OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, OME Field Team, Region III, Denver, Colorado, pertaining to Contract Idm-E126, Docket No. IMA 1199X (Beryl and Mica) dated August 24, 1951, including Amendments Nos. 1 and 2, with

Lewis W. Collingswood
Box 68
Custer, South Dakota

for the purpose of determining the amount of royalties due the United States Government on the production of Feldspar extracted from No. 9 Lode Claim, Custer County, South Dakota, during the period August 24,1951, through March 27, 1959.

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

My review established the value of Feldspar produced for this period to be $7,587.87, (See schedule No. 1 attached). Royalty due the United States Government at the contract rate of 1½% is $113.82. The royalty paid and the balance due are as follows:

Total Royalty due	$113.82
Total Royalty paid	113.82
Balance of Royalty due	$ 0.00

April 1, 1959

Donald T. Finch
Donald T. Finch
OME Auditor

OME

LEWIS W. COLLINGSWOOD

CONTRACT NO. Idm-126 DOCKET NO. DMA 1199X

STATUS OF PROJECT, DESCRIPTION OF REVIEW AND REASONS THEREFOR

Exploration work on the project was completed in December, 1951. A Certificate of Discovery or Development was issued April 15, 1952. A report of review in lieu of final audit dated June 20, 1952, indicates accepted costs of $9,237.33, with Government participation on a 90% basis being $8,313.60.

The examining engineers have advised the property has been inactive since February, 1953. Reference to the files also indicate there was no commercial production of anything but Feldspar.

My review consisted of a tabulation and recomputation of the producer's monthly reports of production and royalty computations which are on file with the OME Finance Office, Denver, Colorado. Conferences were held with two examining engineers, both of whom advised that the rate of $5.50 per ton used by the producer to determine values subject to royalty is very fair and in accord with the market price of Feldspar. Royalty receipts were reconciled with the records of the OME Finance Office, Denver, Colorado.

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

(1) Monthly production of Feldspar and Royalty payments were supported by producer's statements.

(2) The examining engineer is of the opinion that all production has been properly accounted for.

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

Schedule No. 1

LEWIS W. COLLINGSWOOD

CONTRACT NO. Idm-M126 DOCKET NO. DMA 1199X

SUMMARY OF PRODUCTION SUBJECT TO ROYALTY
PERIOD AUGUST 24, 1951, THROUGH MARCH 27, 1959

Note: Property leased to Consolidated Feldspar Corporation, which was merged with International Minerals Company. Lessee extracted Feldspar for consumption in its operations. Reported quantities mined and paid royalty on monthly basis.

Gross Tons mined during February, 1952 through January, 1953	1379.61	
Value per ton	$ 5.50	
Gross value subject to Royalty		$7,587.87
Royalty due at 1½ percent	$113.82	
Royalty paid	113.82	
Balance due		$ 0.00

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Mr. Lewis W. Collingwood

Address Box 68, Custer, South Dakota

No. 9 Lode, Custer County, South Dakota

Exploration Contract No. Idm-E 126

Docket No. DMEA 1199

	Check One	
	Yes	No
1. (a) Does the Operator stockpile ore subject to royalty repayment?		X
(b) If so, is segregation and identification procedure adequate?		
2. (a) Does Operator commingle production subject to DMEA royalties with exempt production?		X
(b) If so, do you consider the allocation of the commingled production equitable?		
3. (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?		X
(b) If so, are adequate records maintained on such material to protect the Government's interest?		
4. Do you consider the assay controls in effect are adequate?	X	
5. Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	X	
6. Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA royalties?	X	
7. Does the Operator buy from or sell to other Operators?		X

8. Comment on any item 2(b) to 6, if answer is No.

Date 3/30/59

H. Marshall
Mining Engineer

APR 6 1959

[redacted]

To: Donald T. Finch, GSE Auditor

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

Subject: Docket No. 750-11975 (Boyd and Kline)
Louis V. Gallingwood
Contract No. [redacted]

Your Report of Royalty Review on the subject contract is acceptable and normal distribution is authorized.

GMcCarthy/GMcC
April 6, 1959

cc: Docket
Director's Reading File
Mr. Talbert

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Schedule No. 8

Sheet No. 1

Defense Minerals Exploration Administration (Department or Establishment)

14-23-050 (Bureau or Office)

Received by Lea Testin (Name) Regional Disbursing Officer (Title) at Minneapolis, Minnesota (Station)

Period February, 1953 (Month or quarter ended)

D. O. Symbol No. 409

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
2/9/53	235	(L. W. Collingwood Project) Ralph H. Brigham of International Minerals & Chemical Corp.	Royalty Payment 10th payment on loan under Contract IDM-E126, Docket 1199 - Louis W. Collingwood	$4.53	14X4401 Revolving Fund, Defense Production Act, Interior
			Total,	$4.53	

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 16 1953

Received _____, subject to collection. Forwarded 2/10/53

(Disbursing clerk or accountable officer)

By _____

By L. A. Hill (Name)

Title Authorized Certifying Officer

Certificate of Deposit No. _____ dated _____

☆ U. S. GOVERNMENT PRINTING OFFICE 10—1790

RECEIVED
FEB 12 1953
DEPT. OF INTERIOR
BUREAU OF MINES
MINNEAPOLIS, MINN.
REGION V

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Schedule No. 7

Sheet No. 1

Interior — Defense Minerals Exploration Administration — 14-23-050
(Department or Establishment) (Bureau or Office)

Received by Lou Testin (Name) Regional Disbursing Officer (Title) at Minneapolis, Minnesota (Station)

Period January, 1953 (Month or quarter ended) D. O. Symbol No. 409

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
1/16/53	127	Ralph H. Brigham of International Minerals Co. formerly Consolidated Feldspar Corporation	9th payment on loan under Contract IDM-E126, Docket 1199 - Louis W. Collingwood	$ 3.04	14X4401 Revolving Fund, Defense Production Act, Interior
			Total,	$ 3.04	

Received _____, subject to collection. Forwarded January 16, 1953

(Disbursing clerk or accountable officer)

By H. Pepin

By L. L. Hill (Name)

Title Authorized Certifying Officer

Certificate of Deposit No. _____ dated _____

U. S. GOVERNMENT PRINTING OFFICE 10—1790

RECEIVED
JAN 20 1983
DEPT. OF INTERIOR
BUR. OF MINES
MINNEAPOLIS, MINN.
REGION V

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Schedule No. 6

Sheet No. 1

Interior (Department or Establishment) Defense Minerals Exploration Administration (Bureau or Office) 14-23-050

Received by Lea Testin (Name) Regional Disbursing Officer (Title) at Minneapolis, Minnesota (Station)

Period December, 1952 (Month or quarter ended) D. O. Symbol No. 109

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
12/10/52	20680	Ralph H. Brigham of International Minerals Co. formerly Consolidated Feldspar Corporation.	8th payment on loan under Contract IDM-E126, Docket 1199 - Louis W. Collingwood	$ .78	14X4401 Revolving Fund, Defense Production Act, Interior
			Total,	$ .78	

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
DEC 16 1952

RECEIVED
DEC 15 1952

Received _____, subject to collection.

(Disbursing clerk or accountable officer)

By _____

Forwarded December 12, 1952

By _____

L. A. Hill (Name)

Title Authorized Certifying Officer

Certificate of Deposit No. _____ dated _____

☆ U. S. GOVERNMENT PRINTING OFFICE 10—1790

RECEIVED
DEC 15 1992
EARTH SCIENCE & MINING
BUREAU OF MINES
NEW ENGLAND
REGION V

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Schedule No. 5

Sheet No. 1

Interior — Defense Minerals Exploration Administration — 14-23-050
(Department or Establishment) (Bureau or Office)

Received by Ica Testin (Name) Regional Disbursing Officer (Title) at Minneapolis, Minnesota (Station)

Period November, 1952 (Month or quarter ended) D. O. Symbol No. 409

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
11/12/52	20539	Consolidated Feldspar Corporation Custer, South Dakota	7th payment on loan under Contract IDM-F126, Docket 1199 - Louis W. Collingwood	$1.75	14X4401 Revolving Fund, Defense Production Act, Interior
			Total,	$1.75	

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 20 1952

Received RECEIVED NOV 17 1952 Disbursement Minneapolis, Minn., subject to collection. Forwarded November 14, 1952

(Disbursing clerk or accountable officer)

By H. P. By L. A. Hill (Name)

Title Authorized Certifying Officer

Certificate of Deposit No. 868 dated NOV 17 1952

NOV 19 1985
BUREAU OF MINES
LIBRARY

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Schedule No. 4

Sheet No. 1

Interior (Department or Establishment) Defense Minerals Exploration Administration (Bureau or Office) 14-23-050

Received by Lea Testin (Name) Regional Disbursing Officer (Title) at Minneapolis, Minnesota (Station)

Period October, 1952 (Month or quarter ended) D. O. Symbol No. 109

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
10/13/52	20370	Consolidated Feldspar Company Custer, S. Dak.	6th payment on loan under Contract IDM-E-126, Docket 1199 - Louis W. Collingwood	$ 3.24	14X4401 Revolving Fund, Defense Production Act, Interior
			Total,	$ 3.24	

Received _____, subject to collection. Forwarded October 16, 1952

(Disbursing clerk or accountable officer)

By _____ By L. A. Hill (Name)

Title Authorized Certifying Officer

Certificate of Deposit No. 683 dated OCT 20 1952

U. S. GOVERNMENT PRINTING OFFICE 10—1790

FEB 23 1965
LIBRARY

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Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Schedule No. 3

Sheet No. 1

INTERIOR — DEFENSE MINERALS EXPLORATION ADMINISTRATION — 14-23-050
(Department or Establishment) (Bureau or Office)

Received by LEA TISTIN, REGIONAL DISBURSING OFFICER (Name) (Title) at MINNEAPOLIS, MINNESOTA (Station)

Period AUGUST, 1952 (Month or quarter ended) D. O. Symbol No. 409

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
8/11/52	20069	Consolidated Feldspar Corporation Custer, S. Dak.	5th payment on loan under Contract IM-2-126, Docket 1199X - Louis W. Collingwood	$9.46	14X8401 Revolving Fund, Defense Production Act, Interior
			Total,	$9.46	

Received _____, subject to collection. Forwarded August 12, 1952

(Disbursing clerk or accountable officer)

By _____ By _____ (Name)

Title Authorized Certifying Officer

Certificate of Deposit No. _____ dated _____

U. S. GOVERNMENT PRINTING OFFICE 10—1790

RECEIVED

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Schedule No. 1

Sheet No. 1

Interior (Department or Establishment) Defense Minerals Exploration Administration (Bureau or Office) 14-24-050

Received by Lea Testin (Name) Regional Disbursing Officer (Title) at Minneapolis, Minnesota (Station)

Period July, 1952 (Month or quarter ended) D. O. Symbol No. 409

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
7/10/52	19929	Consolidated Feldspar Corporation Custer, S. Dak.	4th payment on loan under Contract IDM E-126, Docket 1199X - Louis W. Collingwood	$ 13.37	14X4401 Revolving Fund, Defense Production Act, Interior
			Total,	$ 13.37	

Received _____, subject to collection. Forwarded July 11, 1952

_____ (Disbursing clerk or accountable officer) By _____

By _____ By _____ L. A. Hill (Name)

Title Authorized Certifying Officer

Certificate of Deposit No. _____ dated _____

U. S. GOVERNMENT PRINTING OFFICE 10—1790

RECEIVED
JUL 15 1992
DEPT. OF EDUCATION
BUREAU OF MINES
MINNEAPOLIS, MINN.
RECORD V

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Schedule No. 3

Sheet No. 1

Interior (Department or Establishment) Defense Minerals Exploration Administration (Bureau or Office) 14-24-050

Received by Lee Testin (Name) Regional Disbursing Officer (Title) at Minneapolis, Minnesota (Station)

Period June, 1952 (Month or quarter ended) D. O. Symbol No. 409

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
6/9/52	19766	Consolidated Feldspar Corporation Custer, S. Dakota	3rd payment on loan under Contract IDM E-126, Docket 1199X - Louis W. Collingwood	$ 16.59	14X1401 Revolving Fund, Defense Production Act, Interior
			Total,	$ 16.59	

Received, subject to collection. Forwarded June 10, 1952

(Disbursing clerk or accountable officer)

By L. A. Hill (Name)

By A. Pepin

Title Authorized Certifying Officer

Certificate of Deposit No. 2107 dated JUN 11 1952

RECEIVED JUN 11 1952 Division of Disbursement Minneapolis, Minn.

U. S. GOVERNMENT PRINTING OFFICE 10—1790

RECEIVED
JUN 12 1992
DEPT. OF ENERGY
BUREAU OF MINES
INTERIOR BLDG. WASH.
ACTION V

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Schedule No. 2

Sheet No. 1

INTERIOR — Defense Minerals Exploration Administration — 14-24-050
(Department or Establishment) (Bureau or Office)

Received by Lea Testin (Name) Regional Disbursing Officer (Title) at Minneapolis, Minnesota (Station)

Period May, 1952 (Month or quarter ended) D. O. Symbol No. 409

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
5/9/52	19617	Consolidated Feldspar Corporation Custer, South Dakota	2nd payment of loan under Contract Idm-X-126, Docket 1199X Lewis W. Collingwood	$ 33.76	14X4401 Revolving Fund, Defense Production Act, Interior
			Total,	$ 33.76	

Received _____, subject to collection. Forwarded May 12, 1952

(Disbursing clerk or accountable officer)

By _____ By L. A. Hill (Name)

Title Special Assistant to the Regional Director-Region V

Certificate of Deposit No. 1930 dated MAY 14 1952

U. S. GOVERNMENT PRINTING OFFICE 10—1790

RECEIVED
LIBRARY OF CONGRESS
COPYRIGHT OFFICE
FEB 16 '52

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

SCHEDULE OF COLLECTIONS

Schedule No. 1

Sheet No. 1

INTERIOR (Department or Establishment) Defense Minerals Exploration Administration (Bureau or Office) 14-24-050

Received by Lea Testin (Name) Regional Disbursing Officer (Title) at Minneapolis, Minnesota (Station)

Period April, 1952 (Month or quarter ended) D. O. Symbol No. 409

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
4/4/52	19465	Consolidated Feldspar Corporation, Custer, S.D.	First repayment of loan under Contract Idm-E-126, Docket 1199X, Lewis W. Collingwood	$27.30	14X4401 Revolving Fund, Defense Production Act, Interior
			Total,	$27.30	

Received ....., subject to collection. Forwarded April 16, 1952

(Disbursing clerk or accountable officer)

By /s/ H. Pepin

By Paul T. Allaman (Name)

Title Authorized Certifying Officer

Certificate of Deposit No. 1780 dated April 21, 1952

U. S. GOVERNMENT PRINTING OFFICE 10—1790

MAR 27 1957

Mr. J. H. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMV-1199 (Beryl-Mica)
Lewis A. Collingwood
No. 9 Lode
Custer County, South Dakota
Contract No. Ita-126

Dear Mr. Harshman:

According to the records the above-cited Exploration Project Contract between the Government and Lewis A. Collingwood was completed December 1951. The equipment left on the project was sold to the Operator for the sum of $100.00, $90.00 of which was the Government's equity. Many efforts have been made to collect this small claim both by this office and by the General Accounting Office. They have failed to effect collection, and it has been decided that further efforts are not justified. You may write the claim off the records in accordance with the procedure promulgated in Budget and Finance Letter No. 140 and Supplements, and General Accounting Office General Regulations No. 120.

Please advise the Finance Officer accordingly.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

cc: Mr. Lamb:

Frank D. Lamb
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Copy to: Docket
Chr. Pending File
Operating Committee
Mr. Kiilsgaard, USGS
Mr. Dietrich, BM
Mr. Houk
Mr. Chambers

JJChambers/ab
March 25, 1957

C
O
P
Y

UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON 25

Claims Division
In Reply Please Quote

September 19, 1956

Mr. Jay L. Chambers
Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

DME A-1199

Dear Mr. Chambers:

In accordance with your request of May 1, 1956, there are returned herewith original contract IDM-E 447, with the Lakeview Maganese Mines, and copy of contract No. IDM-E 126 with Lewis W. Collingwood.

You are advised that a search is being made for the other contracts mentioned in your letter and they will be forwarded immediately upon receipt in this Office.

Very truly yours,

/s/ W. J. McCarthy

W. J. McCarthy

Attachments

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

224 New Customhouse
Denver 2, Colorado

August 8, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Settlement of Government Equity in Equipment, Docket DMEA 1199 (Mica-Beryl), Contract Idm-E126, Lewis W. Collingwood (No. 9 Lode), Custer County, South Dakota

On May 22, 1956, W. S. Martin, Acting Chairman, Operating Committee advised this office that one more effort would be made to collect $90.00 due the Government from Lewis W. Collingwood. Further, in case of failure to make collection, the documents would be returned for writing off the account.

Please advise us of the final disposition of the case.

W. M. TRAVER

W. M. Traver

MHM/vj

cc: Correspondence File E126
J. F. Shaw (2)
Marshall
Chron.

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

FEB - 6 1956

Mr. W. M. Traver
Executive Officer
DMEA Field Team, Region III
22A New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-1159 (Beryl-Mica)
Louis W. Collingwood
No. 9 Lode
Custer County, South Dakota
Contract No. Ida-8156

Dear Mr. Traver:

Receipt is acknowledged of your memorandum of January 30, 1956, inquiring relative to the receipt of a reply to the November 3, 1955, letter to the Comptroller General concerning the collection of $90.00 due from the referenced Operator.

Enclosed are copies of a reply dated November 30, 1955, from the Claims Division of the General Accounting Office. Through oversight we failed to send you a copy at the time this reply was received.

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee

APPROVED:

/s/ Robert W. Geehan
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Enclosure

EDTalbert/wb
February 2, 1956

cc to: Docket
Admr. Reading File
Field Team Region III (2)
Operating Committee
Mr. Kiilsgaard
Mr. Dietrich
Mr. Houk
Mr. Chambers

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

RECEIVED
FEB - 1 1956

224 New Customhouse
Denver 2, Colorado

January 30, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Settlement of Government equity in equipment, DMEA Docket 1199 (Beryl-Mica), Contract Idm-E126, Lewis W. Collingwood, No. 9 Lode, Custer County, South Dakota

Please advise if you have received an answer to the November 3, 1955 letter to the Comptroller General from the Director of the Budget and Finance Division, concerning the collection of this account.

W. M. Traver

RDB/vj

cc: Correspondence File E126
E. O. Binyon
Chron.

INTERIOR DEPT.
SECRETARY'S
MAIL CENTER
DEC - 1 1955
TO CHIEF CLERK

RECEIVED
DEC - 5 1955

UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON 25, D. C.

CLAIMS DIVISION

IN REPLY PLEASE QUOTE
DW-Z 1586096-TTM-10

NOV 30 1955

United States Department of the Interior
Office of the Secretary
Washington 25, D. C.

INTERIOR DEPT.
DEC 2 - 1955
Chief Clerk

Attention: Director, Division of
Budget and Finance

Gentlemen:

Reference is made to your letter dated November 3, 1955, relative to the indebtedness of Lewis W. Collingwood, reported to this Office as uncollectible.

You are advised that collection has not been effected. In the event that you have a later address than Box 68, Custer, South Dakota or Hot Springs, South Dakota, it is requested that the same be furnished this Office.

Very truly yours,

K. E. Stuart
For Chief, Debt Section

Noted. JBC
No answer, secondary
[illegible]

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

NOV 3 1955

Hon. Joseph Campbell
Comptroller General
of the United States
Washington 25, D. C.

My dear Mr. Campbell:

Reference is made to letter dated January 25, 1955, from the Administrative Assistant Secretary, Department of the Interior, relating to a collection item of $90.00 due from Lewis W. Collingwood under Exploration Contract No. Idm-E126, Docket No. DMEA-1199, between Lewis W. Collingwood and the Defense Minerals Exploration Administration, Department of the Interior.

The referenced letter stated that the matter was referred to you with the request that your office demand payment from the contractor, if you consider such a demand appropriate, and advise the Department whether the amount should receive further attention by the Department.

As the Department has not been advised with respect to this matter, will you kindly inform us as to the present status.

This letter is being forwarded to you during the absence of the Administrative Assistant Secretary.

Sincerely yours,

(SGD) STUART G. LARSON

JLChambers:EHLarison:kk/11-2-55

cc: Admin. Asst. Sec.
Div. of Bgt & Finance
Branch of Finance
DMEA Mails & Files
Admin. Reading File, DMEA
Administrator, DMEA
R. P. Dwyer, Solicitor
J. L. Chambers, DMEA
L. G. Houk, DMEA
Region III Field Team (2)
Director, Division of Budget and Finance

My dear Mr. Campbell:

Please refer to our letter of January 25, 1955, in regard to Department of the Interior contract entitled Exploration Project Contract Ida-2126, Docket No. DMEA-1199, between Louis W. Collingwood and the Defense Minerals Exploration Administration of this Department.

A period of potentially nine months has elapsed since this case was referred to your office for action or advice to the Department on its disposition. Consequently, we would like for your office to give us up-to-date information on it and advise if we can be of any assistance in making collection.

Sincerely yours,

Administrative Assistant Secretary

Hon. Joseph Campbell
Comptroller General
of the United States
Washington 25, D. C.

JLChambers/ab 10-19-55

Copy to: Secretary's File Copy
Secretary's Reading File
Administrative Assist. Secretary
DMEA Mails & Files
Admin. Reading File, DMEA
Administrator, DMEA
R. P. Dwyer, Solicitor
J. L. Chambers, DMEA
L. G. Hawk, DMEA
Region III Field Team (2)

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

OCT 18 1955

Memorandum

To: The Administrator, DMEA
Attention: Chief, Contract Administrative and Audit Division

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-1199 (Beryl-Mica), Lewis W. Collingwood

We have received the proposed letter to the Comptroller General attached hereto.

Our review of the docket discloses that the Department's letter dated January 25, 1955, submitted the matter to the Comptroller General for action by that officer or, in lieu thereof, advice to this Department as to how to proceed. The Department has not received any advice from the Comptroller General, and we are not aware of any action that may have been taken by that office. It would seem that another letter to the Comptroller at this time should be in the form of a follow-up to "jog" some action out of him, if he has not already taken any.

As to the suggestion in the letter to "write-off" the indebtedness so as to close the case, there is no evidence in the docket that the indebtedness is uncollectible and in the absence of such evidence we deem such action inappropriate. Accordingly, we are returning the proposed letter, unsurnamed.

Robert P. Dwyer

Robert P. Dwyer

Attachment

HCRubin/fvh 10/17/55

DMEA Docket
Soliciter's Docket (2)
J. L. Chambers
R. P. Dwyer
G. C. Selfridge
H. C. Rubin
Chron.
L. G. Hook

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

Mr. W. M. Traver
Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

SEP 7 1955

Re: Docket No. DMEA-1199 (Beryl-Mica)
Lewis W. Collingwood
No. 9 Lode
Custer County, South Dakota
Contract No. Idm-E126

Dear Mr. Traver:

Reference is made to your memorandum of September 1, 1955, inquiring as to the status of the collection of $90.00 due from the referenced Operator.

This collection item was referred to the Comptroller General of the United States on January 25, 1955, rather than on March 1, 1955, as stated in your memorandum. The latter date was the occasion of an informal inquiry by the Contract Administration and Audit Division as to the status of the case.

The results of that inquiry were communicated to you by our letter of April 29, 1955, which stated in part:

> "The Claims Division also informed the Contract Administration and Audit Division that the General Accounting Office would advise us when any further action was taken. You can well see that the matter is for all practical purposes out of DMEA's hands."

No advice of any further action has been received.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

P. F. Yopes
Member, Bureau of Mines

/s/ N. E. Nelson
Member, Geological Survey

EDTalbert/wb
September 7, 1955

cc to: Docket
Admr. Reading File
Field Team Region III (2)
Operating Committee
Mr. Kiilsgaard
Mr. Dietrich
Mr. Houk
Mr. Chambers

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

APR 29 1955

Mr. W. M. Traver
Executive Officer
DMEA Field Team, Region III
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-1199 (Beryl-Mica)
Lewis W. Collingwood
No. 9 Lode
Custer County, South Dakota
Contract No. Idm-F126

Dear Mr. Traver:

Reference is made to your letter of April 21, 1955, in regard to collection of $90.00 due from the Operator of the above-cited project.

The Contract Administration and Audit Division contacted the Claims Division of the General Accounting Office on March 1, 1955, in regard to this contract and three others, and was informed on March 3, 1955, that the General Accounting Office had requested the Finance Office of Denver to supply the appropriate vouchers on this contract. The Claims Division also informed the Contract Administration and Audit Division that the General Accounting Office would advise us when any further action was taken. You can well see that the matter is for all practical purposes out of DMEA's hands.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

/s/ Robert W. Gechan

Member, Bureau of Mines

[illegible]

Member, Geological Survey

cc to: Docket
Admr. Reading File
Field Team Region III (2)
Operating Committee
Mr. Kiilsgaard
Mr. Dietrich
Mr. Houk
Mr. Chambers

JLChambers/wb
April 27, 1955

J. L. CHAMBERS, DMEA

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

JAN 25 1955

My dear Mr. Campbell:

In accordance with General Regulation No. 120, Revised, there is being referred to your office for consideration a collection item of $90.00 due from Lewis W. Collingwood under Exploration Contract No. Idm-E126, Docket No. DMEA-1199, between Lewis W. Collingwood and the Defense Minerals Exploration Administration, Department of the Interior.

Two of the items in this contract provided for the erection of a compressor house and the purchase of track and pipe to be used on the project. The contract provided that on completion of the work the contractor must dispose of any equipment or property in which the Government has a joint interest and turn over to the Government its portion of the receipts therefrom. Instead of disposing of the equipment and material on hand the Government and the contractor agreed that the contractor would keep the equipment and material and pay the Government a salvage value of $90.00. Lewis W. Collingwood, the contractor, agreed on April 21, 1952 that this was a fair salvage value and promised to pay the amount to the Government on July 3, 1952. The contractor failed to make payment July 3, 1952 and was contacted again in August 1952. He promised to make payment on August 18, 1952. The contractor failed to make payment on August 18, 1952, and was again requested to make payment on November 14, 1952; February 20, 1953; January 26, 1954 and April 2, 1954.

This matter is being referred to you with the request that your office write a letter to the contractor demanding payment; or in case you do not think such a letter is appropriate under the circumstances, advise the Department whether this small amount should receive further attention.

For your information there is enclosed a copy of a report of April 19, 1954 by the Executive Officer who handled this contract for the Government, which briefly summarizes the background of the obligation.

There is enclosed for your further information a photostatic copy of the contract and Exhibit "A" which under the terms of the contract becomes a part of it.

Sincerely yours,

(sgd) D. Otis Beasley

Administrative Assistant Secretary

Hon. Joseph Campbell
Comptroller General
of the United States
Washington 25, D. C.

Enclosure

JLChambers/wb
December 15, 1954

Copy to: Secretary's File Copy
Secretary's Reading File
Administrative Assist. Secretary
DMEA Mails & Files
Admin. Reading File, DMEA
Administrator, DMEA
F. E. Johnson, DMEA
J. L. Hofflund, Solicitor
J. L. Chambers, DMEA
L. G. Houk, DMEA
Region V Field Team
Region VII Field Team

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

MAY 4 - 1954

Mr. Lewis W. Collingwood
Box 68
Custer, South Dakota

Re: Docket No. DMEA-1199 - Beryl-Mica
No. 9 Lode
Custer County, South Dakota
Contract No. Idm-E126

Dear Mr. Collingwood:

Reference is made to the subject Contract No. Idm-E126 which was certified April 15, 1952, and your delinquency in payment for equipment in which the Government has an interest.

It is over two years since the project was completed and a certification of discovery made. We have been most lenient in requiring payment, however, if the payments are not forthcoming immediately the matter will be turned over to the appropriate Government agency for collection.

Sincerely yours,

M. O. Mittendorf

Administrator

Royalty File E-126

Copy in Correspondence File

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

April 19, 1954

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Washington, D. C.

From: Executive Officer, Field Team, Region V

Subject: Docket 1199X, Contract Idm E-126, L. W. Collingwood

The subject project was completed early in 1952, and a certificate of discovery was issued to Mr. Collingwood on April 16, 1952.

On April 21, 1952, this office was advised by our field representatives in Rapid City that Mr. Collingwood had agreed to reimburse the Government for the compressor house, track and pipe used on the project and it was decided that $100 was a fair salvage value. Mr. Collingwood requested the payment be deferred until July 3, 1952. We agreed.

Collingwood was contacted again in August 1952, and we were advised by our Rapid City representatives on August 18, 1952 that he intended to make the required payment of $90 (Government share of $100) soon but that he had had no money for several months.

In answer to Mr. Talbert's letter to us on November 5, 1952, regarding the payment, we advised him of Mr. Collingwood's intention and that we would again contact Collingwood. This was done, and on November 14, 1952, our Rapid City people advised us he would pay within three or four months.

Nothing further was done until February 20, 1953, when we again wrote Mr. Collingwood and his answer of February 26, 1953 was the same as always, that he would take care of the matter as soon as money would be available.

Contact was made again on January 26, 1954, and again on April 2, 1954, but thus far we have had no replies to our request for a check to cover the payment.

Attachment with copy of memo sent to 600

4

Pursuant to the special notice contained in the Operating Minutes of April 7, 1954, regarding the referral to you of delinquent royalty payments so that you may take appropriate action for collection, we would presume collection of salvage payments would be in the same category, and accordingly we are referring the docket 1199X case to your office for determination.

Attached are copies of letters pertinent to the case which we realize you do not have in your files - you do have all others.

A. B. Needham

A. B. NEEDHAM

Attachments

DMEA-1199

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

Received
4 1954

April 2, 1954

Mr. Lewis W. Collingwood
Box 68
Custer, South Dakota

Dear Mr. Collingwood:

Reference is again made to previous correspondence and discussions dating back to April 1952, and particularly our letter of January 26, 1954, in which we requested advice regarding payment for salvage of equipment and supplies pertinent to your DMEA Contract Idm-E-126 in the amount of $90.00.

Your last letter, dated February 26, 1953, over a year ago, indicated you would soon make payment.

We would appreciate your transmitting a check to cover this transaction so the Docket may be closed.

Very truly yours,

A. B. NEEDHAM
Executive Officer
Field Team
Region V

cc Operating Committee
Dutton
Binyon
Redden
Hill

C O P Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

January 26, 1954

Mr. Lewis W. Collingwood
Box 68
Custer, South Dakota

Dear Mr. Collingwood:

Reference is made to previous correspondence, and particularly your letter of February 26, 1953, regarding the payment for salvage of equipment pertinent to your DMEA Contract Idm E-126 in the amount of $90. Your last letter indicated that payment would be made as soon as production enabled you to do so.

We would like to close this docket, and accordingly, please advise as to if and when you can make the payment.

Very truly yours,

A. B. NEEDHAM
Executive Officer
Field Team
Region V

C O P Y

Custer, South Dakota
February 26, 1953

Mr. A. B. Needham
2908 Colfax Avenue South
Minneapolis 8, Minnesota

Dear Mr. Needham:

I have your letter of February 20 in regard to DMEA Contract E-126, Docket 1199. Referring to paragraph 1 of your letter please be advised that exploration is not completed on the No. 9 Dyke and will not be completed for some time.

As to payment for the equipment supplies it is true that I have agreed to transmit a check for such, but it is not possible to do so until production from the mine makes such payment possible. Just as soon as the money is available this matter will be taken care of.

Yours very truly,

/s/ Lewis W. Collingwood

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

February 20, 1953

Mr. Lewis W. Collingwood
Box 68
Custer, South Dakota

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 2 1953

Dear Mr. Collingwood:

Reference is made to previous correspondence regarding your former DMEA Contract E-126, Docket 1199, which was the exploration completed on the No. 9 Dyke.

You will recall that the correspondence was regarding payment for the purchase of the salvaged equipment supplies. In a letter we received from Mr. Mullen in November, he stated that you estimated it would be about three or four months before you would be able to transmit to us a check in the amount of the agreed-on price.

We would appreciate it if you would make every effort to clear up that matter as soon as possible.

Very truly yours,

A. B. Needham
Executive Officer
Field Team, Region V

CC - Operating Committee

C O P Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Rapid City Field Office
School of Mines Campus
Rapid City, South Dakota

November 14, 1952

Memorandum

To: A. B. Needham, Executive Officer, DMEA Field Team, Region V

From: Supervising Engineer, Rapid City Field Office

Subject: Number Nine Lode, Docket 1199, Contract Idm E-126, L. W. Collingwood. Payment of $90 for salvage of equipment.

I contacted Collingwood on the above subject, as requested by the Contract Administration and Audit Division.

Collingwood said he had planned to pay this from the proceeds derived by leasing the property. He has received less than $20 in royalties during the past three months as lessees are doing development work. He will pay as soon as royalties permit him to do so; estimate is 3 to 4 months.

/s/ D. H. Mullen

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

November 7, 1952

Memorandum

To: E. D. Talbert, Acting Chief, Contract Administration and Audit Division, Defense Minerals Exploration Administration, Washington 25, D. C.

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-1199X, Contract Idm-E126
L. W. Collingwood

We were advised on August 18, 1952 that Mr. Collingwood was contacted and he advised he had had no money for several months, but he intended to make the required payment of $90 as soon as possible.

We are asking our Supervising Engineer at Rapid City, S. Dak., to again contact Mr. Collingwood and advise him of the desire to complete this transaction.

A. B. Needham
Executive Officer
Field Team, Region V

ABNeedham:vb
cc Dutton
Mullen
Redden
Region V
files
df

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 10 1952

800

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

NOV 5 1952

Mr. A. B. Needham
Executive Officer
DMEA Field Team, Region V
2908 Colfax Avenue South
Minneapolis, Minnesota

RE: Docket DMEA-1199X
Contract Idm-E126
Lewis W. Collingwood

Dear Mr. Needham:

Reference is made to a memorandum dated August 6, 1952, which you addressed to Mr. Mullen, Supervising Engineer, Rapid City, South Dakota, relative to the collection of $90.00 from the subject Operator to cover the Government's equity in the compressor house and track and pipe used on the project.

This office has no record of the receipt of a Schedule of Collections covering this amount. Please advise if collection has been effected.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert, Acting Chief
Contract Administration and
Audit Division

EDTalbert/wb
November 4, 1952

Copy to: Docket
Admr. Reading File
Mr. Talbert

C O P Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Rapid City Field Office
School of Mines Campus
Rapid City, South Dakota

August 18, 1952

DMEA Docket 1199X
Contract Idm E-126
Number Nine Lode
L. W. Collingwood

Memorandum

To: A. B. Needham, Executive Officer, DMEA Field Team, Region V

From: Supervising Engineer, Rapid City Field Office

Subject: Salvage of supplies, equipment and fixtures

Reference is made to your memorandum of August 6 on the above subject.

Mr. Collingwood was contacted and he advised that he had had no money during the past two months. He intends to make the required payment of $90 as soon as possible.

/s/ D. H. Mullen

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
[redacted]
WASHINGTON 25, D. C.
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

August 6, 1952

Memorandum

To: Donald H. Mullen, Supervising Engineer, Bureau of Mines, School of Mines Campus, Rapid City, South Dakota

From: Executive Officer, Field Team, Region V

Subject: Salvage of supplies, equipment, and fixtures at No. 9 Lode, Docket DMEA-1199x, Contract Idm-E126, L. W. Collingwood

Reference is made to your memo of April 21, 1952, relative to the reimbursement to the Government for the purchase of the compressor house and track and pipe used on the subject project.

Please have Mr. Collingwood transmit a check drawn to the Treasurer of the United States in the amount of $90, which is the Government's share of the $100 price agreed upon for the items.

A. B. Needham
Executive Officer
Field Team, Region V

ABNeedham:dg
cc Dutton
Redden
Hill
Hull-DMEA auditor
DMEA-Wash
Region V
Files
df

[illegible]
[illegible]
[illegible] 1952

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Lewis W. Collingwood
Box 68
Custer, South Dakota

pertaining to Exploration Project Contract No. IDM-E-126 and amendments 1 and 2, Docket No. DMA-1199, for the period of September 1951 to December 1951.

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

This review was made in lieu of an audit of the Operator's accounts and records for the reasons indicated by "X" below:

(x) the contract provides for payment by the Government on the basis of agreed estimated costs of units of work actually performed;
(x) the contract or voucher files include evidence that the Government representative, who visited the project, examined the records of the operator and determined the validity and propriety of the costs claimed.

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

Total cost as billed by Contractor		$ 9,237.33
Exceptions:	None	
Total Accepted Cost		$ 9,237.33

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of eight thousand three hundred thirteen dollars and 60/100.

- $ 8,313.60 -

$823.60 after deduction 90% of F.P.

is considered valid and proper, subject to the reimbursement of the salvage value of the property in which the Government has an interest (Exhibit A attached) unless such interest is waived in writing by the Regional Executive Officer.

Date: June 20, 1952

Robert M. Hull
Auditor

Exhibit A

Property in which the Government has an interest

	Purchase price		Estimated salvage value
132 feet 16-pound rail (used)	$ 29.00	(	
		(	$50.00
118 feet pipe (used)	40.00	(	
1600 feet lumber	166.00		50.00

April 29, 1952

Memorandum

To: Mr. Lawrence G. Houk, Chief
Non-Metallic Minerals Division

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

Subject: Proposed Letter to Mr. Needham Re Docket DMEA-1199, Beryl-Mica, Lewis W. Collingwood, Contract Idm-E126

The amount of $8,313.60 stipulated in your proposed letter to Mr. Needham is correct for the receivable on this project. I think it would be well, however, to state that the first payment which Mr. Needham said was transmitted to Washington under date of April 4, 1952, as well as the amount to be obtained from Mr. Collingwood for the Government's interest in the compressor shed, etc., will be subtractive items from the receivable. ~~from the established receivable.~~

JLChambers/wb
April 29, 1952

cc: Mails & Files
Admr. Reading File
Mr. Chambers

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 21 1952

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

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

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

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

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

CERTIFICATION

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

Lewis Collingwood
(Name of Company)

By Lewis W. Collingwood
(Signature of Authorized Official)

Jan. 3, 1952
(Date)

Operator
(Title)

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

16—64068-1

MONTHLY SUMMARY COST STATEMENT

Name of operator Lewis Collingwood
Project No. DMA 1199X, Contract Idm E-126
Total contract amount $10,000.00
Government participation percent 90%

Distribution of Expenditures for Month of December 1951

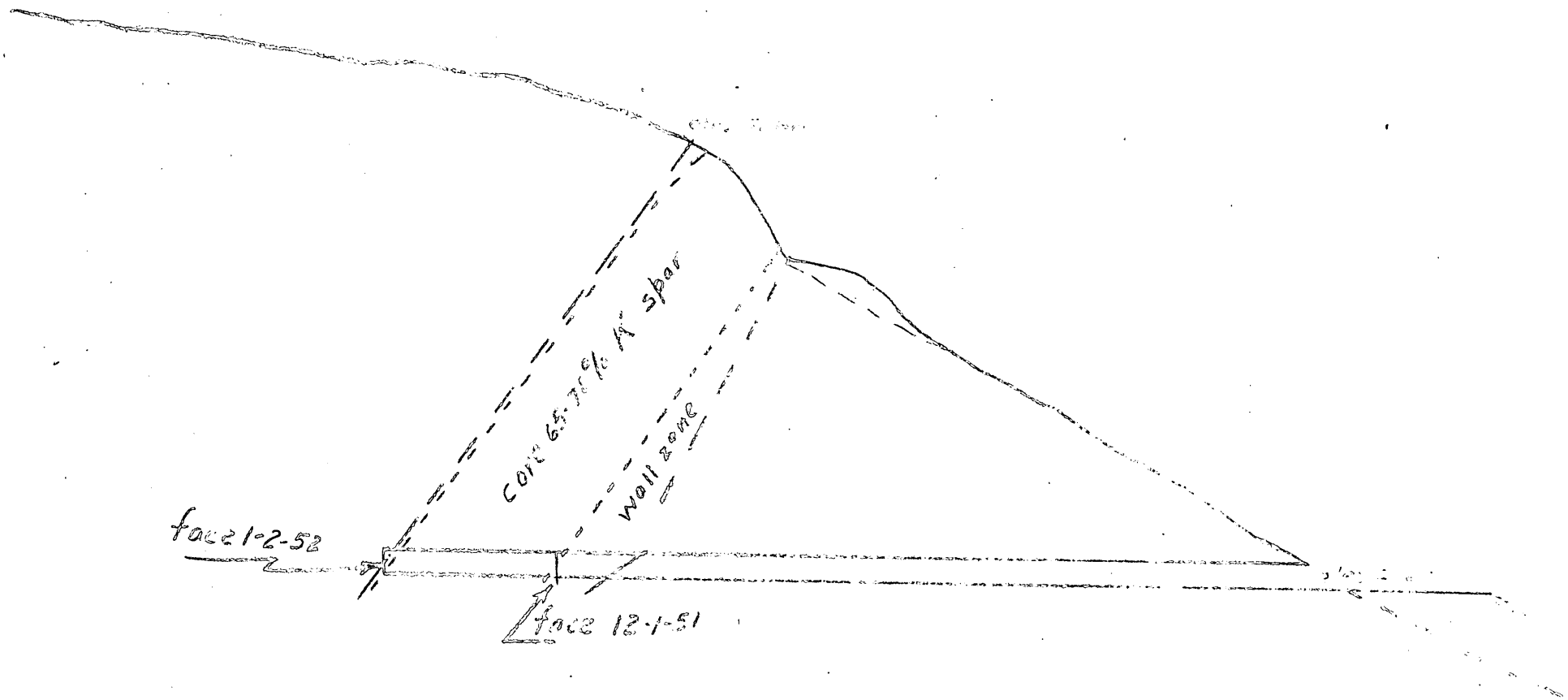
Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	1,156.00	3,447.00	4,603.00	1,156.00	3,447.00	4,603.00
Equipment purchase [1]						
Equipment rental [2]	250.00	797.50	1,047.50	250.00	797.50	1,047.50
Buildings						
Explosives	290.90	783.66	1,074.56	290.90	783.66	1,074.56
Repair parts		291.13	291.13		291.13	291.13
Other supplies	533.60	1,371.13	1,904.73	533.60	1,371.13	1,904.73
Power						
Transportation						
Withholding taxes						
Compensation insurance		310.40	310.40		310.40	310.40
Other insurance						
Contract work						
Other (specify) Social Security		6.01	6.01		6.01	6.01
Total	2,230.50			2,230.50		
Totals previously reported		7,006.83			7,006.83	
Totals to date			9,237.33			9,237.33

FOR GOVERNMENT USE ONLY

Checked by [illegible]
Entered by [illegible]
Approved by D. J. Mullen Supervising Engineer
Amount approved for payment 2007.45
Remarks

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

16—64068-1



Sketch of Number Nine Exploration Drift.
Mantle Progress.

1-3-52 JW. 1" = 40'

NARRATIVE REPORT

Docket No.: 1199X
Contract No.: Idm E-126

The exploration work accomplished in December consisted entirely of driving 45 feet in the 5' x 7' crosscut adit. The hanging wall contact of the pegmatite and the quartzite was encountered in the last round blasted. The main part or core of the pegmatite appears to be composed of good grade feldspar and extends about 40 feet along the crosscut.

It was necessary to extend the crosscut 63 feet beyond the original estimate; therefore, the estimated cost of the project is too low to include the driving of the 90-foot raise. My present financial condition will not allow the raise without additional government assistance. The project was closed December 31, 1951 and awaits the disposition of the government.

Lewis W. Collingwood
Lewis Collingwood

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF December 1951

Name of operator Lewis Collingwood
Project No. DMA 1199X, Contract Idn E-126
Total contract amount $10,000.00
Government participation percent 90%

Type	Number	Man-Shifts	Rate	Total
Miners	2	38	$12.00/day	$ 456.00
Muckers	2	27½	10.00/day	275.00
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent				
Engineers				
Geologists				
Bookkeeper	1		$75.00/mo.	75.00
Foreman	1		350.00/mo.	350.00
Clerks				
Stenographers				
Other				
Total	6			1,156.00

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

FOR GOVERNMENT USE ONLY

Checked by G Walker
Entered by
Approved by D. H. Mullen Supervising Engineer
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF December 1951

Name of operator Lewis Collingwood
Project No. DMA 1199X, Contract Item E-126
Total contract amount $10,000.00
Government participation, percent 90%

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting										
Crosscutting	1,156.00	250.00	824.50		2,230.50	feet	45	193	238	250
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	1,156.00	250.00	824.50		2,230.50		45	193	238	250

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

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

FOR GOVERNMENT USE ONLY

Checked by GWalker
Entered by
Approved by D. H. Mullen Supervising Engineer
Remarks

MF-104
(April 1951)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

GEOLOGICAL SURVEY
DEPT. OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 23 1952

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

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

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

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

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

CERTIFICATION

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

Lewis Collingwood
(Name of Company)

By Lewis W. Collingwood
(Signature of Authorized Official)

December 4, 1951
(Date)

Operator
(Title)

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

16—64068-1

MONTHLY SUMMARY COST STATEMENT

Name of operator Lewis Collingwood
Project No. DMA 1199X, Contract Idm E-126
Total contract amount $10,000.00
Government participation percent 90%

Distribution of Expenditures for Month of November, 1951

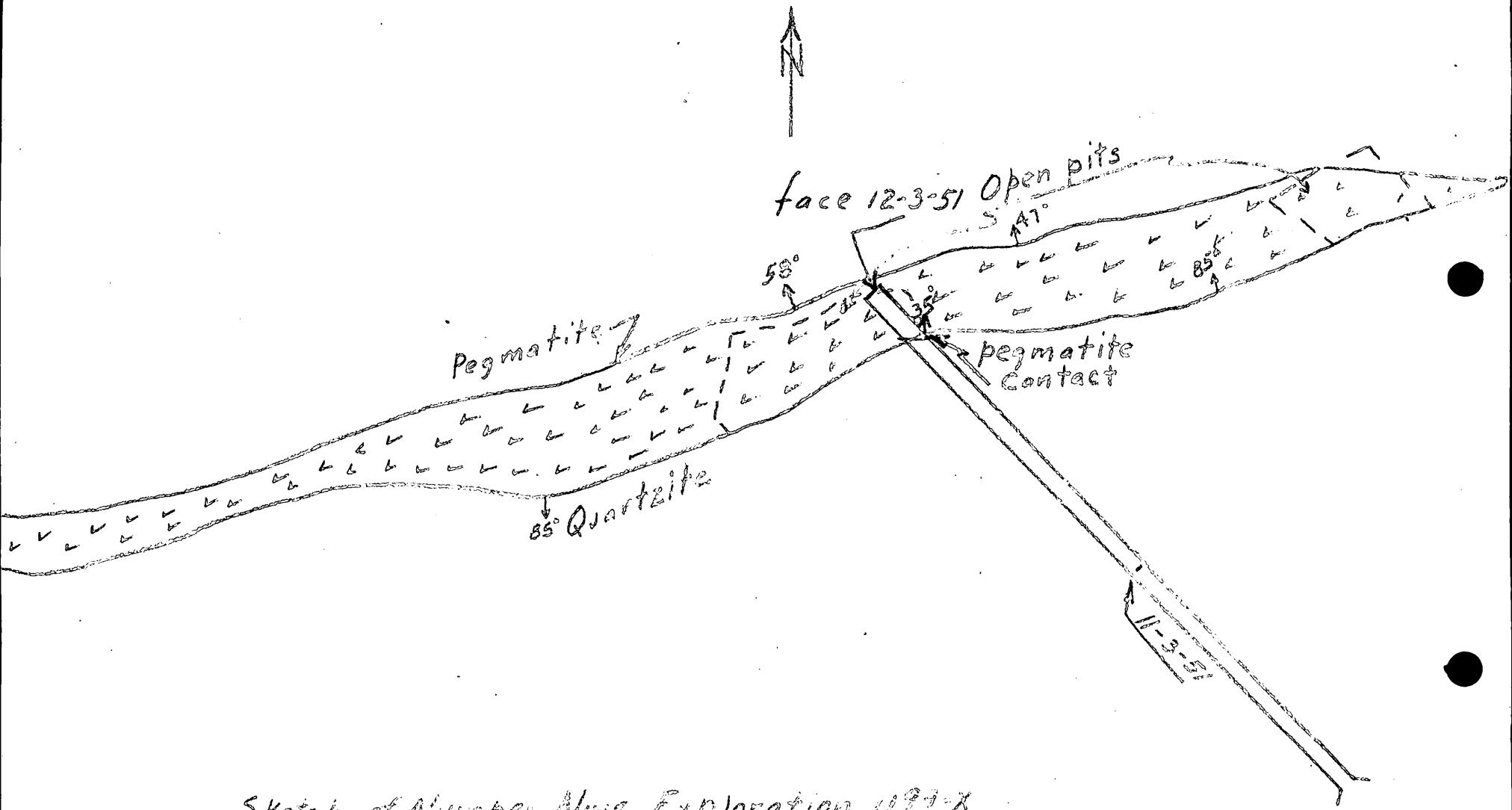
Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	1,373.00	2,074.00	3,447.00	1,373.00	2,074.00	3,447.00
Equipment purchase [1]						
Equipment rental [2]	250.00	547.50	797.50	250.00	547.50	797.50
Buildings						
Explosives	484.76	298.90	783.66	484.76	298.90	783.66
Repair parts	150.58	140.55	291.13	150.58	140.55	291.13
Other supplies	619.70	751.43	1,371.13	619.70	751.43	1,371.13
Power						
Transportation						
Withholding taxes						
Compensation insurance		310.40	310.40			310.40
Other insurance						
Contract work						
Other (specify) S.S.	6.01	-	6.01			6.01
Total	2,884.05	4,122.78	7,006.83	2,884.05	4,122.78	7,006.83
Totals previously reported	4,122.78			4,122.78		
Totals to date	7,006.83		7,006.83	7,006.83		7,006.83

FOR GOVERNMENT USE ONLY

Checked by [illegible]
Entered by [illegible]
Approved by [illegible] Supervising Engineer
Amount approved for payment 2595.65
Remarks

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

16—64068-1



Sketch of Number Nine Exploration 1951-X
Monthly Progress
16-3-51 gw. 1"=40'

NARRATIVE REPORT

Docket No. 11991
Contract No. Idm E-126

The exploration work accomplished in November consisted entirely of driving 108 feet in the 5- by 7-foot crosscut adit. The contact of the quartzite and pegmatite was encountered 176½ feet from the portal. This contact is the footwall of the dike and it dips about 35° N. and strikes west. From the mineralogical character and texture, the face of the crosscut apparently is in the wall zone of the deposit.

Lewis W. Collingwood
Lewis Collingwood

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF November, 1951

Name of operator Lewis Collingwood
Project No. DMA 1199X, Contract Idm E-126
Total contract amount $10,000
Government participation percent 90%

Type	Number	Man-Shifts	Rate	Total
Miners	2	51½	$1.50/hr.	$618.00
Muckers	2	40½	1.25/hr.	405.00
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
[illegible]plers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent				
Engineers				
Geologists				
Bookkeeper				
Foreman			$350/mo.	350.00
[illegible]ks				
Stenographers				
Other				
Total				$1,373.00

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

FOR GOVERNMENT USE ONLY

Checked by [illegible]
Entered by
Approved by [illegible] Supervising Engineer
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF November 1951

Name of operator Lewis Collingwood
Project No. DMA 1199X, Contract Idm E-126
Total contract amount $10,000
Government participation, percent 90%

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting										
Crosscutting	1373.00	250.00	1255.05	6.01	2884.05	feet	108	85	193	175 (approx.)
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	1373.00	250.00	1255.05	6.01	2884.05		108	85	193	175

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

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

FOR GOVERNMENT USE ONLY

Checked by H Walker
Entered by
Approved by D N Mullen Supervising Engineer
Remarks

MF-104
(April 1951)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 21 1952

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

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

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

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

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

CERTIFICATION

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

Louis W. Collingwood
(Name of Company)

By Louis W. Collingwood
(Signature of Authorized Official)

November 10, 1951
(Date)

Operator
(Title)

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

16—84068-1

MONTHLY SUMMARY COST STATEMENT

Name of operator Louis L. Collingwood
Project No. DMA 1100
Total contract amount $20,000.00
Government participation percent 90%

Distribution of Expenditures for Month of October, 1951

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	$1,430.00	$ 646.00	$2,076.00	$1,430.00	$ 646.00	$2,076.00
Equipment purchase [1]						
Equipment rental [2]	285.00	262.50	547.50	285.00	262.50	547.50
Buildings						
Explosives	295.00	—	295.00	295.00	—	295.00
Repair parts	140.00	—	140.00	140.00	—	140.00
Other supplies	592.46	108.97	701.43	592.46	108.97	701.43
Power						
Transportation						
Withholding taxes						
Compensation insurance	62.07	247.73	310.00	62.07	247.73	310.00
Other insurance						
Contract work						
Other (specify)						
Total	$2,765.53	$1,363.20	$4,128.73	$2,765.53	$1,363.20	$4,128.73
Totals previously reported	1,363.20	1,363.20		1,363.20	1,363.20	
Totals to date	4,128.73		4,128.73	4,128.73		4,128.73

FOR GOVERNMENT USE ONLY

Checked by GWalker
Entered by
Approved by D H Mullen Supervising Engineer
Amount approved for payment 2492.62
Remarks

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

16—64068-1

NARRATIVE OF ACCOMPLISHMENT
DMA - 1199X

The work of this period was confined to driving the adit, approximately eighty five feet of tunnel was driven. This work included the laying of track, and the extension of the air line.

Considerable trouble was experienced on account of the air compressor not furnishing enough air to properly operate the drifter. The Empire Equipment Company sent mechanics to check the compressor but they decided that the drifter was consuming more air than the compressor could furnish. It should be remembered that an air compressor will not furnish it's rated capacity at this altitude. Then the work is getting farther from the receiver, which also has an appreciable effect on the amount of air furnished the drilling machine..

It is beleived that the tunnel will intersect the pegmatite dike within a few feet of the present face/ stringers of pegmatite are being encountered in the last few rounds of the period.

/s/ Lewis W. Collingwood

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF October, 1951

Name of operator Lewis W. Collingwood
Project No. DMA 2109
Total contract amount $10,000.00
Government participation percent 00

Type	Number	Man-Shifts	Rate	Total
Miners	2	50	$ 12.00	$ 600.00
Muckers	2	40	10.00	400.00
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Couplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent	2	1 month	500.00	350.00
Engineers				
Geologists				
Bookkeeper	1	1 month	75.00	75.00
Foreman				
Clerks				
Stenographers				
Other				
Total	6			$1,430.00

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

FOR GOVERNMENT USE ONLY

Checked by G Walker
Entered by
Approved by O H Mullen Supervising Engineer
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF [illegible]

Name of operator [illegible]
Project No. DMA[illegible]
Total contract amount [illegible]
Government participation, percent [illegible]

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting										
Crosscutting	$1450.00	$[illegible]	$[illegible]	$62.67	$2700.58	feet cov.	86	—	86	175
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	$1450.00	$[illegible]	$[illegible]	$62.67	$2700.58		86		86	175

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

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

FOR GOVERNMENT USE ONLY

Checked by [illegible]
Entered by
Approved by D H Mullen Supervisor
Remarks

MF-104
(April 1951)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

File

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 21 1952

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

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

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

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

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

CERTIFICATION

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

Lewis W. Collingwood
(Name of Company)

By Lewis W. Collingwood
(Signature of Authorized Official)

October 5, 1951
(Date)

Operator
(Title)

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

16—64068-1

RECEIVED
OCT 24 1951
DEPT. OF INTERIOR
BUREAU OF MINES
MINNEAPOLIS, MINN.
REGION V

MONTHLY SUMMARY COST STATEMENT

Name of operator Lewis W. Collingwood
Project No. DMA 1199X
Total contract amount $10,000.00
Government participation percent 90%

Distribution of Expenditures for Month of September 1951

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals to Date
Wages and salaries	$644.00	None	$644.00	644.00	None	644.00
Equipment purchase [1]						
Equipment rental [2]	$262.50	None	$262.50	262.50	✓	262.50
Blasting						
Explosives						
Repair parts						
Other supplies	$198.97	None	$198.97	198.97	✓	198.97
Power						
Transportation						
Withholding taxes						
Compensation insurance	$247.73	None	$247.73	247.73	✓	247.73
Other insurance						
Contract work						
Other (specify)						
Total	$1353.20		$1353.20	1353.20		1353.20
Totals previously reported	None	None	None	None		None
Totals to date	1353.20	✓	1353.20	1353.20		1353.20

FOR GOVERNMENT USE ONLY

Checked by G. Walker
Entered by
Approved by D. H. Mullen Supervising Engineer
Amount approved for payment 1217.88
Remarks

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

16—64068-1

PROGRESS OF OPERATIONS

The work accomplished on DNA-119X is described in the following paragraphs.

I had some difficulty at first with the compressor that I rented. It was represented to be in A. No. 1 shape but after trying for several days to make it work satisfactorily, I had to release it and rent another compressor. I now have a 125 c.f.m. Jaeger compressor that is giving complete satisfaction.

I have prepared the cut for the tunnel, which work was delayed by the trouble with the compressor.

Next I built a compressor and tool shed, which is very necessary for the protection of the equipment and tools from both the weather and theft. This shed provides space forawork bench and will aid materially in the progress of the work.

I have repaired the trail leading into the operation, and have that in fair shape for the winter. Also, I did some hillside grading for the location for the shed.

I think that from now on I will be able to devote all of the work to the driving of the actual exploratory work.

I cut some timber for the timbering of the tunnel portal and for such props that might be necessary in the course of the work.

/s/ Lewis W. Collingwood
Lewis W. Collingwood

OCT 24 1961

DISTRIBUTION OF WAGES AND SALARIES FOR MONTH OF September 1951

Name of operator Lewis W. Collingwood
Project No. DMA 1199X
Total contract amount $10,000.00
Government participation percent 90%

Type	Number	Man-Shifts	Rate	Total
Miners	1	14½	$ 12.00	$ 174.00
Muckers	2	17	10.00	170.00
Trammers				
Timbermen				
Pumpmen				
Hoistmen				
Surface				
Samplers				
Assayers				
Shift bosses				
Mechanics				
Electricians				
Blacksmiths				
Carpenters				
Drill runners				
Drill helpers				
Teamsters				
Manager				
Superintendent	1	3 weeks	350.00	262.50
Engineers				
Geologists				
Bookkeeper	1	2 weeks	75.00	37.50
Foreman				
Clerks				
Stenographers				
Other				
Total				$644.00

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

FOR GOVERNMENT USE ONLY

Checked by G Walker
Entered by
Approved by O P Mullen Supervising Engineer
Remarks

16—64068-1

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF September 1951

Name of operator Lewis W. Collingwood
Project No. DMA 1199X
Total contract amount $10,000.00
Government participation, percent 90%

Item	Costs					Progress				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract
Drifting										
Crosscutting		$150.00	$198.97		$348.97					
Raising										
Shafts										
Winzes										
Drill holes										
Overburden	$151.60			$56.81	$208.41					
Rehabilitation and preparation	$352.60			136.42	489.02					
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails	139.80	112.50		54.50	306.80					
Test pits										
Other (specify)										
Totals	$644.00	$262.50	$198.97	$247.73	$1353.20					

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

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

FOR GOVERNMENT USE ONLY

Checked by A. Walker
Entered by
Approved by D. F. Mullen Supervising Engineer
Remarks

F 126 Collingwood

closed by Memo to File 10/18/61

no copy to 800

DMEA Form 14

Contract No. Idm-E 126

Docket No. 1199

DEPARTMENT OF THE INTERIOR

Reobligation

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

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

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
August 24, 1951	III	South Dakota	Beryl-Mica

Name and Address of Operator: Lewis W. Collingwood
Box 68
Custer, South Dakota

	Reserve	Obligation
Prior Amount	0	$8,223.60
Increase	0	90.00
Decrease	0	0
Revised Amount	0	$8,313.60

Remarks: Reinstates $90.00 released April 30, 1954.

ALLEN S. DAKAN

(Name)

Allen S. Dakan, Chief
Operations Control and
Statistics Division

(Title)

Date Delivered to Bureau of Mines, Washington 5.14.57

16416

C
O
P
Y

UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON 25

Claims Division
In Reply Please Quote

September 19, 1956

Mr. Jay L. Chambers
Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Dear Mr. Chambers:

In accordance with your request of May 1, 1956, there are returned herewith original contract IDM-E 447, with the Lakeview Maganese Mines, and copy of contract No. IDM-E 126 with Lewis W. Collingwood.

You are advised that a search is being made for the other contracts mentioned in your letter and they will be forwarded immediately upon receipt in this Office.

Very truly yours,

/s/ W. J. McCarthy

W. J. McCarthy

Attachments

MF-200
(June 1951)

Docket No. DMA 1199
Commodity Beryl & Mica
Idm-E 126

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

7114-C
10/12/51

RECEIVED
SEP 24 1966

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 24th day of August, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2]

Lewis W. Collingwood
Box 68
Custer, South Dakota

hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of South Dakota, County of Custer described as follows: [3] Unpatented mining claim called No. 9 Lode, located on December 26, 1936 by Dave Virtue and Frances Ayers and recorded in the office of the Register of Deeds, Custer, South Dakota on February 1, 1937 at 11 p.m. and duly recorded in Book 16 of Locations on page 387. Claim is located 8 miles southeast of Custer and 1 1/2 miles south of French Creek.

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

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:

None

~~(b) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:~~

3. *Exploration project.* The Operator, within 30 days from the date of this contract shall commence work on a project of exploration for [5] Beryl and Mica; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] 8 months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

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

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

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

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

16—64265-2

11-5-51 Sm
9.18.51

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, and other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

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

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

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

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

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $ 9,000.00, which is 90 percent of the agreed estimated total cost of this project, $ 10,000.00.

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

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

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

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

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

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

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

Executed in sextuplicate the day and year first above written.

Lewis W. Collingwood
(Operator)

By Lewis Collingwood

THE UNITED STATES OF AMERICA

By C O Mitteudorf

Director, Production Expansion Division
Defense Minerals Administration

U. S. GOVERNMENT PRINTING OFFICE 16—64060-2

RECEIVED
SEP 24 1956

RECEIVED
SEP 24 1956

Re: Docket No. DMA - 1199
Lewis W. Collingwood
Exploration Project Contract
Idm-E126

EXHIBIT "A"

Exploration Project:

The project consists of driving a 5' by 7' crosscut tunnel approximately 175 feet to intercept a pegmatite dike, and a 5' by 9' raise from the tunnel for a distance of approximately 90 feet.

	Estimated Cost
Construction of compressor and change house	$ 340.00
175-foot crosscut @ $25.00 per foor	4,375.00
90-foot raise @ $35.00 per foot	3,150.00
Equipment cost	2,135.00
Total cost of project	$ 10,000.00

Fixtures and Improvement:

Compressor and change house	$ 340.00

Operating Equipment:

Rental on jackhammer for 5 months	$ 250.00
Rental on stoper for 5 months	500.00
Rental on 125 CFM compressor for 5 months	1,000.00
Purchase - new 50-foot 3/4" hose and connections	25.00
Purchase - 1 new 50-foot 3/4" water hose and connections	20.00
Purchase - 1 used 3" column and arm	50.00
Purchase - 250' used 2" air pipe	100.00
Purchase - 250' used 1" water pipe	75.00
Purchase - 1600 pounds 16-pound rail(used)	120.00

Labor and Supervision:

2 miners @ $1.50 per hour) 2 muckers @ $1.25 per hour)	$1,208.00 per month for 5 months	$ 6,040.00
1 working foreman @ $350.00 per month for 5 months		$ 1,750.00

Rehabilitation and Repairs:

None chargeable to project

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

To: Mr. Lewis W. Collingwood
Box 68
Custer, South Dakota

Pursuant to the provisions of Exploration Project Contract No. Idm-E126, dated August 24, 1951 (Docket No. 1199X), hereinafter called the "Contract," between you and the United States of America, hereinafter called the "Government"; to establish and fix the claim and lien of the Government under the terms of the Contract, the Government hereby certifies that a discovery or development has resulted from the work under the Contract from which commercial production of ore may be made, in or upon that certain property situated in the State of South Dakota, County of Custer, described as follows:

Unpatented mining claim called No. 9 Lode, located on December 26, 1936 by Dave Virtue and Frances Ayers and recorded in the office of the Register of Deeds, Custer, South Dakota on February 1, 1937 at 1:00 P.M. and duly recorded in Book 16 of Locations on page 387. Claim is located 8 miles southeast of Custer and 1 1/2 miles south of French Creek.

The Government's estimate of said discovery or development is particularly described and delimited as follows:

Pegmatite minerals in commercial quantities occur in the No. 9 pegmatite above the adit level. This exploration has shown the continuity of the pegmatite in depth and furnished sufficient data to calculate indicated ore reserves.

THE UNITED STATES OF AMERICA

By /s/ Frank E. Johnson
Acting Administrator
Defense Minerals Exploration
Administration

LGHouk;gad 4/9/52
Copy to: Mr. Jess Larson, DMPA
Docket
Adm. Reading File
Field Team, Region V
Mr. J. J. Forbes
Mr. W.E. Wrather
Operating Com.
Mr. F. E. Johnson
Mr. L. G. Houk

Dated: April 15, 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
Region V
2905 Colfax Avenue South
Minneapolis 5, Minnesota

April 4, 1952

Memorandum

To: Special Assistant to the Regional Director, Region V

From: Executive Officer, Field Team, Region V

Subject: Docket DMA-1199m, Contract AM-1126 - Payment on Loan
L. W. Collingwood

Here is a check, No. 19165, for $27.30, made out to the Treasurer of the United States, by Consolidated Feldspar Co., as first payment of the loan of $8,313.60, pertinent to the subject docket contract.

It is for feldspar mined from No. 9 pegmatite owned by L. W. Collingwood shipped to Consolidated Feldspar Co., Custer, S. Dak., and valued at $5.50 a ton, with payment figures at 1-1/2 percent, or $0.08-1/4 per ton on the following tonnages:

February 1952	71.550 tons at $0.08-1/4	$5.90
March 1952	259.400 tons at $0.08-1/4	21.40
	Total	$27.30

Attached also is Consolidated's statement.

A. D. Keelian
Executive Officer
Field Team, Region V

Attachments 3

cc Hutton
Keelian
Mullen
DMA (Wash) 2
Region V
Files
df

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 4-29

REFERRED TO:
1. Chambers
2.
3.
4.

FOR:

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

REMARKS: We have reviewed the final field team report for transmittal to Larson. Note memo on royalty payment

Check (X) before the items needing attention.

Hook
Initials of sender.

GPO 16—63815-1

File

Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

March 24, 1952

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, Field Team, Region V

Subject: Final Report - Docket DMA-1199x, Contract Idm-E126
L. W. Collingwood (No. 9 Pegmatite)

Here are the original and three copies of the subject report, together with a copy of inter-office correspondence pertinent to the report and resulting recommendation of development.

You will note that at first the field team was not unanimous in that a discovery or development had resulted. The Survey member was of the opinion there was a development, whereas the Mines member dissented.

A Regional meeting recently held in Minneapolis discussed, among many other controversial items in connection with the general exploration program, the question of discovery and development and arrived at the basic Regional thinking on the subject. In view of this Regional thinking and interpretation, the Mines member now concurs in affirming the development has been made. Since both agree, and since this office does also, we saw no need to supplement the Survey report with another from the Mines nor of rewriting the report, but rather indicate affirmation by the correspondence from Mines field engineer.

This then, constitutes the field recommendation that a development has been made and certification can be made by the Washington office pursuant to your will.

A. B. Needham
Executive Officer
Field Team, Region V

Attachments

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Rapid City Field Office
School of Mines Campus
Rapid City, South Dakota

March 18, 1952

Memorandum

TO: A. B. Needham, Executive Officer, DMEA Field Team, Region V

From: Supervising Engineer, Rapid City Field Office

Subject: Determination of development, Number Nine Pegmatite, DMA Docket No. 1199X, Contract Idm E-126

Reference is made to the geological report and my memorandum on the above subject.

Since the discussion in Minneapolis on March 13 determined that the name of the mineral sought did not modify the general term "or", I have no further objections to recommending a certification of a development.

If there are additional data required from this office, please advise; otherwise I will conclude that the report is sufficient.

At this project there was some production from an open cut some distance from the adit during the exploration. None of the labor, equipment, or supplies paid for by the project were used in this production and compressed air was pro-rated. Is this production to be included in the ore produced as a result of the exploration and subject to royalty payments?

/s/ D. H. Mullen

COPY

Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

March 17, 1952

Memorandum

To: Donald H. Mullen, Supervising Engineer, Bureau of Mines
School of Mines, Campus, Rapid City, South Dakota

From: Executive Officer, Field Team, Region V

Subject: Final Report - Docket DMEA-1199x, Contract Idm-E126
L. W. Collingwood (No. 9 Pegmatite)

Reference is made to your memorandum of January 16, 1952.

In view of the discussions about certification of discoveries or development at the recent DMEA meeting in Minneapolis, please review your memorandum and the copy of the final report by Mr. Redden.

If you wish to submit a separate report, we can combine it with Redden's, both of which would then constitute the team final report. If you and Redden wish a combined report, we can return the Redden report sent us January 16, 1952.

Please advise.

A. B. Needham
Executive Officer
Field Team, Region V

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Rapid City Field Office
School of Mines Campus
Rapid City, South Dakota

January 16, 1952

Memorandum

To: A. B. Needham, Executive Officer, DMEA Field Team, Region V

From: Supervising Engineer, Rapid City Field Office

Subject: Final Report, Number Nine Pegmatite, DMA Docket No. 1199X, Contract Idm E-126

Attached are five copies of the subject report by M. A. Redden. The map accompanying the report is being mailed under separate cover. Please make five prints of the map for the Survey's and our files and return the tracing.

The report definitely states a discovery has been made and in this I can not agree. The project was predicated on beryl and mica and justified by the occurrence of beryl and mica in the outcrop and in existing open cuts. The project was to consist of a crosscut adit and a raise to the open cut. Because the adit was longer than estimated and funds were insufficient to drive the raise, only the adit was completed. The adit did not expose any minable beryl or mica, although it did cut about 35 feet of minable feldspar.

The discovery is based on an indicated tonnage of minable feldspar exposed in the adit and the pre-existing open cuts. No minable beryl or mica was found in the adit and the reserve of beryl is based entirely on surface exposures and the occurrence of small scattered crystals at one place in the adit that cannot be profitably recovered. This reserve is inferred and is not based on demonstrable facts. Neither is there any indication of the amount of beryl that could be recovered while mining the feldspar. Presumably, the body of minable feldspar could have been inferred from surface exposures in the same manner as beryl reserves are now inferred from exposures on the surface and in the adit. In other words, I question whether the adit has revealed anything concerning beryl and mica that could not have been inferred from surface exposures.

Article 3 of the contract specifically states that the exploration is for beryl and mica, while articles 14 and 15 use the general term "ore." Does the name of the mineral or minerals in

article 3 qualify or limit the term "ore" referred to in articles 14 and 15? If there is no qualification, it would be possible to base an exploration on almost any mineral and certify a discovery on any material that could be sold regardless of strategic or critical value. Further, I cannot reconcile a discovery based on feldspar when an application for an exploration loan for feldspar would have been denied with no further consideration.

In this particular instance, there apparently will be no controversy as I am advised that Collingwood will accept a certification of discovery and plans to repay the government's share of the exploration. Therefore, this is an excellent opportunity to set up a test case and arrive at an objective conclusion. I am not particularly concerned with the present case, but can foresee similar conditions in other projects that would possibly have to be decided under pressure. In any event, it would appear that a definite clarification of the term "ore" and any qualification of that term is necessary.

I am also concerned with the time and manner of repaying the government's share of the exploration. As I interpret the contract, no payments are due nor can they be requested prior to certification of a discovery. Please advise if I am wrong. In this case the operator and owner has leased the mine to the ore buyer. Presumably there will be an accounting of royalties between the buyer and owner. The owner will then provide us with a statement of the tons of ore produced and royalties due the government can be calculated. Payment will then be made to your office, according to the memorandum on Collecting, disposition and reporting of money repaid to the government from exploration contracts by Rice on September 4, 1951.

I would appreciate your opinion as to the validity of the discovery as outlined and according to the report by Redden. Also, whether the procedure for collection is according to present regulations.

APR 7 1952

Memorandum

To: Mr. Robert E. Adams
Acting Administrative Officer

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

Subject: Project IIM-E-126

On March 24, 1952 Mr. A. B. Needham, Executive Officer, Field Team, Region V, confirmed ..."that a development has been made and certification can be made by the Washington office pursuant to your will..."

This project was approved for a total of $10,000 on a 90 percent participation by the Government amounting to $9,000. The project was closed December 31, 1951, with a total expenditure of $8,313.60 leaving the project balance of $686.40 to be withdrawn.

JLChambers/wb
April 7, 1952

Copy to: Docket File
Mr. Houk
Mr. Chambers

Contract Crosscut Docket Dis

AMENDMENT

Docket No. DMA-1199X, Contract No. Idm E-126, dated August 24, 1951 between the United States of America and Lewis Collingwood is hereby amended as follows:

Exhibit "A" is amended to provide for driving the crosscut adit a maximum distance of 250 feet. Extension of the adit beyond the original estimate of 175 feet is necessary to completely crosscut the dike.

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

Dated this 4th day of December, 1951.

By C B Meaham
Executive Officer, DMEA

By Lewis W. Collingwood
Lewis Collingwood

Contract Docket No. DMA-1199X, Contract No. Idm-E-126 dated August 24, 1951 between the United States of America and Lewis Collingwood is hereby amended as follows:

The description of the exploration project under "Exhibit A" is amended to change the location of the proposed crosscut adit from its present position to the extreme eastern end of the dike. In the amended position the adit will begin in an open cut at the eastern end of the dike; follow a southerly direction along or near the hanging wall. In its new position it will be approximately 30 feet higher in elevation than the original position. The length of the amended location will not exceed that previously proposed and the proposed raise will be shortened by approximately 30 feet. The purpose of the proposed change is to shorten the time required for the beginning of production.

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

Dated this 28th day of September, 1951.

By C B Needham
Executive Officer, DMA

By Lewis Collingwood
Lewis Collingwood

Cont. Rec. Div.
Change Order
Initial S.M.L.

RECEIVED
OCT 1 1971
DEPT. OF INTERIOR
BUREAU OF MINES
MINNEAPOLIS, MINN.
REGION V

E. M. Terry
Ex 3527

XXXXXXXXXXXXXXXXXXXXXXXXXX

T E L E T Y P E

May 7, 1954

L. A. Hill
Bureau of Mines
Minneapolis, Minnesota

Re Contract IDME 126, $90.00 covered refund for sale of Government-share property sold, therefore the net Government participation on this contract is $8,223.60.

Kenfield Bailey

EHSmith:jm

Copy to: Mr. J. F. Chambers
Mrs. Terry
Audits
Files

Docket No. 11008

Commodity Scrap - Misc

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ADDITIONAL CONTRACT

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 126

Date of Contract ~~or Amendment~~ August 24th 1951

Name and Address of Operator:
Lewis W. Collingwood
Box 68
Custer, South Dakota

Amount of Government participation $ 9,000.00

Percent of Government participation 90 %

Region: V State: South Dakota

Note: Please release 090.00; Advise Contract Administration and Audit Division

E. H. Talbert
(Name)
for. F. Stanford
Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. 4/30/54

54458

Docket No. 1199

Commodity Beryl-Mica

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 126

Date of Contract ~~or Amendment~~: August 24th, 1951

Name and Address of Operator:
Lewis L. Collingwood
Box 468
Custer, South Dakota

Amount of Government participation $ 9,000.00

Percent of Government participation 90 %

Region: V State: South Dakota

Please ~~file~~ release $686.40.

J.L. (Name) Chambers
Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. April 7, 1952

13908

MF-200
(June 1951) Index

Docket No. DMA 1199
Commodity Beryl & Mica
Idm-E 126

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

RECEIVED SEP 11 1951 G. A. O.

EXPLORATION PROJECT CONTRACT[1]

It is agreed this 24th day of August, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and[2] Lewis W. Collingwood, Box 68, Custer, South Dakota, hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of South Dakota, County of Custer described as follows:[3] Unpatented mining claim called No. 9 Lode, located on December 26, 1936 by Dave Virtue and Frances Ayers and recorded in the office of the Register of Deeds, Custer, South Dakota on February 1, 1937 at 11 p.m. and duly recorded in Book 16 of Locations on page 387. Claim is located 8 miles southeast of Custer and 1 1/2 miles south of French Creek.

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

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:

None

~~(b) That he is a lessee in possession and entitled to possession, and the subordination agreement of the lessor is attached.~~

3. *Exploration project.* The Operator, within 30 days from the date of this contract shall commence work on a project of exploration for[5] Beryl and Mica; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of[6] 8 months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

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

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

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

Supplement No. ____, dated 9.28.51

11-5-51 SM

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

16—64066-2

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

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

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

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

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

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

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $ 9,000.00, which is 90 percent of the agreed estimated total cost of this project, $ 10,000.00.

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

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

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

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

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

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

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

Executed in sextuplicate the day and year first above written.

Lewis W. Collingwood
(Operator)

By Lewis Collingwood

THE UNITED STATES OF AMERICA

By C O Mittendorf

Director, Production Expansion Division
Defense Minerals Administration

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

Re: Docket No. DMA - 1199
Lewis W. Collingwood
Exploration Project Contract
Idm-E126

EXHIBIT "A"

Exploration Project:

The project consists of driving a 5' by 7' crosscut tunnel approximately 175 feet to intercept a pegmatite dike, and a 5' by 9' raise from the tunnel for a distance of approximately 90 feet.

	Estimated Cost
Construction of compressor and change house	$ 340.00
175-foot crosscut @ $25.00 per foor	4,375.00
90-foot raise @ $35.00 per foot	3,150.00
Equipment cost	2,135.00
Total cost of project	$ 10,000.00

Fixtures and Improvement:

Compressor and change house	$ 340.00

Operating Equipment:

Rental on jackhammer for 5 months	$ 250.00
Rental on stoper for 5 months	500.00
Rental on 125 CFM compressor for 5 months	1,000.00
Purchase - new 50-foot 3/4" hose and connections	25.00
Purchase - 1 new 50-foot 3/4" water hose and connections	20.00
Purchase - 1 used 3" column and arm	50.00
Purchase - 250' used 2" air pipe	100.00
Purchase - 250' used 1" water pipe	75.00
Purchase - 1600 pounds 16-pound rail(used)	120.00

Labor and Supervision:

2 miners @ $1.50 per hour) 2 muckers @ $1.25 per hour)	$1,208.00 per month for 5 months	$ 6,040.00
1 working foreman @ $350.00 per month for 5 months		$ 1,750.00

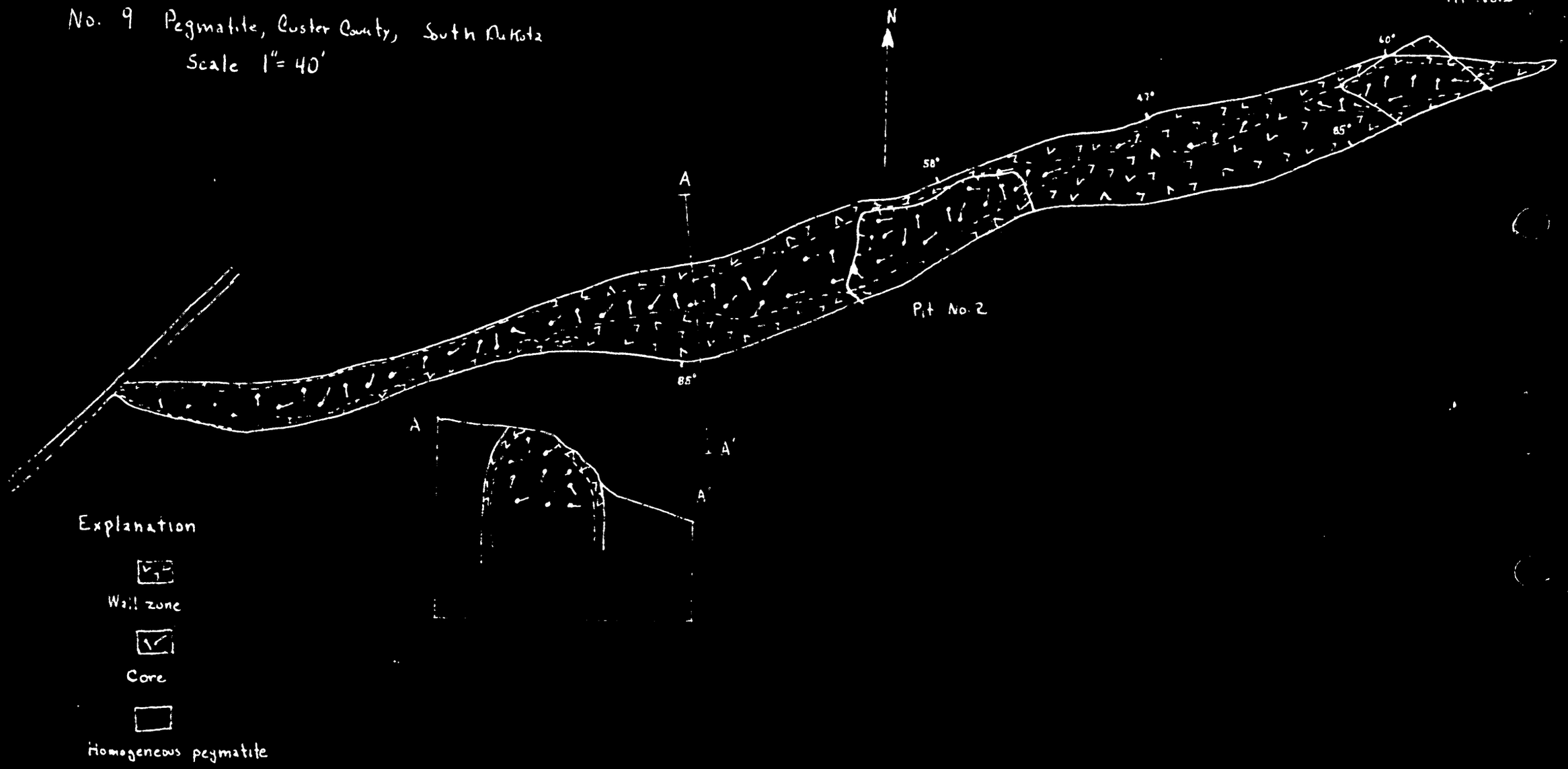
Rehabilitation and Repairs:

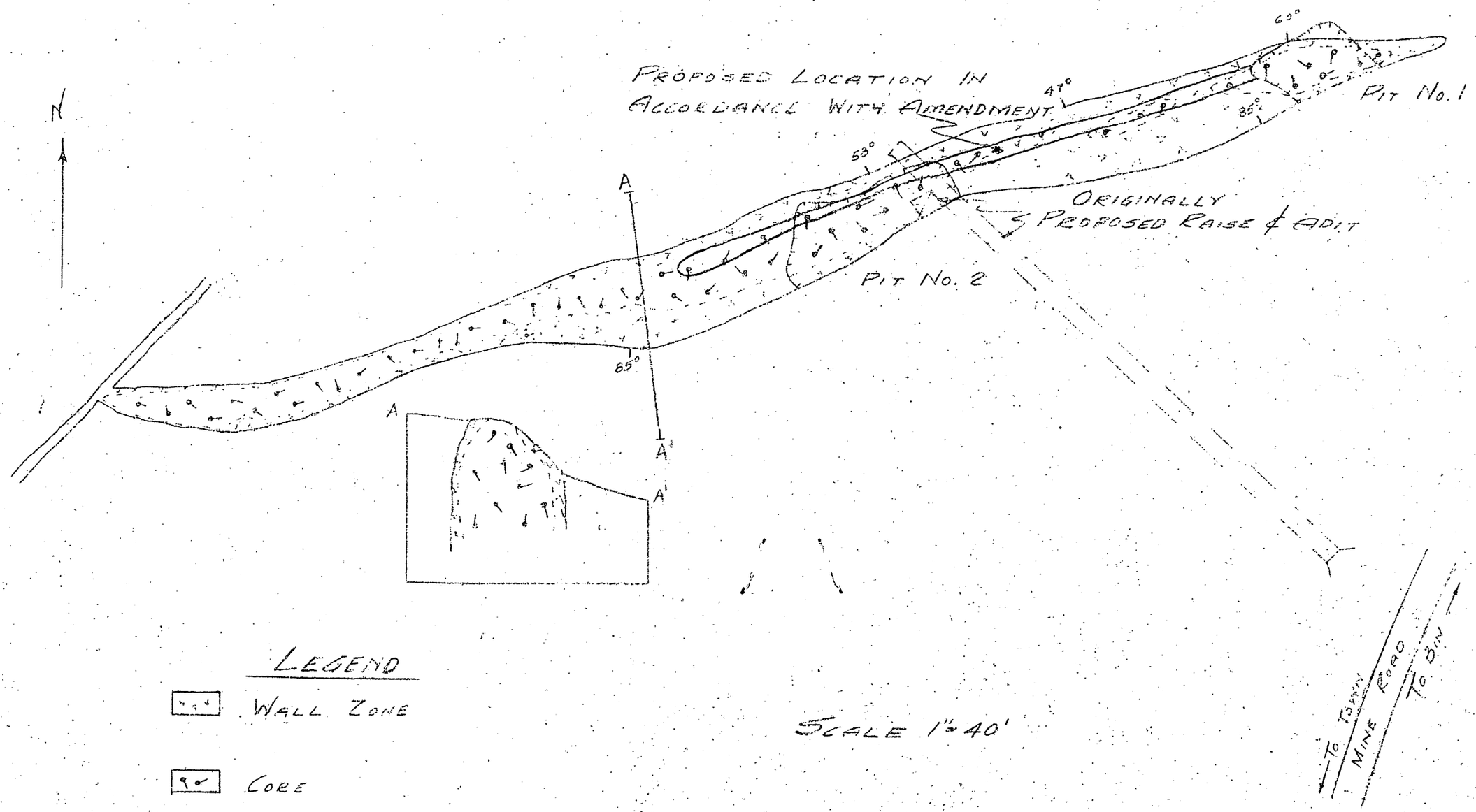
None chargeable to project

DMA- 1199

No. 9 Pegmatite, Custer County, South Dakota

Scale 1" = 40'

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PROPOSED LOCATION IN
ACCORDANCE WITH AMENDMENT
60°
47°
85°
58°
PIT No. 1
ORIGINALLY
PROPOSED RAISE & ADIT
PIT No. 2
85°
A
A'
A
A'
TO TOWN
MINE ROAD
TO BIN
LEGEND
WALL ZONE
CORE
HOMOGENEOUS PEGMATITE
SCALE 1" = 40'