed about 60% silicon, with varying small amounts of lead, zinc, silver, and sometimes copper and gold, throughout.

* Extra footage involved in this was not included in measuring the total length of the drift.

RECEIVED
JUL 14 1960
U. S. C. S.
SPOKANE, WASH.

OFFICIAL FILE COPY O. M. E. RECEIVED JUL 20 1960		
DATE	INITIALS	CODE
7-20	gad	VVO
		800

So. 157 Howard Street
Spokane 4, Washington
July 14, 1960

Memorandum

To: Chief, Fiscal Section, Office of the Secretary

From: Acting Field Officer, Region I, OME

Subject: Transmittal of Operator's Monthly Voucher, Progress Report, and Narrative for June 1960
Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract No. 2007
Appropriation Symbol OME 1490108

Enclosed are the original and two copies of a voucher from the subject Operator for work completed in June 1960. Authorized drifting has been completed although 30 feet additional drifting may be authorized. It is therefore recommended that $100 be withheld pending a field examination and possible termination of the contract.

Donald R. MacLaren
D. R. MacLaren

MME FORM 60
SEPT. 1959

RECEIVED
JUN 14 1960
U. S. G. S.
PALO ALTO, CALIF.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

JUN 22 1960

Docket No. OME 6028
Contract No. 14-23-090-2007
Contract Amount $ 13,900.00
Gov't. Participation 50 % $6,950.00
Mineral(s) Lead-zinc

OPERATOR'S MONTHLY VOUCHER

For Month of May, 1960

Operator's Name Howard C. Banks
Address 421 Oak St., Anaconda, Montana

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
~~Fixed Unit Costs and~~						
(1) Independent Contracts:						
Bulldozing						
Drifting Stage I & II	$ 609.00	$6,206.00	$6,815.00	449.50	6,206.00	6,655.50
Crosscutting						
Drilling						
Timbering		258.00	258.00		258.00	258.00
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.		150.00	150.00		150.00	150.00
~~Operating Equipment~~ Adit		720.00	720.00		720.00	720.00
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work ~~Assays~~		33.00	33.00		33.00	33.00
Payroll Taxes						
Employee's Liability Ins.						
TOTALS		$7,367.00	$7,976.00	449.50	7,367.00	7,816.50

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

Date 6-10-60 *Payee Howard C. Banks

Per _____ Title _____

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

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

(INSTRUCTIONS ON REVERSE)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of: 224.75 this Vou. 100.00 Withheld on Oct. 1959 Vou

$ 324.75

Signature _____
(Authorized Certifying Officer)

Date 6/24/60 Vou. No. 5380

(SEE OTHER SIDE)

Certification by Government Representative:

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

Signature _____ Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature _____ Title _____ Date _____

OPERATOR'S MONTHLY REPORT

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

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

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

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

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

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

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

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

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

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

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

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

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

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

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

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

MME FORM 61
SEPT. 1959

RECEIVED
JUN 14 1960
U. S. G. S.
TACOMA, WASH.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

JUN 22 1960
O.M.E.

OPERATOR'S PROGRESS REPORT

For Month of May, 1960 Docket No. OME 6028

Operator's Name Howard C. Banks Contract No. 14-23-090-2007

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting Stage I & II	ft.	215	235	$6,815.00	15.5	229.5	6,655.50
Crosscutting							
~~Raising~~ Timbering	ft.		43	258.00		43	258.00
Shafts							
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
Adit rehabilitation	ft.		450	720.00		450	720.00
Roads and Trails							
~~Stripping~~ Assays			11	33.00		11	33.00
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs				150.00			150.00
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				$7,976.00			7,816.50

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date 6-10-60 Operator Howard C. Banks

Per _____ Title _____

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

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

Signature _____

Title _____
Government Representative

Date _____

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

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

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

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

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

EXTRA COPY O. M. E. RECEIVED JUN 27 1960		
DATE	INITIALS	CODE
		800

So. 157 Howard Street
Spokane 4, Washington
June 14, 1960

Memorandum

To: Chief, Fiscal Section, Office of the Secretary
Department of the Interior, Washington, D. C.

From: Acting Field Officer, Region I, OME

Subject: Transmittal of Operator's Monthly Voucher, Progress Report, and Narrative for May 1960
Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract No. 2007
Appropriation Symbol OME 1490108

By Amendment No. 1 the subject contract was granted a recess effective November 1, 1959. Accordingly $100.00 was withheld from payment of the Operator's last voucher. Contract work has been resumed and this amount should now be released for payment.

Enclosed are the original and two copies of a voucher from the subject Operator for work completed in May 1960. The drifting units completed in May should be 15.5 feet instead of 21 feet as claimed; units to date should be 229.5 feet.

Donald R. MacLaren
D. R. MacLaren

Work was resumed at the mine on May 16, 1960, as soon as the weather would permit. The first few days were occupied with cleaning out winter slough, improving the track, and establishing better drainage of the drift. The compressor was brought in and drifting started on May 25. During the rest of the month, the drift was extended 21 feet, making a total of 235 feet of drifting since the beginning of the contract.

After the first couple of rounds, the drifting has been through a zone of mineralized quartz. The extent of this zone is undetermined, but drillings from two 6-foot holes into the footwall side of the drift have not shown anything except the same kind of material.

(Since the first of this report was filled out, the enclosed assays have come back from the assayers. One is on a channel sample taken along the footwall side of the drift for 20 feet extending back from the present face; the other is on drillings from a 6-foot hole into the footwall side, about 9 feet back from the face.)

EXTRA COPY
O. M. E
RECEIVED JUN 17 1960

DATE	INITIALS	CODE
		800

So. 157 Howard Street
Spokane 4, Washington
June 14, 1960

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: Docket No. OME-6028 (Lead-Zinc)
Hidden Hand Group
Powell County, Montana
Contract No. 2007

Dear Mr. Banks:

When I returned to the office, I checked the location of the point from which contract drifting started and found it is 5.5 feet east of USBM Tag 903. Therefore, since we measured from the tag, the total advance completed to June 8, 1960, is 229.5 feet, not 235 feet as we measured. Instead of only 15 feet of the 50 feet authorized under Stage II there remain 20.5 feet of authorized drifting.

Accordingly, only 15.5 feet of advance will be approved for payment instead of the 21 feet which you claimed in your May 1960 voucher, on the basis of my measurement.

We are requesting that the $100.00 withheld from your last voucher be released for payment in addition to the amount claimed in your May voucher, less the 5.5 feet overclaimed.

Sincerely yours,

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

cc: OME(3)
MacLaren
OMF

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

NOV 23 1959
O.M.E.

Docket No. OME 6028
Contract No. 14-23-090- 2007
Contract Amount $13,900.00
Gov't Participation % 50 $ 6,950.00
Mineral(s) Lead-zinc

OPERATOR'S MONTHLY VOUCHER

For Month of October, 1959

Operator's Name Howard C. Banks
Address 421 Oak Street, Anaconda, Montana

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and (1) ~~Independent Contracts~~						
Bulldozing						
Drifting Stage I & II	$1,131.00	$5,075.00	$6,206.00	1131.00	5075.00	6206.00
Crosscutting						
Drilling						
Timbering	138.00	120.00	258.00	138.00	120.00	258.00
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.		150.00	150.00		150.00	150.00
~~Operating Equipment~~ Adit		720.00	720.00		720.00	720.00
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work Assays		33.00	33.00		33.00	33.00
Payroll Taxes						
Employee's Liability Ins.						
TOTALS	1,269.00	6,098.00	7,367.00	1269.00	6098.00	7367.00

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

Date 11-10-59 *Payee Howard C. Banks

Per _____ Title Operator

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

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

(INSTRUCTIONS ON REVERSE)

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

$ 534.50

Signature Dorothy T. Long
(Authorized Certifying Officer)

Date 11/3/59 Vou. No. 6

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 2007

Signature /s/ Stephen W. Zoldok Title Mining Engr. Date 11-12-59

Approved by OME Executive Officer or Alternate:

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

OPERATOR'S MONTHLY REPORT

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

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

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

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

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

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

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

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

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

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

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

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

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

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

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

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

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

NOV 23 1959
O.M.E.

OPERATOR'S PROGRESS REPORT

For Month of October, 1959 O.M.E. Docket No. OME 6028

Operator's Name Howard C. Banks Contract No. 14-23-090-2007

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting Stage I & II	ft.	39'	214'	$6,206.00	39	214	6206.00
Crosscutting							
~~Raising~~ Timbering	ft.	23'	43'	258.00	23	43	258.00
Shafts							
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion							
Miscellaneous							
Adit rehabilitation	ft.		450'	720.00		450	720.00
Roads and Trails							
~~Stripping~~ Assays			11	33.00		11	33.00
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs				150.00			150.00
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				7,367.00			7367.00

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date 11-10-59 Operator Howard C. Banks

Per _____ Title _____

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

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

Signature /s/ Stephen W. Zoldak

Title Mining Engr.
Government Representative

Date 11-12-59

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

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

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

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

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

INT.DUP.,D.C.59- 61577

During the month of October, the drift was extended another 39 feet in the same general direction, although there was some tendency of the vein to swing more into the mountain, toward the north. This makes a total of 214 feet of drifting completed under the contract. Of this distance, 23 more feet had to be timbered, since the lead continued through a fracture zone of broken rock. For a short distance, two veins seemed to separate, the galena-bearing quartz swinging off to the right into the foot wall, while another vein of different-appearing ore held straight ahead along the hanging wall. The latter was made up of greenish-colored ore that showed a bluish fluorescence under electric light. Toward the end of the drifting, the two veins appeared to be joining again. The quartzy part of the vein appears to have a higher grade of ore than previously encountered, but there are as yet no assay reports on it.

Toward the end of the month, it became evident that a larger compressor would be necessary to deliver sufficient air-pressure the length of the drift. And since bad weather was making access to the mine increasingly difficult, it seemed illogical to try to install another then. So the mine was closed down for the winter, and work discontinued until next spring. It will be resumed as soon as the weather permits, possibly in May, but almost certainly not later than the middle of June. In the meantime, samples of ore have been taken for more extensive analytical study.

EXTRA COPY O. M. E. RECEIVED NOV 23 1959		
DATE	INITIALS	CODE
		800

1201 N. Division St.
Spokane 2, Washington

November 16, 1959

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: Docket No. OME-5 28 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Contract No. 14-23 y. 2137
Monthly operating report for
for October 1959

Dear Sir:

The subject monthly operating report has been processed and forwarded to the Disbursing Officer for payment.

We are withholding an amount of $100.00 pending resumption of work in the spring and upon receipt of your next voucher. This is the customary procedure and is applicable to all contracts.

By Field Team, Region I

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

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

cc: OME (2)
USGS (2)
Contract Admin. (2)
USBM (AD)

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

Budget Bureau No. 42-R1036.5

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

OCT 26 1959 OME

Month of September, 1959 Docket No. ~~DMEA~~ OME 6028 Contract No. 2007
Operator's Name Howard C. Banks Minerals Lead-Zinc
Address 421 Oak Street, Anaconda, Montana
Contract Amount, $13,900.00 Government Participation: 50 % Amount, $6,950.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
~~Drilling~~ Timbering	$ 120.00		$ 120.00	120.00		120.00
Bulldozing						
Crosscutting						
Drifting	1,044.00	$4,031.00	5,075.00	1044.00	4031.00	5075.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs		720.00	720.00		720.00	720.00
(6) New Bldgs., Improvements, etc. (Adit rehab.) (Building rehab.)	150.00		150.00	150.00		150.00
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	18.00	15.00	33.00	18.00	15.00	33.00
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,332.00	4,766.00	6,098.00	1332.00	4766.00	6098.00

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

Date 10-8-59 *Payee Howard C. Banks

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 666.00

Signature Dorothy F. Long
(Authorized Certifying Officer)

Date 10/21/59 Vou. No. 4

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 2007 in accordance with the terms of the contract.

Signature /s/ Stephen W. Foldak Title Mining Engr. Date 10-19-59

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

Signature /s/ A. E. Weissenborn Title Exec Officer Date Oct. 21, 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

MF-104A
(1 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

OCT 26 1959
O.M.E.

Month of September 1959 Docket No. ~~DMEA~~ OME 6028 Contract No. 2007

Operator's Name Howard C. Banks Minerals Lead-Zinc

Address 421 Oak Street, Anaconda, Montana

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting Stages I & II	ft.	$1,044.00	36'	$5,075.00	175'	$29.00	400'	$29.00/ft.
~~Crosscutting~~ Timbering	ft.	120.00	20'	120.00	20'	6.00	100'	6.00/ft.
~~Raising~~ Long Holes	ft.						160'	1.25/ft.
~~Shafts~~ Consult. Eng.	day						6 days	75.00/day
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Assays		18.00	6	33.00	11	3.00	60	3.00 each
Trenching								
Test Pits								
Roads and Trails								
Adit rehabilitation	ft.			720.00	450'	1.60	450'	1.60/ft.
Total Distributed Costs		1,182.00		5,848.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs		150.00		150.00				
New Buildings, Improvements, etc.								
Total Costs		1,332.00		6,089.00				

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

Date 10-8-59 Operator Howard C. Banks

Per _____ Title _____

Remarks:

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

(Instructions on reverse)

(For Government use only)

/s/ Stephen W. Zoldok, Mining Engr.
10-19-59

INSTRUCTIONS

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

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

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

GPO 872894

During the month of September, progress with the drifting was slower. This was for various reasons:

1. Several days had to be spent dozing out a suitable place to stock-pile milling ore, which cannot be processed at the present time because of strikes; and also building an ore bin.
2. Much of the drifting this month has been through loose, broken ground, necessitating timbering.
3. The weather has been bad, which always slows down the work somewhat.
4. With the opening of the hunting season, it has been more difficult to keep men on the job.

During September, the drift was extended 36 feet, making a total of 175 feet since the beginning of the contract. Twenty feet of this required timbering--five sets. Essential weather-proofing of buildings has been completed.

A composite report of assays submitted is included herewith. All were grab samples from ore cars, as indicated, except one which was a general sample from the ore stock-pile.

The drift has been continued essentially in the same easterly direction as before, and the nature of the ore has remained much the same. Some small quantities of ore (100-200 pounds at a time) have been run through a small mill, with rather satisfactory results. At present, work will be continued so long as the weather permits.

Assay No.	Oz. Silver Per Ton	Oz. Gold Per Ton	Per Cent Lead	Per Cent Zinc
I--1	1.20	.010	1.38	Trace
2	2.10	.060	2.77	1.73
II--1	2.2	0.09	2.2	2.0
2	2.7	0.16	2.8	2.7
3	3.9	0.11	1.6	1.9
4	2.9	0.02	0.8	1.1

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

Budget Bureau No. 42-R1036.5

SEP 21 1959

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

Month of August, 1959 Docket No. DMEA/OME 6028 Contract No. 2007
Operator's Name Howard C. Banks Minerals Lead-zinc
Address 421 Oak Street, Anaconda, Mont.
Contract Amount, $ 13,900 Government Participation: 50 % Amount, $ 6,050.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	$2,552.00	$1,479.00	$4,031.00	2552.00	1479.00	4031.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs	None	720.00	720.00		720.00	720.00
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	24.00	None	24.00	15.00	—	15.00
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2,576.00	2,199.00	4,775.00	2567.00	2199.00	4766.00

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

Date 9-9-59 *Payee Howard C. Banks

Per _____ Title _____

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

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

(Instructions on reverse)

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

$ 1283.50

Signature Dorothy F. Long
(Authorized Certifying Officer)

Date 9/15/59 Vou. No. 2

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 2007 in accordance with the terms of the contract.

Signature /s/ Stephen W. Goldsh Title Mining Engr. Date 9-11-59

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

Signature /s/ Donald R. MacLaren Title Acting Alternate Exp. Officer Date Sept. 15, 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

SEP 21 1959
O.M.E.

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

Month of August 1959 Docket No. ~~DMEA~~ OME 6028 Contract No. 2007
Operator's Name Howard C. Banks Minerals Lead-zinc
Address 421 Oak St., Anaconda, Mont.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting Stage I and II	ft.	$2,552.00	88	$4,031.00	139	$29.00	400'	$29.00/ft.
Crosscutting								
Raising Timbering	ft.						100'	$6.00/ft.
Shafts Long Holes	ft.						160'	$1.25/ft.
Winzes Consult. Eng.	day						6 days	$75.00/day
Drilling: Core								
Churn								
Auger		15.00	5	15.00	5			
Stripping Assaying		~~24.00~~	~~8~~	~~24.00~~	~~8~~	3.00	60	$3.00 each
Trenching								
Test Pits								
Roads and Trails								
Adit rehabilitation	ft.	None	None	720.00	450	1.60	450'	$1.60/ft.
TOTAL DISTRIBUTED COSTS		$2,576.00		$4,775.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$2,576.00		$4,775.00				

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

Date 9-9-59 Operator Howard C. Banks

Per ..... Title .....

REMARKS:

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

(Instructions on reverse)

(For Government use only)

9-11-59
/s/ Stephen W. Zoldok
Mining Engr.

INSTRUCTIONS

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

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

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

GPO 872894

Report for August, 1959
Howard C. Banks
Docket No. OME 6028
Contract No. 2007

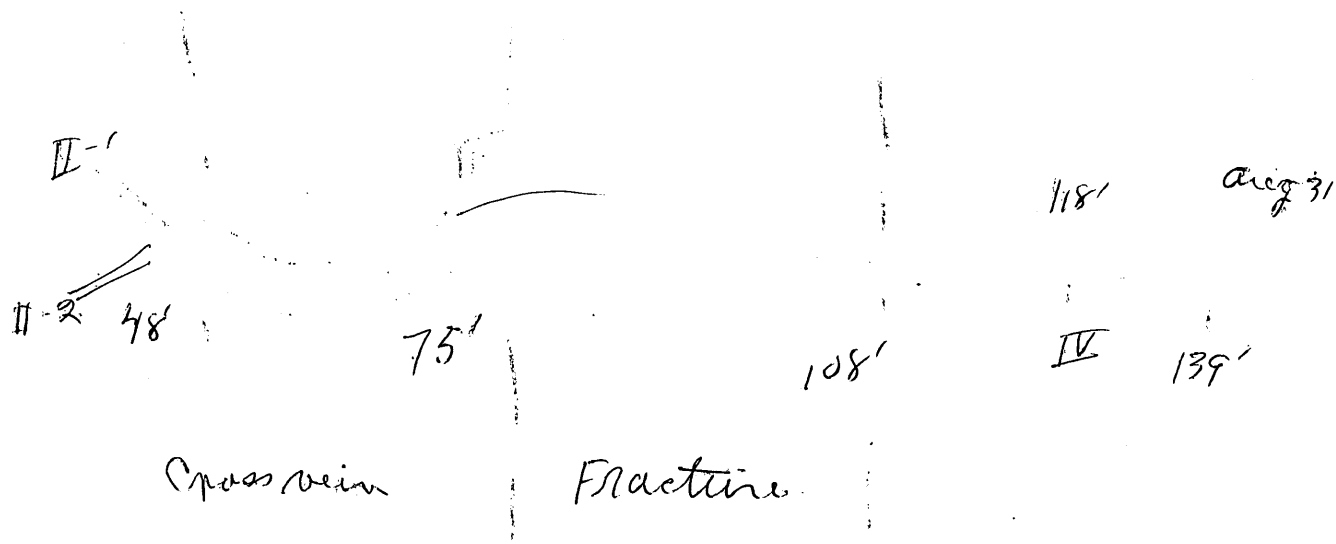
During the month of August, the drift was maintained in the same general easterly direction as before, and extended a total of 68 feet, making it 139 feet in all drifted so far in Stage I. About 48 feet from the beginning of Stage I, the vein being followed was cut off for a short distance by a cross-vein. Assays of the cross-vein material as well as of the vein in the face of the drift were taken here. (II) A short S-curve in the drift picked up the vein again, which at this point had so much the appearance of copper-bearing ore that assays were run on three different kinds of ore. (III)

After only a few feet, the vein was cut off completely by a fracture that extended for some 20 feet. The vein was picked up again by continuing the drift in a straight line. From that time on, the ore, which had been only about 2 feet wide, began to widen out, and the hanging wall was definitely defined. Assays were made from drill holes into the foot wall at 118 feet, to see if the ore was extending in that direction. (IV) It was not. By the end of this month's drilling, the width of the vein had increased to about 5½ feet, and both hanging and foot walls were well defined. The ore appeared to be richer with every round, with less altered basalt, and more quartz as the material in which the lead was evident.

Incidentally, much of the necessary repair on the buildingshas been done, and some of the weatherproofing that will have to be done before more rains and cold weather is under way. But since this unit has not been completed yet, it is not included in this statement. Because the contract did not go into effect until July, it has been necessary to get the mine into a working condition as rapidly as possible, and those things that could be put off at all have been worked in as soon as they could be.

One original of each assay is included herewith, and also composite copies of them, with a map showing where each was taken. Assay I was from grab samples taken from ore cars early in Stage I, but was not submitted with the July statement.

Assay No.	Ozs. Silver Per Ton	Ozs. Gold Per Ton	Per Cent Lead	Per Cent Zinc	Per Cent Copper	Per Cent Silica
I	1.00	.040	0.75	1.50		
II--1	2.85	.010	3.70	2.85		
2	1.55	.005	2.55	3.23		
III--1	2.35	.012	2.77		.15	57.6
2	1.50	.060	1.80		.08	50.8
3	.05	tr.	1.05		.09	5300
IV--1	0.60	.015	0.81	0.30		
2	0.50	.010	0.57	0.70		



OME Field Team, Region I

September 15, 1959

OME Certifying Officer, Region I

Contract No. 2007
Monthly operating report for August 1959

The subject monthly operating report has been processed and forwarded to the Disbursing Officer for payment.

We have deleted 3 assays at $3.00 each; Samples III-1,2, & 3 were not assayed for zinc. The contract states "samples shall be assayed for lead, zinc and silver".

Dorothy F. Long

cc: OME (2)
USGS (2)
USBM (AD)
Contract Admin. (2)
SWZ

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

DATE	INITIALS	CODE
		800

EXTRA COPY
O. M. E.
RECEIVED SEP 21 1955

DATE	INITIALS	CODE

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

AUG 31 1959
U.S.M.E.A.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1959 Docket No. ~~DMEA~~ OME 6028 Contract No. 2007
Operator's Name Howard C. Banks Minerals Lead-zinc
Address 421 Oak Street, Anaconda, Mont.
Contract Amount, $ 13,900.00 Government Participation: 50 % Amount, $ 6,950.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
~~Drilling~~ Drifting	$1,479.00	none	$1,479.00	1479.00	—	1479.00
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs (Adit)	720.00	none	720.00	720.00	—	720.00
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2,199.00	none	$2,199.00	2199.00	—	2199.00

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

Date 8-6-59 *Payee Howard C. Banks

Per _____ Title Owner

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

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

(Instructions on reverse)

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

$ 1099.50

Signature Farrell F. Fong
(Authorized Certifying Officer)

Date 8/24/59 Vou. No. 1

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 2007 in accordance with the terms of the contract.

Signature /s/ Stephen W. Goldock Title Mining Engr. Date Aug. 10, 1959

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

Signature /s/ A. E. Weissenborn Title Exec. Officer Date Aug. 12, 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED AUG 31 1959 SPOKANE, WASH

RECEIVED AUG 31 1959 O.M.E.

RECEIVED AUG 4 1959 BUREAU OF MINES SPOKANE, WASH.

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

Month of July 1959 Docket No. ~~DMEA~~ 3333/A OME 6028 Contract No. 2007

Operator's Name Howard C. Banks Minerals Lead-zinc

Address 421 Oak St., Anaconda, Mont.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting Stage I & II	ft.	$1,479.00	51'	$1,479.00	51'	$29.00	400'	$29.00/ft.
Crosscutting								
~~Raising~~ Timbering	ft.						100'	6.00/ft.
~~Shafts~~ Long holes	ft.						160'	1.25/ft.
~~Winzes~~ Consult. Eng.	day						6 days	75.00/day
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Assaying							60	3.00/each
Trenching								
Test Pits								
Roads and Trails								
Adit rehabilitation	ft.	720.00	450'	720.00	450'	1.60	450'	1.60/ft.
TOTAL DISTRIBUTED COSTS		2,199.00		2,199.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2,199.00		2,199.00				

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

Date 8-6-59 Operator Howard C. Banks

Per Title Owner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

Aug. 10, 1959
/s/ Stephen W. Zoldok

INSTRUCTIONS

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

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

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

GPO 872894

Report for July, 1959
Howard C. Easte
Docket No. OME 6028
Contract No. 2007

Work under the contract was started early in July. The first step was rehabilitation of the existing adit, including widening of the drift in places, reinforcing the timbering, cleaning out slough, and repairing and extending the track.

In preparation for further drifting, a sump for water was blasted out in the short wide drift already present, a pipe line for air was put in, and a receiving tank and a compressor were installed.

Blasting to extend the drift was begun on July 16. At that time there was a mineralized zone in the face of only a few inches. The rock was so hard that conventional bits were ineffective, and carbide bits had to be used. As work progressed, drilling gradually became easier, and the vein widened in the face to about two feet, showing a mixture of quartz, galena, pyrite, etc. A constantly increasing flow of water was encountered. The daily rounds have been pulling an average of about four feet. The drift has been maintained at least 5 x 7 feet, with overbreak in some places to more than that.

In all the drift was extended 51 feet during July, in the same general easterly direction as before.

EXTRA COPY
O. M. E.
RECEIVED AUG 31 1959

DATE	INITIALS	CODE

421 Oak Street
Anaconda, Montana
July 17, 1959

Docket OME-6028 (Pb-Zn)
Howard A. Banks
Contr. 14-23-090-2007

Office of Minerals Exploration
Sc. 157 Foward
Spokane 4, Washington

Attn: Mr. Maclaren

Dear Sir:

Mr. Banks has asked me to let you know that work under the contract started at the mine July 18, and that they now have a compressor there, and did their first blasting July 15. He has two men working for him at present. The first week was spent primarily in retimbering and in rehabilitating the existing drift. There is still some of the latter to be done.

He would like to know what procedure to follow in reporting the progress made at the end of each month. I believe you mentioned some kind of forms to be filled out. I suppose you will send whatever should be used.

Thank you very much for your help.

Yours truly,

/s/ Mildred A. Banks
(Mrs. Howard C.)

EXTRA COPY
O. M. E.
RECEIVED AUG 3 1959
DATE | INITIALS | CODE
800

RECEIVED

JAN 1 8 1961

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: OME-6025 (Lead-Zinc)
Howard C. Banks
Ribbon Band Group
Powell County, Montana
Contract 2007

Dear Mr. Banks:

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

We sincerely regret that the work performed did not result in a certification of possible production under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however, is called to the provision of the contract which require the operator to keep and preserve certain records for the periods indicated.

We appreciate your interest and participation in the OME exploration program.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Copies to:
Mrs. Callie Smelser Aspling, 201 Milwaukee Ave., Deer Lodge, Montana
Mrs. Fern Howard Johnson, R.F.D. No. 1, Deer Lodge, Montana
Mr. Charles F. Jensen, Box 161, St. Regis, Montana

FMurphy/gla
1-17-61
cc to: Director's Reading File
Region I (2)
C&A Division
Docket
Code 500
Chron

EXTRA COPY
O. M. E.
RECEIVED JUN 23 1960

DATE	INITIALS	CODE
		800

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

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: Work Authorization
Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks, individual
Hidden Hand Group
Powell County, Montana
Contract No. 2007

Dear Mr. Banks:

In view of your encouraging report of a strongly mineralized footwall vein, you are authorized to continue the drift an additional 20 feet, by which time I should be able to revisit your property.

As the existence of a footwall vein is a hitherto unknown structure, you are also authorized and urged to drill a long hole about 15-20 feet deep into the south wall of the drift about 85 feet east of the starting point (90 feet east of bronze tag USBM 903) to see if the footwall vein exists west of the fault.

Sincerely yours,

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

cc: OME(3)
MacLaren
DRF

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

Memorandum

To: Chief, Division of Field Operations, OME

From: Acting Field Officer, Region I

Subject: OME-6028 (Lead Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract No. 2007

Howard C. Banks telephoned this morning to advise that he had advanced the easterly drift for about 12 feet along the southeasterly course he was following when I made my last inspection. He says he has cut a footwall vein containing up to 8 inches of ore. The distance between the hanging wall and footwall is about 13½ feet. He plans to turn the drift and follow the footwall vein taking about 3 days to drill, blast, and muck out a 6-foot round.

The time required to lay track, pipe, etc., will probably decrease the average advance to about 1.5 feet per day. It will take about 6 days to use up the remaining footage authorized, and by the time I can return to the property next month, he will have advanced approximately 18 feet farther.

Although I would prefer to see the footwall vein before authorizing additional advance, Exhibit A of the contract states that the extent of the work must have prior Government approval. Therefore, I will authorize the drift an additional 20 feet. As the footwall vein is something new, I will also authorize him to drill a long hole 15-20 feet into the south wall of the drift about 85 feet from the starting point.

Enclosures(3 cys Work Authorization)
cc: MacLaren
DRF

D. R. MacLaren

EXTRA COPY O. M. E RECEIVED MAY 16 1960		
DATE	INITIALS	CODE
		800

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

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: Docket No. OME-6028 (Lead-Zinc)
Hidden Hand Group
Powell County, Montana
Contract No. 2007

Dear Mr. Banks:

Thank you for your letter of May 13 advising that the mine is now accessible and that you plan to resume operations the week of May 16.

Unfortunately, I was in Montana the week of May 2 and do not expect to be able to get over that way again this month. As you know, you have been authorized to drift on the vein for 200 feet under Stage I and 50 feet under Stage II. The OME drifting started at 5½ feet beyond a brass tag marked USBM 903. According to your last progress report for work done in October 1959, you have completed 214 feet of drifting, leaving a balance of 36 feet authorized. You mentioned in the same progress report that you were going to put in a larger compressor. Also some time will undoubtedly be required to clean up after the winter's shut down. Therefore, I imagine you will not use up the remaining footage before I can visit you. Any drifting beyond 250 feet before we examine the work will be at your own risk and, if additional drifting cannot be approved, at your sole expense.

I will try to make the trip the first week in June but will either write or phone before I come over.

Sincerely yours,

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

cc: OME(2) w/cys incoming
USBM w/cy incoming
MacLaren w/cy incoming
DRF

EXTRA COPY
O. M. E
RECEIVED MAY 16 1960

DATE	INITIALS	CODE

May 13, 1940

Mr. A. E. Guingenberg
Executive Officer, CCC
No. 157 Howard Street
Spokane 4, Washington

Re: [illegible]
Contract No. [illegible]
Hidden Sand Group
Powell Co., Montana

Dear Sir:

When we were in the office in January, Mr. MacLaren said that we should let you know as soon as it was possible for someone to get up to the mine, to inspect my project for approval for the second half of the contract. We have had unusually bad weather this spring, so that the snow has just now gone. However, beginning the first of next week I expect to be up at the mine, so that it would be possible for someone to come now.

If possible, we would appreciate it if we could know a day or so ahead of time when he will be there, so that there would be no possibility of my being elsewhere and missing him. Mail reaches me more surely through our Anaconda residence address than through the Deer Lodge address.

Yours truly,

/S/ Howard A. [illegible]

RECEI[illegible]
MAY 1[illegible]

800

Audit's Copy

EXPLORATION CONTRACT
HOWARD C. BANKS
DOCKET NO. OME-6028

AMENDMENT NO. 1

It is agreed this 24th 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 Howard C. Banks, an individual, hereinafter called the "Operator," that Exploration Contract No. 2097 (Docket No. OME-6028), dated June 23, 1959, is amended, effective November 1, 1959, as follows:

1. The date fixed in Article 1 for completion of the work is extended from 12 months to 17 months from the date of the contract.

2. The maximum period for royalty payments and the liens to secure the payments thereof, as specified in Article 6, is extended from ten to eleven years from the date of the contract.

3. (a) Work under the contract shall be suspended during the period beginning November 1, 1959, and ending not later than June 15, 1960.

(b) The Government will not contribute to any costs incurred during the period of suspension or to any costs of rehabilitation or repair which in the Government's opinion would not have occurred had there 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.

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

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

HOWARD C. BANKS

Howard C. Banks

EXTRA COPY
O. M. E.
RECEIVED OCT 26 1959

DATE	INITIALS	CODE
		800

Co. 157 Howard Street
Spokane 4, Washington
October 21, 1959

Mr. Howard C. Banks
601 Oak Street
Anaconda, Montana

Work Authorization
Re: Docket No. 08-6028 (Lead-Zinc)
Howard C. Banks, Individual
Hidden Hand Group
Powell County, Montana
Contract No. 14-23-098-2007

Dear Mr. Banks:

In reply to your letter of October 19, 1959, we do not expect to have a field man available to visit your property until early in November. However, so as not to lose the benefit of the remaining good weather you may start Stage II drifting and continue the drift for 50 feet or until the field man visits your property, whichever occurs first. We will be better able to decide whether or not the ore you are coming into justifies continuing Stage II further.

It is possible that the blue fluorescence to which you refer is hydrozincite, a basic zinc carbonate of secondary origin usually formed by the alteration of sphalerite.

By Field Team Region I

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

Stephen V. Goldich, Acting Director
U. S. Bureau of Mines

cc: OMP(3) w/cys incoming
USGM(2)
UGBM(AD)
Sample

RECEIVED
BUREAU OF MINES
OCT 20 1959
SPOKANE, WASH.

421 Oak St.
Anaconda, Mont.
Oct. 19, 1959

Dear Sirs,

I was to let you know when ~~the~~ the 200 feet of Stage I of my contract was completed. It is now. Since the weather at present is good, I should like to have approval to continue, if possible — especially since right now we are coming into a new and very interesting kind of ore. I have tried to find out what it is, though the Bureau of Mines, in Butte, but as yet have declined no report. Underground in the drift, it shows a blue fluorescence. Perhaps when you come over to measure up the footage of the drift you could give me some suggestions.

Yours truly

Howard C. Barber

RECEIVED
OCT 20 1959
U. S. G. S.
SPOKANE, WASH.

MME Form 14 No. 63
Sept. 1958

Contract No. Idm-E) 14-23) 2007

Docket No. DMEA) MME) 6028

Date of Action January 10, 1961
Additional release

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OBLIGATION DOCUMENT

To: Chief, Accounts Section, Finance Branch, Bureau of Mines

From: Director, Division of Operations Control and Statistics

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:

Banks, Howard C.
421 Oak Street
Anaconda, Montana

Date of Contract	Region	State	Commodity
June 23, 1959	I	Montana	Lead-Zinc
	Reserve		Obligation
Prior Amount	0		$4,512.30
Increase	0		0
Decrease	0		1.80
Revised Amount	0		$4,510.50

Remarks:

cc: 800
210

43244

MME Form 14
Sept. 1958

No. 44

Contract No. Idm-E) 14-23) 2007

Docket No. DMEA) MME) 6028

Date of Action August 29, 1960
Terminated Contract

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OBLIGATION DOCUMENT

To: Chief, Accounts Section, Finance Branch, Bureau of Mines

From: Director, Division of Operations Control and Statistics

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:

Howard G. Banks
421 Oak Street
Anaconda, Montana

Date of Contract	Region	State	Commodity
June 29, 1959	I	Montana	Lead-Zinc
	Reserve		Obligation
Prior Amount	0		6,950.00
Increase	0		0
Decrease	0		2,437.70
Revised Amount	0		4,512.30

Remarks:

cc: 800
210

43244

MME Form 14
Sept. 1958

Contract No. Idm-E) 14-23) 2007

Docket No. DMEA) MME) 6028

Date of Action JUNE 30, ~~July 6,~~ 1959

Executed Contract

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OBLIGATION DOCUMENT

To: Chief, Accounts Section, Finance Branch, Bureau of Mines

From: Director, Division of Operations Control and Statistics

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:

Howard C. Banks
421 Oak Street
Anaconda, Montana

Date of Contract	Region	State	Commodity
June 23, 1959	I	Montana	Lead-Zinc
	Reserve		Obligation
Prior Amount	6,950.00		0
Increase	0		6,950.00
Decrease	6,950.00		0
Revised Amount	0		6,950.00

Remarks:

cc: 800
210

43244

JUL 6 1959
O.M.E.

OME Form 51
Rev. 1959

Audit's copy

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

EXPLORATION CONTRACT
(Short Form)

Docket No.	Commodity	Contract No.	County	State
OME-6028	lead-zinc	14-23-090-2007	Powell	Montana

It is agreed 23 JUN 1959 (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

Howard G. Dantz, an individual

whose mailing address is 421 Oak Street, Anaconda, Montana, hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before August 1, 1959 (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 12 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 work is $3,000.00 The Government will contribute 50 percent of the total fixed unit costs of the work performed, not in excess of $1,500.00 in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest computed annually at the rate of 6-3/8 percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) 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 rights in land.--(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 right 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:

Interests of Lessors

(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 Lien Agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

Lien and Subordination Agreements of Lessors

RECEIVED
from Operator
JUN 29 1959
U. S. G. S.
SPOKANE, WASH.

(c) The Operator shall preserve and maintain his right, title, or 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 royalty on production and liens for the payment thereof. Two true 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, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws 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 production operations during the period that royalty is payable to the Government. 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. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. To the extent that amounts in excess of fixed unit costs or in excess of the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such amounts 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) Monthly reports.--The Operator shall provide the Government with five copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; 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 monthly report). 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 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 the Government determines that 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 preparation or completion of same 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 mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the XXXXXXX gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, 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 (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable 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. No costs of the Operator are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" 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.

(2) 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.

(d) Unsold production.--If any production (ore, concentrate, 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, concentrate, 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) Lien for payment.--To secure the payment of royalty (see Article 6(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) 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 Government, and this estimate shall be final and binding upon the Operator.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 7. Termination of the Government's Obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to pay on account of units of work not then performed; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is 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:

(1) the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

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 royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 11.

ARTICLE 8. Notices to be given by the Government may be delivered to the Operator or may be sent by certified mail addressed to the Operator at his 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. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.

The Operator further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, Office of Minerals Exploration, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, Office of Minerals Exploration, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, Office of Minerals Exploration, a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, Office of Minerals Exploration," as used herein includes his duly authorized representative.

ARTICLE 12. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Operator or any independent contractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Operator or any independent contractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 14. Changes and added provisions.--

Executed in quintuplicate the day and year first above written.

HOWARD C. BANKS
(Operator)

By Howard C. Banks

Title

THE UNITED STATES OF AMERICA

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

I, _____, certify that I am the
(Name)

_____ secretary of the corporation named as Operator herein; that

_____, who signed this contract on behalf of the Operator, was then
(Name)

_____ of said corporation; that said contract was duly signed for
(Title)

and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

[CORPORATE SEAL]

INT.-DUP. SEC., WASH., D.C. 52375

EXPLORATION PROJECT CONTRACT
HOWARD C. BANKS
DOCKET NO. OMR-6028

ANNEX I

The land referred to in Article 2 of the Contract is situate in Powell County, Montana, and is comprised of the following unpatented lode claims as indicated below:

Name	Quartz Lode Book	Page
Silver King	4	496
Hidden Hand	2	247
Castle Garden	2	268
Mountain Chief	2	249
Red Fox	6	304
Deep Gulch	4	494
Bull Moose	4	498

These claims are recorded in the Recorder's Office of the County Court House in Deer Lodge, Powell County, Montana.

The Operator is in possession of the claims described herein as lessee with option to purchase.

The claims are shown on the map entitled, "Plate 1 - Claim Map Hidden Hand Mine, Powell County, Montana", attached to and made a part of this contract.

EXPLORATION PROJECT CONTRACT
HOWARD C. BANKS
DOCKET NO. OME-6028

EXHIBIT "A"

Description of the Work

The purpose of the project is to explore for lead-zinc ores along the Deep Gulch vein by means of drifting and/or crosscutting, and long-hole drilling.

The work is divided into two stages, set forth below. The Operator shall perform Stage I, and shall perform as much of the Stage II work as the Government approves in advance.

The locations, directions, attitudes, and extent of all work performed under the Contract are subject to the prior approval of the Government. The exploration work is indicated in part in blue color on the attached map entitled, "Plate No. 2 - Geologic Map of Deep Creek Workings - Hidden Hand Mine, Powell County, Montana".

Drifts and crosscuts shall be timbered as necessary, the timber sets shall not be less than 5 feet wide and 7 feet high in the clear of the timber.

Drifts and/or crosscuts shall not be less than 5 feet by 7 feet in cross-section.

Stage I

1. Complete the rehabilitation of 450 feet of adit.

2. Repair living quarters and existing compressor house.

3. From the face of the adit, drift and/or crosscut along the Deep Gulch vein not more than 200 feet.

4. Timber not in excess of 50 feet of the drift and/or crosscut.

5. Not in excess of 80 feet of long-hole drilling shall be done to aid the exploration.

6. Not more than 3 days shall be allowed for the services of a consulting Engineer or Geologist.

7. Assay not more than 30 samples for lead, zinc and silver.

Stage II

1. From the face of the drift and/or crosscut driven in Stage I, drift and/or crosscut not to exceed 200 feet.

2. Timber not in excess of 50 feet of the drifts and/or crosscut.

3. Not in excess of 80 feet of long-hole drilling shall be done to aid the exploration.

4. Not more than 3 days shall be allowed for the services of a consulting Engineer or Geologist.

5. Assay not more than 30 samples for lead, zinc and silver.

Estimated Costs of the Project

Fixed Unit Costs

Stage I

Complete the rehabilitation of adit, 450 feet @ $1.60/ft.	$ 720.00
Repairs to buildings	150.00*
Drift and/or crosscut 200 feet @ $29.00/ft.	5,800.00
Timber drift and/or crosscut 50 feet @ $6.00/ft.	300.00

*The completed work constitutes the unit.

Long-hole drilling 80 feet @ $1.25/ft.	$ 100.00	
Consulting Engineer or Geologist 3 days @ $75.00/day	225.00	
Assaying, 30 samples @ $3.00 each sample	90.00	$ 7,385.00

Stage II

Drift and/or crosscut 200 feet @ $29.00/ft.	$5,800.00	
Timber drift and/or crosscut 50 feet @ $6.00/ft.	300.00	
Long-hole drilling 80 feet @ $1.25/ft.	100.00	
Consulting Engineer or Geologist 3 days @ $75.00/day	225.00	
Assaying, 30 samples @ $3.00 each sample	90.00	6,515.00
Total Estimated Cost of the Project		$13,900.00
Government Participation, 50%		$ 6,950.00

EXTRA COPY O. M. E. RECEIVED JUL 6 1959		
DATE	INITIALS	CODE
		800

So. 157 Howard Street
Spokane 4, Washington

June 30, 1959

Memorandum

To: Operating Committee, OME

From: Executive Officer, OME Field Team, Region I

Subject: Docket No. OME-6028 (Lead-Zinc)
Howard C. Banks
Hidden Hand Group
Powell County, Montana
Contract No. 14-23-090-2007

Enclosed are the Government and Audit copies of the above-cited contract. These copies do not have the Lien and Subordination Agreements attached; we airmailed them to you with our memorandum of June 24 for your approval.

We have written Mr. Banks that the Quit Claim Deed and the Lien and Subordination Agreement forms have been approved by you (your teletype of today) and have authorized him to proceed with contract work any time up to August 1.

Donald R. MacLaren
For: A. E. Weissenborn

cc: USBM (2)
USBM(AD)
Sample

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

O.M.E. JUN 26 1959

FOR GOVERNMENT USE ONLY	
Operator	HOWARD C. BANKS, AN INDIVIDUAL
Docket No. OME –	6028
Contract No.	14-23-090 – 2007
Contract Date	June 23, 1959

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of Powell, State of Montana;

described as follows:[2] the SILVER KING Quartz Lode, the location of which is recorded in the Recorder's Office of the County Court House in Deer Lodge, Montana, Book 4 Quarts, Page 496.

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

Howard C. Banks[3]

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same.[4]

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

None.

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease /or contract, deed, or other document/ dated _____, and recorded in Book _____, Page _____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions None (State "None" or "See Annex No._____".)

Dated this 23rd day of June, 1959.

Callie Smalser Aspling (Seal)	201 Milwaukee Ave. (Street)	
	Deer Lodge, Montana (City & State)	
(Seal)	(Street)	
	(City & State)	
(Seal)	(Street)	
	(City & State)	
(Seal)	(Street)	
	(City & State)	
(Seal)	(Street)	
	(City & State)	
(Seal)	(Street)	
	(City & State)	

I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement was then _____ (Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____
(Corporate Seal)

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator HOWARD C. BANKS, an individual
Docket No. OME – 6028
Contract No. 14-23-090 – 2007
Contract Date June 23, 1959

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of Powell, State of Montana;

described as follows:[2] ~~known as the Hidden Hand Group of Claims; namely, the SILVER KING quartz lode mining claim, the HIDDEN HAND quartz lode mining claim, the CASTLE GARDEN quartz lode mining claim, the MOUNTAIN CHIEF quartz lode mining claim, the RED FOX quartz lode mining claim, the DEEP GULCH quartz lode mining claim, and the BULL MOOSE quartz lode mining claim.~~

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

Howard C. Banks[3]

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same.[4]

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

None

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease /or contract, deed, or other document/ dated _____, and recorded in Book _____, Page _____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions None (State "None" or "See Annex No.____".)

Dated this 23rd day of June, 1959.

Fern Howard Johnson (Seal)	R. F. D. No 1 (Street)	
	Deer Lodge Mont. (City & State)	
Charles H. Jensen (Seal)	Box 161 (Street)	
	St. Regis, Mont (City & State)	
(Seal)	(Street)	
	(City & State)	
(Seal)	(Street)	
	(City & State)	
(Seal)	(Street)	
	(City & State)	
(Seal)	(Street)	
	(City & State)	

I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement was then _____ (Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____
(Corporate Seal)

EXTRA COPY O. M. E. RECEIVED JUL 6 1959		
DATE	INITIALS	CODE
		800

Sc. 157 Howard Street
Spokane 4, Washington

June 30, 1959

Mr. Howard C. Banks
421 Oak Street
Anaconda, Montana

Re: Docket No. OME-6020 (Lead-Zinc)
Howard C. Banks, Individual
Hidden Band Group
Powell County, Montana
Contract No. 14-23-090-2007

Dear Mr. Banks:

Thank you for returning the signed contract so promptly. We have been informed by the Washington office that the Quit Claim Deed and the Lien and Subordination Agreement forms have been approved. You may therefore commence the contract work any time on or before August 1, 1959.

We will send you voucher forms in time for you to submit your monthly progress report.

We call your attention to the third paragraph of Exhibit A. In this connection, authorization is hereby given to start items 1, 2, 3, and 4 under Stage I. Item No. 5, long hole drilling, should not be done until you have received prior approval of the Government. If time is a consideration, this may be obtained by telephone and then we can confirm it by letter.

By Field Team Region I

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

Donald R. Maclaren, Acting Member
U. S. Geological Survey

cc: OME (2)
USBM (2)
USBM(AD)
Sample

MME Form 14
Sept. 1958

Contract No. I~~[illegible]~~) 14-23) 2007

Docket No. ~~[illegible]~~) MME) 6028

Date of Action June 23, 1959
Approved Contract

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OBLIGATION DOCUMENT

To: Chief, Accounts Section, Finance Branch, Bureau of Mines

From: Director, Division of Operations Control and Statistics

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:

Howard C. Banks, an Individual
421 Oak Street
Anaconda, Montana

Date of Contract	Region	State	Commodity
June 23, 1959	I	Montana	Lead-Zinc

	Reserve	Obligation
Prior Amount	0	0
Increase	6,950.00	0
Decrease	0	0
Revised Amount	$6,950.00	0

Remarks:

cc: 800
210

43244