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

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RECEIVED SEP 10 1962

| DATE | INITIALS | |
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| " | | ~~800~~ |
| | | ~~120~~ |
| " | | 500 |
| | | |
| | | |
| | | 210 |

August 3, 1962

Re: DMEA-2358 (Zinc-Lead)
Belle Eldridge Gold Mines, Inc.
Belle Eldridge Gold Mine
Lawrence County, South Dakota
Contract Idm-E271

New Era Mining Company

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

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

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

## REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since March 31, 1960, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes [X] No [ ]

   Purchased by NEW ERA MINING COMPANY
   1412 Canyon St., Spearfish, South Dakota

2. Since March 31, 1960, has there been any production from the land subject to the contract? Yes [ ] No [X]

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

| | Quantity | Value |
|---|---|---|
| | None | None |

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

| Type | Quantity | | Estimated Grade | Location |
|---|---|---|---|---|
| Ore | | Tons | | |
| Concentrates | | Tons | | |
| Other | | Tons | | |

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

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

| Disposition of Material | Quantity | Value |
|---|---|---|
| | | |

Submitted by:

Name Russell Bartels Title Secretary

Address 515 Midland Savings Building Date September 7, 1962
Denver, 2, Colorado

4511

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RECEIVED FEB 10 1960

| DATE | INITIALS | CODE |
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| 2-10 | gad | 220 |
| 2/10 | [illegible] | 800 |
| 2/11 | [illegible] | ~~800~~ |
| | | 225 |

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

February 8, 1960

Belle Eldridge Gold Mines, Inc.
Canton, South Dakota

Re: Docket No. ~~DMEA 2558~~ (Lead-Zinc)
Contract No. Idm-E271
(Belle Eldridge Mine)
Lawrence County, South Dakota

Gentlemen:

In reference to the "Certification by the United States of America of a Discovery or Development under an exploration Project Contract" and the instructions in the Washington Office letter of transmittal of the Certification on the captioned project, please indicate your answer to the following questions and return one copy of the questionnaire immediately to this office.

Very truly yours,

Original signed by

J. W. Townsend
Executive Officer, OME
Field Team, Region III

1. Has the property been sub-leased or any change made in ownership other than this office has been notified? Yes ___ No___. If yes, please furnish details of the transaction on a separate sheet and include a true or signed copy of any instrument that was executed in conjunction with the matter.

2. Has there been production from the land subordinated under the referenced contract since ~~January 1, 1959~~? Yes___ No___. If yes, and shipments made, who was the purchaser? _____

3. Is any of the following material stockpiled? Yes___ No___.

(a) Ore, Tons _____ Estimated grade _____
(b) Concentrates, lbs. _____ Estimated grade _____
(c) Low grade ore, tons _____ Estimated grade _____
Place stockpiled _____

Signed _____

Title _____ Date _____

HMC:ltm cc: Chmn. Op. Comm. ✓ Roy. Corres. E271 Chron.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

| Date | Surname | Code |
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March 8, 1958

Memorandum

To: Kingfield Chamberlain, Statistics Branch
Division of Operation Contract and Statistics

From: Director, Division of Base Metals

Subject: Report of the Semi-Annual Reports of Certified Projects for the Period July 1, 1957 thru December 31, 1957.

The following projects were inactive during the cited period.

| Docket No. | Contract No. | Name |
|---|---|---|
| DMEA-2073 | Idm-2245 | Cuba Mining Company |
| DMEA-2165 | Idm-2312 | Silver Bell Mines Company |
| DMEA-2184 | Idm-2382 | Meyer and Thiede Mining Co. |
| DMEA-2213 | Idm-2294 | Elmer Onderlin |
| DMEA-2234 | Idm-2317 | Jean Knight Mining Lease, Inc. |
| DMEA-2257 | Idm-2442 | Walker Corporation |
| DMEA-2358 | Idm-2271 | Belle Eldridge Gold Mines, Inc. |
| DMEA-2399 | Idm-2339 | The Eagle Picher Company |
| DMEA-2482 | Idm-2409 | Raymond Combined Mines Company |
| DMEA-2495 | Idm-2331 | Copper Hill Mine Venture, R. C. Fitzgerald |
| DMEA-2713 | Idm-2566 | Robert F. Blum |
| DMEA-2843 | Idm-2615 | Richard C. Chilson |
| DMEA-2929 | Idm-2587 | Grandview Mines |
| DMEA-2991 | Idm-2556 | Shenandoah-Dives Mining Company |
| DMEA-3510 | Idm-2755 | Paul Gille |
| DMEA-3428 | Idm-2774 | Mt. Wheeler Mines, Inc. |

W. R. Griswold

8623

DMEA FORM
(12-56)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| | | |
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500

February 24, 1958

Memorandum

To: The Administrator

From: Director, Division of Base Metals

Subject: Summary of Certified Projects.

We have reviewed the 72 certified projects in the Division of Base Metals with a view of sorting out the "weak sisters".

The following 16 certifications appear to have little actual value, for the reasons stated.

It is probable that many of the other certifications will never go into production, yet you and I are both old enough to know that the such-marginal ores today are the normal millheads of tomorrow. Obviously, much will depend upon the trend of the metal market over the next six or eight years.

Certifications of Doubtful Value

| Locket No. | Contract No. | Name |
|---|---|---|
| DMEA 06 | Adm. 7 | Combined Metals Reduction Company |
| | | 2,000 tons - small ore pod, practically worked out. |
| DMEA 113 | Id-1265 | New Quincy Mining Company |
| | | Small ore pod - about 150 tons, substantially worked out. |
| DMEA 420 | Adm. 10 | Bristol Silver Mines, Company |
| | | 2,865 tons - 15% Mn. |
| | | Small bunch of low grade manganese material of no apparent value. |

8623

Certifications of dubious value (continued)

| Docket No. | Contract No. | Name |
|---|---|---|
| DMEA-1560 | Idm-E 42 | Dodgeville Mining Company<br><br>10,700 tons - 3.3 Zn.<br><br>Small ore body. Company being liquidated. |
| DMEA-1561 | Idm-E167 | Dodgeville Mining Company<br><br>6,550 tons - 4.11 Zn.<br><br>Small ore body. Company being liquidated, leases lapsed. |
| DMEA-1708 | Idm-E229 | Kentucky-Utah Mining Company<br><br>Small ore pod, worked out. |
| DMEA-1923 | Idm-E340 | United Mining & Development Company<br><br>Original reserve was 270 tons, of which 191 tons have been mined. Further production seems improbable. |
| DMEA-2184 | Idm-E342 | Mayer and Thiede Mining Company<br><br>No reserve estimate - weak certification, leases lapsed. |
| DMEA-2280 | Idm-E448 | Utse Lode Company<br><br>Reserve 5,000 tons - 4.7% Zn., 0.80% Pb., 5.3 oz. Ag. and 0.03 oz. Au.<br><br>Small tonnage of impossibly low grade material. |
| DMEA-2358 | Idm-E271 | Belle Eldrige Gold Mines, Inc.<br><br>Reserve 88,000 tons - 3.5% Zn., 0.54% Pb., For the location (South Dakota) the ore grade appears impossibly low. |

WRG/er
Dockets (16)
Chron.

W. R. Griswold

DEFENSE MINERALS EXPLORATION ADMINISTRATION

**For the period January 1 - June 30, 1957**

Base Metals Division Date February 13, 1958

Semi-Annual Report - Certified Project Date

DMEA No. 2358 Operator Belle Eldridge Gold Mines, Inc. Contract No. Idm-E 271

## Ore Reserves

| Ore Estimates | Tons | Analysis |
|---|---|---|
| Original (DMEA) | 88,000 | Zn. 3.5; Pb. .54 |
| Increase (Operator) | | |
| Total | | |
| Decrease (Production) | | |
| Net Available | | |

## Investment

| Shafts | | | Winzes | | | Drifts & Crosscuts | | |
|---|---|---|---|---|---|---|---|---|
| Size | Feet | Cost | Size | Feet | Cost | Size | Feet | Cost |

| Raises | | | Drilling | | | Rehabilitation | |
|---|---|---|---|---|---|---|---|
| Size | Feet | Cost | Type & Size | Feet | Cost | Description | Cost |

## Facilities

| Mine Plant | | Mill | | Roads | |
|---|---|---|---|---|---|
| Description | Cost | Description | Cost | Description | Cost |

## Remarks

W. R. Griswold/er

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| DATE | INITIALS | CODE |
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| 4-8 | gad | vvo |
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| 4/9/60 | [illegible] | 800 |
| | | 500 |

**OFFICE OF MINERALS EXPLORATION**

**REGION III**

**Statement in Lieu of ~~Interim~~ Annual Report of Certified Project**

**Reporting Period** 1-1-59 through 12-31-60

**Docket and Contract Number** DMEA 2358, Idm-E271 (Lead-Zinc)

**Operator** Belle Eldridge Gold Mines, Inc. (Belle Eldridge Mine)
Lawrence County, So. Dakota

**The project has been inactive during the reporting period** [X]

**Pertinent data relative to the subject contract has remained unchanged since the last report** [ ]

**Remarks:**

The property was inspected March 31, 1960 and it appeared that the mine had been inactive for several years.

**Signed** H. M. Connors
H. M. Connors

**Date** 4-4-60

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O. M. E.
RECEIVED MAY 25 1959

| DATE | INITIALS | CODE |
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| 5/25 | a | 220 |
| Truswold | | 500 |
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| | | |
| | | 225 |

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration
224 New Customhouse
Denver 2, Colorado

May 22, 1959

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region III

Subject: Semiannual Report of Certified Project for the period

DMEA Docket 2358 (Lead-Zinc)
Contract Idm-E271
Belle Eldridge Gold Mines, Inc.

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

J. W. Townsend

Enclosures

HMC:ltm

cc: Semiannual Report File Idm-E
Chmn. Op. Comm. (4)
Harshman
Marshall
Chron.

OME
DEPARTMENT OF THE INTERIOR
MAY 19 1959
REGION III
DENVER, COLORADO

DMEA, REGION III

Statement in Lieu of Semiannual Report

| | |
|---|---|
| Reporting Period | July 1, 1958 through December 31, 1958 |
| Docket and Contract Number | DMEA 23539 Contract Idm-E271 |
| Operator | Belle Eldridge Gold Mines, Inc. |
| | Lead-Zinc |

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

1. Property inspected May 13, 1959
2. Property deserted and abandoned, from all apparent indications.

Signed Milton H Marshall

Date 5/18/59

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
224 New Customhouse
Denver 2, Colorado

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| 10/20 | C | 220 |
| " | JG | 110 |
| 10/20 | EEF | 800 |
| 10/23 | ~~WPL~~ | 500 |
| | | 225 |

October 15, 1958

Memorandum

To: Chairman, Operating Committee, OME

From: Acting Executive Officer, OME Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1958 - June 30, 1958, Docket DMEA 2358 (Lead-Zinc) Contract Idm-E271, Belle Eldridge Gold Mines, Inc. (Belle Eldridge mine) Lawrence County, South Dakota

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

E. N. Harshman

E. N. Harshman

Enclosures

OME
DEPARTMENT OF THE INTERIOR
SEP 26 1958
REGION III
DENVER, COLORADO

DMEA, REGION III

Statement in Lieu of Semiannual Report

| | |
|---|---|
| Reporting Period | **January 1 - June 30, 1958** |
| Docket and Contract Number | **Docket 2358, Contract Idm-E271** |
| Operator | **Belle Eldridge Gold Mines, Inc. (Lead-Zinc)** |

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

Signed E. O. Binyon

**E. O. Binyon**

Date **September 25, 1958**

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

February 21, 1958

Official File Copy
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RECEIVED FEB 26 1958

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| 2/26 | C | 220 |
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| " | Fed | 110 |
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Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1957 to December 31, 1957

DMEA Docket 2358 (Lead-Zinc)
Contract Idm-E 271, Belle Eldridge Gold Mines, Inc.
(Belle Eldridge mine) Lawrence County, S. D.

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

W R Fung
Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM:jy

cc: Semiannual Report File E 271
Harshman
DMEA,DFC-2
Chron.

DMEA
DEPARTMENT OF THE INTERIOR
FEB 13 1958
REGION III
DENVER, COLORADO

DMEA, REGION III

Statement in Lieu of Semiannual Report

| | |
|---|---|
| Reporting Period | July 1 - December 31, 1957 |
| Docket and Contract Number | Docket No. 2358, Contract Idm-E271 |
| Operator | Belle Eldridge Gold Mines, Inc. Lawrence County, S. D. |

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

Signed E. O. Binyon
E. O. Binyon

Date 2/10/58

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

August 12, 1957

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| 8/16 | Com | 100 |
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Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1957 through June 30, 1957
DMEA Docket 2358 (Lead-Zinc)
Contract Idm-E 271, Belle Eldridge Gold Mines, Inc. (Belle Eldridge Mine), Lawrence County, South Dakota

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

E. M. Harshman

Acting Executive Officer
DMEA Field Team, Region III

Enclosures
MHM/vj

cc: Semiannual Report File E 271
Harshman
DMEA/DFC
Chron.

DMEA
ARTMENT OF THE INTERIOR
AUG 12 1957
REGION III
DENVER, COLORADO

DMEA, REGION III

Statement in Lieu of Semiannual Report

| | |
|---|---|
| Reporting Period | January 1 - June 30, 1957 |
| Docket and Contract Number | Docket No. 2358, Contract Idm-E271 |
| Operator | Belle Eldridge Gold Mines, Inc.<br>Deadwood, South Dakota<br>Belle Eldridge Mine, Lawrence County, S. D. |

The project has been inactive during the reporting period [ ]

Pertinent data relative to the subject contract has remained unchanged since the last report [X]

Remarks:

Signed E O Binyon
E. O. Binyon

Date 8/6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

224 New Customhouse
Denver 2, Colorado

Date: February 25, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1956 through December 31, 1956
DMEA Docket 2358 (Lead-Zinc)
Contract Idm-E 278, Belle Eldridge Gold Mines, Inc. (Belle Eldridge Mine), Lawrence County, South Dakota

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, ~~and~~ Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

E. N. Harshman

for W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM/vj
cc: Semiannual Report File E 271
J. F. Shaw (2)
E. N. Harshman
Chron.

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DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period July 1 -- December 31, 1956
Docket and Contract Number Docket DMEA 2358 --- Contract Idm-E271
Operator Belle Eldridge Gold Mines, Inc.
Lawrence County, South Dakota

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

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| DATE | INITIALS | CODE |
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Signed E. O. Binyon
E. O. Binyon

Date 2/6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

RECEIVED
SEP 24 1956

224 New Customhouse
Denver 2, Colorado

Date: September 20, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1956 through June 30, 1956
DMEA Docket 2358 (Lead-Zinc)
Contract Idm-E 271, Belle Eldridge Gold Mines, Inc. (Belle Eldridge Mine), Lawrence County, South Dakota

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office~~, and~~ Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM/vj
cc: Semiannual Report File E 271
J. F. Shaw (2)
E. N. Harshman
Chron.

2.358

ACTION ON INT M
OR FINAL FIELD TEAM REPORT

Date 24 SEP 1956

Referred to:

1. ~~Mr. Mansfield~~
2. Mr. Wilson
3. ~~Mr. Chumney~~
4. ~~Docket Control Mails and Files~~
5. Rate Matters Division
6. ~~Docket Control Mails and Files~~

Note comments in report regarding:

1.

2.

3.

4.

and take appropriate action.

- - - - - - - -

Action taken by Division:

None, no activity.
WRY

Robert E. Adams

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

DMEA
DEPARTMENT OF THE INTERIOR
SEP 20 1956
REGION III
DENVER, COLORADO

RECEIVED
SEP 24 1956

Reporting Period January 1 - June 30, 1956
Docket and Contract Number DMEA 2358, Contract Idm-E271
Operator Belle Eldridge Gold Mines, Inc.

| | "X" one |
|---|---|
| The project has been inactive during the reporting period | ☐ |
| Pertinent data relative to the subject contract has remained unchanged since the last report | X |

Remarks:

Inspected June 27, 1956

active?

E. O. Binyon

Signed E. O. Binyon

Date August 10, 1956

RECEIVED
MAR 14 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

224 New Customhouse
Denver 2, Colorado

Date: March 9, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1955 through December 31, 1955, DMEA Docket 2358 ( Lead-Zinc ) Contract Idm-E 271, Belle Eldridge Gold Mines, Inc. Lawrence County, South Dakota.

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office. and Memorandum 29.

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures

RDB/jv

cc: Semiannual Report File E 271
E. O. Binyon
E. N. Harshman
Chron.

2358

ACTION ON INFO

Date 3-14

~~URG~~

Referred to:

1. ~~Mr. Whitenton~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~
5. ~~Rate Statistics~~ Division
6. Docket Control Mails and Files

Note comments in report regarding:

1. One revenue value based on prices
2. Aug 1952
3.
4.

and take appropriate action.

- - - - - -

Action taken by Division:

Noted URG

Initials

## Semi-Annual Report of Certified Projects

Reporting Period July 1, 1955 - December 31, 1955

Docket and Contract Number Docket DMEA 2358, Contract Idm E-271

Operator Belle Eldridge Gold Mines, Inc.

Commodity Lead-Zinc

Mine Name Belle Eldridge

County and State Lawrence County, S. Dak.

RECEIVED
MAR 14 1956

Date of Contract March 11, 1952 (Amended contract Nov. 12, 1952)

Date of Certification Nov. 16, 1953

Expiration Date of Royalty Payments March 11, 1962

Date of Examination for this Report January 5, 1956

DMEA
Date Rec'd.
FEB 29 1956
BUREAU OF MINES
Denver, Colorado

Total Amount of Contract $11,600.00

Total Expenditures under Contract $5,544.00

Amount of Government Participation at 50 % $2,772.00

Royalty Payments this Period None

Previous Royalty Payments None

Total Royalty Payments to Date None

% Loan Repayment Completed 0

Amount of Royalty Due None

Royalty Remarks

Original Estimate of Reserves (from Final Engr.-Geol. Report): 88,264 short tons, gross value per ton $15.30 based on metal prices for August 1952

Increase of Reserves by work performed subsequent to expiration or termination of contract: None

Revised Estimate of Reserves:

Production this Period (Ore or Concentrates) None

Amount of Previous Production (since date of contract) None

Total DMEA Production to date None

% of Revised Reserves Mined

DMEA
Date Rec'd.
FEB 29 1956
BUREAU OF MINES
Denver, Colorado

Production Remarks:

Note: On Uranium projects check with AEC to assure that our records are in agreement with theirs.

Other Remarks: Inactive since completion of project in July 1952

Signed E. D. Bingon (Engineer)

DMEA
Date Rec'd.

JUL 25 1955

BUREAU OF MINES
Denver, Colorado

Semi-Annual Report of Certified Projects

January 1, 1955 to June 30, 1955

Docket: DMEA 2358, Contract Idm-E271

Commodity: Lead-zinc

Operator: Belle Eldridge Gold Mines, Inc.

Mine: Belle Eldridge

County and State: Lawrence County, S. Dak.

Date of certification: March 11, 1952

Date of examination for this report: May 31, 1955

Total contract amount: $11,600.00

Total expended: $5,544.00

Government participation: $2,772.00 (50%)

Expiration date of royalty payments: March 11, 1962

Production to date: None

Production this period: None

Royalty due for period: None

Royalty paid to date: None

Royalty due on production to date: None

C
O
P
Y

XXXXXXXXXXXXXXXXXXX
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

January 6, 1955

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Semi-Annual Report on Certified Projects

Following is the status of certified projects in former Region V, as of December 31, 1954:

| Docket | Contract | Operator | Production-Royalties 7/1/54 to 12/31/54 | Remarks |
|---|---|---|---|---|
| 1203 | E-14 | Piquette Mining & Milling Co. | None | No activity. Leases returned to Scallon. See detail in memo. |
| 1560 | 42 | Dodgeville-Weigle | None | Leases already reported as surrendered to the owners. See accompanying memo. |
| 1206 | 57 | Calumet & Hecla, Inc. Wisconsin | $1,205.71 | $842.10 of the $1,205.71 was at .015% rate and should have been at .05% rate. Company was so notified that $842.10 and the $552.43 reported 6/2/54 should be recalculted. In addition, a check of $ $142.88 was returned for recalculation. |
| 1561 | 167 | Dodgeville-Powell | None | No activity. See memo. attached |
| 1315 | 178 | J. E. & Lulu Miller | None | No activity. See memo. attached. |
| 2073 | 245 | Cuba Mining Company | None | No activity. Leases retained, however. |

| Docket | Contract | Operator | Production-Royalties 7/1/54 to 12/31/54 | Remarks |
|---|---|---|---|---|
| 2184 | E-342 | Mayer-Thiede Mining Co. | None | No activity. Leases surrendered. |
| 2399 | 399 | Eagle Picher Co. | None | Calvert & Ralph leases retained. All others dropped by Eagle Picher. |
| 1199 | 126 | L. W. Collingwood | None | Inactive. |
| 1554 | 165 | Stewart & Rosaberry | None | Inactive. |
| 1236 | 221 | Campbell & Ventling | $86.12 - Back payment on mica and beryl shipments. Payment up to date | Inactive. |
| 2358 | 271 | Belle Eldridge Gold Mines, Inc. | None | Inactive. |
| 2392 | 352 | Minerals Mills, Inc. Glenwood | $8.98 - in payment of royalty on sale of 1,199 lbs. mica. Payment up to date | Intermittent operation. |
| 2706 | 438 | Collingwood-McDermand | None | Inactive. |
| 2876 | 496 | Duncan-Himebaugh | None. Operator states payment will be made when possible. Royalty due on Lot 488, 1922 lb beryl at .20¢. Total value $399.00. Royalty of $19.95 due. See 6/30/54 report. | Inactive. |

Although Docket 1263x, Contract E-161, has not, as yet, been certified, it is expected it will in the near future and, accordingly, a report on activities is included in the attached memorandum for your general information.

It is presumed that future reports from new Region III will include those certified contracts for South Dakota.

The certified contracts in Minnesota, Michigan, Wisconsin and Iowa should be reported either by Pittsburgh or Knoxville if Pittsburgh so delegates them to do so, because there are now no fiscal records in this Executive Officer's files at Minneapolis.

A. B. NEEDHAM

Copies to: Dutton, Stehlik, Binyon, W. H. King, Cuppels, Broughton, Redden, Knoxville through H. P. Greenwald

C
O
P
Y

Box 261
Platteville, Wisconsin

January 4, 1955

Memorandum

To: A. B. Needham, Chief, Mining Division, Region V

From: Charles J. Stehlik, Mining Engineer, and W. A. Broughton, Geologist, U. S. G. S.

Subject: Semi-Annual Report, DMEA Certified Projects July 1, to December 31, 1954

The following list of activities on individual DMEA certified projects in the Upper Mississipp Zinc-Lead District is submitted for the period July 1 to December 31, 1954.

Contract E-14, Docket 1203, (Lead-Zinc), Piquette Mining and Milling Company (Assigned from E. P. Scallon)

Certified December 13, 1954.

No mining or prospecting activity has been conducted on leases in this contract since the Termination Agreement was signed on June 22, 1954. According to Mr. H. K. Geyer, attorney for Mr. Scallon, the leases were returned to Mr. Scallon following the Termination Agreement, and the Mary Benin, Jennie M. Jents, and Willard Shinn leases were surrendered to the land owners by Scallon. The Frank Brunton and H. L. Burnham leases were assigned to Mr. Murray of Benton, Wisconsin but they were defaulted by him since that time and were, therefore surrendered to the land owners. Mr. Burnham reported that he will lease his property to Mr. Joseph Grimes of Platteville in the near future. Similarly, Mr. Brunton will also leases to Mr. Grimes in the near future for prospecting purposes.

Contract E-42, Docket 1560x, (Lead-Zinc), Dodgeville Mining Company (Weigel Lease)

Certified October 9, 1952.

No mining or prospecting operations have been conducted on this property since completion of the contract.

A visit with Mr. William Singer on December 22, 1954, disclosed that by the terms of his lease no rental has to be paid unless the price of lead is $.14 or higher per pound and that he has not paid any rental for many months. The lessee has, therefore, defaulted, although notification

by the land owner of default, also required in the lease, has not been received by Mr. Singer. Mr. Weigel was visited and states that no other party has obtained a lease on the property.

Contract E-57, Docket 1206x, (Lead-Zinc), Calumet and Hecla, Inc. (Assigned to Eagle-Picher Company)

Certification dated October 2, 1953.

On December 17, 1954, the progress maps of the Eagle-Picher Company were inspected and an underground inspection of the South Gensler mine was made. Mining has not been extensive. Half of the worked-out area was mined with 7-foot headings and the other half with 7-foot floor takeup of the original headin

A supplement to this report will be submitted when tonnage, grade, and receipts are received from the Eagle-Picher Company on the South Gensler mine for August 31 to December 31, 1954.

No mining has occurred on any of the other properties subject to this contract.

Contract E-167, Docket 1561x, (Lead-Zinc), Dodgeville Mining Company (Powell Lease)

Certified April 30, 1953.

No mining or prospecting operations have been conducted on this property since completion of the contract.

A visit with Mr. William Singer on December 22, 1954, disclosed that by the terms of his lease no rental has to be paid unless the price of lead is $.14 or higher per pound and that he has not paid any rental for many months. The lessee has, therefore, defaulted, although notification by the land owner of default, also required in the lease, has not been received by Mr. Singer.

Contract E-178, Docket 1315x, (Lead-Zinc), J. E. Miller (Durango Mining Company)

Certification dated April 24, 1953.

No mining or prospecting activity has been done on these properties in this reporting period.

Upon receipt of information from Mr. J. E. Millar, data on lease status and plans for disposal of wash dirt on the two shafts will be submitted in a supplement to this report.

Contract E-245, Docket 2073, (Lead-Zinc), D. H. & S. Mining Company (Assigned to Cuba Mining Company)

Certification dated November 19, 1953.

No mining or prospecting has been done on the contract property during this reporting period.

All leases have been retained by the Cuba Mining Company.

Contract E-339, Docket 2399, (Lead-Zinc), Eagle-Picher Company
Certification dated September 3, 1954.

No mining or prospecting has been done on the contract property during this reporting period.

The Francis M. Calvert and Clarence P. Ralph leases have been retained by the Operation; all other leases have been dropped.

Contract E-342, Docket 2184, (Lead-Zinc), Mayer and Thiede Mining Company
Certification made April 6, 1954.

No mining or prospecting has been done on the contract property during this reporting period.

Both leases have been returned to the land owners.

Although the following contract has not been certified at this time, it is expected to be done in the near future. Therefore, it is being included in this report.

Contract E-161, Docket 1263x, (Lead-Zinc), Vimgar Hill Zinc Company

An underground inspection of the Blackstone and Hancock mines on December 20 disclosed the following: No mining has been done on the west end of the Blackstone in this reporting period, the headings having progressed to 740 feet east of the west boundary of Sec. 28, T1 N, R2E prior to July 1, 1954; pillar robbing and retreating is continuing in the east end of the Blackstone where the headings stopped at the property line; development and mining are continuing on the Hancock property approximately and approximately 350 feet west of the east boundary of Sec. 28, T1N, R2E.

The Mulcahy mine was visited on December 2, 1954 and it was found that pillar robbing and retreating is going on throughout the mine as it is planned to shut it down although it has not been done at this date. Mining did not enter the DMEA contract area.

There is no mining activity on any of the other DMEA properties.

Submitted by (sgn/ Charles J. Stehlik
Charles J. Stehlik

(sgn) W. A. Broughton
W. A. Broughton

CC File
Day file

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

COPY

Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

July 2, 1954

Memorandum

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

From: Executive Office, Field Team, Region V

Subject: Semi-Annual Report of Certified Projects

Following is the status of certified projects in Region V as of June 30, 1954:

| Docket | Contract | Operator | Production-Royalties 1/1 to 6/30/54 | Remarks |
|---|---|---|---|---|
| 1560 | -42 | Hodgeville-Weigle | None | Leases have been surrendered to owner |
| 1227 | -50 | Vinegar Hill-Hancock | | Amount of loan paid in full |
| 1206 | -57 | Calumet & Hecla, Inc., Wisconsin | 13,210 tons mined this period which produced 772 tons Zn: and 76 tons Pb: valued $36,827.17. Royalty payments - $552.43 | Production started January 1954 |
| 1561 | -107 | Hodgeville-Powell | None | Lease still O.K., but will be permitted to expire |

| Docket | Contract | Operator | Production-Royalties 1/1 to 6/30/54 | Remarks |
|---|---|---|---|---|
| 1315 | E-178 | J. E. & Lula Miller | No production this period. Royalty of $39.79 paid on 6.4 tons PbS valued at $795.88 from 460 tons ore shipped | There is still rock at property which has not been shipped |
| 2073 | -245 | Cuba Mining Co. | No production this period. 1st payment previously reported. | Leases O.K. |
| 2358 | -271 | Belle Eldridge Mines | None | Same ownership. |
| 2184 | -342 | Mayer-Thiede Mining Co. | None | Leases were surrendered to owner |

Copies of field reports are attached.

/s/ A. D. [illegible]

Attachments

COPY

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

June 30, 1954

Memorandum

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

From: E. O. Binyon, Rapid City Field Office

Subject: Certified Projects - DMEA

The present status of the certified projects in the Black Hills is as follows:

Docket 2358, Contract Idm-E-271, Belle Eldridge Gold Mines Inc. (lead-zinc), Lawernce County, S. Dak.
Same ownership
No activity
No shipments
No repayments on loan

From the files here this is the record on all of the certified projects. It may be that additional royalties have been paid on the Number Nine, the Glenwood, and also on the White Top (Dakota), but we have no record on them.

E. O. Binyon

cc: Reg. Office
Files

Form MF-24 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Oct. 20- Dec. 4, 1952 Docket No. DMEA 2358 Contract No. Idm E-271
Operator's Name Belle Eldridge Gold Mines Inc Minerals Zinc & Lead
Address Canton, S. Dak.
Contract Amount, $ 11,600.00 Government Participation: 50 % Amount, $ 5,800.00

| ITEMS OF COSTS | FOR OPERATOR'S USE: Monthly Total | Totals Previously Reported | Totals To Date | FOR GOVERNMENT USE ONLY: Approved Monthly Total | Approved Totals Previously Reported | Approved Totals To Date |
|---|---|---|---|---|---|---|
| (1) ~~Independent~~ Short Form Contracts: | | | | | | |
| Drilling | $1,701.00 | $2,386.30 | $4,087.30 | $1,944.00 | 3,600.00 | 5,544.00 |
| Bulldozing | | | | | | |
| Crosscutting | | | | | | |
| Drifting | | | | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | 93.00 | 300.00 | 393.00 | | | |
| Supervision | 150.00 | 300.00 | 450.00 | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Track | | | | | | |
| Power & Light | | 355.61 | 355.61 | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | | 360.00 | 360.00 | | | |
| (5) Initial Rehabilitation and Repairs | | | | | | |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | $1944.00 | $3,701.91 | $5,645.91 | $1,944.00 | 3,600.00 | 5,544.00 |

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

Date Dec. 12, 1952 *Payee Belle Eldridge Gold Mines Inc

Per A. J. Johnson Title Agent

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

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

(Instructions on reverse)

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

$ 972 00 46

Signature L. N. Hill
(Authorized Certifying Officer)

Date JAN 16 1953 Vou. No. 23

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm E-271 in accordance with the terms of the contract.

Signature Geo. O. Bunyon Title Mining Engineer Date January 6, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature O. B. Weadhams Title Ex Off Date Jan 15 1953

# MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

## OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Oct.20-Dec4, 1952 Docket No. DMEA 2358 Contract No. Idm E-271
Operator's Name Belle Eldridge Gold Mines Inc Minerals Zinc & Lead
Address Canton, S. Dak.

| OPERATION | UNIT | COSTS THIS MONTH | UNITS THIS MONTH | COSTS TO DATE | UNITS TO DATE | UNIT COSTS TO DATE | AUTHORIZED BY CONTRACT Units | AUTHORIZED BY CONTRACT Unit Costs |
|---|---|---|---|---|---|---|---|---|
| Drifting | | | | | | | | |
| Crosscutting | | | | | | | | |
| Raising | | | | | | | | |
| Shafts | | | | | | | | |
| Winzes (PHASE I | Hole | --- | --- | $ 3600.00 | 3 | $1,200.00 | 3 | $3,600.00 |
| Drilling: Core (PHASE II | Foot | $1944.00 | 486 | $1944.00 | 486 | $4.00 | 2000 | 8,000.00 |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | $1944.00 | 486 | $5,544.00 | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | | | | | |
| Initial Rehabilitation and Repairs | | | | | | | | |
| New Buildings, Improvements, etc. | | | | | | | | |
| TOTAL COSTS | | $1944.00 | 486 | $5,544.00 | | | | $11,600.00 |

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

Date Dec. 12, 1952 Operator Belle Eldridge Gold Mines Inc

Per [signature] Title Agent

REMARKS: Phase II; Surface drilling of holes or 2000 feet on a per foot basis.

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

(Instructions on reverse)

(For Government use only)

## INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

Narrative- DMEA Project No. 2358- Belle Eldridge Gold Mines
Deadwood and Canton, S. Dak.

Drilling was started on the second phase of this project on October 20th. The second phase was to consist of outside diamond drilling limited to government participation up to 2000 feet at $4.00 per foot. The first hole under this project was completed Dec. 4th at the depth of 486 feet. No definite mineralization was indicated in this hole which was slightly mineralized from 450 feet. The hole was started at an elevation of 5075 and was located 215' N 60deg E. of hole No. G 1st phase and approximately north of hole D 172'.

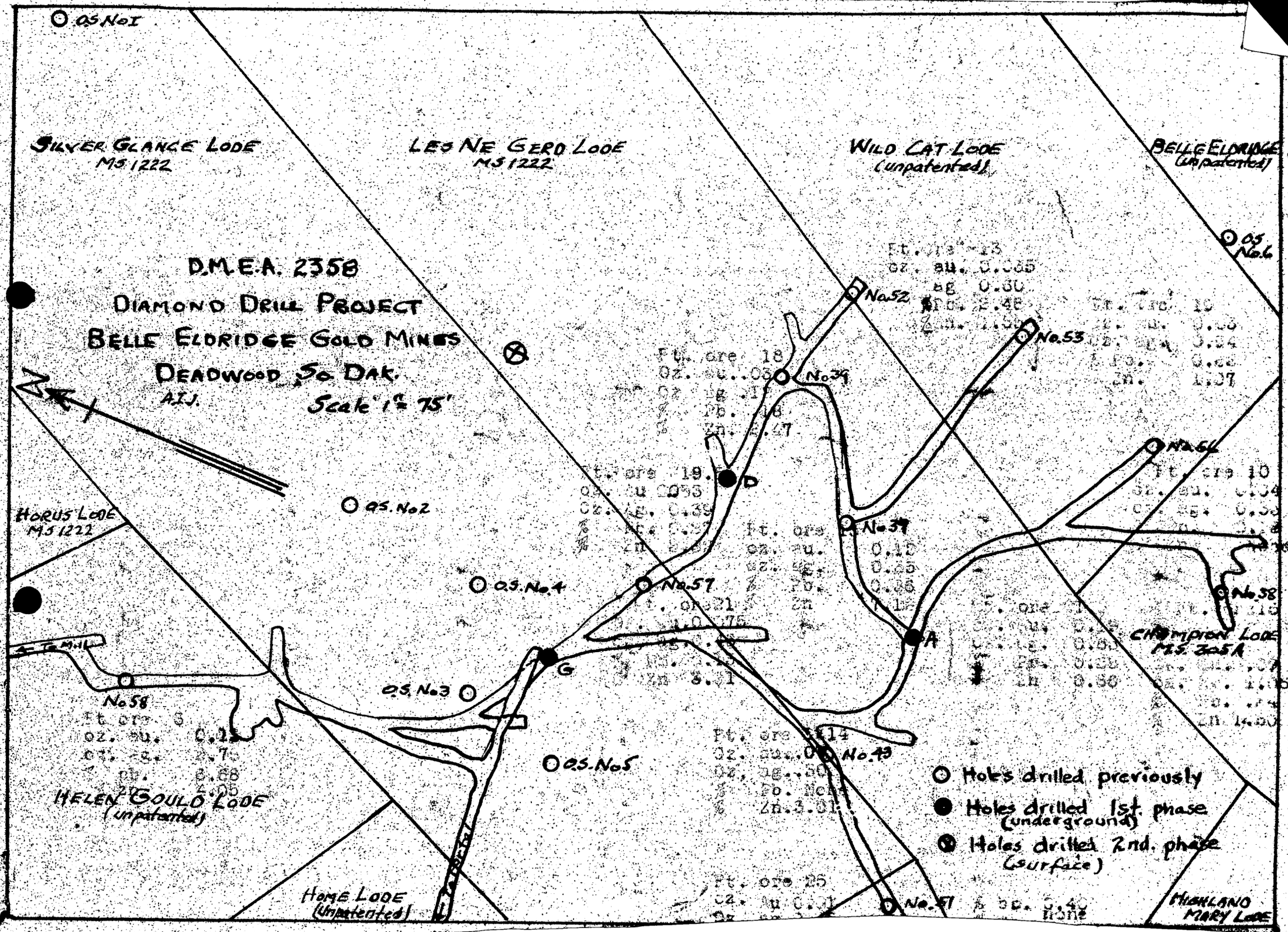
Log of hole No. 1 2nd phase

| | |
|---|---|
| 0- 70' ..... | Sand stone |
| 70-87' | Porphyry |
| 87-121' | shale |
| 121-200' | Dolomite |
| 200-403' | Porphyry |
| 403-476' | Shale-quartizitic |
| 476-486' | Schist |

No definite mineraliza tion was indicated in the area drilled. A slight mineralization was apparent at 450'.

On the basis of the information obtained from this hole the location of the balance of the holes to be drilled under this contract will be changed. Due to weather conditions it will be impossible to complete the contract until after April 1st and work is being held in abeyance until that date.

A. I. Johnson


D.M.E.A. 2358
DIAMOND DRILL PROJECT
BELLE ELDRIDGE GOLD MINES
DEADWOOD, So. DAK.
A.I.J.
Scale 1" = 75'
N
SILVER GLANCE LODE
MS 1222
LES NE GERO LODE
MS 1222
WILD CAT LODE
(unpatented)
BELLE ELDRIDGE
(unpatented)
HORUS LODE
MS 1222
HELEN GOULD LODE
(unpatented)
HOME LODE
(unpatented)
CHAMPION LODE
MS 305A
HIGHLAND MARY LODE
STAMP MILL
TRAMWAY
O.S. No. 1
O.S. No. 2
O.S. No. 3
O.S. No. 4
O.S. No. 5
O.S. No. 6
No. 52
No. 53
No. 39
No. 64
No. 37
No. 57
No. 38
No. 58
No. 43
No. 51
A
D
G
Holes drilled previously
Holes drilled 1st. phase (underground)
Holes drilled 2nd. phase (surface)

[redacted] 1 (Rev.)
[redacted] 1952)

UNITED STATES
[redacted]EPARTMENT OF THE INTERIO[redacted]
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Xac 6

Month of ____ 195__ Docket No. DMEA ~~2356~~ 2358 Contract No. Idm-271

Operator's Name Belle Eldridge ~~Mallory Eldridge Gold Mines Inc~~ Minerals ~~Lead & Zinc~~

Address ~~Canton, South Dakota~~

Contract Amount, $ ~~11,600.00~~ Government Participation: ~~50~~ % Amount, $ ~~5,800.00~~

| ITEMS OF COSTS | FOR OPERATOR'S USE: Monthly Total | Totals Previously Reported | Totals To Date | FOR GOVERNMENT USE ONLY: Approved Monthly Total | Approved Totals Previously Reported | Approved Totals To Date |
|---|---|---|---|---|---|---|
| (1) ~~Independent~~ Short Form Contracts: | | | | | | |
| Drilling | 2386.30 | — | 2386.30 | 3,600.00 | — | 3,600.00 |
| Bulldozing | | | | | | |
| Crosscutting | | | | | | |
| Drifting | | | | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | 300.00 | — | 300.00 | — | — | — |
| Supervision | | | | | | |
| Technical Services | 500.00 | — | 300.00 | — | — | — |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Track | | | | | | |
| Power & Lights | 355.61 | — | 355.61 | — | — | — |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | 360.00 | — | 360.00 | — | — | — |
| (5) Initial Rehabilitation and Repairs | | | | | | |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | 3701.91 | none | 3701.91 | 3,600.00 | — | 3,600.00 |

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

Date July 15, 1952 Payee Belle Eldridge Gold Mines Inc

Per A. J. Johnson Title Mining Engineer

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

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

**(Instructions on reverse)**

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

$ 1800.00

Signature L. W. Hill
(Authorized Certifying Officer)

Date AUG 18 1952 Vou. No. ____
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm 4271 in accordance with the terms of the contract.

Signature D. J. Mullen Title Supervising Engineer Date August 4, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature O. B. Weldhen Title Exec Officer Date 8/14/52

# MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form [illegible]
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

6

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June-July 1952 Docket No. DMEA 2356X Contract No. Idm E-271
Operator's Name Belle Eldridge Gold Mines, Inc. Minerals Lead & Zinc
Address Canton, South Dakota

| OPERATION | Unit | Costs This Month | Units This Month | Costs to Date | Units to Date | Unit Costs to Date | Authorized by Contract | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | Units | Unit Costs |
| Drifting | | | | | | | | |
| Crosscutting | | | | | | | | |
| Raising | | | | | | | | |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Core | Hole | 3,600.00 | 3 | 3,600.00 | 3 | 1,200.00 | Stage I 3 | 1,200.00 |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| Total Distributed Costs | | 3,600.00 | | 3,600.00 | | | | Total Costs Authorized by Contract |
| Operating Equipment Purchased | | — | | — | | | | — |
| Initial Rehabilitation and Repairs | | — | | — | | | | — |
| New Buildings, Improvements, etc. | | — | | — | | | | — |
| Total Costs | | 3,600.00 | | 3,600.00 | | | | 3,600.00 |

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

Remarks:

Date July 15, 1952 Operator Belle Eldridge Gold Mines Inc.

Per [signature] Title Mining Engineer

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

**(Instructions on reverse)**

**(For Government use only)**

## INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

Narrative.

Belle Aldridge Gold Mines Inc- DMSA 2358
Diamond Drilling Program.

Actual drilling operations started June 10th on Hole D designated Hole 2 under the drilling program. Hole was completed to a depth of 322 '. Schist was contacted at a depth of 314.9. The first 25 feet was in a dolomitic shale at 25 feet contacted porphyry. Porphyry extended to depth of 250.8'. The dolomitic shale and quartzite was mineralized in the zone 270 to 280.5'. Four core samples were cut as follows:

| | |
|---|---|
| 1- | 270-275 |
| 2- | 275-280.3 |
| 3- | 280.3 -285 |
| 4- | 285-288.5 |

Ore began at 273.5 with a total of 15' possible ore cut by this drill hole. Samples are now being analyzed and section and map will be completed on receipt of final analyses for lead, zinc, gold and silver.

This hole was completed on June 24th.

Hole G. designated Hole No. 1 was started June 26th and two drilling shifts were undertaken. Schist was contacted at 306.5' and the hole bottomed at 308'. The first four feet were in dolomitic shale and porphyry extended from 4 to 245 feet. The lower shale extended from 245' to 306.5'. Very little mineralization was evident in this hole and hence no samples were taken for analysis. Hole was completed July 2nd with the two shift drilling operation.

Hole A- designated Hole No. 3 was started July 5th and contacted schist at 225.4' and was completed July 12th. with two operating shifts. Drilling was in porphyry from 0-220'. The ore zone extended from 251 to 272 with poor core recoveries in the area 251-255 and 268-272. The ore zone extended from 251-272 in dolomitic shcists. Five core samples were split as follows:

| | | |
|---|---|---|
| 1- | 251-255 | Recovery 1.3 feet |
| 2- | 255-260 | 90% core recovery |
| 3- | 260-265 | 65% " " |
| 4- | 265-268 | 95% " " |
| 5- | 268-272 | 30% " " |

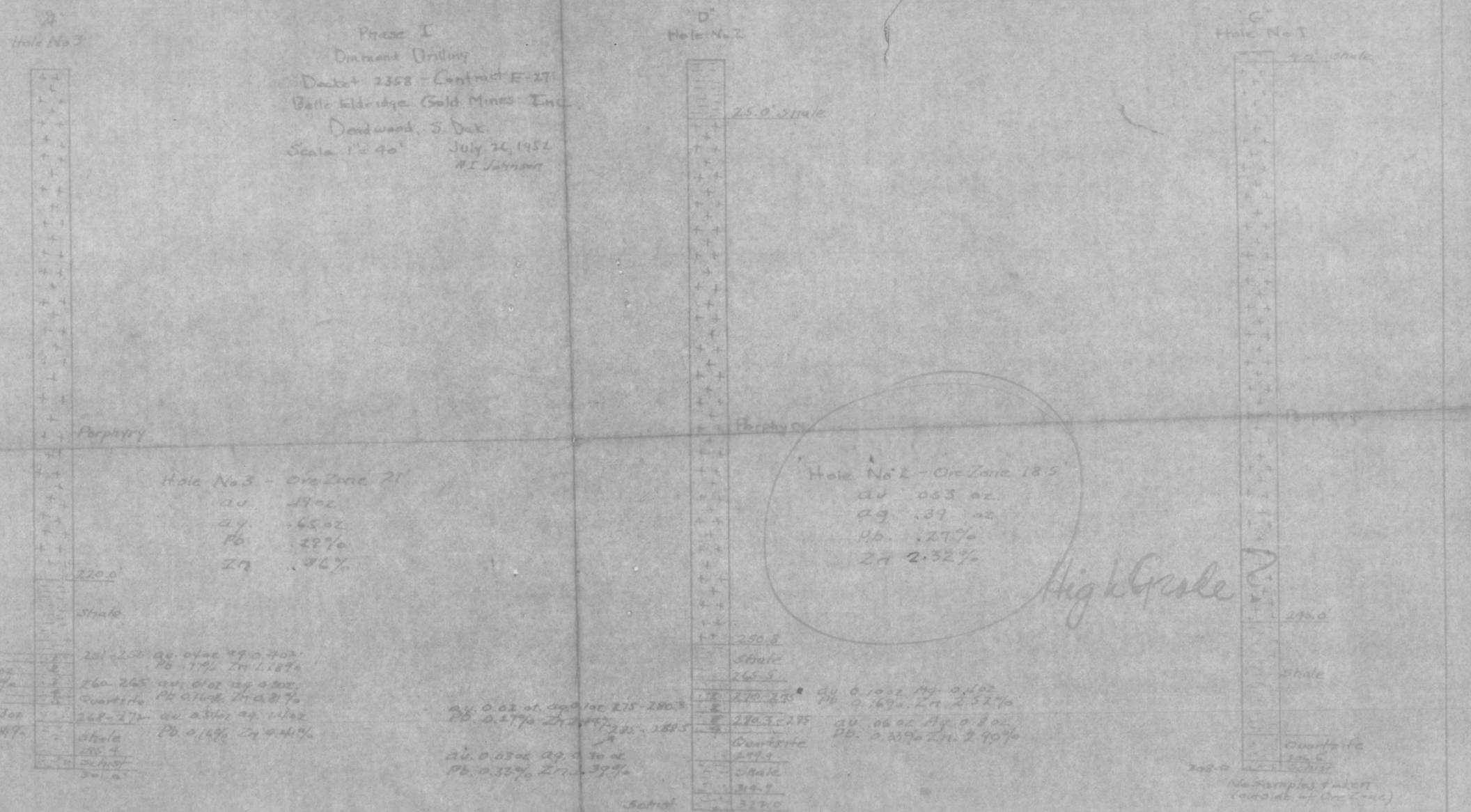
Sample samples are available for the splits represented by the cores.

Sections will be completed on receipt of the final analyses of the several samples taken.

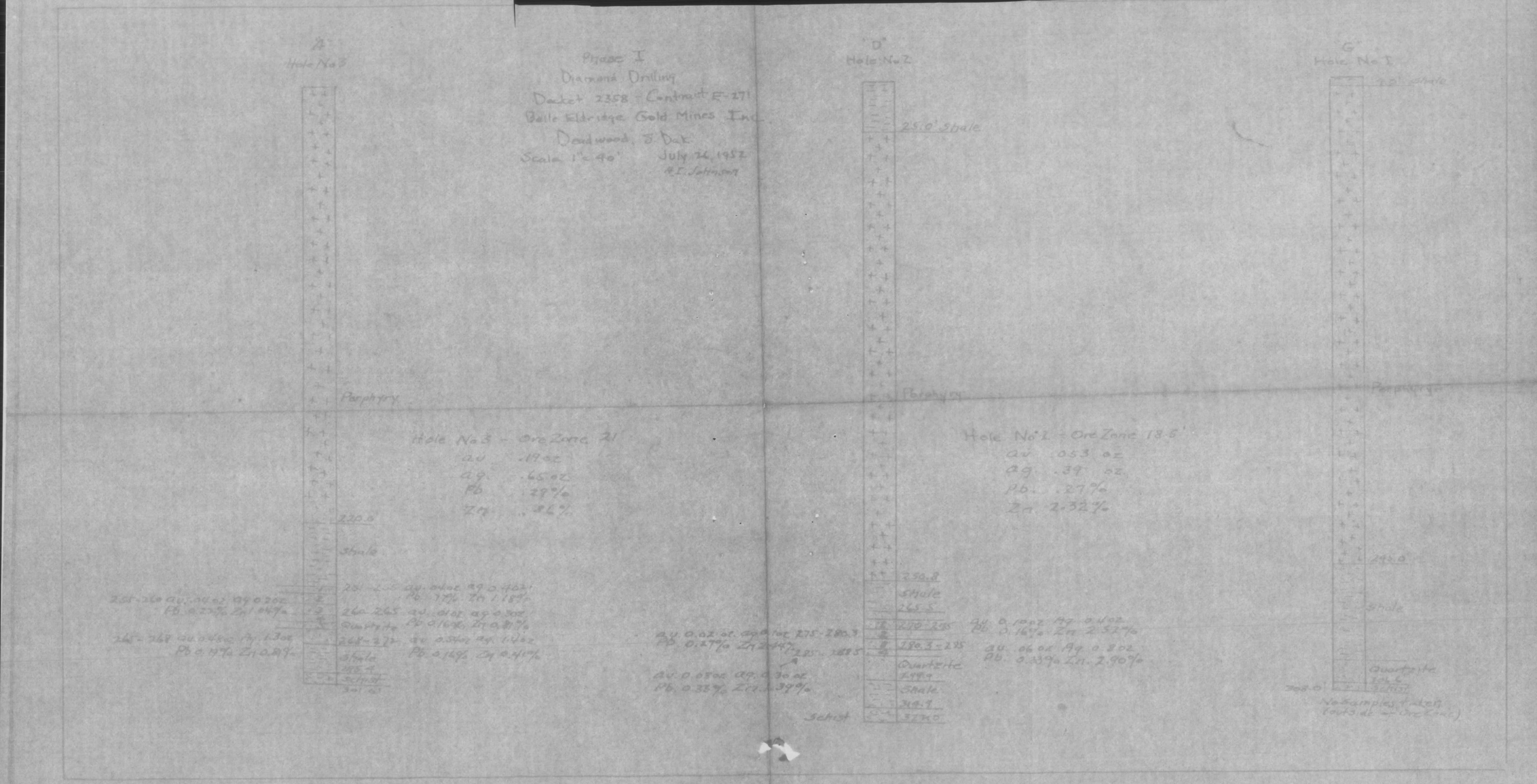
A. I. Johnson

Mining Engineer

Phase I
Diamond Drilling
Docket 2358 - Contract E-271
Belle Eldridge Gold Mines Inc.
Deadwood, S. Dak.
Scale 1" = 40'  July 26, 1952
W.I. Johnson



Phase I
Diamond Drilling
Docket 2358 - Contract E-271
Belle Eldridge Gold Mines Inc.
Deadwood, S. Dak.
Scale 1" = 40'  July 26, 1952
R.I. Johnson



WOODS, FULLER, SHULTZ & SMITH
ATTORNEYS AND COUNSELORS AT LAW
300 SECOND FIRST AVENUE
SIOUX FALLS, SOUTH DAKOTA

OFFICIAL FILE COPY
RECEIVED JUL 31 1962

July 26, 1962

W. R. Griswold, Chief
Division of Minerals
Department of the Interior
Washington 25, D. C.

Re: DMSA-2358 - Belle Eldridge Gold Mine

Dear Sir:

Your letter of July 20, 1962, has been referred to us because we were the attorneys for the receiver who liquidated this corporation last year. Neither the receiver nor this office has any information about the contract or conduct of the affairs of the company. Final dividend in the liquidation was paid in December last year. The remaining property was sold to Black Era Mining Company. If you must have this information it is possible you could obtain some of it from Russell W. Barnett, 9635 West Colfax Avenue, Denver 15, Colorado, who seems to be attorney for the company and/or Earl Amundson of Spearfish, South Dakota. The corporation mentioned seems to be a Delaware corporation and to have its address at Spearfish, South Dakota.

Yours very truly,

M. T. Woods

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
RECEIVED JUN
DATE

800

June 18, 1962

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: Expiration of DMEA Contracts Paying Royalty

This responds to your memorandum of June 14, 1962 regarding the royalty expiration date on DMEA Docket 2358 Idm-E271 Belle Eldridge Gold Mines, Inc.

We also have another, Docket DMEA 2392 Idm-E352 Mineral Mills, Inc. which is in the same general area. I had hoped to have the engineer inspect this property in connection with OME 6121, Perley and Laramie dba L & R Mining Company. It now appears that the Applicants on OME 6121 are no longer interested in exploration of their property and we have no other applications in the area at the present time. Attached is the last advice we have had regarding the operation of Idm-E352 Mineral Mills, Inc. Our form letter to them dated February 8, 1960 was never answered.

I question the economic advisability of spending the money for a trip to make the final inspection on either or both of these properties. It appears to me that your suggestion of mailing an OME Form 63 to Belle Eldridge Gold Mines, Inc. in lieu of an inspection would be adequate. I was thinking it would suffice in the case of Mineral Mills, Inc., Idm-E352.

If you agree will you please mail the forms.

Original signed by

Hugh M. Connors

Attachments

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-5271, Docket No. MMEA 2358, dated March 11, 1952 and Amended November 12, 1952 with

Belle Eldridge Gold Mines, Inc.
Canton, South Dakota

for the purpose of determining the amount of royalties due the U. S. Government on the sales of Zinc-Lead, from property referred to as Belle Eldridge Mine, located in Lawrence County, South Dakota, during the period March 11, 1952 to June 10, 1959.

A Certification of Discovery or Development was issued on November 16, 1953, and accordingly royalty is payable on the net smelter returns or other net proceeds from production from the land described in Article 2 of the contract for a maximum period of 10 years from the date of the contract. A Report of Review in lieu of a Final Cost Audit, dated January 7, 1954, indicated accepted costs under the exploration contract amounting to $5,544.00, with the Government's contribution on a 50 percent basis being $2,772.00. 3/11/62

No royalty has been paid to the Government to date in connection with this contract.

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

(a) According to the Field Team's Semi-Annual Report of certified project for the period January 1, 1955 to June 30, 1955, operation ceased about December, 1952; no ore has been shipped since March 11, 1952, (The date of the exploration contract). Subsequent semi-annual reports of Field Team during the period July 1, 1955 to December 31, 1958, indicate the property inactive, and no operations or ore shipments are anticipated in 1959.

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

June 18, 1959

JUN 22 1959
O.M.E.

Donald T. Finch
Donald T. Finch
OME Auditor

JUN 22 1959

Memorandum

To: Mr. Donald T. Finch, OME Auditor

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

Subject: Docket No. DMEA-2358 (Zinc-Lead)
Belle Eldridge Gold Mines, Inc.
Contract No. Idm-E271

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

EDTalbert/ama
June 22, 1959

Copies to: Docket
Director's Reading File
Code 800

JUN 16 1959

Memorandum

To: Mr. Donald T. Finch, OME Auditor

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

Subject: Docket No. DMEA-2358 (Zinc-Lead)
Belle Eldridge Gold Mines, Inc.
Contract No. Idm-E271

The Washington copies of your Report of Royalty Review on the subject contract are returned herewith for correction in the fourth paragraph. Apparently there is a typographical omission of the third line in reason (a).

Enclosures

EDTalbert/ama
June 15, 1959

Copy to: Docket
Director's Reading File
Code 800

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Belle Eldridge Gold Mines, Inc.
Canton, South Dakota

pertaining to Exploration Project Contract No. Idm-E271, Docket No. DMEA-2358, including Amendment No. 1 thereto and an Amended Contract dated November 12, 1952, and Amendment No. 1 thereto, for the period of June 10, 1952 to December 4, 1952, inclusive, covering a project for the exploration of zinc and lead on property located near Deadwood, Lawrence County, South Dakota.

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, verification of the work performed by reference to the final report of the Government representatives who visited and examined the project, and a determination of the reasonableness and propriety of the costs.

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

(a) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible disallowances thereunder;
(b) the Monthly Report covering a portion of the work on an actual cost basis was supported by documentary proof of the costs incurred; and
(c) a considerable portion of the costs ($660.00 in Phase I and $1,944.00 in Phase II) was under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

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

| | | |
|---|---|---|
| Total cost as billed by Contractor | | $5,645.91 |
| Exceptions: | | |
| By DMEA Finance Officer | $101.91 | |
| Herewith | -0- | 101.91 |
| Total Accepted Cost | | $5,544.00 |

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Two thousand seven hundred seventy-two and no/100 Dollars

**$2,772.00**

is considered valid and proper.

E. D. Talbert

January 7, 1954

E. D. Talbert, Auditor

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 20 1954

January 18, 1954

Memorandum

To: J. L. Chambers, Chief, Contract Administration and Audit Division, Defense Minerals Exploration Administration, Wash., D.C.

From: Executive Officer, Field Team, Region V

Subject: Docket 2358, Contract E-271, Belle Eldridge Gold Mines, Inc.

This will acknowledge receipt of certain documents pertinent to your recent audit of the subject contract, received in your transmittal of January 11, 1954.

You did fail, however, to include the MF-104 original voucher which was from the files of the Regional Fiscal Section. Since they are very concerned about having this document returned, it would be greatly appreciated if you would attend to this and return the document immediately.

A. B. Needham
A. B. NEEDHAM

Fwd. by airmail same day.

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

DEPARTMENT
Defense Minerals
JAN 20 1954

January 18, 1954

Memorandum

To: J. L. Chambers, Chief, Contract Administration and Audit Division, Defense Minerals Exploration Administration, Wash., D.C.

From: Executive Officer, Field Team, Region V

Subject: Docket 2358, Contract E-271, Belle Eldridge Gold Mines, Inc.

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A. B. NEEDHAM

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

JAN 11 1954

REGISTERED

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

Re: Idm-E271, DMEA-2358
Belle Eldridge Gold Mines, Inc.
Lawrence County, South Dakota

Dear Mr. Needham:

Enclosed herewith are the regional copies of a Report of Review covering the referenced Exploration Project Contract. These copies should be distributed in accordance with Section 3 of Supplement No. 4 to DMEA Circular 19.

Since the Field Team's Final Report dated October 13, 1953 verified the performance of the work, and the supporting documents for the actual cost portion of the contract were forwarded by your registered letter of December 15, 1953, issuance of this Report of Review has been possible without the necessity of a visit to your office.

The documents forwarded with your letter of December 15, 1953 are returned herewith. Since your letter was addressed to the Operating Committee rather than this Division, as was requested by my letter of November 6, 1953, and only came to our attention today, it was impossible for me to comply with my promise of a prompt return of the documents.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb
January 8, 1954

Copy to: Docket
Admr. Reading File
Mr. Chambers

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

Defense Minerals Administration
RECEIVED
DEC 18 1953

Lawrence S Dah
Zinc Lead

December 15, 1953

Registered Mail

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA 2358, Contract Idm-271, Belle Eldridge Gold Mines, Inc.

Reference is made to your letter of November 6, 1953, requesting this office to forward to you the Finance Office copy of the June 10 - July 12 MF-104 on the subject project, together with the supporting documents. Therefore, there are attached the June 10 - July 12 form MF-104 with the narrative and work progress report, together with the following supporting data:

The July bill from the Black Hills Power and Light Company;

Three copies of the invoice from Fillmore Drilling Company;

A statement from W. C. Bessler on the labor;

Statement from A. I. Johnson on technical supervision; and

A statement from the company on compressor depreciation.

These are being sent you by registered mail, and you indicated that you would return them promptly the same way.

A. B. Needham
A. B. NEEDHAM

Attachments

MF-104 not rec'd & Needham so advised by Opr. Comm. ltr 12/24/53

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

November 30, 1953

Mr. Alfred Haug, President
Belle Eldridge Gold Mines, Inc.
P. O. Box 9083
Canton, South Dakota

Dear Mr. Haug:

Reference is made to your DMEA Contract Idm-E-271 for zinc exploration at your mine in Deadwood.

On November 13, 1953, we wrote you requesting that you forward to this office the supporting documents for payment claims on your June 10 - July 12 monthly report, which should include invoices or certified copies on power and light, payroll for labor and technical services. To date, we have not heard from you, nor have we received these documents.

Please be advised that, in accordance with Article 11 of your contract, you are required to keep suitable records and accounts which are open for Government inspection and audit at anytime. These records should be kept for at least three years after completion of the project or termination of this contract. We presume that you have by now received the notice of termination of said contract, which was mailed out of Washington November 25.

If we do not hear from you, and if you do not enclose the documents requested for audit, it will be necessary for the Washington Office to send an auditor out to your mine to make an on-site examination. It would be appreciated if you would send the documents in order that this trip would not be necessary.

Very truly yours,

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

C
O
P
Y

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

November 20, 1953

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

Dear Mr. Needham:

Enclosed herewith are the original and two copies of a Report of Review in lieu of a final audit covering the recently terminated Exploration Project Contract No. Idm-E342, Docket No. DMEA-2184, with the Mayer & Thiede Mining Company.

This Report of Review could be prepared without visiting your office since the contract was on an agreed unit cost basis and the monthly Forms MF-104 were supported by work progress reports, signed by Field Team representatives, verifying the units of work performed. Distribution of the Report should be effected in accordance with Section 3 of Supplement No. 4 to DMEA Circular 19, dated October 9, 1952.

A Report of Review covering Exploration Project Contract No. Idm-E271, Docket No. DMEA-2358, with the Belle Eldridge Gold Mines, Inc., will be issued promptly after receipt of the documented June 10-July 12 MF-104, as requested by our letter of November 6, 1953.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb
November 20, 1953

cc: Docket
Admr. Reading File
Mr. Chambers

800

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

NOV 6 1953

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

Re: Idm-1271, DMEA-2358
Belle Eldridge Gold Mines, Inc.
Lawrence County, South Dakota

Dear Mr. Needham:

Recently we have been checking our files pertaining to the referenced Exploration Project Contract for the purpose of determining the feasibility of issuing a Report of Review in lieu of making a final audit.

Stage II of this project was on an agreed unit cost basis under the terms of the Amended Contract. Stage I, however, was on an actual cost basis (except for depreciation and supervision, which were on a unit cost basis). Therefore, it will be necessary for this Division to review the documentary proof of costs attached to the original voucher covering Stage I of this project.

Accordingly, it will be appreciated if you will arrange with your Finance Office to forward the June 10-July 12 PP-104, together with all supporting documents, (including a copy of the subcontract if such was involved) to this Division by registered mail. After reviewing the file, I will promptly return it, also by registered mail.

You may consider this an unusual request, but I am sure that you can appreciate that the expense of an auditor's trip to your office cannot be justified by the amount of the payments involved.

Sincerely yours,

(Signed) E. D. Talbert

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

EDTalbert/wb
November 6, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

Form MF-704 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 2 1953

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Oct. 20- Dec. 4, 1952 Docket No. DMEA 2358 Contract No. Idm E-271

Operator's Name Belle Eldridge Gold Mines Inc Minerals Zinc & Lead

Address Canton, S. Dak.

Contract Amount, $ 11,600.00 Government Participation: 50 % Amount, $ 5,800.00

| ITEMS OF COSTS | FOR OPERATOR'S USE: Monthly Total | Totals Previously Reported | Totals To Date | FOR GOVERNMENT USE ONLY: Approved Monthly Total | Approved Totals Previously Reported | Approved Totals To Date |
|---|---|---|---|---|---|---|
| (1) [redacted] Short Form Contracts: | | | | | | |
| Drilling | $1,701.00 | $2,386.30 | $4,087.30 | $1,944.00 | 3,600.00 | 5,544.00 |
| Bulldozing | | | | | | |
| Crosscutting | | | | | | |
| Drifting | | | | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | 93.00 | 300.00 | 393.00 | | | |
| Supervision | 150.00 | 300.00 | 450.00 | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Track | | | | | | |
| Power & Light | | 355.61 | 355.61 | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | | 360.00 | 360.00 | | | |
| (5) Initial Rehabilitation and Repairs | | | | | | |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | $1944.00 | $3,701.91 | $5,645.91 | 1,944.00 | 3,600.00 | 5,544.00 |

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

Date Dec. 12, 1952 Payee Belle Eldridge Gold Mines Inc

Per A. J. Johnson Title Agent

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

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

(Instructions on reverse)

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

$ 972.00 NO

Signature L. A. Hill
(Authorized Certifying Officer)

Date JAN 16 1953 Vou. No. 23

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idn E-271 in accordance with the terms of the contract.

Signature E O Benyon Title Mining Engineer Date January 6, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature O B McWhan Title Ex Off Date Jan 15 1953

# MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 22 1953

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Oct.20-Dec4, 1952 Docket No. DMEA 2358 Contract No. Idm E-271
Operator's Name Belle Eldridge Gold Mines Inc Minerals Zinc & Lead
Address Canton, S. Dak.

| OPERATION | UNIT | COSTS THIS MONTH | UNITS THIS MONTH | COSTS TO DATE | UNITS TO DATE | UNIT COSTS TO DATE | AUTHORIZED BY CONTRACT Units | AUTHORIZED BY CONTRACT Unit Costs |
|---|---|---|---|---|---|---|---|---|
| Drifting | | | | | | | | |
| Crosscutting | | | | | | | | |
| Raising | | | | | | | | |
| Shafts | | | | | | | | |
| Winzes (PHASE I | Hole | --- | --- | $3600.00 | 3 | $1,200.00 | 3 | $3,600.00 |
| Drilling: Core (PHASE II | Foot | $1944.00 | 486 | $1944.00 | 486 | $4.00 | 2000 | 8,000.00 |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | $1944.00 | 486 | $5,544.00 | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | | | | | |
| Initial Rehabilitation and Repairs | | | | | | | | |
| New Buildings, Improvements, etc. | | | | | | | | |
| TOTAL COSTS | | $1944.00 | 486 | $5,544.00 | | | | $11,600.00 |

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

Date Dec. 12, 1952 Operator Belle Eldridge Gold Mines Inc

Per A. J. Johnson Title Agent

REMARKS: Phase II; Surface drilling of holes or 2000 feet on a per foot basis.

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

(Instructions on reverse)

(For Government use only)

## INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

Narrative- DMEA Project No. 2358- Belle Eldridge Gold Mines
Deadwood and Canton, S. Dak.

Drilling was started on the second phase of this project on October 20th. The second phase was to consist of outside diamond drilling limited to government participation up to 2000 feet at $4.00 per foot. The first hole under this project was completed Dec. 4th at the depth of 486 feet. No definite mineralization was indicated in this hole which was slightly mineralized from 450 feet. The hole was started at an elevation of 5075 and was located 215' N 60deg E. of hole No. G 1st phase and approximately north of hole D 172'.

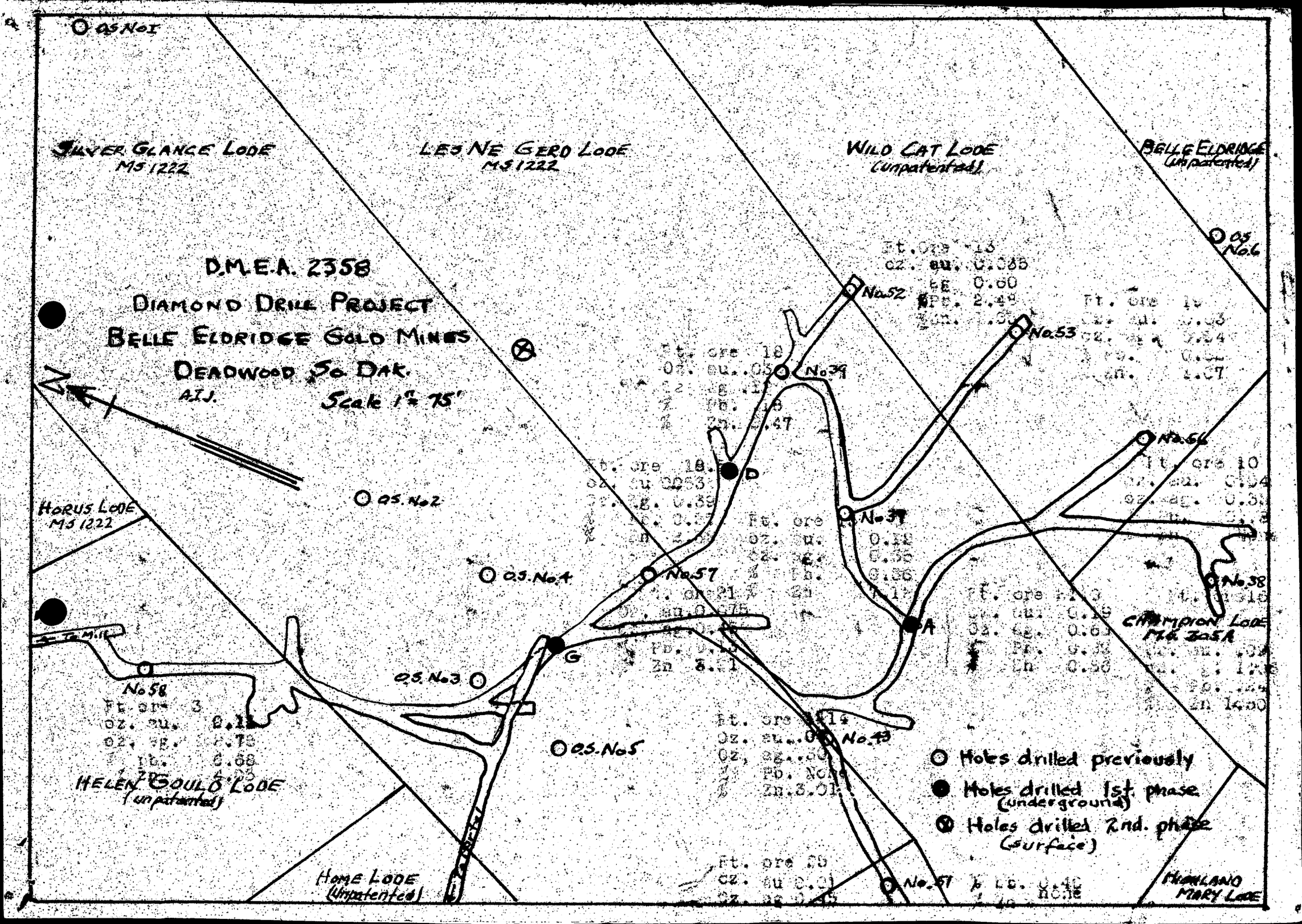
Log of hole No. 1 2nd phase

| | |
|---|---|
| 0- 70' ..... | Sand stone |
| 70-87' | Porphyry |
| 87-121' | shale |
| 121-200' | Dolomite |
| 200-403' | Porphyry |
| 403-476' | Shale-quartizitic |
| 476-486' | Schist |

No definite mineraliza tion was indicated in the area drilled. A slight mineralization was apparent at 450'.

On the basis of the information obtained from this hole the location of the balance of the holes to be drilled under this contract will be changed. Due to weather conditions it will be impossible to complete the contract until after April 1st and work is being held in abeyance until that date.

A. I. Johnson


D.M.E.A. 2358
DIAMOND DRILL PROJECT
BELLE ELDRIDGE GOLD MINES
DEADWOOD, So. DAK.
A.I.J.
Scale 1" = 75'
N
SILVER GLANCE LODE
MS 1222
LES NE GERD LODE
MS 1222
WILD CAT LODE
(unpatented)
BELLE ELDRIDGE
(unpatented)
HORUS LODE
MS 1222
HELEN GOULD LODE
(unpatented)
HOME LODE
(unpatented)
CHAMPION LODE
MS 2058
HIGHLAND MARY LODE
To Mill
DEADWOOD
D.S. No. 1
D.S. No. 2
D.S. No. 3
D.S. No. 4
D.S. No. 5
D.S. No. 6
No. 52
No. 53
No. 39
No. 66
No. 37
No. 57
No. 38
No. 58
No. 43
No. 51
A
D
G
Holes drilled previously
Holes drilled 1st. phase (underground)
Holes drilled 2nd. phase (surface)

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

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

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

Month of _____, 195____ Docket No. DMEA 2358 X Contract No. Idm-271

Operator's Name Junelo to Belle Eldridge Gold Mines Inc Minerals Lead & Zinc

Address Canton, South Dakota

Contract Amount, $11,600.00 Government Participation: 50 % Amount, $ 5,800.00

| ITEMS OF COSTS | FOR OPERATOR'S USE: Monthly Total | Totals Previously Reported | Totals To Date | FOR GOVERNMENT USE ONLY: Approved Monthly Total | Approved Totals Previously Reported | Approved Totals To Date |
|---|---|---|---|---|---|---|
| (1) ~~Independent~~ Short Form Contracts: | | | | | | |
| Drilling | $2386.30 | — | 2386.30 | 3,600.00 | — | 3,600.00 |
| Bulldozing | | | | | | |
| Crosscutting | | | | | | |
| Drifting | | | | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | 300.00 | — | 300.00 | — | — | — |
| Supervision | | | | | | |
| Technical Services | 300.00 | — | 300.00 | — | — | — |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Track | | | | | | |
| Power & Lights | 355.61 | — | 355.61 | — | — | — |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | 360.00 | — | 360.00 | — | — | — |
| (5) Initial Rehabilitation and Repairs | | | | | | |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | $3701.91 | none | 3701.91 | 3,600.00 | — | 3,600.00 |

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

Date July 15, 1952 *Payee Belle Eldridge Gold Mines Inc

Per [signature] Title Mining Engineer

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

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

(Instructions on reverse)

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

$ 1800.00

Signature [signature]
(Authorized Certifying Officer)

Date AUG 18 1952 Vou. No. _____

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm -E271 in accordance with the terms of the contract.

Signature D. F. Mullen Title Supervising Engineer Date August 4, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature A. B. Meadows Title Exec Officer Date 8/14/52

# MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MN-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

6

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June-July 1952 Docket No. DMEA 2358X Contract No. Idm E-271

Operator's Name Belle Eldridge Gold Mines, Inc. Minerals Lead & Zinc

Address Canton, South Dakota

| OPERATION | UNIT | COSTS THIS MONTH | UNITS THIS MONTH | COSTS TO DATE | UNITS TO DATE | UNIT COSTS TO DATE | AUTHORIZED BY CONTRACT | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | Units | Unit Costs |
| Drifting | | | | | | | | |
| Crosscutting | | | | | | | | |
| Raising | | | | | | | | |
| Shafts | | | | | | | | |
| Winzes | | | | | | | Stage I | |
| Drilling: Core | Hole | 3,600.00 | 3 | 3,600.00 | 3 | 1,200.00 | 3 | 1,200.00 |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| | | | | | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| TOTAL DISTRIBUTED COSTS | | 3,600.00 | | 3,600.00 | | | | |
| Operating Equipment Purchased | | — | | — | | | | — |
| Initial Rehabilitation and Repairs | | — | | — | | | | — |
| New Buildings, Improvements, etc. | | — | | — | | | | — |
| | | | | | | | | — |
| TOTAL COSTS | | 3,600.00 | | 3,600.00 | | | | 3,600.00 |

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

Date July 15, 1952 Operator Belle Eldridge Gold Mines Inc.

Per [signature] Title Mining Engineer

REMARKS:

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

(Instructions on reverse)

(For Government use only)

## INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

Narrative.

Belle Aldridge Gold Mines Inc- DMEA 2358
Diamond Drilling Program.

Actual drilling operations started June 10th on Hole D designated Hole 2 under the drilling program. Hole was completed to a depth of 322 '. Schist was contacted at a depth of 314.9. The first 25 feet was in a dolomitic shale at 25 feet contacted porphyry. Porphyry extended to depth of 250.8'. The dolomitic shale and quartzite was mineralized in the zone 270 to 288.5'. Four core samples were cut as follows:

| | |
|---|---|
| 1- | 270-275 |
| 2- | 275-280.3 |
| 3- | 280.3 -285 |
| 4- | 285-288.5 |

Ore began at 273.5 with a total of 15' possible ore cut by this drill hole. Samples are now being analyzed and section and map will be completed on receipt of final analyses for lead, zinc, gold and silver.

This hole was completed on June 24th.

Hole G. designated Hole No. 1 was started June 26th and two drilling shifts were undertaken. Schist was contacted at 306.5' and the hole bottomed at 308'. The first four feet were in dolomitic shale and porphyry extended from 4 to 245 feet. The lower shale extended from 245' to 306.5'. Very little mineralization was evident in this hole and hence no samples were taken for analysis. Hole was completed July 2nd with the two shift drilling operation.

Hole A- designated Hole No. 3 was started July 5th and contacted schist at 295.4' and was completed July 12th. with two operating shifts. Drilling was in porphyry from 0-220'. The ore zone extended from 251 to 272 with porr core recoveries in the area 251-255 and 268-272. The ore zone extended from 251-272 in dolomitic shcists. Five core samples were split as follows:

| | | |
|---|---|---|
| 1- 251-255 | Recovery 1.3 feet | |
| 2- 255-260 | 90% | core recovery |
| 3- 260-265 | 65% | " " |
| 4- 265-268 | 95% | " " |
| 5- 268-272 | 30% | " " |

Sluice samples are available for the splits represented by the cores.

Sections will be completed on receipt of the final analyses of the several samples taken.

A. I. Johnson

Mining Engineer

MAR 1 1 1963

New Era Mining Company
1412 Canyon Street
Spearfish, South Dakota

Re: [illegible] (Zinc-Lead)
Belle Eldridge Gold Mines, Inc.
Belle Eldridge Gold Mine
Lawrence County, South Dakota
Contract LDr-[illegible]

Gentlemen:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development, dated November 14, 1953, all minerals mined or produced from November 12, 1952, to November 12, 1962, were subject to the Government's percentage royalty as set forth in said contract.

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

Sincerely yours,

George Fumich, Jr.

Director

Mineritzos/am
3/7/63
cc: Director's Reading File
Region III (X)
✓C. A. & A Division
Docket
Code 300

C
O
P
Y

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

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

To: Mr. William C. Bessler
Belle Eldridge Gold Mines, Inc.
Box 9083
Canton, South Dakota

Pursuant to the provisions of Amended Exploration Project Contract No. Idm-E271, dated November 12, 1952, Docket No. DMA-2358, hereinafter called the "contract", between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on proudction and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows: Diamond drilling has confirmed the existence of submarginal zinc-lead ores occurring on the lands cited in the contract.

Dated November 16, 1953

THE UNITED STATES OF AMERICA

By /s/ C. O. Mittendorf
Administrator, Defense Minerals
Exploration Administration

Government's Copy

NOTICE OF TERMINATION OF EXPLORATION PROJECT CONTRACT, UNDER THE TERMS OF THE CONTRACT, BEFORE THE COMPLETION OF THE WORK

To: Belle Eldridge Gold Mines, Inc.,
Deadwood, South Dakota
Operator under Amended Exploration
Project Contract Idm-E271, Docket
No. DMEA-2358, dated November 12, 1952.

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, under the terms of the above-mentioned contract, hereby terminates the contract because, in the opinion of the Government, you have failed to prosecute operations pursuant to the terms of the contract.

Any work prosecuted or costs incurred by you after the receipt of this notice shall be for your sole account.

Dated this 25th day of November, 1953.

THE UNITED STATES OF AMERICA

By O P Mitteudorf
Administrator, Defense
Minerals Exploration
Administration

JUL 23 1953

Mr. [illegible] Goodhue, Executive Officer
[illegible] Field Team, Region V
2900 Olfar Ave., South
Minneapolis 9, Minnesota

Re: Docket No. [illegible]-235[illegible] (Zinc-Lead)
Belle Fourche Gold Mines, Inc.
Lawrence County, South Dakota
Contract No. Ida-5271

Dear Mr. Goodhue:

In accordance with your letter of July 7, 1953, we are enclosing the original and five copies of a termination agreement which is to be signed both by the Operator and the Government. Will you kindly present this to the Operator for signature, and return to us when signed.

For various reasons it is much more desirable to effect terminations of this sort by mutual consent, rather than by unilateral action on the part of the Government, when it is at all feasible to do so.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures 6

Concur:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

WRGriswold/bjl (7/20/53)

Copy to: Docket
Admr. Ch. File
Op. Committee
Page Setzle
Mr. Bishop
Mr. Kinkel
Mr. Chambers
Mr. Hofflund
Chron.

Exploration Project Amended Contract Idm E-271
Belle Eldridge Gold Mines Inc.
DMEA Docket No. 2358
Zinc-lead

AMENDMENT No. 1

The amended contract Idm E-271, Docket No. 2358, between the United States of America, Department of Interior, Defense Minerals Exploration Administration, and Belle Eldridge Gold Mines, Inc. dated November 12, 1952, is hereby amended as follows:

Article 3 is amended to permit the operator to recess operations on December 12, 1952 because of adverse weather conditions and to resume, upon notice to the government, whenever weather permits, but not later than April 1, 1953. The time of completion is extended to July 1, 1953.

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.

UNITED STATES GOVERNMENT OF AMERICA

Date DEC 15 1952

BY C. B. McCallum
Executive Officer, DMEA

Date DEC 12 1952

Belle Eldridge Gold Mines Inc.

By C. D. Johnson agent
Title

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 18 1952

Belle Eldridge Gold Mines Inc.
Lawrence County, S. Dak.
Amended Contract Idm E-271, Docket No. 2358

Narrative Report on Amendment No. 1

In the accompanying amendment the applicant requests that core drilling operations under Phase II of the amended contract be suspended from December 12, 1952 to April 1, 1953, or until weather conditions will permit Phase II, core drilling, to be resumed. It is also requested that the time for completion of the amended contract be extended to July 1, 1953.

In the opinion of the field team, approval of the amendment would be to the government's advantage. Core drill operations under present weather conditions are not efficient and weather conditions, at least for the next 3 to 4 months, cannot be expected to improve. At present access to the property and to drill sites is difficult because of snow. Also, as only one shift is worked, considerable time is lost in preventing freeze-up of water supply as well as thawing the pumps and water lines.

By suspending operations for the period stated in the amendment, or until better drilling conditions prevail, an increase in footage drilled for the money available can be expected.

Docket No. IDMA 2960

Commodity Lead- Zinc

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 221

Date of Contract or Amendment: March 11, 1952

Name and Address of Operator:
Belle Mildridge Gold Mines, Incorporated
Rochwood, S. D.

Amount of Government participation $ 5,800.00

Percent of Government participation 50 %

Region: V State: S. D.

NOTE: Please release 3,000.00 Advice Contract Administration and Audit Division

(Name)

J. L. Shumaro,
Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. 1/11/53

13908

MF-200 (A)
(February 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 20 1952

DOCKET NO. DMEA 2556

COMMODITY Zinc-Lead

Government's Copy

IDM-E-271

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

# EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this 12th day of November, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Belle Eldridge Gold Mines, Inc., Deadwood, South Dakota, a corporation duly organized and existing under and by virtue of the laws of the State of South Dakota, hereinafter called the Operator, that Contract No. Idm-E-271, dated March 11, 1952, between the same parties is amended and superseded as set forth in Annex I and as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of South Dakota, County of Lawrence, described as follows:[3] The following patented lode mining claims El Salada #128, Oro Cache #296A, Champion #305A, Highland Mary #306, Horus, Silver Glance and Les Ne Gero #1222, and the following located lode claims: Belle Eldridge, Wild Cat, Helen Gould, and Home. All being located in Sections 25 and 26, T5N, R3E.
the Operator represents and undertakes:[4]

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

None

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

ARTICLE 3. *Exploration project.*—The Operator, has commenced work on a project of exploration for[5] Zinc-lead in or upon the described land; and shall bring the project to completion prior to April 1953. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 50 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $5,800.00, which is 50 percent of $11,600.00 the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 9. *Changes and added provisions* _____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Belle Eldridge Gold Mines, Inc.
(Operator)

By A. J. Johnson agent

By O. Meadows
Administrator, Defense Minerals Exploration Administration

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

Ove Ellefson [CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
BELLE ELDRIDGE GOLD MINES, INC.
DOCKET NO. DMEA-2358

ANNEX I

WHEREAS, the parties to this amended agreement are also parties to Contract Idm-E271, Docket No. DMEA-2358, dated March 11, 1952, executed on Form MF-200 (June 1951), as amended, hereinafter called the "Prior Contract"; and

WHEREAS, all the exploration work provided for under Stage I of Exhibit "A" of the Prior Contract has been completed; and

WHEREAS, the parties desire to change the basis for the payment of work to be done under Stage II of Exhibit "A" of the Prior Contract to a unit cost instead of an actual cost basis, to amend the statement of said Stage II, and to restate their agreement on the new contract form MF-200(A) (February 1952);

NOW THEREFORE, it is mutually agreed that:

1. Effective as of the date of its execution, the Prior Contract is amended and superseded by this amended contract executed on Form MF-200(A) (February 1952), which shall govern the Government's claim and lien for percentage royalty, and in which the rights and obligations of both parties are fully merged, except that vouchers and claims for the Government's contribution to the work performed under Stage I of the Prior Contract, and payment thereof by the Government, shall be as provided in the Prior Contract.

2. The Operator hereby releases and agrees to save harmless the Government from all claims and demands arising out of the Prior Contract, except as otherwise herein provided.

3. As to Stage II, Exhibit "A" of the Prior Contract is amended and superseded by Exhibit "A" Amended, attached to this contract.

EXPLORATION PROJECT CONTRACT
BELLE ELDRIDGE GOLD MINES, INC.
DOCKET NO. DMEA-2358

EXHIBIT "A" AMENDED

Description of the Work

Stage I and the estimated cost thereof remains the same as set forth in Exhibit "A" of the Prior Contract.

Stage II will consist of 2,000 feet of AX diamond core drilling from the surface at locations designated H, I, J, K, and L on the map attached to the Prior Contract or at such other locations as may be approved by the Government.

Agreed Estimated Costs

| | | |
|---|---|---|
| 2,000 feet of diamond drilling @ $4.00/ft. | $8,000.00 | |
| Total Agreed Estimated Cost of Stage II | $8,000.00 | |
| Total Estimated Cost of Stage I | 3,600.00 | |
| Total Estimated Cost of Project | | $11,600.00 |
| Government Participation @ 50% | | $ 5,800.00 |

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 16 1952

# AMENDMENT NO. 1

Contract Idm-E271, Docket DMEA-2358x, dated March 11, 1952, between the United States of America and Belle Eldridge Gold Mines, Inc., is hereby amended as follows:

1. Exploration project. Starting date is extended from May 11, 1952, to June 11, 1952, to provide operator with sufficient time to rehabilitate an adit which provides entrance to the mine for underground drilling.

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "allowable maximum".

Dated: May 6, 1952

UNITED STATES OF AMERICA

By C. B. Buckham
Executive Officer, DMEA
Field Team, Region V

BELLE ELDRIDGE GOLD MINES, INC.

By Alfred Hanig Pres.
Title

Docket No. 2358

Commodity Lead-Zinc

Idm-E-271

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 271

Date of Contract ~~or Amendment~~: March 11, 1952

Name and Address of Operator:

Belle Eldridge Gold Mines, Incorporated
Deadwood, South Dakota

Amount of Government participation $ 5,800.00

Percent of Government participation 50 %

Region: V State: South Dakota

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

(Title)

Date Delivered to Bureau of Mines, Washington. 3/11/52

13908

MF-200
(June 1951)

DMEA-2358
Docket No. DMA
Commodity Zinc-Lead
Idm-E-271

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

GOVERNMENT'S COPY

# EXPLORATION PROJECT CONTRACT [1]

It is agreed this 11th day of March, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] Belle Eldridge Gold Mines, Inc. Deadwood, 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 Lawrence described as follows: [3] The following patented lode mining claims El Salada #128, Oro Cache #296A, Champion #305A, Highland Mary #306, Horus, Silver Glance and Les Ne Gero #1222 and the following located lode claims: Belle Eldridge, Wild Cat, Helen Gould, and Home. All being located in Sections 25 and 26, T5N, R3E.

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 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 Sixty (60) days from the date of this contract shall commence work on a project of exploration for [5] Lead-Zinc; 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] Ten (10) 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.

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 50 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $ 5,800.00, which is 50 percent of the agreed estimated total cost of this project, $ 11,600.00.

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.

Belle Eldridge Gold Mines, Inc.
(Operator)

By Alfred H. Lang Pres.

THE UNITED STATES OF AMERICA

By C. Mitteudorf
Acting Administrator
Defense Minerals Exploration Administration

U. S. GOVERNMENT PRINTING OFFICE 16—62060-2

EXPLORATION PROJECT CONTRACT
BELLE ELDRIDGE GOLD MINES, INC.
DOCKET NO. DMEA2358

EXHIBIT "A"

Statement of the Work

The program will consist of diamond drilling from both underground stations and the surface to explore for zinc and lead ore on the basal contact of the Deadwood formation. All holes are to be drilled to the schist contact. The core and sludge from each hole shall be split, one-half to be used for analysis and one-half shall be made available to the United States Bureau of Mines at Rapid City, South Dakota.

The program shall be divided into two stages as follows:

Stage I

Drill three holes from underground stations and at location designated A, D and G on the attached map. Upon completion of the three holes and analysis of results, if such results, in the estimation of the Government, indicate that previous ore reserve estimates are essentially correct, Stage II shall be undertaken.

Stage II

Drill five diamond-drill holes from the surface at locations designated H, I, J, K and L on the attached map or at such other locations as may be approved by the Government.

Estimated Costs of the Project

Summary

Stage I

| | | |
|---|---|---|
| 3 drill holes @ $1,200.00 each | $ 3,600.00 | |

Stage II

| | | |
|---|---|---|
| 5 drill holes @ $1,600.00 each | 8,000.00 | |
| Total for project | | $11,600.00 |

The above estimated cost per hole shall include all expense for labor, power, bits, supplies, maintenance, repairs, depreciation of equipment, supervision, engineering and assaying for each hole completed to the schist contact.

## Details

### Fixtures and Improvements

None

### Equipment

#### To be purchased

None

#### To be rented

None

#### To be furnished by Operator

(On a unit basis instead of actual cost basis)

| Item | Stage I | Depreciation per Hole |
|---|---|---|
| Compressor | | $ 120.00 |
| Diamond drill | | 30.00 |
| | Stage II | |
| Compressor | | 140.00 |
| Diamond Drill | | 40.00 |

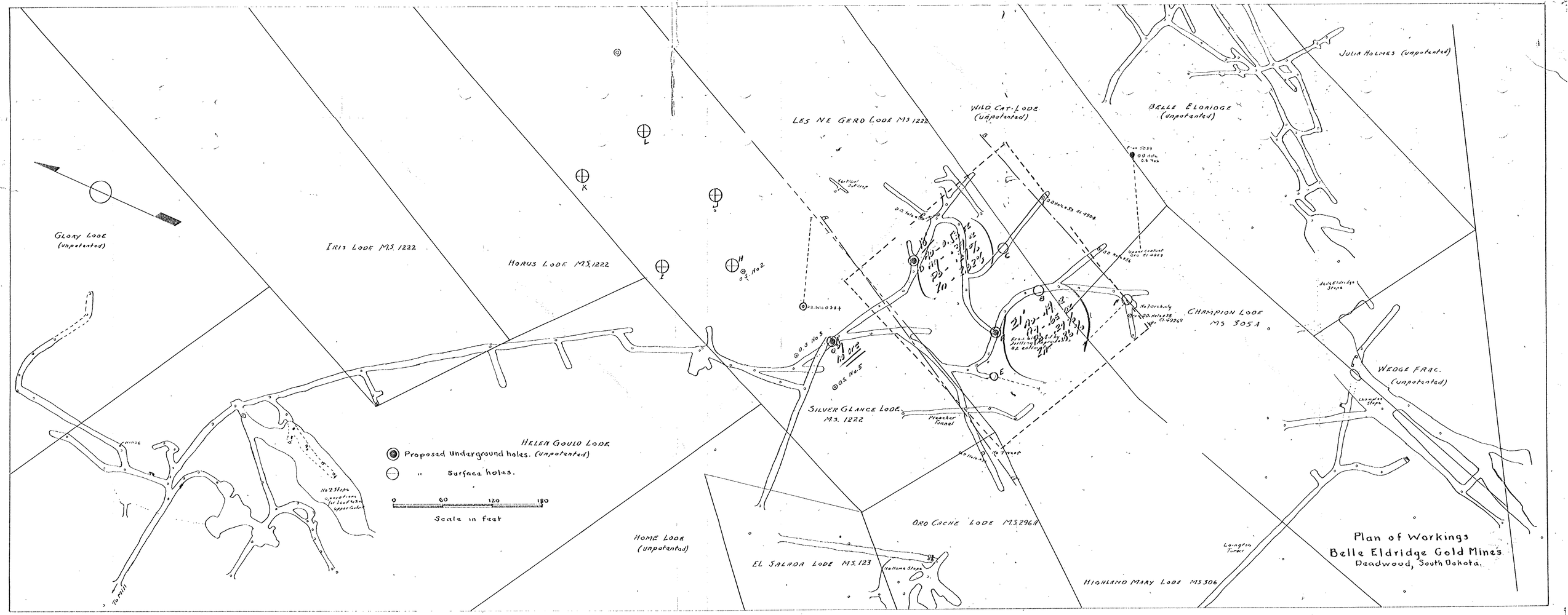
### Labor and Supervision

| | |
|---|---|
| 1 Drill Operator | $1.75 per hour maximum |
| 1 Drill helper | 1.50 " " " |
| 2 Laborers | 1.25 " " " |

Supervision including engineering and preparation of all reports required by the Government shall be allowable (on a unit basis instead of actual cost basis) at $100.00 for each underground hole and $133.00 for each surface hole.

### Rehabilitation and Repairs

None


Plan of Workings
Belle Eldridge Gold Mines
Deadwood, South Dakota.
Proposed underground holes. (unpatented)
" surface holes.
0 60 120 180
Scale in feet
GLORY LODE (unpatented)
IRIS LODE MS. 1222
HORUS LODE MS. 1222
HELEN GOULD LODE
HOME LODE (unpatented)
LES NE GERO LODE MS 1222
WILD CAT LODE (unpatented)
SILVER GLANCE LODE MS. 1222
EL SALADA LODE MS. 123
ORO CACHE LODE MS 2964
HIGHLAND MARY LODE MS 306
CHAMPION LODE MS 305A
BELLE ELDRIDGE (unpatented)
JULIA HOLMES (unpatented)
WEDGE FRAC. (unpatented)
Preacher Tunnel
Langton Tunnel
Langton Stope
Belle Eldridge Stope
Vertical Stope
Upper Contact Ore
No Torch only
Ore Stope
No 2 Stope
Open stoped for lead to Upper Gulch
To Hill
To Home Stope
To Tunnel
No Tunnel
Mine