DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Idm-E NO. 496

DMEA NO. 2876

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

- [x] Project summary (final)
- [x] Work Completed analysis (final)

All other material filed in chronological order including the following reports if checked:

- [x] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____ : Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [✓] ~~Field Team Semi-Annual~~ Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with transmittal, narrative and maps.

Folders No. 1 : Maps (Use pocket folder or envelope)

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty material

17963 fsi

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E496, Docket DMEA-2876 (beryl-mica), dated March 6, 1953, with

Francis E. Duncan and E. Boyd Himebaugh
d/b/a Duncan and Himebaugh
Custer, South Dakota

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Last Chance Lode Claim located in Custer County, South Dakota, during the period July 14, 1959, through September 5, 1962.

A certification of discovery or development was issued on December 11, 1953, and, in accordance with Article 6 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated October 7, 1953, indicated accepted costs under the exploration contract amounting to $2,736.00 with the Government's contribution on a 90 percent basis being $2,462.40.

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

This review established no sales subject to the Government's royalty subsequent to the period covered by a prior Report of Royalty Review which found the sales subject to the Government's royalty through July 13, 1959, to be $2,585.30. The royalty account as of July 13, 1959, was:

Total Royalty Payable	$129.27
Total Royalty Paid	101.91
Balance of Royalty Due	$ 27.36

As of September 5, 1962, the royalty account of this project was found to be:

Total Royalty Payable	$129.27
Total Royalty Paid	115.59
Balance of Royalty Due	$ 13.68

E. D. Talbert

E. D. Talbert, OME Auditor

October 13, 1962

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provides that the Operator or its successor in interest shall pay to the Government a percentage royalty on any minerals produced from the land thereunder. The land consists of an unpatented claim of about 20 acres, known as the Last Chance Lode, located in sec. 11, T. 5 S., R. 4 E., B.H.B.M. At the time the contract was executed, the Operator was the owner. The contract contains the so-called "abandonment" provision.

Exploration work under the contract was completed during August 1953. Production during the exploration work and shortly thereafter resulted in the sale by Francis Duncan in 1953 and 1954 to the G.S.A. Mica Purchase Depot, Custer, South Dakota, of five lots aggregating 10,911.5 lbs. of beryl on which $2,437.15 in proceeds was realized. Francis Duncan paid $101.91 in royalty but failed to pay $19.95 properly payable on one of the five lots (G.S.A. No. 48-B, 1,995 lbs. settled on February 8, 1954, for $399.00).

Letters addressed to Francis Duncan by DMEA regional representatives on February 18, 1955, and April 22, 1955, and to the partnership on May 27, 1955, by the Washington office resulted only in a reply from K. Boyd Himebaugh indicating a disagreement existed between the partners but stating that "if Duncan does not make the return, I will". A further demand by letter dated September 14, 1955, elicited neither remittance nor reply. Accordingly, on November 18, 1955, the Administrator decided that, considering the size of the indebtedness, all reasonable collection steps had been taken and the account was deemed administratively uncollectible at that time.

Examinations of the property and inquiries by DMEA and OME regional representatives disclosed that the property remained inactive from early 1954 through December 31, 1959, except for the salvage of mica from the dump by persons possibly unknown to the Operator. A sale of 1,375 lbs. of mica for $148.15 on November 5, 1958, under G.S.A. lot no. C-825, was made by a Dale McDermond. The royalty payable of $7.41 was not remitted.

By letters dated April 6, 1959, and July 14, 1959, the OME Executive Officer, Region III, requested the partnership to pay the total of $27.36 due the Government. On April 3, 1961, the Administrator demanded payment by letters addressed to the individual partners. The only response was an April 10, 1961, reply from K. Boyd Himebaugh enclosing a check for $13.68, one-half of the amount due. Further demands by letters dated April 14, 1961, and May 4, 1961, addressed

to Himebaugh and Duncan, respectively, resulted in neither reply nor further remittance.

In view of the size of the debt, no further collection action is justified at this time. However, even though the royalty obligation period expires on March 6, 1963, the Government's lien on the property should not be formally released unless this debt is liquidated. Agreed

In a September 5, 1962, reply to a MMM Form 63 inquiry, E. Boyd Himebaugh, Bowman, North Dakota, indicated that no production had been shipped from the property since January 1, 1960.

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

(1) The files indicate that all sales of production since the date of the contract have been accounted for and proper royalty thereon paid, except as stated above; and

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

FILE COPY
SURNAME:

Robertson
Hook
Thayer
Hedges
Bell
Dia.
B. Musch
Bockius
Baker
A. Kan

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

[illegible]

[illegible]

To: Francis E. Lundeen
L. Boyd Hinsbough
(Doing business as Lundeen and Hinsbough, a partnership)
Custer, South Dakota

Pursuant to the provisions of Exploration Project Contract No. [illegible], dated March 6, 1953, (Docket No. [illegible]), 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 production 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:

> As a result of underground exploration beryl and mica were produced and sufficient work completed under the contract to indicate reserves of strategic beryl and mica.

THE UNITED STATES OF AMERICA

By O O Mittendorf
Administrator, Defense Minerals
Exploration Administration

Dated: DEC 11 1953

JRobertson:gd 12/3/53
Copy to: Mr. Irving Gunbal, [illegible]
Mr. Thayer, 5216 [illegible] Bldg.
Mr. Hedges, 4604
Admr. [illegible] File
Docket File

Field Team, Region V
Operating Committee
Mr. Chambers
Mr. Johnson
Mr. Hook
Finance Office

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7-21	gad	220
		~~Foo~~
7-22	~~ACP~~	~~Foo~~
		225

JUL 21 1959

Memorandum

To: Mr. Donald T. Finch, OME Auditor

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

Subject: Docket No. DMEA-2876 (Beryl-Mica)
Duncan and Himebaugh
Contract No. Idm-E496

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

EDTalbert/fw-7/29/59

cc: Docket
Dir.Read.File
CA & A Div.

8623

JUL 20 1959
O.M.E.

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-E496, Docket No. DMEA 2876 (Beryl-Mica) dated March 6, 1953 with:

Francis E. Duncan and E. Boyd Himebaugh
d/b/a Duncan and Himebaugh
Custer, South Dakota

for the purpose of determining the amount of royalty due the United States Government on the sale of beryl-mica produced from the Last Chance Lode Claim, located in Custer County, South Dakota, for the period March 6, 1953 to July 13, 1959.

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

My review established the total sales of beryl-mica for this period to be $2,585.30 (See Summary Attached). Royalty due the United States Government at the contract rate of 5% is $129.27. The royalty paid and the balance due are as follows:

Total Royalty Due	$129.27
Total Royalty Paid	101.91
Balance Royalty Due	$ 27.36

July 14, 1959

Donald T. Finch
Donald T. Finch
OME Auditor

STATUS OF THE PROJECT, DESCRIPTION OF REVIEW
AND REASONS THEREFOR

CONTRACT NO. IBM-R496 DOCKET NO. DMEA 2876

A Certification of Discovery or Development was issued on December 11, 1953, and accordingly royalty is payable on all 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 Final Cost Audit dated October 7, 1953, indicated accepted costs under the exploration contract amounting to $2,736.00 with Government contribution on a 90 percent basis being $2,462.40.

The major portion of the production was incidental to the exploration work performed under the contract. At the time this contract was transferred to Region III (about October 15, 1954) there remained an uncollected balance of $19.95 for royalty due on the sale of beryl to G.S.A. on Lot No. 48. Past efforts to collect this balance have been unsuccessful, and the Administrator authorized the placing of the account in a deliquent file to be maintained indefinitely. (See Ltr. November 8, 1955). The Field Team's Semi-Annual Reports of Certified Project for the periods July 1, 1955 to June 30, 1958, indicate the property inactive. The Semi-Annual Report for the period July 1, 1958 to December 31, 1958 indicates a sale of 1,375 lbs of Mica, G.S.A. Lot No. C-825, by Dale McDermond on November 5, 1958, with an indicated additional amount of royalty due of $7.41. The examining engineer comments in this Semi-Annual Report as follows:

> "It is the opinion of E. O. Binyon, Mining Engineer, U.S.B.M. that reported production represents Mica salvaged from the dump by persons possibly entirely unknown to the Operator. Personal observation of mine workings showed no fresh sign of blasting or evacuation."

My review included a tabulation and recomputation of all statements of production and sales supported by documents received from purchasers. A reconciliation of all indicated production with the Field Team's Semi-Annual Reports of Certified Projects during the period under review and a reconciliation of indicated royalty receipts with the Finance Office, CMK, Denver, Colorado.

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

(a) All reported production was reconciled with the Field Team's Semi-Annual Reports of Certified Projects.

(b) Reported production was supported by adequate documentation.

(c) The administrative cost to the Government would be excessive in relation to the amount of possible additional royalty which might be disclosed.

CONTRACT NO. IBM-E496 DOCKET NO. DMEA 2876

FRANCIS E. DUNCAN AND E. BOYD KIMKBAUGH

SUMMARY OF PRODUCTION, SALES AND ROYALTY

For the Period March 6, 1953 to July 10, 1959

Date	Voucher	Purchaser	Pounds Beryl	Pounds Mica	Amount
1953	Francis Duncan	G.S.A. B-17	1550.5		$ 310.10
	" "	G.S.A. B-37	1044		208.80
	" "	Gladys Wells Signed Receipt	5097		1,274.25
1954					
Feb. 8	Francis Duncan	G.S.A. B-48	1995		399.00
Feb. 26	Francis Duncan	G.S.A. B-53	1225		245.00
1958					
Nov. 5	Dale McDermond	G.S.A. C-825		1375	148.15
	Totals		10911.5 lbs.	1375 lbs.	$2,585.30

Royalty

Total Royalty Due 5% of $2,585.30	$129.27	
Total Royalty Paid	101.91	
Balance of Royalty Due		$27.36
Represented by:		
Royalty Due on:		
G.S.A. Lot No. B-48	19.95	
G.S.A. Lot No. C-825	7.41	
Total Royalty Due as above		$27.36

MME Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

JUL 20 1959
O.M.E.

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Francis E. Duncan & E. Boyd Himebaugh

Address Custer, South Dakota

Exploration Contract No. Idm-E496 Docket No. DMEA 2876

LAST CHANCE LODE CLAIM
(Mica-Beryl)

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

9. Remarks - Questions 1-7 not applicable as property has been idle for some time. Latest information available is that contained in the Semi-Annual Report of Certified Project for the period July 1, 1958 through December 1, 1958.

July 13, 1959
Date

Mining Engineer
Executive Officer, OME
Field Team, Region III

53362

224 New Customhouse
Denver 2, Colorado

July 15, 1959

Memorandum

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

From: Donald T. Finch, OME Auditor, Region III

Subject: Docket No. DMEA 2876 (Beryl-Mica) Contract No. Idm-E496
Duncan and Himebaugh, Custer County, South Dakota

Enclosed are three copies of Report of Royalty Review for the subject contract.

An examination of some of the earlier correspondence concerning royalty indicates there might have been some Mica production sold from the property during the years 1953 and 1954. On the other hand, other correspondence indicates Mica referred to was produced from another property.

The examining engineer's Semi-Annual Report for the period January 1, to June 30, 1955, states previous production since date of contract as 10,911.5 pounds of Beryl, but makes no mention of any Mica produced during the corresponding period. In view of the lack of evidence to support Mica production during the years 1953 and 1954, the Report of Review makes reference only to the Mica sold on November 5, 1958, to the G.S.A. Beryl; however, is documented by statements obtained from purchasers.

Donald T. Finch
Donald T. Finch

Enclosures

DTF:ltm

cc: Subject

EXTRA COPY O. M. E. RECEIVED JUL 20 1959		
DATE	INITIALS	CODE
		500

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Francis E. Duncan and E. Boyd Himebaugh

d/b/a Duncan & Himebaugh

Custer, South Dakota

pertaining to Exploration Project Contract No. Idm-F496, Docket No. DMEA 2876, for the period of April 20, 1953 to August 31, 1953, inclusive, covering a project for the exploration of beryl and mica on property known as the Last Chance Lode Claim located near Pringle in Custer 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, review of the Field Team's reports on 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 reason:

the contract provides 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		$2,736.00
Exceptions:		
By DMEA Finance Officer	$ - 0 -	
Herewith	- 0 -	- 0 -
Total Accepted Cost		$2,736.00

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Two thousand four hundred sixty-two and 40/100 Dollars,

$2,462.40

is considered valid and proper.

E. D. Talbert, Auditor

October 7, 1953

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 2876

COMMODITY Beryl-Mica

Docket Copy

IDM-E 496

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

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 6th day of March, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Francis R. Duncan and R. Boyd Himebaugh, partners doing business as Duncan and Himebaugh, Custer, South Dakota

hereinafter called the "Operator," 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 Custer, described as follows:[3] The last Chance Lode Claim comprising approximately twenty (20) acres in Sec. 11 T.5 S., R. 4 E. as further described in Book 17 of Locations, Page 530, Custer County, South Dakota.

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, within 60 days from the date of this contract shall commence work on a project of exploration for[5] Beryl and Mica

in or upon the described land; and shall bring the project to completion within a period of six (6) months from the date of this contract. 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 90 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 $2,700.00, which is 90 percent of $3,000.00 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.

16—6

(*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

Duncan and Himebaugh
(Operator)

By Francis Duncan
Partner

By F. Bond Himebaugh
Partner

By C. O. Mitteudorf
Administrator, Defense Minerals Exploration Administration

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

[CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
DUNCAN AND HIMEBAUGH
DOCKET NO. DMEA-2876

EXHIBIT "A"

Description of the Work

The work shall consist of driving a drift and/or crosscut from the bottom of the existing 32-foot shaft to explore a beryl-mica pegmatite. The total footage of drifts and/or crosscuts shall not exceed 125 linear feet. The location, direction and extent of all work, shall be approved by the DMEA Field Team, Region V.

AGREED UNIT COST

125 linear feet - drifting and/or crosscutting @ $24/ft.	$3,000.00	
Total Cost of the Project		$3,000.00
Government Participation @ 90%		$2,700.00

dmla 2876

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
FEB 9 1953

February 4, 1953

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Last Chance Lode, Custer County, S. Dak., Duncan and Himebaugh

Here are the original and two copies of an application for exploration of the Last Chance Lode near Custer, S. Dak., by Francis E. Duncan and E. Boyd Himebaugh, together with the original and ~~three~~ 4 copies of the Field Team report recommending a modified project.

One copy of the application has been retained in this office.

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

Attachments

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Defense Minerals Administration
RECEIVED
FEB 9 1953

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

Not to be filled in by applicant

Docket No. dmea 2876
Metal or Mineral
Date Received 2-9-53
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Duncan And Himebaugh (Francis E. Duncan and E. Boyd Himebaugh)
Address: Custer County, Custer, South Dakota

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Last Chance Lode comprising approximately Twenty (20) acres in Twp. 5 Range 4, Section 11 as further described in Book 17 Location Page 539 in No organized mining district in Custer County, South Dakota

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

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

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

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

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

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

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

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

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

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

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

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

(*c*) The work will start within 10 days and be completed within 80 ~~months~~ Days from the date of an exploration project contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

[x] Money [x] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated November 4, 1952

DUNCAN & HIMEBAUGH
(Applicant)

By Francis E. Duncan
Partner

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

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

Attached Sheet No. 1.

Duncan & Himebaugh (Francis E. Duncan & E. Boyd Himebaugh) Partnership - Custer, So. Dak.

4. Physical description.

(a) Some exploration, development, and mining operations have been carried on on the property covered by this application. A shaft has been sunk, a small amount of mica has been removed. The work done, including the shaft, shows some mica and beryl, but the same are not sufficient in presently exposed portions of the mine to be profitably mined. It is believed from the appearance of the formation and the mineral showings that by drifting approximately 40 feet in a Northerly direction from the shaft and drifting approximately 100 feet in a Southerly direction as shown on the attached drawing that mica and beryl might be found in quantifies such as to make mining operations possible and to recover considerable quanitities of strategic mica and beryl.

(b) There is an indication that ore reserves may be quite extensive; past and current production is small and is such that mining operations are not profitable without additional exploratory work.

(c) The mineralization is what is commonly known as pegmatite and is in a locality where mica and beryl deposits are rather extensive, and the deposits appear good for the discovery of strategic mica and beryl in paying quantities. No maps or geological or engineering reports are available.

(d) The claim is on a dirt road approximately 1½ miles from junction with hard surfaced road, being Highway 85-A, the point of junction being approximately 3 miles from Pringle, South Dakota, and 9 miles from Custer, South Dakota, both of which are shipping points on railroad, and Custer, South Dakota, is a market point, being the location of a mica depot established by the General Services Administration.

(e) Manpower, materials and supplies are available for exploration, development, and mining.

5. The exploration project.

(b) The proposed work includes running of a drift approximately 40 feet Northerly and approximately 100 feet Southerly from the existing shaft recently sunk on the claim. The drifting appears advantageous for the exposing of strategic mica and beryl.

(d) Francis Duncan, one of the partners, has had more than 15 years of experience in mining operations, including doing exploration and development work for the discovery and development of ores and minerals. Mr. Duncan will be in active charge of the operations and will supervise the work done. The other partner, E. Boyd Himebaugh, has had some experience in mining operations in the last 3 or 4 years and has, during a part of the time, engaged in mining operations.

6. Estimate of costs.

(a) None.

Attached Sheet No. 2.

Duncan & Himebaugh (Francis E. Duncan & E. Boyd Himebaugh) Partnership - Custer, So.Dak.

6. (Con't.)

(b) Labor, supervision, consultants.

2 men, being miners and laborers (cost) $13.30 per ft.

Total cost of labor & supervision . . $1862.00

(c) Operating materials and supplies.

Powder, caps & fuse (cost) $3.30 per ft. . . .	$462.00
Gas, oil & grease (cost) $2.30 per ft.	322.00
Steel (cost) $1.00 per ft.	140.00
Track (cost $1.10 per ft.	154.00
Dollies (cost) $.70 per ft	98.00
Jack-leg . (cost) $1.70 per ft.	238.00

Total operating material & supplies $1414.00

(d) Operating equipment owned by Applicant:

Compressor	$1200.00
Jackhammer and tools	$ 450.00
Power Unit and Hoist	$ 800.00
Estimated rental figured at cost of depreciation	$ 250.00

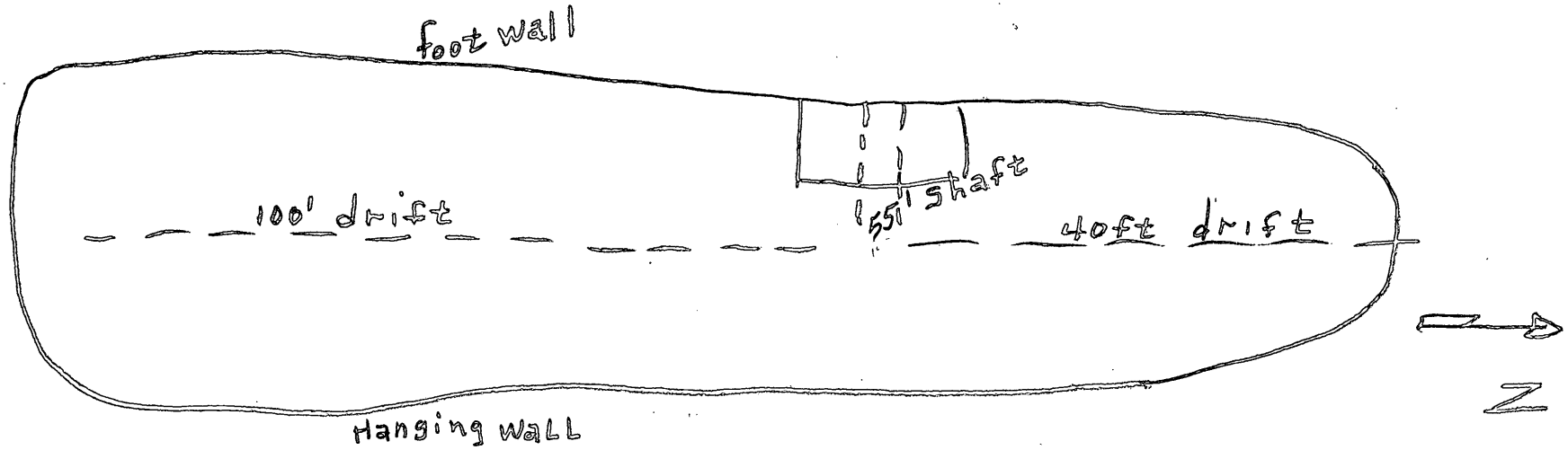
(e) None.

(f) None.

(g) Miscellaneous.

Analytical work, workmen's compensation, liability insurance, and payroll taxes - $224.00

(h) Contingencies - None.


foot wall
100' drift
55' shaft
40ft drift
Hanging wall
N

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

Project Summary Report

By: Jasper T. Robertson December 2, 1953

1. DMEA Docket No. 2876 - Beryl-Mica
Contract - Idm-E496
Last Chance Lode Claim
Sec. 11 T.5 S., R. 4 E., B.H.B.M.
Operator's property rights - The property, consisting of one mining claim, is owned by Frances E. Duncan and E. Boyd Himebaugh, a partnership, doing business as Duncan and Himebaugh, Custer, South Dakota.

2. Contract - dated 3/6/53
Work authorized:
125 linear feet of drifts and crosscuts
@ $24.00/ft. $3,000.00
Government participation 90% $2,700.00
Amendments to contract - None.
Work Completed:
125 ft. of drifts, authorized.
114 ft. of drifts, completed project target.
114 ft. @ $24.00/ft. (approved cost) $2,736.00
Government's share of cost 90% $2,462.40
Project work started 4/20/53. Completed 8/15/53
No equipment purchased. No salvage.

3. Audit - Audit review issued 10/7/53 (No exceptions)

4. Certification of Discovery issued 12-11-53.
Ore estimates:
The inferred ore above the 35 ft. level and for a distance of 25 feet below the level, the inferred recoverable beryl is estimated at 20 to 40 tons.

The beryl occurs in a 2 ft. wall zone followed by the drift and it is estimated to contain 0.5 to 1.0 percent beryl and 8 to 15 percent mica. The ratio of sheet mica to the total mica is yet undetermined. During the project work the Operator recovered 1,075 pounds of beryl and 936 pounds of hand-cobbed mica of salable grade.

5. Comments:
The work consisted of a simple drift driven along the footwall zone of a pegmatite at the 35 foot level of an old existing shaft.

The discovery and development, while not a major one, exposed beryl the length of the drift, 114 feet. It is the opinion of the field engineers that an economic operation is feasible. The issuing of a certification of discovery or development is deemed advisable and warranted in this project.

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/29	Talbert	800
	Selfridge	120
"	Johnson	110
		~~100~~
7/30		220

July 29, 1963

Memorandum

To: The Files

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

Subject: DMEA-2876 (Beryl-Mica)
Duncan and Himebaugh
Last Chance Lode Claim
Custer County, South Dakota
Contract Idm-E496

The Report of Royalty Review of October 13, 1962, shows $13.68 back royalty due. Various attempts have been made to collect this sum, the last of which was on June 21, this year.

Hence, in view of the various unsuccessful attempts and the small size of amount due, we feel that it should be written off and the docket be closed by this memorandum, but with no release letters being sent out.

It is highly unlikely that any production has been made since the date of the last form 63 report (September 5, 1962). The contract contains the "abandonment" provision.

W. R. Griswold

W. R. Griswold

WRGriswold/mm
cc: Region III
CA&A Division
Code 500
✓Docket

Cancel date 8/6/63

43683

Form 7
0-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/20	Murphy	500
6/20	on leave	500
6/21	Tallant	800
	Ch. Lane	120
6/21	Johnson	110
"	Farrell	100
6/20	Case	220

JUN 21 1963

Mr. E. Boyd Himebaugh

Bowman, North Dakota

Re: DMEA-2876 (Beryl-Mica)
Duncan and Himebaugh
Last Chance Lode Claim
Custer County, South Dakota
Contract Idm-E496

Dear Mr. Himebaugh:

Enclosed are three copies of MMK Form 63, request for information. Kindly complete and return two copies to this office.

Under the terms of the subject contract the period during which production was subject to the Government's percentage royalty expired on March 6, 1963. However, we cannot release our lien on the property until all royalty due has been paid.

On April 14, 1961, and October 18, 1962, you were advised that a royalty of $13.68 was still due the Government on production from the Last Chance claim. We have been unsuccessful in our attempts to collect this sum from your partner, Mr. Duncan. Therefore, will you kindly forward $13.68 to this office so that we can wind up this contract.

Sincerely yours,

George Fumich, Jr.

Director

Enclosures

FMMurphy/mm
6/20/63
cc: Director's Reading File
Region III (2)
Docket
Code 500

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/20	Murphy	500
6/20	on leave	500
6/20	Talbot	800
6/20	on leave	120
		110
		100
		220

Mr. E. Boyd Himebaugh

Bowman, North Dakota

Re: DMEA-2876 (Beryl-Mica)
Duncan and Himebaugh
Last Chance Lode Claim
Custer County, South Dakota
Contract Idm-E496

Dear Mr. Himebaugh:

Enclosed are three copies of MME Form 63, request for information. Kindly complete and return two copies to this office.

Under the terms of the subject contract the period during which production was subject to the Government's percentage royalty expired on March 6, 1963. However, we cannot close our books on this contract until all royalty due has been paid.

On April 14, 1961, you were advised that a royalty of $13.68 was still due the Government on production from the Last Chance claim. We have been unsuccessful in our attempts to collect this sum from your partner, Mr. Duncan. Therefore, will you kindly forward $13.68 to this office so that we can wind up this contract.

Sincerely yours,

Director

Enclosures

FMMprphy/mm
6/20/63
cc: Director's Reading File
Region III (2)
Docket
Code 500

43683

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

Re: REA-2876 (Beryl-Mica)
Duncan and Hirsbaugh
Last Chance Lode Claim
Custer County, South Dakota
Contract Im-D493

Mr. E. Boyd Hirsbaugh

Dorrum, North Dakota

Dear Mr. Hirsbaugh:

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

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

Sincerely yours,

s/F. M. Murphy

F. M. Murphy, Acting Chief
Division of Field Operations

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT
AND PROJECT UNDER ROYALTY AGREEMENT

From Sept. 5, 1962, to March 6, 1963

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

From Sept. 5, 1962, to March 6, 1963

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

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

	Quantity	Value
_____	_____	_____
_____	_____	_____

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

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

OFFICIAL FILE COPY
O. M. E.
OCT 22 1962

Building 20 - Federal Center
Denver 25, Colorado

10/22 10/23 Holt Smith Too

October 18, 1962

220

Memorandum

To: Fiscal Section, Division of Administrative Services
Office of the Secretary, Department of the Interior
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: DMEA-2876 (Beryl-Mica)
Contract Idm-E496
Duncan and Himebaugh
(Last Chance Lode Claim)
Custer County, South Dakota

Attached is the original Report of Royalty Review on the subject property dated October 13, 1962 covering the period July 14, 1959, through September 5, 1962.

Original signed by

Hugh M. Connors

Attachment

cc Chief, Division of Field Operations, OME
E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Royalty Corres Idm E496
Chron

HMC/lm

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

OCT 15 1962

Memorandum

To: Acting Field Officer, Region III

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

Subject: DMEA-2876 (Beryl-Mica)
Duncan and Himebaugh
Last Chance Lode Claim
Custer County, South Dakota
Contract Idm-E496

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

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

(b) One copy for your files.

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

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

Enclosures

EDTalbert/ama 10-15-62

cc:
Docket
Director's Reading File
CA & A Division
Fiscal Section

43683

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **January 1, 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 ☐ No ☐

2. Since **January 1, 1960**, has there been any production from the land subject to the contract? Yes ☐ No ☐

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

	Quantity	Value
~~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 ☐

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

Disposition of Material	Quantity	Value

Submitted by:

Name E. Bud Himbaugh Title Partner

Address ~~Bowman, No. Dak.~~ Bowman, N.D. Date ~~Sept. 5, 1962~~

see letter to Himbaugh prepared 9/17/62

4511

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

August 9, 1962

Re: DMEA-2876 (Beryl-Mica)
Duncan and Himebaugh
Last Chance Lode Claim
Custer County, S. D.
Contract Idm-E496

Mr. E. Boyd Himebaugh

Custer, South Dakota

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 10 1962

DATE	INITIALS	CODE
9/10	[illegible]	800
		~~110~~
		500
		500
		210

Dear Mr. Himebaugh:

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

W. R. Griswold, Chief
Division of Minerals

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
5/3	Talbert	800
5/3	Murphy	500
	Hoover	500
5/4	Selfridge	120
		110
5/4	gad	220

MAY 4 1961

Mr. Francis E. Duncan
Custer, South Dakota

Re: DMEA-2876 (Beryl-Mica)
Duncan and Himebaugh
Last Chance Lode Claim
Custer County, South Dakota
Contract Idm-E496

Dear Mr. Duncan:

By letters dated April 3, 1961, you and your partner under the referenced contract were advised that, unless delinquent royalty in the amount of $27.36 was received within 30 days, legal proceedings might be instituted.

Your partner, E. Boyd Himebaugh, immediately remitted a half of the amount due and advised that he was requesting you to remit the other half. It was hoped that you would do so; however, neither reply nor remittance has been received from you.

Remittance of $13.68 by return mail will be appreciated. Such action on your part will void the necessity of collection proceedings and ultimate additional costs to you.

Sincerely yours,

(signed) FRANK E. JOHNSON
Acting Director

EDTalbert/ama
May 2, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2)

43683

Form 7
-58)

OFFICIAL FILE COPY

Date	Surname	Code
4/13	Talbert	800
4/13	Holt	500
	Brown	500
4/13	Selfridge	120
		110
4/14	gad	220

APR 1 4 1961

Mr. B. Boyd Himebaugh
Custer, South Dakota

Re: DMEA-2876 (Beryl-Mica)
Duncan and Himebaugh
Last Chance Lode Claim
Custer County, South Dakota
Contract Idm-8496

Dear Mr. Himebaugh:

Receipt is acknowledged of the H and H Service Company's check for $13.68 in payment of half of the $27.36 delinquent royalty due the Government under the referenced contract.

This remittance is appreciated; however, acceptance thereof by the Government does not release you from the obligation for payment of the balance due. Under the provisions of the contract you as an individual, as well as you and Mr. Duncan jointly as partners, assumed all of the obligations thereunder.

Accordingly, unless payment of the $13.68 balance due is received from either you or Mr. Duncan before May 3, 1961, legal action for collection may be instituted.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

EDTalbert/ama
April 13, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2)

43683

H. & H. SERVICE COMPANY

Water Well Drilling
Complete Septic Systems
General Excavating
Quick Way Ditching
Atlas Explosives

Boyd Himebaugh

BOWMAN, N. DAK. — CUSTER, S. DAK.

Telephone: Bowman
Day—304; Night—4112

OFFICIAL FILE COPY
O. M. E
RECEIVED APR 13 1961

DATE	INITIALS	CODE
4-13	gad	220
4/13	[illegible]	800
"	Hoch S.P.H	500
		220

April 10, 1961

Re: DMEA-2876 (Beryl Mica)
Duncan & Himebaugh
Last Chance Lode Claim
Custer, County, South Dakota
Contract IDM-E496

United States Department pfthe Ingerior
Office of Minerals Exploration
washington 25,
D. C.

Gentlemen: Att: Mr. Frank E. Johnson

Concerning the above contract Francis Duncan mined the property and acquired all sales. He later brot an action against me to acquire title to the mine. He and a Miner by the name of Fisher mined the property together after I left Custer.

Mr. Mullens of theRapid City office is quite familiar with the procedure of the above mine. Duncan spent a lot of my money in the original venture plus the contract loan and pocketed all sales to his own advantage. He has agreed repetedly to pay the above amount due plus additional mining he has done. However, as long as he has not taken care of his obligation todate I have no faith in him ever meeting his obligation.

Enclosed please find my check for one half the amont due as of record. I am certain you will be able to collect the other half from Francis Duncan, Custer, South Dakota. I will send hima copy of your letter of April 3, 1961 and request that he at least meet this much of the amonnt he owes the Department.

Sincerely yours,

E. Boyd Himebaugh

E. Boyd Himebaugh

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

APR 13 1961

Memorandum

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

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

Subject: DMEA-2876 (Beryl-Mica)
Duncan and Himebaugh
Last Chance Lode Claim
Custer County, South Dakota
Contract Idm-8496

Attached for deposit to the subject DMEA account under symbol 14X4401 as a royalty receipt is check no. 3736 dated April 10, 1961, drawn by the H and H Service Co. in the amount of $13.68 on The Rapid City National Bank, Rapid City, South Dakota.

This check is a partial payment of delinquent royalty due the Government.

Attachment

EDTalbert/ama
April 13, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2)

43683

DELIVERING EMPLOYEE

☐ Deliver ONLY to addressee.

☐ Show address where delivered.

Received from the postmaster the registered, certified, or insured article, the number of which appears on the face of this return receipt.

1. Francis Duncan
(Signature or name of addressee)

2. By Darlene Tudson
(Signature of addressee's agent—Agent should enter addressee's name on line ONE above)

Date of Delivery 4-6-61

☆ U. S. GOVERNMENT PRINTING OFFICE : 1955 16—71548-1

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

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

POSTMARK OF DELIVERING OFFICE

CUSTER, S. DAK.
APR 6
1-PM
1961

REGISTERED NO. 59181

CERTIFIED NO.

INSURED NO.

RETURN TO →

NAME OF SENDER

DMEA, Dept. of the Intr.

STREET AND NO. OR P.O. BOX

WASHINGTON, D.C.

POST OFFICE

STATE

POD Form 3811
Apr. 1955

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/31	Talbert	800
	Holt	500
	Murrell	500
4/3	Selfridge	120
		110
4-3	gad	220

APR 3 1961

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Mr. Francis E. Duncan
Custer, South Dakota

Re: DMEA-2876 (Beryl-Mica)
Duncan and Himebaugh
Last Chance Lode Claim
Custer County, South Dakota
Contract Idm-E496

Dear Mr. Duncan:

By the terms of the referenced exploration project contract you are obligated to pay the Government a percentage royalty on any minerals produced from the Last Chance Lode Claim until March 6, 1963, or until $2,462.40 is paid, whichever occurs first. To secure the payment of the royalty you granted the Government a lien upon the property.

A shipment of 1,995 pounds of beryl from the property was purchased by the G.S.A. depot in Custer on February 8, 1954. The proceeds of this shipment, identified as G.S.A. lot number B-48, were $399.00 and a 5% royalty of $19.95 is due the Government thereon.

On November 5, 1958, a shipment of 1,375 pounds of mica was purchased by the Custer depot as lot number G.S.A. C-825. Proceeds of $148.15 were received on this shipment and a 5% royalty of $7.41 thereon also is due the Government.

The matter of your indebtedness for this delinquent royalty was the subject of letters dated February 18, 1955, April 22, 1955, May 27, 1955, and April 6, 1959, addressed by the Defense Minerals Exploration Administration to you and your partner under the contract, E. Boyd Himebaugh. No replies were received from you and no remittance was received from either you or your partner.

The Office of Minerals Exploration, as successor to the Defense Minerals Exploration Administration, is responsible for the administration of the contracts entered into by the latter. This responsibility includes the enforcement of the royalty payment provisions of the contract and in the execution of this responsibility this

43683

office does not have the authority to postpone indefinitely such action as may be necessary to collect royalty due the Government.

Accordingly, demand hereby is made for payment of the $27.36 in royalty known to be due the Government. Please make your check payable to the Office of Minerals Exploration.

Unless the amount of $27.36 is received within 30 days from the date of this letter, I shall have no alternative but to report the matter to the Comptroller General of the United States. Such referral may result in legal proceedings with probable further costs to you and may include action under the Government's lien upon the land.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

EDTalbert/ama
March 31, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2)

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/31	Talbert	800
	Holt	500
	Reynolds	500
4/3	Stafford	120
		110
4-3	gad	220

APR 3 1961

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Mr. B. Boyd Himebaugh
Custer, South Dakota

Re: DMEA-2876 (Beryl-Mica)
Duncan and Himebaugh
Last Chance Lode Claim
Custer County, South Dakota
Contract Idm-E496

Dear Mr. Himebaugh:

By the terms of the referenced exploration project contract you are obligated to pay the Government a percentage royalty on any minerals produced from the Last Chance Lode Claim until March 6, 1963, or until $2,462.40 is paid, whichever occurs first. To secure the payment of the royalty you granted the Government a lien upon the property.

A shipment of 1,995 pounds of beryl from the property was purchased by the G.S.A. depot in Custer on February 8, 1954. The proceeds of this shipment, identified as G.S.A. lot number B-48, were $399.00 and a 5% royalty of $19.95 is due the Government thereon.

On November 5, 1958, a shipment of 1,375 pounds of mica was purchased by the Custer depot as lot number G.S.A. C-825. Proceeds of $148.15 were received on this shipment and a 5% royalty of $7.41 thereon also is due the Government.

The matter of your indebtedness for this delinquent royalty was the subject of letters dated February 18, 1955, April 22, 1955, May 27, 1955, and April 6, 1959, addressed by the Defense Minerals Exploration Administration to you and your partner under the contract, Francis E. Duncan. The only reply to this correspondence was your undated letter, addressed to the Bureau of Mines in Rapid City and received by that office on June 6, 1955, wherein you promised to make payment if Mr. Duncan did not do so. No payment, however, was received from either you or Mr. Duncan.

The Office of Minerals Exploration, as successor to the Defense Minerals Exploration Administration, is responsible for the administration of the contracts entered into by the latter. This

Rec'd 4/10/61

43683

POST OFFICE DEPARTMENT

OFFICIAL BUSINESS

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

SOMMAN NY APR 13 4-PM 1961

REGISTERED NO. 598152

CERTIFIED NO.

INSURED NO.

POSTMARK OF DELIVERING OFFICE

RETURN TO →

NAME OF SENDER

DMEA, Dept. of the Intr.

STREET AND NO. OR P.O. BOX

WASHINGTON, D.C.

POST OFFICE

STATE

POD Form 3811
Apr. 1955

DELIVERING EMPLOYEE

☐ Deliver ONLY to addressee.

☐ Show address where delivered.

Received from the postmaster the registered, certified, or insured article, the number of which appears on the face of this return receipt.

1. E. Bond Humbert Jr.
(Signature or name of addressee)

2. _____
(Signature of addressee's agent—Agent should enter addressee's name on line ONE above).

Date of Delivery APR 1961 APR 10 1961

☆ U. S. GOVERNMENT PRINTING OFFICE : 1955 16—71548-1

responsibility includes the enforcement of the royalty payment provisions of the contract and in the execution of this responsibility this office does not have the authority to postpone indefinitely such action as may be necessary to collect royalty due the Government.

Accordingly, demand hereby is made for payment of the $27.36 in royalty known to be due the Government. Please make your check payable to the Office of Minerals Exploration.

Unless the amount of $27.36 is received within 30 days from the date of this letter, I shall have no alternative but to report the matter to the Comptroller General of the United States. Such referral may result in legal proceedings with probable further costs to you and may include action under the Government's lien upon the land.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

EDTalbert/ama
March 31, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2)

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 8 1960

DATE	INITIALS	CODE
4-8	gad	VVO
		110
4/8/60	[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 12-31-59

Docket and Contract Number DMEA 2876, Idn-E496 (Mica-Beryl)

Operator F. E. Duncan & E. B. Himebaugh (Last Chance Lode)
Custer 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 [X]

Remarks:

Mr. McGuiness, G.S.A. representative at the Custer buying station reports as noted above.

Signed H. M. Connors
H. M. Connors

Date 4-4-60

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

Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 21 1959

DATE	INITIALS	CODE
8-21	gad	220
8/21	[illegible]	800
	[illegible]	500
		225

August 18, 1959

Memorandum

TO: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 2876 (Beryl-Mica) Contract No. Idm-E496 Francis E. Duncan and E. Boyd Himebaugh, d/b/a Duncan and Himebaugh, (Last Chance Lode Claim) Custer County, South Dakota

A review of the file on the subject docket shows the Administrator, in his letter dated November 8, 1955, deemed that the royalty then due ($19.95) was uncollectible. Since that time, another shipment has been made from the property, and $7.41 additional royalty is due. We believe that this last shipment represents Mica salvaged from the dump by persons unknown to us, and possibly unknown to the property owner.

19.95
7.41
27.36
2) 13.68

By letter dated July 10, 1959, copies of which were forwarded your office, we alerted G.S.A. to withhold 5 percent royalty from the proceeds of any future production from the property until March 6, 1963, the end of the repayment period.

J. W. Townsend

OFFICIAL FILE COPY O. M. E. RECEIVED JUL 17 1959		
DATE	INITIALS	CODE
7-17	gad	VVO
7-17	[illegible]	800
"	[illegible]	500
		225

224 New Customhouse
Denver 2, Colorado

July 14, 1959

CERTIFIED MAIL

Mr. E. Boyd Himebaugh
Duncan and Himebaugh
Custer, South Dakota

Re: Docket DMEA 2876 (Beryl-Mica)
Duncan and Himebaugh
(Last Chance Lode Claim)
Custer County, South Dakota
Contract Idm-E496

Dear Mr. Himebaugh:

We have had no reply to our letter to you dated April 6, 1959, in which we requested past-due royalty amounting to $19.95, plus the royalty due on GSA Lot No. C-825. We also require three copies of the settlement sheet for GSA Lot No. C-825.

If we do not receive a reply from you before August 14, 1959, we will have no recourse but to refer the matter to higher authority.

Very truly yours,

Original signed by
J. W. TOWNSEND

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

Copy to: Mr. Francis E. Duncan
Custer, South Dakota

HMC:jy
cc: Chm. Op. Comm. (2)
Finch
Roy. Corres.
Chron.

OFFICIAL FILE COPY O. M. E. RECEIVED JUL 13 1959		
DATE	INITIALS	CODE
7-13	gcd	220
7/13	WBT	800
7-16	ect	500
7-17		225

224 New Customhouse
Denver 2, Colorado
July 10, 1959

Regional Controller
General Services Administration
Denver 25, Colorado

Re: Royalties Due U. S. Government
Exploration Contract No. Idm-2496
Docket No. EMEA 2876 (Beryl-Mica)
Francis E. Duncan & Boyd E. Himebaugh
Custer, South Dakota

Dear Sir:

Reference is made to telephone conference July 9, 1959, between Mr. C. V. Fitzgerald, Chief Inspection Division, Defense Materials Services, and Mr. Ronald T. Finch, Office of Minerals Exploration Auditor.

As pointed out in this conference, OME has a contract for exploration of Beryl-Mica with the subject partnership dated March 6, 1953.

According to the terms of this contract, royalty is due the United States Government on all production from the Last Chance Lode Claim, comprising approximately twenty acres in Sec. 11, T 5 S, R 4 E, as further described in Book 17 of locations, Page 539, Custer County, South Dakota, for a maximum period ending March 6, 1963.

Past efforts to collect 5% royalty on a sale of Beryl, G.S.A. Lot No. 48, dated February 8, 1954, shipped by Francis E. Duncan, and 5% royalty due on a sale of Mica, G.S.A. Lot No. 0825 dated November 5, 1958, shipped by Dale McDermand have been ignored by the former partners.

As stated in the referenced conference the OME will appreciate the withholding of 5% from the proceeds of any future purchases of production from the described claim that may be made during the remaining royalty period ending March 6, 1963.

Any such withholding should be transmitted to the Executive Officer, OME Field Team, Region III, Building No. 20, Denver 25, Colorado.

Thank you for your cooperation in this matter.

Sincerely yours,

Original signed by
J. W. TOWNSEND

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

DTF:ltm
cc: Reg. Dir., Def. Matl's Serv.
G.S.A.
Chms. Op. Comm. (2)
Harshman
E.D. Talbert
Finch
OME/DFC- Roy. file- Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration
224 New Customhouse
Denver 2, Colorado
April 9, 1959

OFFICIAL FILE COPY
RECEIVED 3 1959
4/13 220
" 110
" 880
4-14 600
225

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1958 through December 31, 1958

DMEA Docket 2876 (Beryl-Mica)
Contract Idm-E 496 (Last Chance Lode Claim)
F. E. Duncan and E. B. Himebaugh
Custer 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.

J. W. Townsend

Enclosures
HMC/ff

cc: Semiannual Report File Idm-E 496
Harshman
Marshall
Chron.

Semi-Annual Report of Certified Projects

Reporting Period	July 1, 1958 through December 31, 1958
Docket and Contract Number	DMEA 2876 - Contract Idm-E496
Operator	F. E. Duncan and E. B. Himebaugh
Commodity	Beryl - Mica
Mine Name	Last Chance Lode Claim
County and State	Custer County, South Dakota
Date of Contract	3-6-53
Date of Certification	12-11-53
Expiration Date of Royalty Payments	3-6-53
Date of Examination for this Report	3-24-59
Total Amount of Contract	3000.00
Total Expenditures under Contract	2736.00
Amount of Government Participation at 90 %	2462.40
Royalty Payments this Period	none
Previous Royalty Payments	101.91
Total Royalty Payments to Date	101.91
% Loan Repayment Completed	4.14 percent
Amount of Royalty Due	See "Royalty Remarks"
Royalty Remarks	GSA records show purchase of 1375 lb. mica assigned Lot No. C825. Request is being made for copies of settlement sheet and royalties on the production. (see also "Remarks" p. 2)

	Tons	Analysis
Original Estimate of DMEA Reserves (Field Team Final Report) Mines [ ] Survey [ ] Joint [x]	20-40 tons beryl	
Revised Estimate of DMEA Reserves (Field Team) Mines [ ] Survey [ ] Joint [ ]		
Increase of Reserves by work performed subsequent to DMEA project work		
Production DMEA (conc/ore) (This period)	lb.	
(Previous)	~~1375 mica~~	
(To Date)	~~9315.5 beryl~~	
" Operator's (conc/ore) (This period)	~~as above~~	
(Previous)		
(To Date)		

Percent Revised Reserves Mined _____

(For Uranium Ores Only)

Initial Production Bonus:

Status Operator: Ineligible [ ] Not Applied [ ] Applied [ ] Rec'ing pmt [ ] Pd up [ ]

Pounds U_3O_8 produced this period eligible for Bonus _____

Amount of Bonus paid to Operator this period $_____

Total pounds U_3O_8 produced to date eligible for Bonus _____

Total amount of Bonus paid to Operator to date $_____

Bonus Royalty Paid $_____

Bonus Royalty Due $_____

Investment Data

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

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

Facilities

Mine Plant Description	Mine Plant Cost	Mill Description	Mill Cost	Roads Description	Roads Cost

Remarks

1. Inspection indicated no activity. The examining engineer was unable to locate the operator for comment.
2. It is the opinion of E. O. Binyon, mining engineer, USBM, formerly assigned to semiannual inspection of the property, that the reported production represents mica salvaged from the dump by persons possibly entirely unknown to the operator. Personal observation of mine workings showed no fresh sign of blasting or evacuation.

? excavation ?

Signed M. H. Marshall (Engineer)

M. H. Marshall

4-7-59

224 New Customhouse
Denver 2, Colorado
April 6, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 9 1959

DATE		
4-9	C	220
4-10	G H	600
		225

Mr. E. Boyd Himebaugh
Duncan and Himebaugh
Custer, South Dakota

Re: Docket No. [illegible]-2076 - (Beryl-Mica)
Duncan and Himebaugh
(Last Chance Lode Claim)
Custer County, South Dakota
Contract No. [illegible]-496

Dear Mr. Himebaugh:

We have been advised that another shipment has been made from the captioned property, GSA Lot No. C-825, and that the shipper was Dale McDermond.

Please refer to Article 6(e) and Article 7 of the Exploration Project Contract, which is in effect until March 6, 1963, or until the amount of the Government's participation is fully repaid.

As you know, you are now in arrears in royalty due the Government in the amount of $19.95, plus the royalty due on GSA Lot No. C-825.

Please forward this office a check for the amount of royalty due. The check should be made payable to the Office of Minerals Exploration, which is the successor agency to the Defense Minerals Exploration Administration.

We will also require three copies of the settlement sheet for GSA Lot No. C-825.

Very truly yours,
Original signed by
J. W. TOWNSEND

HMC/ff

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

cc: Mr. Francis E. Duncan
Custer, South Dakota

Chmn. Op. Comm (2))
Marshall, OME/DFC) w/copy of Marshall's memorandum dated
Royalty file, E-496 April 1, 1959
Chron.

OME
DEPARTMENT OF THE INTERIOR
APR 2 - 1959
REGION III
DENVER, COLORADO

Apr. 1, 1959

Memorandum

To: Executive Officer, OME Field Team, Region III

From: Milton H. Marshall

Subject: Docket No. DMEA 2876 (Mica-Beryl) Contract Idm-E496
F. E. Duncan and E. B. Himebaugh (Last Chance Lode)
Custer County, South Dakota

Inspection of production data from the Custer, South Dakota, Mica Purchase Depot, showed that the following shipment of mica was purchased:

GSA Lot No.	C825
Receiving Date	November 5, 1958
Purchase weight	1375 lb.
Origin	Last Chance lode
Shipper	Dale McDermond

The preliminary payment for this purchase was $148.15.

To my knowledge neither royalties or evidence of sale of this production has been submitted to your office.

Milton H. Marshall
Mining Engineer

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

February 21, 1958

DMEA RECEIVED FEB 26 1958		
DATE	INITIALS	CODE
2/26	C	220
27	Com	100
"	[illegible]	110
"	[illegible]	800
		600

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 2876 (Berl-Mica)
Contract Idm-E 496, Frances E. Duncan & E. B. Himebaugh
(Last Chance lode claim) Custer 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. H. King
Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM:jy

cc: Semiannual Report File E 496
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. 2876, Contract Idm-E496
Operator	Frances E. Duncan & E. B. Himebaugh Custer 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

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 19 1957

DATE		CODE
19	Corr	100

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

August 15, 1957

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 2876 (Beryl-Mica)
Contract Idm-E 496, F. E. Duncan & E. B. Himebough (Last Chance Lode Claim), Custer 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 496
Harshman
DMEA/DFC
Chron.

DMEA
PARTMENT 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. 2876, Contract Idm-E496
Operator	F. E. Duncan & E. B. Himebough Custer, South Dakota

The project has been inactive during the reporting period ☐

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

Remarks:

Signed E O Binyon

E. O. Binyon

Date 8/5/57.

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 2876 (Beryl-Mica)
Contract Idm-E 496, F. E. Duncan & E. B. Himebaugh (Last Chance Lode Claim), Custer 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 496
J. F. Shaw (2)
E. N. Harshman
Chron.

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 28 1957

DATE	INITIALS	CODE
3/1	C	220

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

Reporting Period July 1 -- December 31, 1956
Docket and Contract Number Docket DMEA 2876 -- Contract Idm-E496
Operator F. E. Duncan & E. B. Himebaugh
Custer 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:

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 28 1957

DATE	INITIALS	CODE

DMEA
DEPARTMENT OF THE INTERIOR
FEB 21 1957
REGION III
DENVER, COLORADO

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 2876 (Beryl-Mica)
Contract Idm-E 496, Frances E. Duncan & E. B. Himebaugh (Last Chance Lode Claim), Custer 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 496
J. F. Shaw (2)
E. N. Harshman
Chron.

DMEA, REGION III

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

STATEMENT IN LIEU OF SEMIANNUAL REPORT

RECEIVED
SEP 24 1956

Reporting Period January 1 - June 30, 1956
Docket and Contract Number DMEA 2876, Contract Idm-E496
Operator Frances E. Duncan & E. B. Himebaugh

	"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 26, 1956

active or inactive?

E O Binyon
Signed E. O. Binyon

Date August 10, 1956

U. S. DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

RECEIVED
APR 13 1956

224 New Customhouse
Denver 2, Colorado

Date: April 13, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, DMEA Docket 2876 (Beryl-Mica), Contract Idm-E496, Duncan & Himebaugh, S. Dakota

Period: March, 1956

During the above month the following royalty payments were received for ore or concentrates shipped from the subject property:

Lot No.	Dry Tons	Royalty Due	Royalty Pd.
		(NONE)	

Totals:

Past Due Royalties Collected	None
Total Dry ~~Tons (Ore or Cons.)~~ Pounds Beryl Shipped to Date	9315.5 #
Expiration Date of Royalty Repayment	March 6, 1963
Amount of Government Participation	$2,462.40
Total Royalty Payments to Date	$101.91
Percent of Loan Repayment	4.14%

W. M. Traver

W. M. Traver

vj

cc Royalty File E 496 w/Settlement Sheets
Monthly Royalty Payment File
~~T. A. Christensen~~
S. M. Runke
Chron.

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 2876 (Beryl-Mica) Contract Idm-E 496, Francis E. Duncan and E. B. Himebaugh, Last Chance Mine, Custer 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/vj
cc: Semiannual Report File E 496
E. O. Binyon
E. N. Harshman
Chron.

Semi-Annual Report of Certified Projects

Reporting Period July 1, 1955 - December 31, 1955

Docket and Contract Number Docket DMEA 2876, Contract Idm-E496

Operator Francis E. Duncan and E. B. Himebaugh

Commodity Beryl and mica

Mine Name Last Chance

County and State Custer County, S. Dak.

RECEIVED
MAR 14 1956

Date of Contract March 6, 1953

Date of Certification December 11, 1953

Expiration Date of Royalty Payments March 6, 1963

Date of Examination for this Report January 6, 1956

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

Total Amount of Contract $3,000.00

Total Expenditures under Contract $2,736.00

Amount of Government Participation at 90 % $2,462.40

Royalty Payments this Period None

Previous Royalty Payments $101.91

Total Royalty Payments to Date $101.91

% Loan Repayment Completed 4.14 percent

Amount of Royalty Due $19.95

Royalty Remarks The royalty due, $19.95 according to a letter from the Administrator's office to Executive Officer, DMEA Field Team, Reg. III, dated Nov. 8, 1955 has been considered uncollectable and is filed in delinquent file, to be maintained indefinitely.

Original Estimate of Reserves (from Final Engr.-Geol. Report): 3,700 tons wall zone rock with 30 to 35 tons recoverable beryl and 350 tons crude mica, with 200 tons recoverable containing 7 - 9 tons of good, stained & better.

Increase of Reserves by work performed subsequent to expiration or termination of contract: None. A decrease in beryl and mica reserves by the amount shipped.

Revised Estimate of Reserves: No change.

Production this Period (Ore or Concentrates) None.

Amount of Previous Production (since date of contract) 9315.5 lbs. beryl, value $2,437.15

Total DMEA Production to date

% of Revised Reserves Mined

Production Remarks:

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

Other Remarks: The property has not been worked since August 1954.

Signed E. B. Bunyon (Engineer)

Docket copy
Surname: Talbert
Chambers
Houk
Selfridge
H. Johnson

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

NOV - 8 1955

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

Re: Docket No. DMEA-2876 (Beryl-Mica)
Duncan and Hinebaugh
Last Chance Lode Claim
Custer County, South Dakota
Contract No. Idm-E496

Dear Mr. Traver:

Reference is made to your letter of October 19, 1955, advising that payment of the past due royalty of $19.95 under the referenced project has not been made in accordance with the demands by our letters of May 27, 1955 and September 14, 1955.

It appears, after due consideration to the size of the debt and the cost to the Government of further pursuing the collection effort, that all reasonable steps at the disposal of this Administration to collect this small indebtedness have been taken. Accordingly, this account is deemed uncollectible at this time; however, in accordance with the Department's Budget and Finance Letter No. 60, dated April 18, 1952, a statement of the account supported by the collection correspondence should be filed in a delinquent file, to be maintained indefinitely.

Sincerely yours,

J. D. Mittendorf

Administrator

EDTalbert/wb
November 1, 1955

Copy to: Docket
Admr. Reading File
Administrator
Mr. Houk
Mr. Chambers
Mr. Talbert

R.L.S.

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

RECEIVED
OCT 21 1955

224 New Customhouse
Denver 2, Colorado

October 19, 1955

Memorandum

To: C. O. Mittendorf, DMEA Administrator

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, DMEA Docket 2876 (Beryl-Mica), Contract Idm-E496, Duncan & Himebaugh, Last Chance Lode Claim, Custer County, South Dakota.

This is to advise that we have not received the royalty payment of $19.95 demanded by your letters to the operators dated May 27, 1955 and September 14, 1955.

If royalty payment was sent directly to the Washington office please advise. Otherwise, legal action to force payment seems to be in order.

W. M. Traver

W. M. Traver

Dal: We can forget this underdepartment + GAO ruling if we want to do so.

JLC 10/31/55

Docket copy
Surname:
Talbert
Houk
Rutin
Selfridge
H. Johnson

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

SEP 1 4 1955

Mr. E. Boyd Himebaugh
Duncan and Himebaugh
Custer, South Dakota

Re: Docket No. DMEA-2876 - Beryl-Mica
Duncan and Himebaugh
Last Chance Lode Claim
Custer County, South Dakota
Contract No. Idm-E496

Dear Mr. Himebaugh:

By letter dated May 27, 1955 you were advised that, unless payment of the $19.95 in past due royalty under the referenced Exploration Project Contract was received by July 1, 1955, this Administration would take appropriate collection action. An identical letter was sent to Mr. Francis E. Duncan.

No further action has been instituted by this Administration due to your promise in an undated letter (received by the Bureau of Mines, Rapid City, South Dakota, on June 6, 1955) to make payment if Mr. Duncan did not do so. To date, however, payment has not been received from either you or Mr. Duncan.

It is not within the authority of this Administration to postpone indefinitely such action as may be required to collect amounts properly due the Government. Accordingly, I must advise you that unless payment of the $19.95 is received within thirty days from the date of this letter, this Administration will institute appropriate action, including referral to the Attorney General of the United States if such resort is necessary.

A copy of this letter is being sent to Mr. Duncan.

Sincerely yours,

C. O. Mittendorf

Administrator

EDTalbert/wb
September 9, 1955

Copy to: Docket
Admr. Reading File
Field Team, Region III (2)
Administrator
Mr. Hofflund
Mr. Houk
Mr. Chambers
Mr. Duncan

R.C.S.

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

RECEIVED
SEP 12 1955

224 New Customhouse
Denver 2, Colorado

September 8, 1955

Memorandum

To: C. O. Mittendorf, DMEA Administrator

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, DMEA Docket 2876 (Beryl-Mica) Contract Idm-E496, Duncan and Himebaugh, Last Chance Lode Claim, Custer County, South Dakota.

We have not received the royalty payment of $19.95 which was demanded by your letters to Mr. Duncan and Mr. Himebaugh dated May 27, 1955.

We recommend that the action indicated in the last paragraph of above letters be initiated as it is evident that payment will not be received without it.

W. M. Traver

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

RECEIVED
JUL - 5 1955

224 New Customhouse
Denver, Colorado

July 1, 1955

Memorandum

To: C. O. Mittendorf, DMEA Administrator

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, DMEA Docket 2876 (Beryl-Mica) Contract Idm-E496, Duncan and Himebaugh, Last Chance Lode Claim, Custer County, South Dakota

With reference to our letter dated June 22, 1955 this is to advise that royalty payment has not been received as per terms of your May 27 letter.

W. M. Traver

W. M. Traver

Semi-Annual Report of Certified Project

January 1, 1955 to June 30, 1955

Docket: DMEA 2876, Contract Idm-E496

Commodity: Beryl-mica

Operator: Duncan and Himebaugh*

Mine: Last Chance Lode

County and state: Custer County, S. Dak.

Date of certification: March 6, 1953 12-11-53 gad

Date of examination for this report: May 31, 1955

Total contract amount: $3,000.00

Total expended: $2,736.00

Government participation: $2,462.40 (90%)

Expiration date of royalty payments: March 6, 1963

Production to date: 10,911.5 lbs. beryl

Production this period: None

Royalty due for period: None

Royalty paid to date: $101.91

Royalty due on production to date: $19.95

* We have no copy of the certification of a discovery, but have assumed the certification date to be the same as the date of the contract. Send copy of cert.

NOTE: The Nonmetallic Minerals Division considers that since the above request was made by the Examiner to the Regional Office that office will answer his request and advise the Examiner that the date of the certification is not the date of the contract.

9/27/55 F. L. Knouse, Acting Chief
Nonmetallic Minerals Division

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

224 New Customhouse
Denver 2, Colorado

June 22, 1955

Memorandum

To: C. O. Mittendorf, DMEA Administrator

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, DMEA Docket 2876 (Beryl-Mica) Contract Idm-E496, Duncan and Himebaugh, Last Chance Lode Claim, Custer County, South Dakota

Reference is made to your separate letters of May 27, 1955 to each of the applicants demanding payment of royalties due under Contract Idm-E496. We have received a letter from Mr. Himebaugh and are enclosing a photostat copy for your information and also a copy of Mr. Binyon's transmittal letter.

We will advise on July 1, 1955 whether or not this royalty payment has been received as per terms of your May 27th letter.

W. M. Traver

W. M. Traver

Enclosures

Rapid City Experiment Station
School of Mines Campus
Rapid City, South Dakota

DMEA
Date Rec'd.
JUN 20 1955
BUREAU OF MINES
Denver, Colorado

June 16, 1955

Memorandum

To: W. M. Traver, Executive Officer, DMEA Field Team, Reg. III

From: E. O. Binyon, Rapid City, S. Dak.

Subject: Royalty Payments, Docket DMEA 2876, Contract Idm E-496, Duncan and Himebaugh, Custer County, S. Dak.

Enclosed is a letter from E. Boyd Himebaugh on the subject.

How correct Mr. Himebaugh's statements are concerning the agreements etc., I have no way of knowing. However, I do know that the royalty payments to date have been made by Francis Duncan, and he stated that Himebaugh did not contribute any part of the payments. Francis Duncan has been requested several times, both in person and by letter, to make payment.

Should you want me to continue to try to collect, please advise.

E. O. Binyon

cc: Traver (2)
files

Complete Septic Systems
General Excavating
Quick Way Ditching
Atlas Explosives

H. & H. SERVICE COMPANY

Bowman, North Dakota — Custer, South Dakota

Telephones Bowman
Day-304: Night-4112

JUL 6 1955
Dept. of Interior
Bureau of Mines
Rapid City,
South Dakota

Bureau of Mines
Rapid City,
South Dakota

Gentlemen: Att: Mr Binyon

Recently I received a letter from the Defense Minerals Exploration signed by Mr. C.O.Mittendorf requesting that a sum of $19.95 be paid plus a payment of royalty due since February 18th., 1954.

Francis Duncan should pay these amounts as he is the one who made the sales and ended up with the proceeds. He agreed to do this to me and his lawyer in the presence of John Fisher, now dead. The two of them worked the mine without my knowledge or concent for several weeks and Francis worked the mine with a helper for some time previous to this. his was also done for a time without my knowledge as Francis told me he was quitting theoperation to work in another mine.

Even tho I have bills and cancelled checks to show that I spent quite a sum above the loan we obtained Francis has kept hidden from me the facts of sales ect. and has refused to make an accounting and brot suit against me to obatin the portion of the mine I own. his was done only to rob the mine of the most accessible values and to take advantage of the fact that I live removed from Custer. The matter of the $19.95 should be taken care of and this is the first I have known of it to my recollection. I sincerely believe Francis Duncan is morally boundto make this and other returns, but legally I am certain I also am liable. Therefore I want you to know that if Duncan does not make the return, I will, but I want an attempt made for him to make the payment. I have written to him tonight and am sending a copy of the letter I wrote to his lawyer. I doubt if it will do any good because I don't know how to cope with people like him.

Thanks again for you patience and cooperation.

Sincerely yours,

E. Boyd Himebaugh

E. Boyd Himebaugh

Docket Copy
Surname:
Houk
Fachnt
Hoffland
Johnson

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

MAY 2 7 1955

Mr. Francis E. Duncan
Duncan and Himebaugh
Custer, South Dakota

Re: Docket No. DMEA-2876 - Beryl-Mica
Duncan and Himebaugh
Last Chance Lode Claim
Custer County, South Dakota
Contract No. Idm-E496

Dear Mr. Duncan:

Reference is made to the certification of discovery or development issued December 11, 1953, and the letter transmitting it and the requests for payment of royalty due ($19.95) the Government.

On February 18, 1955, Mr. E. O. Binyon in a letter to Mr. Duncan, and on April 22, 1955, Mr. W. M. Traver in a letter to Mr. Duncan requested payment of the royalty due since February 18, 1954.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets showing quantity and grade of ore sold, the name of the purchaser, and the price and charges certified to be correct by the purchaser.

Since the royalty is fifteen months overdue a demand is hereby made of each of the partners for $19.95. If the sum of $19.95 is not received by Mr. W. M. Traver, Executive Officer, Defense Minerals Exploration Administration Field Team, Region III, Bureau of Mines, 224 New Customhouse Building, Denver 2, Colorado, by July 1, 1955, the Defense Minerals Exploration Administration will take whatever action is deemed appropriate.

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk:gad 5/24/55
Copy to: Admr. R. File
Docket
Field Team, Region III
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Hedges, 4604
Mr. Houk

R.C.S.

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

824 New Customhouse
Denver 2, Colorado

April 28, 1955

Mr. Francis Duncan
Custer, South Dakota

Re: Royalty Payments - DMEA Docket 2576 (Beryl-Mica), Contract Idm-2436, Duncan & Hinebaugh, Custer County, South Dakota

Dear Mr. Duncan:

Reference is made to letter dated February 18, 1955, from E. O. Binyon concerning royalty due under the subject contract. We are enclosing a copy of this letter. Please give this matter your immediate attention so we can keep our files under this contract current.

Please furnish this office with four copies of the settlement sheet if possible. If you do not have a sufficient number of copies please send us your copy and we will photostat the required number and return the original to you.

Yours very truly,

W. M. TRAVER,

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

Enclosure

RDD:ld
Copy for Loc. Dep. Comm. (2) w/enclosure
E. O. Binyon with enclosure
M. H. Beckenhauer w/enclosure
Royalty file 2436
Chron

Rapid City Experiment Station
School of Mines Campus
Rapid City, South Dakota

February 18, 1955

Mr. Francis Duncan
Custer, South Dakota

Re: Docket DMEA 2870
Contract Idm-E490

Dear Mr. Duncan:

This is to confirm our conversation of February 17 concerning royalty payments on beryl shipments from the Last Chance property.

As was mentioned, the only royalty payment due is on a shipment from the property of 1,995 pounds of beryl which was sold to the GSA depot in Custer under Lot Number 48-B dated February 5, 1954.

As the lot was not analyzed, it is assumed that it brought a price of 20 cents per pound; if so, then the amount due as royalty is $19.95, or 5 percent of $399.00. However, if you received more or less than 20 cents per pound for this lot, the royalty of 5 percent should be applied to the total amount received, as shown on the settlement sheet.

As you may know, the royalty check is to be made payable to the Defense Minerals Exploration Administration and the check, with four copies of the settlement sheet or other record of the sale and amount received, should be sent to:

Executive Officer, DMEA Field Team,
Region III, 224 New Customhouse
Denver, Colorado

Very truly yours,

/s/ E. O. Binyon

E. O. Binyon
Mining Engineer

COPY

Minneapolis 8, Minnesota
January 6, 1955

Memorandum

To: Operating Committee
From: Exec. Off., Field Team, Reg. V.

Subject: Semi-Annual Report on Certified Projects

Following is the status of certified projects in former Region V, as of 12/31/54

2876	496	Duncan-Himebaugh	Period 7/1/54 to 12/31/54. None. Operator states payment will be made when possible. Royalty due on Lot 48B, 1992 lb beryl at .20¢. Total value $399.00. Royalty of $19.95 due. See 6/30/54 report. Inactive.

Needham

Minneapolis 8, Minnesota
July 2, 1954

Memorandum

To: Operating Committee
From: Exec. Off., Field Team, Region V

Subject: Semi-Annual Report on Certified Projects

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

2876	496	Duncan and Himebaugh	Production royalties 1/1 to 6/30/54: 8,916-1/2 lbs. of mica valued at $2,038.15 sold, royalty payment $101.91.

1954 shipments for which no royalties paid - GSA, 1,995 lbs. mica valued at $399.00, royalty due $19.95. Shipment of 1,500 lbs. mica reported sold through other shipper. Some records held by Himebaugh, Bowman, N.D., not included because of a law suit between the two partners.

needham

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

June 11, 1954

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Memorandum voucher, Docket 2876, Contract Idm E-496, Last Chance Lode, Duncan and Himebaugh

Attached are two copies of a memorandum voucher covering the subject project.

WALTER E. LEWIS

Attachments

Washington

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Region V
2906 Colfax Avenue South
Minneapolis 8, Minnesota

June 9, 1954

Memorandum

To: L. A. Hill, Special Assistant to the Regional Director, Region V

From: Executive Officer, Field Team, Region V

Subject: Docket 2876, Contract Idm D-496, Last Chance Lode, Duncan and Himebaugh

The first royalty payment of $101.91 has been received from production of beryl from the Last Chance Lode. Therefore, the $100.00 withheld on the July and August 1953 monthly report total can be released.

/s/ Walter E. Lewis
Acting for A. B. Needham

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

$100.00

Signature L. A. Hill
Authorized Certifying Officer

Date JUN 1 0 1954

2876

Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

April 29, 1954

Memorandum

To: Jay L. Chambers, Chief, Contract Administration and Audit Division, DMEA, Washington, D. C.
Through: Operating Committee, DMEA

From: Executive Officer, Field Team, Region V

Subject: Distribution of Supplemental Form MP-104

Reference is made to your letter of April 23, referring to Section 8 of DMEA Circular 19, and inquiring about dockets 1561 and 2876.

In the case of docket 1561, Dodgeville Mining Company, an amount was withheld pending receipt of the final report by the operator. This report has never been received, therefore is still pending, and consequently the funds are still being withheld. No supplemental voucher has been issued. It is our personal opinion that the operator does not intend to submit a final report on this project. This company's operations were recessed, both because of the current low zinc market, and, I would presume, a lack of ore reserves.

In the case of docket 2376, Duncan & Himebaugh, the final payment was not made as yet because we were awaiting clarification of certain difficulties in connection with royalty payments. It seems as though the operators are suing one another, and are having quite a difficult time adjusting the partnerships of the mine. Therefore, a supplemental MP-104 has not been issued in this case either.

A. B. HERRMAN

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

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

APR 23 1954

Dear Mr. Needham:

Reference is made to Section 6 of DMEA Circular 19, dated April 17, 1952, as amended by Section 4 of Supplement 4, thereto, dated October 9, 1952, which requires that:

> "In any case where a supplemental payment to an Operator is effected without submission of a supplemental Form MF-104 (for example, in the payment of an amount withheld on a final MF-104 in accordance with Article 5 of the Exploration Project Contract, Rev. Feb., 1952) copies of the voucher (Standard Form 1034, Rev. or other type of document used) shall be distributed in the same manner as prescribed for the distribution of Form MF-104."

According to the records of this Division it appears that possibly supplemental payments were made on certain contracts without two copies of the payment documents being forwarded to Washington. The contracts involved, the total amounts paid according to our Divisional records, and the amounts of payments certified by the DMEA auditors as being valid for payment are:

Contract	Docket	Operator	Paid	Audit
I-167	1561	Dodgeville Mining	$4,913.[illegible]	$4,965.50
496	2876	Duncan & Winchaugh	2,362.40	2,162.40

It is requested that the required copies of the missing payment vouchers or schedules (showing voucher numbers, dates of payment, and amounts paid) be forwarded as soon as possible.

Sincerely yours,

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

RDTalbert/wb
April 23, 1954

Copy to: Mails & Files
Admr. Reading File
Mr. Chambers

R.C.J.

FILE COPY
SURNAME:

Robertson
Hook
Thayer
Hedges
Johnson
Stephens
Boston
McKee

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

600

DEC 11 1953

Mr. Irving Gumbel, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration
Washington 25, D. C.

Re: Docket No. [illegible] - Beryl-Mica
Benson and Himebaugh
Last Chance Lode
Custer County, South Dakota
Contract No. [illegible]

Dear Mr. Gumbel:

I am enclosing one copy of a Certification of Discovery or Development relating to the subject exploration contract.

The contract, providing for 125 linear feet of underground work, was signed March 6, 1953, with the Government participating to the extent of 90 percent of $3,000.00 or $2,700.00. The work was discontinued after 114 feet of drift was completed. It was driven from an old existing shaft at a level 35 feet below the pegmatite outcrop. The drift followed a two-foot wall zone containing beryl, estimated at 0.5 to 1.0 percent, and an undetermined amount of sheet mica. During the project, 1,075 pounds of beryl and 936 pounds of hand-cobbed mica were recovered. Allowing for extension of ore 25 feet below the level, the inferred ore is estimated at 20 to 40 tons of recoverable beryl. It is the intention of the Operator to attempt to mine and market the ore indicated and also to extend the shaft to greater depth.

The DMA is of the opinion that the project work was of definite benefit to the property and, therefore, we have certified that a discovery or development resulted from the work.

Sincerely yours,

C. D. Mitchell

Administrator

Enclosure
JTRobertson:gsd 12/3/53
Copy to: Admr. R. File
Mr. Johnson
Operating Committee
Mr. Hedges, 4604
Mr. Hook
Docket File
Mr. Thayer, 5216 GSA Bldg.
Field Team, Region V
Mr. Chambers
Admr. R. File

R.C.S.
12-11-53

FILE COPY
SURNAME: 43

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

Robertson
Houk
Thayer
Hedges
Sethridge
Schumacher
Ehrlich
Robin
Miller

DEC 11 1953

Mr. Francis E. Duncan
Duncan and Himebaugh
Custer, South Dakota

Re: Docket No. DMEA-2876 - Beryl-Mica
Last Chance Lode Claim
Custer County, South Dakota
Contract No. Idm-E496

Dear Mr. Duncan:

Transmitted herewith is a Certification of Discovery or Development on Contract No. Idm-E496, Custer County, South Dakota.

By the terms of the Exploration Project Contract and of the Certification, all production from the property from the date of the Exploration Project Contract, March 6, 1953, is subject to the Government's percentage royalty as set forth in the contract until the sum of $2,462.40 is paid or until March 6, 1963, whichever occurs first.

Payments should be made to Mr. A. B. Needham, Executive Officer, Defense Minerals Exploration Administration Field Team, Region V, 2908 Colfax Avenue, South, Minneapolis 8, Minnesota. Checks should be drawn to the Treasurer of the United States. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward check to the Executive Officer.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets showing quantity and grade of ore sold, the name of the purchaser, and the price and charges certified to be correct by the purchaser.

You are requested to notify Mr. Needham of any changes in ownership or production rights that might have any effect on the Government's right to its percentage royalty. Also, if production ceases at any time for any extended period, please notify Mr. Needham at six-month intervals that no production has been made.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

JTRobertson:ag 12/4/53
Copy to: Admr. R. File
Docket File
Mr. Johnson
Mr. Hedges, 4604
Mr. Chambers
Field Team, Region V
Mr. Thayer, 5216 GSA Bldg.
Operating Committee
Mr. Houk

R.C.B. 12-11-53

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

MDL
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 20 1953

November 19, 1953

Memorandum

To: L. G. Houk, Chief, Nonmetallics Division, DMEA

From: R. F. Griffith, Rare and Precious Metals Branch

Subject: DMEA Docket 2876, Contract E-496, Duncan and Himebaugh.

This office concurs with the field team recommendation that the subject project be certified as a discovery or development.

The recommendation has been sent to the Chief, Minerals Division, in accordance with the routing slip attached thereto.

R. F. Griffith

R. F. Griffith

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV - 6 1953

November 5, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2876 (beryl-mica).

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Duncan and Himebaugh
Name of property: Last Chance Pegmatite
Location of property: Custer County, South Dakota.
Date of field team report: October 14, 1953.
Authorship of field team report: J. A. Redden and E. O. Binyon
Field team's recommendation: Certification of discovery, with royalty payments to be made.

ACTION SUGGESTED:

Follow field team's recommendation.

D. M. Larrabee

D. M. Larrabee

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
OCT 30 1953

October 28, 1953

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: DMEA Docket 2876, Contract E-496, Duncan and Himebaugh

Here are the original and three copies of the final engineering and geological report by the Field Team on the subject project, which recommends certification.

A. B. Needham
A. B. NEEDHAM

Attachment

Field Team
Final Rpt

Reviewed by
DMEA OPERATING COMMITTEE
11-6-53
(date)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 30 1953

UNITED STATES

DEPARTMENT OF THE INTERIOR

DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION V

Last Chance Pegmatite

Custer County, South Dakota

E. O. Binyon, Mining Engineer
U. S. Bureau of Mines

J. A. Redden, Geologist
U. S. Geological Survey

October 14, 1953

Reviewed by
DMEA OPERATING COMMITTEE
11-6-53
(date)

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION V

by

E. O. Binyon, Mining Engineer
U. S. Bureau of Mines

J. A. Redden, Geologist
U. S. Geological Survey

DMEA Docket No.:	2876
Contract No.:	Idm E-496
Applicant:	Duncan & Himebaugh, c/o E. Boyd Himebaugh, Bowman, N. Dak.
Commodity:	Beryl - mica

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

The property comprises one unpatented claim known as the Last Chance Lode and is owned and operated by Duncan and Himebaugh, a partnership between Frances E. Duncan of Custer, S. Dak., and E. Boyd Himebaugh of Bowman, N. Dak.

It is in Section 11, T. 5 S., R. 4 E., B.H.B.M. approximately 3 miles north of Pringle and 11 miles by road south of Custer, S. Dak.

By the contract, the work of the project included driving 125 feet of drift. One hundred feet, more or less, was to be driven southeast along the pegmatite from the bottom of the shaft at a point 48 feet below the outcrop and the remaining footage was to be driven to the southwest, the footage depending on the length of the drift to the southeast.

As completed, the SE drift was 79 feet in length and the NW drift was driven 35 feet, a total of 114 feet, or 11 feet short of the footage to be driven under the terms of the contract.

The applicant was on several occasions advised to continue the drift to the southeast and to drive the NW drift only when the beryl and mica in the wall zone in the SE drift had disappeared or when the geology indicated that further drifting along the pegmatite in this direction was not warranted.

Reviewed by
DMEA OPERATING COMMITTEE
11-6-53
(date)

However, the operators were working on somewhat limited funds, and since there was a good showing of beryl and mica in the wall zone along a northwest plunging minor fold, he wanted to expose as much of this part of the pegmatite as possible and therefore drifted to the northwest. This was done between visits by the field team but it was agreed that the work could be allowed under the contract.

The work exposed the wall zone on the footwall for practically the full length of both drifts. The last few feet of the SE drift were driven in the inner zone. On the hanging wall the zone was exposed in only three places in the drifts. Average thickness of the wall zone is approximately 2.0 feet and the beryl content is estimated at 0.5 to 1.0 percent. Mica content of the zone is from 8 to 15 percent. No estimate of the recoverable sheet mica is possible until the grade of one or more lots can be obtained from the G.S.A. buying station.

Inferred tonnage of beryl reserves from the surface to 25 feet below the drift level is between 20 to 40 tons, depending on the grade figure used.

Total contract expenditures of the project amounted to $2,736.00, of this the Governments share at 90% was $2,462.40, leaving a balance of $237.60.

No equipment was purchased with Government funds and there are no outstanding obligations in which the Government participates. The operator has not submitted a final report and $100.00 has been withheld pending receipt of the report.

The work resulted in proving the extension of beryl and mica bearing units along the pegmatite for the length of the drifts and, while it may be that no major discovery was actually made the work can be considered as developing the property to the point of production. The field team is of the opinion that a certification of development is warranted and royalties should be paid on the production.

To date, a record of production has not been submitted by the operator although the operator had promised in more than one instance to submit the record. From the information available 1,199 pounds of beryl and 1,300 pounds of mica (B Program) have been sold to the G.S.A. depot in Custer, S. Dak. A record of the sale of beryl is available but the mica was sold with a lot from another mine and the amount is an estimate. From verbal reports by Mr. Duncan and from calculations it is estimated that between 1 and 2 tons of beryl have been produced since the start of the project.

As a result of the work under the contract, production from the property should be economically feasible, at least the operators should not lose money if it is mined properly. Also, it is not unlikely that better grade mica may be found along a roll or rolls in the pegmatite and this with the beryl could result in a profitable operation.

LOCATION

The property is in Section 11, T. 5 S., R. 4 E., B.H.B.M. approximately 3 miles north of Pringle and 11 miles by road south of Custer, S. Dak. Both Pringle and Custer are on the C.B.&Q. Railroad. Custer, the nearest supply center is the location of the G.S.A. buying station for beryl, mica and columbite-tantalite. To reach the property from Custer go eleven miles south on U. S. 85A, turn right into a ranch, go through the corral and continue north on the main traveled road for 1-1/2 miles to the property. This 1-1/2 miles of road is unimproved and is impassable in bad weather.

DESCRIPTION OF THE WORK

The project started April 20, 1953 and consisted of driving 114 feet of 6' x 7' drift from the bottom of a shaft 48 feet below the outcrop. Of the total footage 79 feet was driven to the southeast along the footwall of the pegmatite and 35 feet was driven to the northwest.

Owing to labor difficulties and breakdown of equipment progress was slow and the project was not completed until about August 15, 1953.

The beryl and mica unit on the footwall was exposed practically the entire length of both drifts. Only a few feet of the SE drift was driven entirely in the inner zone and did not expose the wall or beryl zone.

The operators installed necessary hoisting equipment and a small blower for ventilation and constructed a small ore bin.

GEOLOGY

An accurate geologic map of the property was prepared to determine the plunge of the deposit and best potential areas for prospecting. The results of the mapping of both surface and underground working indicates that the pegmatite plunges approximately 38° N. 15° W. This is in agreement with the original interpretation of the plunge of the pegmatite.

The drifting failed to reach the projection of the most well-developed rolls in the contact. This was largely because the applicant drifted 35 feet to the northwest, even though he had been

told that nearly all the drifting should be to the southeast. His persistance in drifting to the northwest is understandable since a minor northwest plunging roll containing considerable mica and beryl crossed the lower portion of the shaft. The extension of this roll to the northwest caused his eagerness to drift in that direction.

The drifting has exposed a considerable portion of the wall zones at depth. The wall zone averages about 2 feet thick and is composed of plagioclase, quartz, and muscovite and is essentially the same percentages as on the surface of the pegmatite. Beryl and tourmaline are accessory minerals. The inner zone of the pegmatite consists essentially of quartz, perthite, and plagioclase.

The fresh exposures indicate that the wall zone contains between 0.5 percent and 1.0 percent beryl. The total inferred tonnage of beryl above the drift level and to a depth of 25 feet below the drift is between 20 to 40 tons, depending on the grade figure used. The mica content is estimated to be between 8 and 15 percent of the wall zone. Estimates of the contained sheet which would meet buying requirements by G.S.A. are impossible until several tons of the mica is processed at the buying station. Such processing had not been completed at the time of this report.

Although the physical defects in the mica, such as warping and reeving, have not disappeared at greater depth in the pegmatite, the continuation of the beryl is promising. A major discovery has not resulted, but adequate reserves have been disclosed to warrant certification of a discovery and require royalty repayments in production.

EXPENDITURES

Total amount of the contract.	$3,000.00
Governments participation - 90%	2,700.00
Total expended.	2,736.00 ✓
Governments share	2,462.40 ✓
Balance remaining of Governments share . . .	237.60
Withheld for final report	100.00

If the operator submits a record of production to date and pays the royalties due, it is recommended that his monthly narrative report for July and August be accepted as a final narrative report and the $100.00 be refunded.

Owing to a lack of experience in underground work on the part of the operator and to the difficulty in obtaining experienced miners, as well as equipment, breakdown progress of the project was not as expected.

The government has no interest in any of the equipment used on the project, all items were purchased or supplied by the operator.

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FILE COPY
SURNAME:
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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

OCT - 7 1953

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

Re: Francis E. Duncan & E. Boyd Hinshaugh
d/b/a Duncan & Hinshaugh
Contract Ida-E496, Docket DMEA-2876

Dear Mr. Needham:

Enclosed are the original and two copies of the Report of Review covering the referenced Exploration Project Contract.

Inasmuch as the Field Team's reports on the project confirmed the performance of the work authorized by the contract on an agreed unit cost basis, it has not been necessary for an auditor to visit your office in order to issue this Report of Review.

Distribution should be effected in accordance with Section 3 of DMEA Circular 19, Supplement 4, dated October 9, 1952.

Sincerely yours,

(Signed) E. D. Talbert

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

Enclosure

EDTalbert/wb
October 7, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

10-7-53

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
SEP 28 1953

September 24, 1953

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA 2876, Contract Idm E-496, Operator's Monthly Report and Voucher for July and August 1953
Duncan & Himebaugh, Custer, S. Dak.

Here are two copies of the subject report, as processed for payment, for your files.

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

Attachment - 2

cc: C. E. Dutton
E. O. Binyon
Region V
Files
Day Files

Operator's Final Rpt rec memo from Reg 5 9-29-53

Operator's Final Rpt

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 28 1953

8

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

Month of July & August, 1953 Docket No. DMEA 2876 Contract No. IDM E 496
Operator's Name Duncan & Himebaugh Minerals Beryl & Mica
Address Custer, South Dakota
Contract Amount, $ 3,000.00 Government Participation: 90 % Amount, $ 2,700.00

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) Short Form Contracts:						
~~Drg~~ Drifting	408.00	2328.00	2736.00	408.00	2,328.00	2,736.00
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	408.00	2328.00	2736.00	408.00	2,328.00	2,736.00

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

Date Sept. 5, 1953 Payee Duncan & Himebaugh

By L. Boyd Himebaugh Title Partner

*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:

367.20
100.00 withheld
$ 267.20 HH

Signature
(Authorized Certifying Officer)

Date 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. Idaho 496 in accordance with the terms of the contract.

Signature E D Bryson Title Mining Engineer Date September 12, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title [illegible] Date 9/21/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 28 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

8

Month of July & August, 1953 Docket No. DMEA 2876 Contract No. IDM S 496
Operator's Name Duncan & Himebaugh Minerals Beryl-Mica
Address Custer, 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	Ft.	408.00	17	2736.00	114	24.00	125	24.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		408.00		2736.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		408.00		2736.00				3,000.00

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 Sept. 5, 1953 Operator Duncan & Himebaugh

Per E. Boyd Himebaugh Title Partner

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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DIVISION OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 28 1953

8

H. & H. SERVICE COMPANY

Boyd Himebaugh

Bowman, North Dakota * Custer, South Dakota

September 5, 1953

Re: Contract Idm E-496
Minerals: Beryl - Mica

Last Chance Lode, Pringle, S. Dak.

Equipment Used:

Sullivan 160 Air Compressor and necessary tools, etc.
Case Model C. Tractor
10 Ton Hoist
Blower (air) Powered by Ford Model A Motor
Jack Leg
Sorting and dumping bin, track 1 ton car

Mining Procedure:

A fifty foot shaft was sunk on the northern end of the dike. The footwall was followed and the hanging wall was encountered only at the bottom and then by slabbing off and enlarging the shaft. A drift both north and south was run from the shaft with the major portion of the work being done to the south, overall footage was 114 feet of drift. It was necessary to install a blower as the mine would not clear. A round would be shot at the close of shift and next morning gasses would still be present. Near the southern end of the drift the values diminished rapidly and work was then resumed on the northern end where the contacts were somewhat closer together. However, we are now certain that the work should have been concentrated on the southern end as we believe another roll would have been encountered.

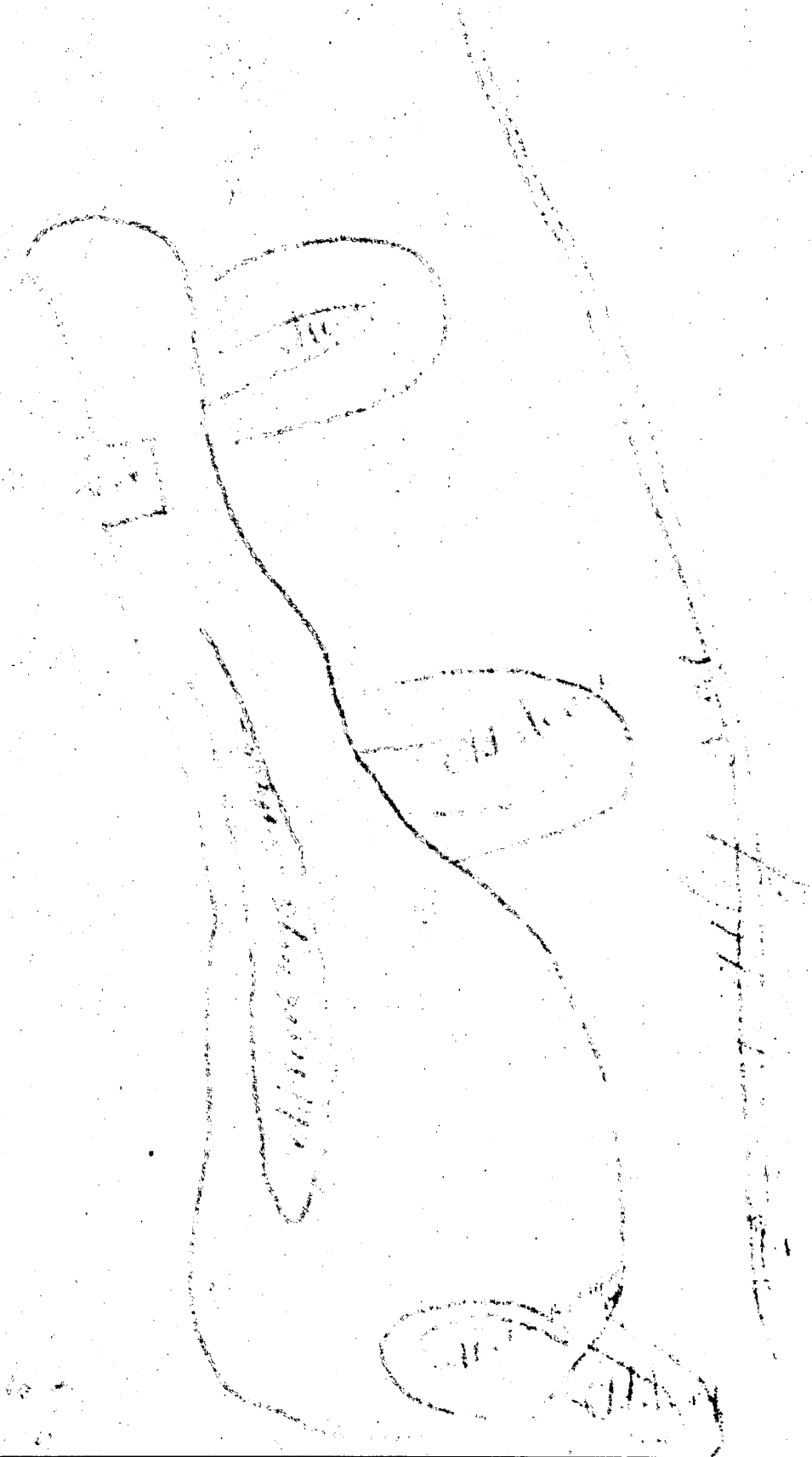
Results:

The amount and quality of mica recovered was discouraging, however, beryl shows throughout the pay zones. The shaft is being sunk to a lower depth at present and a draw shoot will be installed in an attempt to mine the property profitably. We plan to take the shaft on to ever a lower level to determine the lower values. While running the drift a total of 1075 lbs. of beryl was recovered and 936 lbs. of saleable mica.

Duncan & Himebaugh
By: E. Boyd Himebaugh

/s/ E. Boyd Himebaugh

Copied 9/11/53



Hanging wall
Shaft
55
Drift
Footwall
Hanging wall
- 111 -

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
SEP 24 1953

September 22, 1953

Memorandum

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

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

Subject: Docket DMEA-2876, Contract Idm E-496
Duncan and Himebaugh, Custer, S. Dak.

The subject project has been completed with the driving of 114 feet of drift.

The Government report is being assembled and will recommend certification of a discovery. The report accompanying the July-August voucher constitutes the operator's final report, but $100 is being withheld from the last voucher pending clarification and payment of royalty on production of mica and beryl during the exploration.

Final accounting is as follows:

Total amount of contract	$3,000.00
Government's share of contract	2,700.00
Total amount spent	2,736.00
Government's share of expenditures	2,462.40
Available to general fund	237.60

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

mDL

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Region V
2906 Colfax Avenue South
Minneapolis 8, Minnesota

Department of the Interior
Defense Minerals Administration
RECEIVED
SEP 24 1953

September 22, 1953

Mr. L. Boyd Hinebaugh
Bowman
North Dakota

Dear Mr. Hinebaugh:

Reference is made to your Defense Minerals Exploration Contract Idm 5-496, Docket 2876 for drifting on the Last Chance Lode Claim in Custer, S. Dak.

We acknowledge receipt of the July-August 1953 Monthly Report and Voucher and are processing it for payment and are withholding $100 pending clarification of royalty statements.

In accordance with Article 6a of your contract, which states that if the Government considers a discovery or development has been made any minerals mined or produced within 10 years, including any mined or produced before certification, shall be subject to a percentage royalty at a specified rate dependent on the value of the production, the Government proposes to certify that a development has been made and accordingly that mineral produced by you is subject to royalty.

We will appreciate an accounting together with a check to cover the royalty thus far and hope production will continue and that you will make regular payments in the future.

Very truly yours,

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

cc: C. A. Lutton
S. C. Minyon
J. A. Redden
I. A. Hill
Operating Comm. (2)

FILE COPY
SURNAME:

Robertson
Houk
Selfridge
Johnson

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

600

SEP 21 1953

Mr. A. B. Needham
Executive Officer, DMEA
Field Team, Region V
2908 Colfax Ave., South
Minneapolis 8, Minnesota

Subject: Docket No. DMEA-2876 - Beryl-Mica
Duncan and Himsbaugh
Last Chance Lode
Custer County, South Dakota
Contract Idm-E496

Dear Mr. Needham:

Reference is made to the subject contract which expired on September 6, 1953.

Please extend the completion date beyond September 6, 1953, for the length of time that is necessary to complete the work outlined in the contract. Please execute the amendment and make the usual distribution of the copies.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

JTRobertson:gad 9/15/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.S.
9-21-53

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
Region V
2906 Colfax Avenue South
Minneapolis 3, Minnesota

July 29, 1953

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Operator's Monthly Report and Voucher for June 1953
Docket DMEA-2876, Contract Idm 2-496, Duncan & Himebaugh

Attached are two copies of the subject report, as processed for payment, for your files.

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

Attachments - 2

cc: Dutton
Binyon (att)
Files
Day Files
Region V

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

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

2

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

Month of June, 1953 Docket No. DMEA 2876 Contract No. DMA E. 496
Operator's Name Duncan & Himebaugh Minerals Beryllium &
Address Custer, South Dakota Mica
Contract Amount, $ 5,000.00 Government Participation: 90 % Amount, $ 2,700.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling	960.00	1368.00	2328.00	960.00	1,368.00	2,328.00
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	960.00	1368.00	2328.00	960.00	1,368.00	2,328.00

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

Date July 11, 1953 Payee Duncan & Himebaugh

Per L. Brad Himebaugh Title Partner

*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:

$ 864.00 AH

Signature L. A. Hill
(Authorized Certifying Officer)

Date JUL 27 1953 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. [redacted] in accordance with the terms of the contract.

Signature E. O. Benyon Title [redacted] Date [redacted]

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title [illegible] Date 7/24/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

2

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1953 Docket No. DMEA 2878 Contract No. 1M B 496
Operator's Name Duncan & Himebaugh Minerals Beryl-Mica
Address Custer, South Dakota

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft.	960.00	40	2328.00	97	24.00	125	24.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		960.00		2328.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								3,000.00
New Buildings, Improvements, etc.								
TOTAL COSTS		960.00		2328.00				

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 11, 1953 Operator Duncan & Himebaugh

Per L. Ernest Himebaugh Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

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

RECEIVED
JUL 1 1953

OPERATOR'S NARRATIVE REPORT June, 1953.
Docket 2876 - Contract Idm E 496
Last Chance Pegmatite

During the period an advance of 40 feet was made in the drift to the southeast. Progress was slower than expected owing, in part, to bad drilling ground and to some trouble with the compressor.

Additional repairs or an overhaul of the compressor may be needed and it is expected that the drifting will not be completed before August 1st to the 15th, depending on the extent of the repairs.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2903 Colfax Avenue South
Minneapolis 8, Minnesota

July 8, 1953

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Operator's Monthly Report and Voucher for period of April 20 to June 1, 1953, Docket DMEA-2376, Contract Idm E-496, Duncan and Himebaugh, Custer, S. Dak.

Attached are two copies of the subject report from April 20 to June 1, 1953, as processed for payment for your files.

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

Attachments -2

cc: Region V
Files
Day Files
Binyon (att)
Rapid City, S. Dak.
Dutton

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April 20 to June 1, 1953 Docket No. DMEA 2876 Contract No. Ida E-196
Operator's Name Duncan & Hinebaugh Minerals Beryllium & Mica
Address Custer, South Dakota
Contract Amount, $ 3,000 Government Participation: 90 % Amount, $ 2,700

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	$1,368.00	-	$1,368.00	$1,368.00	-	$1,368.00
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1,368.00		$1,368.00	$1,368.00	-	$1,368.00

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

Date June 11, 1953 *Payee Duncan & Hinebaugh

Per Bond Hinebaugh Title Partner

*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, and the official 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:

$ 1221.20 NT

Signature L. A. Hill
(Authorized Certifying Officer)

Date JUL - 2 1953 Vou. No. 1
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature E. O. Bingyon IDM Eng96 Title Mng. Engineer Date June 29, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature O. B. Needham Title Ex M. Date 7/1/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 20 1953 to June 1 Docket No. DMEA 2676 Contract No. Idm E-496

Operator's Name Duncan & Himebaugh Minerals Beryl-Mica

Address Custer, S. Dak.

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	Ft.	$1,368	57	$1,368	57	$24.00	125	$24.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$1,368	$1,368				TOTAL COSTS AUTHORIZED BY CONTRACT	
Operating Equipment Purchased		-	-				$3,000.00	
Initial Rehabilitation and Repairs		-	-					
New Buildings, Improvements, etc.		-	-					
TOTAL COSTS		$1,368	$1,368					

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

Date June 14, 1953 Operator Duncan & Himebaugh

Per E. Boyd Himebaugh Title Partner

E. Boyd Himebaugh

REMARKS: The drift was made wider than originally planned, some water encountered. 766 lbs. beryl recovered, 536 lbs. mica.

→ 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

Docket DMEA 2876
Contract Idm - E-496

LAST CHANCE PEGMATITE

OPERATOR'S MONTHLY NARRATIVE REPORT

This work has gone somewhat slower than anticipated mainly because the drift was made leaving the pay zone and later slabbed off, before the tracks were layed. To date there has been 766 lbs. of beryllium recovered and 536 lbs. of saleable mica. A great deal of the beryl and mica was at first shot up because the drill holes were placed in the pay zone. A blower has been installed because the mine would just not clear. A round would be shot close of shift and next morning the men could still not get in the drift. Our cost per unit will decrease considerably from now on as better help has been acquired and initial problems have been worked out.

Please mail all correspondence to Boyd Himebaugh,
Bowman, N. Dak.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

May 11, 1953
Air Mail

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 13 1953

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-2876, Contract Idm E-496, Duncan & Himebaugh

Reference is made to your letter of May 1, 1953, as well as previous correspondence and teletypes regarding the locating of the subject contract.

Attached is the division copy which we are sorry to advise was inadvertently sent along with the operator's copy to the operator. We believe there is now a proper distribution of the several copies.

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

Attachment

FILE COPY
SURNAME:

200

Adams
Selfridge

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

Mr. A. B. Needham
Executive Officer
Region V
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

MAY 1 1953

J. C. 5/1/53

Dear Mr. Needham:

There was received on April 17, 1953 your memorandum dated April 15, 1953, in which you indicated that there were attached the original and two copies of Contract Idm-3496, Docket No. DMEA 2876, Duncan and Himebaugh, Custer, South Dakota.

Only the original or "Government's Copy" was received with your memorandum of April 15. A teletype was transmitted to you requesting advice regarding the Division and Docket copies of this contract. In response to this teletype, you forwarded (memorandum dated April 21) the "Docket Copy" of the contract. We again transmitted a teletype on April 22 requesting that you forward the "Division Copy" of this contract and not having any response to this teletype it was followed by another teletype message dated April 30, 1953 requesting the transmittal of the "Division Copy".

We are now in receipt of your teletype dated April 30, in which you state the "Division Copy" of Contract Idm-3496 was transmitted with your memorandum dated April 21. As mentioned above, only the "Docket Copy" was received with your memorandum dated April 21. Please check your files again for the "Division Copy" of this contract.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee
(GCS)

APPROVED:

J. H. Hedges
Member, Bureau of Mines
(JHH)

A. R. Kinkel, Jr.
Member, Geological Survey
(ARK)

READams/meb
4-30-53

cc to: Adm.Reading File
Mails & Files Br.
Oper.Comm.File

1-1027
(April 1946)

UNITED STATES
DEPARTMENT OF THE INTERIOR

Bureau of Mines, Region V

AGENCY Minneapolis 8, Minnesota

TELETYPE

Originator:
Ext.: Room: Mining Div.

Appro.:
Date: April 30, 1953
Time: 11:35 a.m.
No.:
To: George C. Selfridge, Chairman, Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.
Subject: Division Copy of Contract Idm E-496

DIVISION COPY WITH TRANSMITTAL LETTER FORWARDED TO YOU AIRMAIL

APRIL 21 UPON RECEIPT OF YOUR TELETYPE.

A. B. Needham
Executive Officer, Field Team
DMEA

Confirmation

Authorized:

Sign original message and transmit to Room ..... in duplicate

U. S. GOVERNMENT PRINTING OFFICE 16—50915-1

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 30 1953

12438

299 WA MP /I-BOM/

MINNEAPOLIS MINN 4-30-53 1128A

GEORGE C. SELFRIDGE

OPERATING COMMITTEE DEFENSE MINERALS EXPLORATION

ADMIN. WA

SUBJECT.. DIVISION COPY OF CONTRACT IDM E-496

DIVISION COPY WITH TRANSMITTAL LETTER FORWARDED TO YOU AIRMAIL APRIL 21 UPON RECEIPT OF YOUR TELETYPE.

A B NEEDHAM, EXEC. OFFICER FIELD TEAM MPLS

CFN 496 21

DN 1130A

APR 30 2 12 PM '53

BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

Adams
Defrinze.

Defense Minerals Exploration Administration
Robert E. Adams

2017

14X3923.970, Working Func, Interior, DMEA
April 30, 1953
10:15 a.m.

A.B.Needham, Executive Officer, Region V, 2908 Colfax Ave., South, Minneapolis 8, Minn.

Division Copy of Contract Idm-E-496

REYOUR TELETYPE APRIL 22 REQUESTING DIVISION COPY OF CONTRACT IDM-E-496.

HAVE NOT YET RECEIVED COPY NOR ADVICE REGARDING THIS COPY OF CONTRACT. PLEASE ADVISE.

SIGNED

CHAIRMAN, OPERATING COMMITTEE

READams/meb
cc to: Adm.Reading File
Mails & Files Br.
Audits Division
Oper.Comm. File

D.N.
4-30-53

NO LOCAL COPY

Adams

Defense Minerals Exploration Administration
Robert E. Adams
2017

14X3923.970, Working Fund, Interior, DMEA
April 22, 1953
1:45 p.m.

A.B.Needham,Executive Officer,Region V,2908 Colfax Ave.,South,Minneapolis 8, Minnesota

Division Copy of Contract Idm-E-496

RE OUR TELETYPE APRIL 21 REQUESTING DIVISION AND LOCKET COPIES OF CONTRACT IDM-E-496, AND URMEMO APRIL 21, ONLY LOCKET COPY OF CONTRACT TRANSMITTED. PLEASE FORWARD DIVISION COPY.

SIGNED
GEORGE C. SELFRIDGE, CHAIRMAN
OPERATING COMMITTEE

S.H.
4/22/53

READams/meb
cc to: Adm.Reading File
Mails & Files Br.
Audits Division
Operating Committee File

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
APR 22 1953

April 21, 1953

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-2876, Contract Idm E-496, Duncan & Himebaugh

Reference is made to your teletype of April 21, 1953, regarding the subject docket.

We are enclosing the docket copy of the contract.

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

Attachment

SURNAME COPY

Adams

Defense Minerals Exploration Administration

Robert E. Adams

2017

14X3923.970, Working Fund, Interior, DMEA
April 21, 1953
10:30 a.m.

A.B.Needham, Executive Officer, Region V, 2908 Colfax Ave., South, Minneapolis 8, Minnesota

Contract Idm-E-496

REUR MEMO APRIL 15 TRANSMITTING SIGNED COPY CONTRACT IDM-E-496. MEMO STATES ORIGINAL AND TWO COPIES OF SUBJECT CONTRACT, WHEREAS ONLY GOVERNMENT'S COPY RECEIVED. PLEASE ADVISE REGARDING DIVISION AND DOCKET COPIES OF CONTRACT.

GEORGE C. SELFRIDGE, CHAIRMAN
OPERATING COMMITTEE

READams/meb
cc to: Adm.Reading File
Mails & Files Br.
Audits Division
Operating Committee File

J.N.
4/21/53

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 17 1953

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

April 15, 1953

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-2876, Contract Idm E-496, Duncan and Himebaugh, Custer, S. Dak.

Here are the original and two copies of the subject contract duly signed by the operators.

The Regional finance copy is being transmitted to them. Appropriate copies have been retained by the operator and this office.

Work is expected to begin about April 20, 1953.

You will please note from the carbon copy of a letter from our field representatives that the operators will probably recover and sell some mica to the GSA depot at Custer, S. Dak., during the course of exploration and that they seemed agreeable to permit the GSA to deduct royalty at the time of settlement.

Please advise the procedure necessary in the event the operator would want deductions for royalty withheld and that amount turned over to us at that time.

If the operator pays the royalty direct, the usual procedure via a check through this office to the Treasurer of the United States, together with appropriate settlement sheet will prevail.

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

Attachments

FILE COPY
SURNAME:

Robertson
Houk
Chapman
Selfridge

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

MAR 6 1953

Mr. A. B. Needham
Executive Officer, DMEA
Field Team, Region V
2008 Colfax Avenue, South
Minneapolis 4, Minnesota

Subject: Docket No. DMEA-2876 - Beryl-Mica
(Duncan and Himebaugh)
Last Chance Lode
Custer County, South Dakota

Dear Mr. Needham:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by the Government with register number and effective date as shown.

If the contract meets with your approval, present it to the Operator for his approval and signature. If any provisions are unsatisfactory to the Operator, return all copies to this office along with suggested changes for consideration.

After signing of the contract, the usual distribution of the copies is to be made.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Approved:

C. H. Johnson (JHB)
Member, Bureau of Mines

D. M. Lemmon (JHB)
Member, Geological Survey

Enclosures: 6

JTRobertson:gad 3/2/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

J.H. 3/6/53

FILE COPY
SURNAME:

Robertson
Houk
Lemmon

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

March 3, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Docket No. DMPA-2376 - Beryl-Mica
(Duncan and Himebaugh)
Last Chance Lode Claim
Custer County, South Dakota

Re: Recommendation of exploration assistance contract in amount of $3,000.00

The project work will consist of driving 125 linear feet of drift from the bottom of an existing shaft - depth 32 feet on the low side and 55 feet on the high side.

The depth is small for an exploratory drift. However, it is recommended by the field team and there may be good reasons for the recommendation, such as lack of hoisting facilities, or geological reasons. The work will be under the supervision of the field team and none will be done without its approval. No map will be attached to contract.

The Nonmetallic Minerals Division recommends the project as proposed.

Jasper T. Robertson
Nonmetallic Minerals Division

JTRobertson:gad 3/3/53
Copy to: Admr. R. File
Docket File
Mr. Houk

Mr. Robertson

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

February 20, 1953

Memorandum

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 20 1953

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2876, Mica, Last Chance Lode, Custer County, South Dakota

I concur in the field team's recommendation for an exploration program in the amount of $3,000.00.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

G-MD-CNM

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 19 1953

February 19, 1953

Memorandum

REVIEW OF APPLICATION AND FIELD TEAM REPORT ON DMEA-2876 (mica, beryl)

To: L. G. Houk, Defense Minerals Exploration Administration
From: R. E. Van Alstine, U. S. Geological Survey
Applicant: Duncan and Himebaugh, Partnership, Custer County, Custer, South Dakota.
Name of property: Last Chance Lode.
Location of property: 3½ miles from Pringle in Custer County, South Dakota; sec. 11, T. 5 S., R. 4 E.
Date of field team report: Approximately February 4, 1953.
Authorship of field team report: E. O. Binyon and J. A. Redden.
Field team's recommendation:

1) A maximum of 125 feet of drifts be driven from bottom of shaft southeast along strike of pegmatite.
2) A short form contract with the cost not to exceed $3,000.

Sources of information on property:

Hall, W. E., Payday Lode, mica and beryl prospect, Pringle, South Dakota: U. S. Geol. Survey file report, 2 pp., 1942.

Comments:

1) Application, which was submitted by Executive Officer of Region V Field Team with the Field Team report, is returned herewith.
2) Although the field team's estimate of the beryl content as 2 percent in the shaft is based chiefly upon the applicant's statement that 1 ton of beryl was recovered while sinking the shaft, both the team and Hall (see above) have observed significant quantities of beryl at this prospect.
3) Evidently the field team, in recommending exploration here, feels that the chances are good that the proposed exploration will result in the discovery of a significant quantity of strategic mica, even though the statement is made that in the shaft area "the percentage of sheet in the mine-run mica was low." Hall (see above) was also concerned about the quality of the mica at this prospect for he states:

> "A mica zone two feet wide, exposed for 160 feet, extends along the footwall or west side of the dike. The mica composes 5 to 7 percent of the zone. The mica of clear white color is poor in qua[illegible]y and is just suitable for scrap. Ruling and fis[illegible]iling are common. The size of the mica is small; the [illegible]rage size is about 1½ to 2 inches. Another mica zone [illegible]nds along the hanging wall or east side of the dik[illegible] This zone, which contains about 3 percent scrap mica, is not as strong or continuous as the mica zone on the footwall of the dike."

ACTION SUGGESTED:

Follow field team's recommendation.

R. E. Van Alstine

dmea 2876

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION V

Last Chance Lode

Custer County, South Dakota

E. O. Binyon, Mining Engineer
U. S. Bureau of Mines

J. A. Redden, Geologist
U. S. Geological Survey

On-Site Exam Rpt

Reviewed by
DMEA OPERATIONS COMMITTEE

2-13-53
(Date)

FIELD TEAM REPORT ON EXAMINATION
of
LOST CHANCE LODE
Custer County, S. Dak.

R gcl 3/5/53

DMEA Docket No: 2876
Applicants: F. E. Duncan and E. B. Himebaugh
Commodity: Mica, beryl

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

The property, consisting of one claim, is approximately 3½ miles by road from Pringle, Custer County, S. Dak., and is in sec. 11, T. 5 S., R. 4 E., B.H.B.M.

The field team first examined the property in August 1952 and at that time made a tape and compass survey. The applicant then sank an inclined shaft 32 feet in depth, and upon request by the applicants, the property was revisited in October 1952. The application was submitted on December 23, 1952. From the exposure of beryl and mica in the shaft and the reported recovery of one ton of beryl while sinking, as well as the general geologic structure, the pegmatite warrants additional exploration.

It is recommended that a maximum of 125 feet of drift be driven from the bottom of the shaft along the strike of the pegmatite and that the total cost of the work shall not exceed $3,000.00. A short form contract with the unit cost of $24.00 per foot for a total of 125 feet is recommended.

NAME AND LOCATION

In company with the applicants, Francis E. Duncan and E. Boyd Himebaugh, the field team, on two visits, spent approximately 5 hours at the property.

The property consists of one unpatented mining claim known as the Last Chance Lode and is in the south half of sec. 11, T. 5 S., R. 4 E., B.H.B.M. It is about 11 miles south of Custer and 3½ miles northwest of Pringle, Custer County, S. Dak., and is accessible practically the year around. From highway U. S. 85A access is by way of 1½ miles of poor to fair dirt road.

The applicants are owners of the claim.

Present workings are the two open cuts and a 6- by 6-foot shaft 32 feet in depth, which are located as shown on the accompanying map.

GEOLOGY

The pegmatite consists of a long, sill-like body averaging about 16 feet in thickness. It strikes about N. 25° W. and dips as an average about 60° northeast. The southeast end of the pegmatite apparently is flat-lying and modified by rolls. The limited evidence indicates that the pegmatite plunges northerly.

Two zones are distinguishable, a wall zone of quartz-plagioclase-muscovite pegmatite and an inner zone of quartz-perthite-plagioclase pegmatite.

The wall zone averages about 2 feet thick on the surface. It contains about 7 percent muscovite. The books are locally very small, but elsewhere average about 3 inches in diameter. Beryl and tourmaline are accessory minerals in the wall zone. The applicants state that they recovered 1 ton of beryl while sinking the shaft. This would indicate a grade for beryl of 2 percent.

The inner zone contains approximately equal percentages of quartz and perthite and an estimated 20 percent of plagioclase. Tourmaline and muscovite are accessory minerals.

The geology of the pegmatite indicates that it is likely that they will encounter the flat rolls and contact irregularities on the southeast end of the pegmatite and possibly encounter a rich mica shoot which will have a sufficient percentage of sheet mica to meet buying requirements. A sample of the mica that was recovered while sinking the shaft was taken to the local buying station. The quality of the sheet mica was good and was acceptable, but the percentage of the sheet in the mine-run mica was definitely low.

The beryl from the wall zone apparently is sufficiently rich to add considerable revenue to the value of the ore. If the grade of the beryl remains consistent in the wall zone, it is possible that there are beryl reserves in excess of 30 tons above the bottom of the shaft.

The zoning and structural features and sections are shown on the accompanying map.

PAST OPERATIONS

The mine, under the name of Payday or Aman, was operated during World War II by a Mr. Gamber. Some mica, beryl and feldspar have been produced. However, no production records are available.

DESCRIPTION OF THE PROJECT

In the application the proposal is to drift from the bottom of the shaft (approximately 50 feet below the outcrop) for approximately 140 feet, 110 feet to the southeast and 30 feet to the northwest along the strike. However, in the discussion of the work it was agreed that the length of the drift would be cut to 125 feet and would be driven 100 feet more or less to the southeast, the distance being dependent upon geologic conditions. It is recommended that the maximum length be limited to 125 feet.

ALLOWABLE COSTS

Estimate of Costs		Cost Total	Cost Per ft.
Independent contracts		--	--
Supervision and consultants		--	--
Labor		$1,680.00	$13.44
2 miners @ $12.00 per day for 70 days			
Operating materials and supplies		976.25	7.81
Powder, caps and fuse	$ 428.00		
Gas, oil and grease	293.25		
Steel and bits	130.00		
Track	125.00		
Operating equipment to be furnished by applicant:			
2 - Dollies	100.00		
1 - Jack leg	240.00		
1 - Compressor	1,250.00		
1 - Jackhammer and tools	460.00		
1 - Hoist and power unit	800.00		
	$ 2,850.00		
1/60 per month = $47.50 x 2½ months		118.75	.95
Miscellaneous		175.00	1.40
Workmen's compensation, liability insurance and payroll taxes			
Contingencies		50.00	.40
Total cost		$ 3,000.00	$ 24.00
Total government participation @ 90%		$ 2,700.00	

February 10, 1953

Mr. Francis E. Duncan
Duncan and Himebaugh
Custer, South Dakota

Subject: DMEA-2876
Re: Exploration Assistance
Last Chance Lode

My dear Mr. Duncan:

The receipt of your application dated November 4, 1952 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-2876 and referred to the Nonmetallic Minerals Division.

Kindly refer to DMEA-2876 in any future correspondence relating to your application.

Sincerely yours,

R. E. ADAMS

Robert E. Adams
Chief, Operations Control
and Statistics Division

25451

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

February 10, 1953

Memorandum

To: Executive Officer, DMEA Field Team, Region V

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region V.

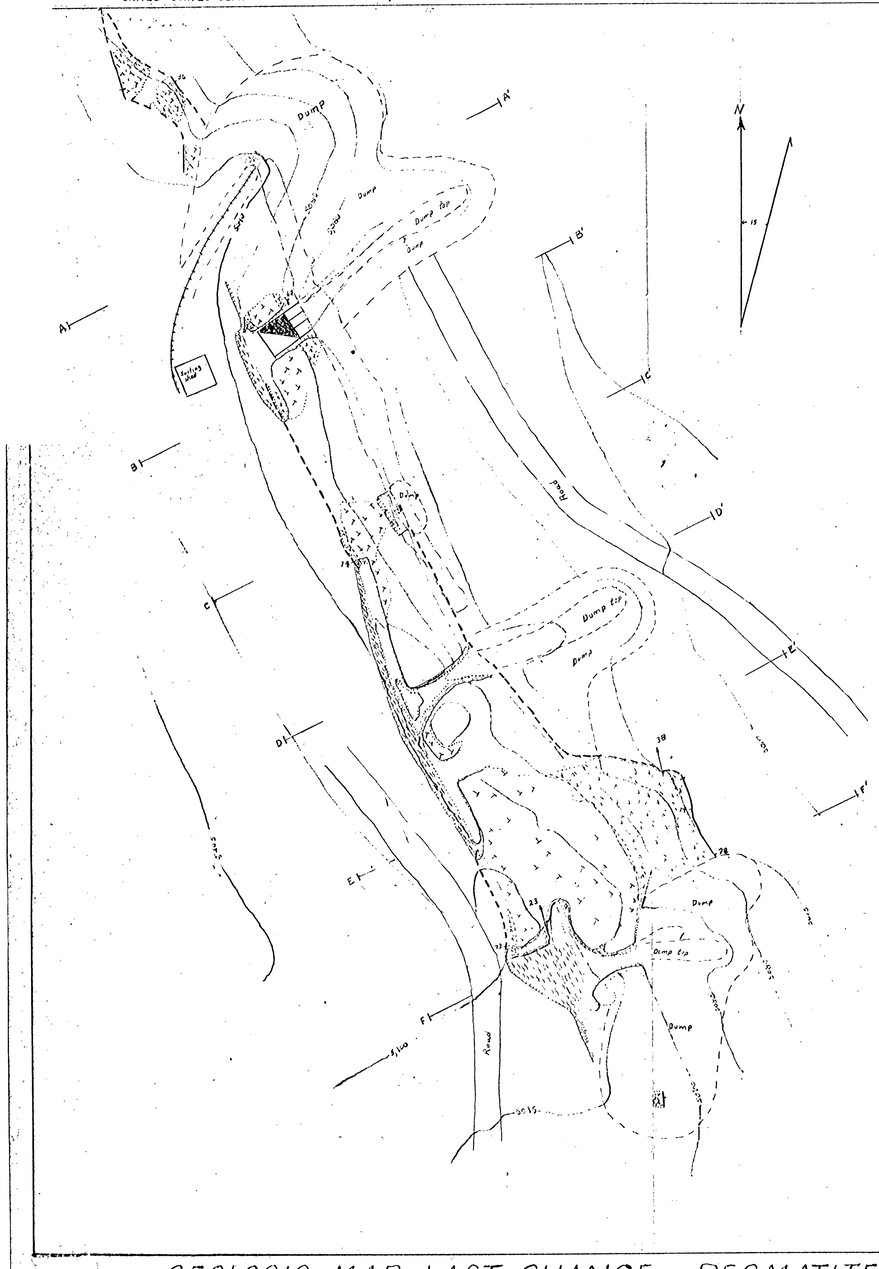
DMEA- 2876 Duncan and Himebaugh

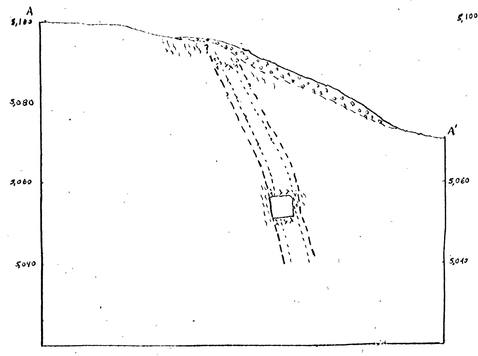
R. E. ADAMS

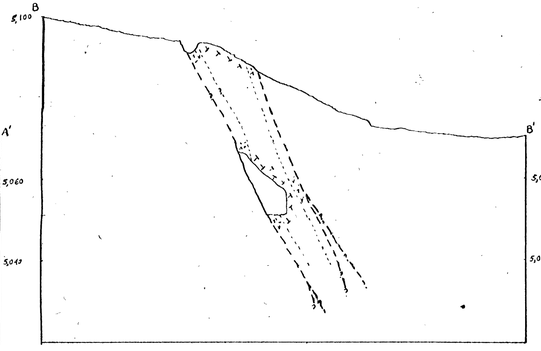
Robert E. Adams,
Chief, Operation's Control
and Statistics Division

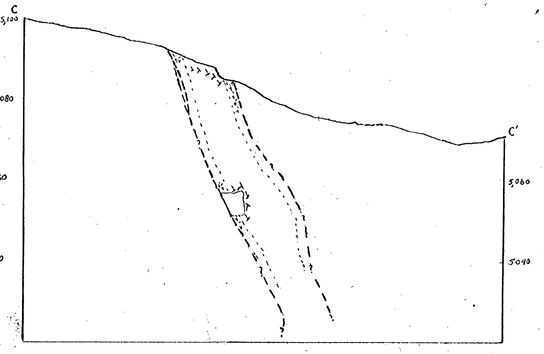
33980

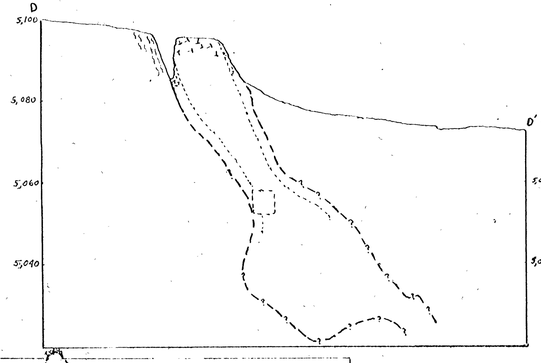
Prepared for Defense Minerals Exploration Administration DMEA-2816

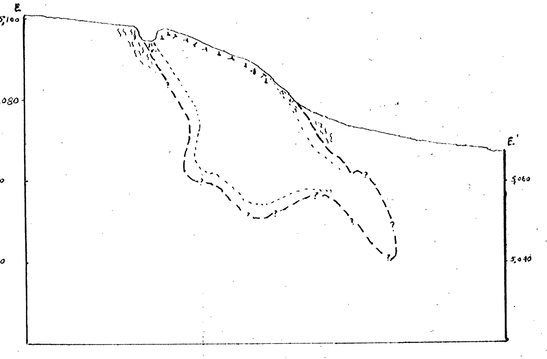


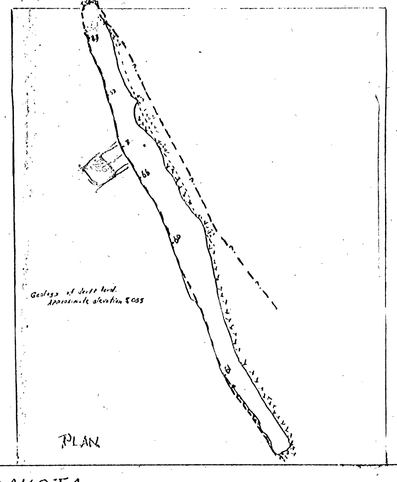


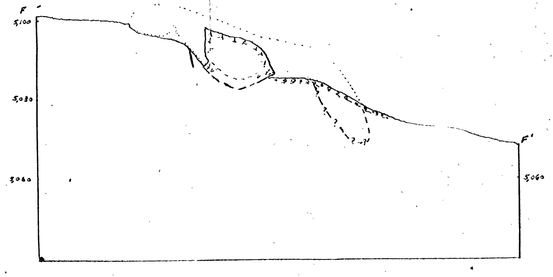












LEGEND

- QUARTZ-PERTHITE-PLAGIOCLASE PEGMATITE
- QUARTZ-PLAGIOCLASE-MUSCOVITE PEGMATITE
- QUARTZ-MICA SCHIST
- STRIKE AND DIP OF CONTACT (Dashed where approximately located)
- CONTACT BETWEEN PEGMATITE UNITS
- LIMIT OF EXPOSURE
- 38 PLUNGE OF ROLL IN CONTACT
- LIMIT OF UNDERGROUND WORKINGS
- DUMP (In section)
- INCLINED SHAFT

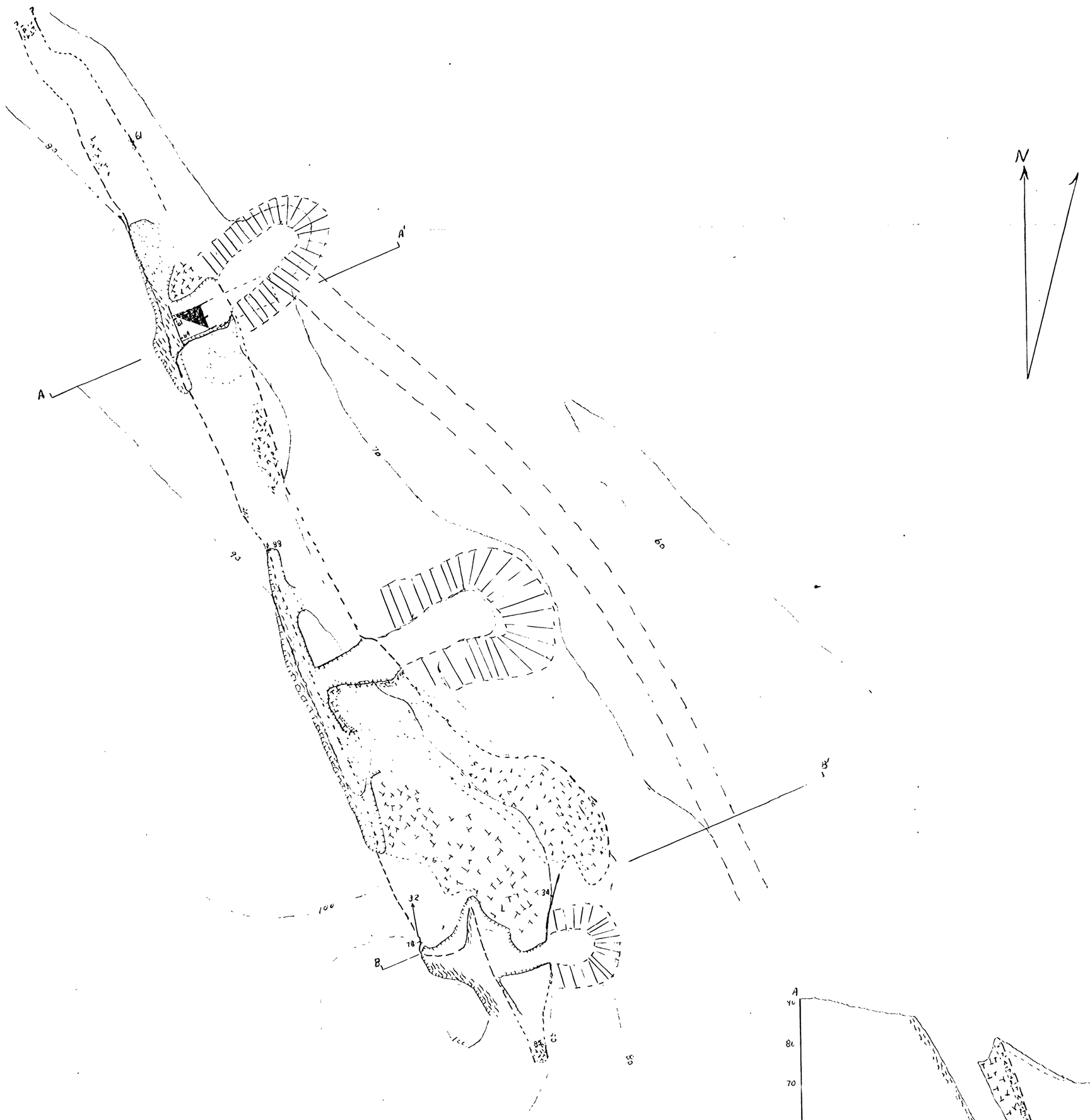
CONTOUR INTERVAL - 5 FEET

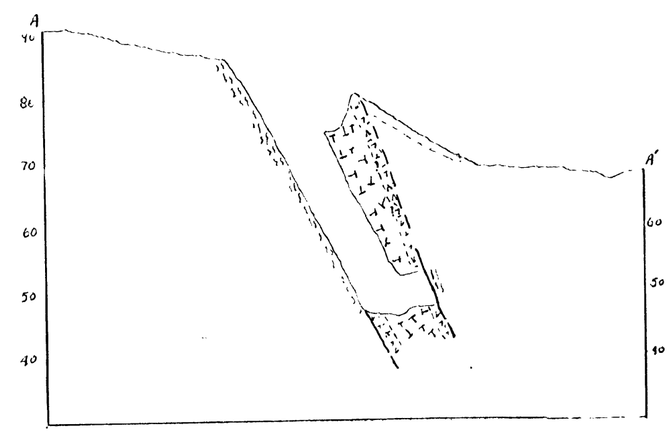
SCALE

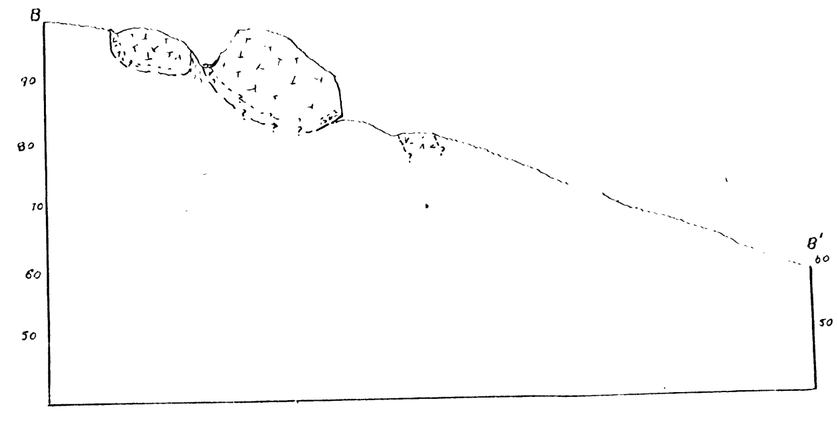
20 10 0 20 40 60 feet

Geology by: J.A. Redden
W.A. Braddock
Aug. 1953

GEOLOGIC MAP, LAST CHANCE PEGMATITE, CUSTER COUNTY, SOUTH DAKOTA







LEGEND

- Perthite-Quartz-Plagioclase pegmatite
- Quartz-Plagioclase-Muscovite pegmatite
- Contact, with dip
- Approximate contact
- Inferred contact
- Contact between pegmatite units
- Dump
- Broken rock and muck
- Rim of excavation

20 10 0 20 40

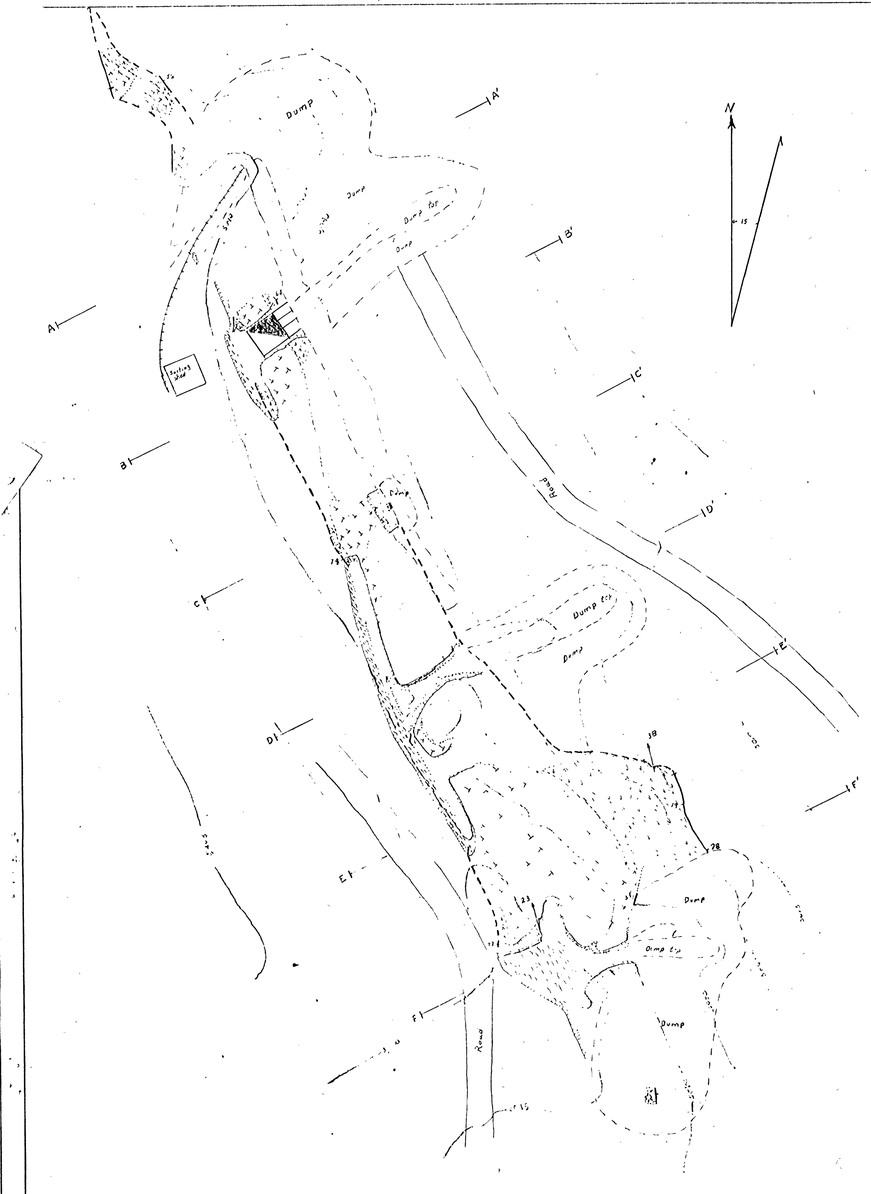
One inch = 20 feet

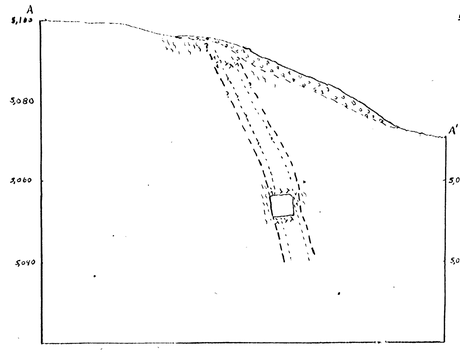
Contour interval 10 feet

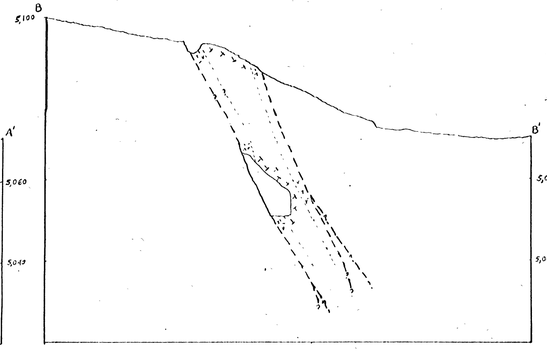
TAPE AND COMPASS MAP, LAST CHANCE LODE, PRINGLE, SOUTH DAKOTA

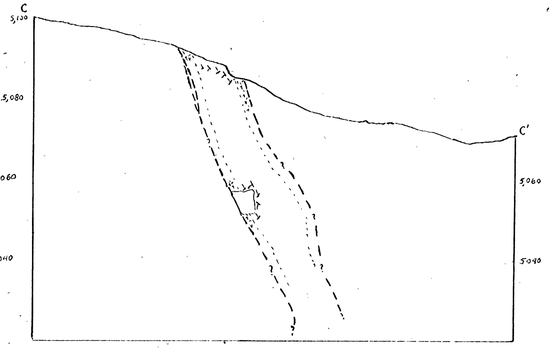
DWG W-2876

Prepared for Defense Minerals Exploration Administration DMEA-2876









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- QUARTZ-MICA SCHIST
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- CONTACT BETWEEN PEGMATITE UNITS
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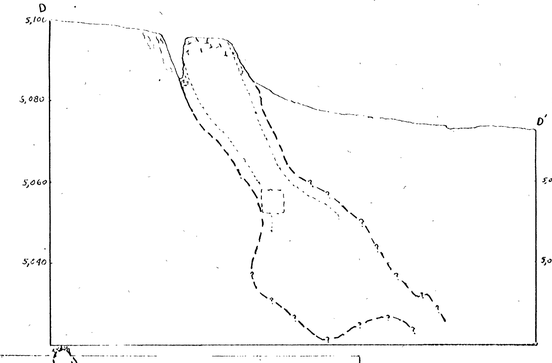
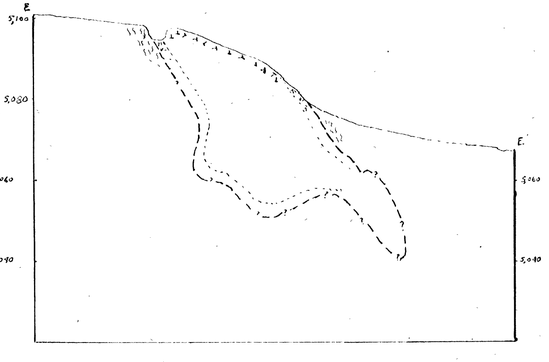
- LIMIT OF UNDERGROUND WORKINGS
- DUMP (In section)
- INCLINED SHAFT

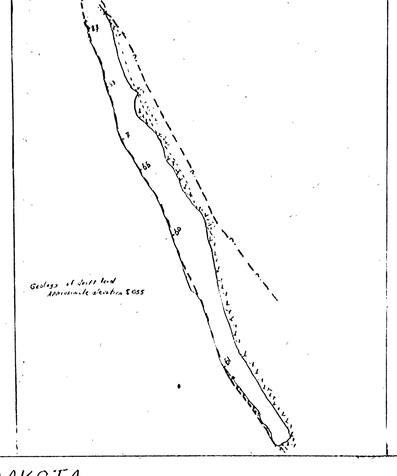
CONTOUR INTERVAL - 5 FEET

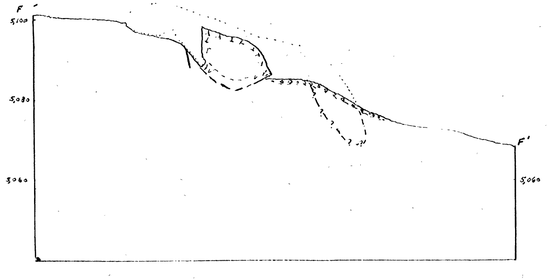
SCALE

20 10 0 20 40 60 feet









Geology by: J A Redden
W A Bradlock
Aug. 1953

GEOLOGIC MAP, LAST CHANCE PEGMATITE, CUSTER COUNTY, SOUTH DAKOTA

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