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-E733, Docket DMEA-3266 (copper), dated October 25, 1954, with

Big Indian Uranium Corporation
944 South 13th East
Salt Lake City 5, Utah

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 Big Indian Copper Mine located in San Juan County, Utah, during the period June 17, 1959, through September 22, 1962.

In accordance with the July 25, 1956, Termination Agreement and Article 7 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 1, 1956, indicated accepted costs under the exploration contract amounting to $4,732.00 with the Government's contribution on a 50 percent basis being $2,366.00.

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 also found no sales subject to the Government's royalty through June 16, 1959. Accordingly, as of September 22, 1962, the royalty account of this project was found to be:

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

E. V. Talbert, OME Auditor

October 8, 1962

STATUS OF PROJECT, SCOPE OF REVIEW AND REASONS THEREFOR

This contract provides that the Operator, as principal if the producer or as surety if not the producer, shall pay to the Government a percentage royalty on all minerals produced from 11 patented and 2 unpatented claims located in secs. 27, 28, 33, and 34, T. 29 S., R. 26 E., S.L.M., Big Indian Mining District. At the time the contract was executed the Operator was the owner of the claims by purchase of the patented claims and by relocation of the unpatented claims.

Exploration work under the contract was suspended on May 10, 1955, and formally terminated effective June 1, 1955, by the July 25, 1956, Termination Agreement. No ores were produced during the exploration period. Subsequent examinations of the property and inquiries by DMEA and OME regional representatives disclosed no production from the property through February 18, 1960.

In a September 22, 1962, reply to a MME Form 63 inquiry, Leland W. Halvorsen, the Operator's secretary-treasurer, indicated that there had been no production since February 18, 1960. He also advised that the property had been leased to Anderson Bros., but they had not produced anything to that date.

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 contain no indication of any production from the property since the date of the contract; and

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

EXTRA COPY
O. M. E.
RECEIVED OCT 15

Building 20 - Federal Center
Denver 25, Colorado

80-0

October 11, 1962

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-3266 (Copper)
Contract Idm-E733
Big Indian Uranium Corporation
(Big Indian Copper Mine)
San Juan County, Utah

Attached is the original Report of Royalty Review on the subject property dated October 8, 1962 covering the period June 17, 1959, through September 22, 1962.

Original signed by

Hugh M. Connors

Attachment

HMC/lm
cc Chief, Division of Field Operations, OME
E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Royalty Corres. E733
Chron

October 8, 1962

Memorandum

To: Acting Field Officer, Region XXI

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

Subject: DMRA-3266 (Copper)
Big Indian Uranium Corporation
Big Indian Copper Mine
San Juan County, Utah
Contract Idm-E733

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 10-8-62

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

EXTRA COPY
O. M. E
RECEIVED FEB 4 1960

DATE	INITIALS	CODE
		800

Building 20 - Federal Center
Denver 25, Colorado
February 1, 1960

Mr. Milt S. Rindskopf, President
Big Indian Uranium Corporation
1359 South 5th East
Salt Lake City, Utah

Re: Docket No. DMEA 3066 (Uranium-Copper)
Contract No. Idm-8733
(Big Indian Copper mine)
San Juan County, Utah

Dear Mr. Rindskopf:

Will you please advise the present status of operations on the captioned property, and whether or not there has been any production since January 1, 1959.

Very truly yours,

Original signed by

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

RMC:ltm

cc: Chem. Op. Comm. (2)
Reg. Corres.
Chron.

JUN 19 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-X733, Docket No. DMMA 3966, dated October 25, 1954, with

Big Indian Uranium Corporation
P. O. Box 111
Provo, Utah

for the purpose of determining the amount of royalties due the U. S. Government on the sales of Copper, from property referred to as Big Indian Copper Mine, located in San Juan County, Utah, during the period October 25, 1954 to June 16, 1959.

Pseudo Certification was effected in Termination Agreement dated July 25, 1956, and accordingly royalty is payable on all production from the land described in Article 2 of the contract for a maximum parind of 10 years from the date of the contract. A Report of Review in lieu of Final Cost Audit dated October 1, 1956, indicated accepted costs under the exploration contract amounting to $4,732.00 with the Government's contribution on a 50 percent basis being $2,366.00.

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

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

(a) According to the Field Team's Semi-Annual Report of certified project for the period July 1, 1957 to December 31, 1957, operation ceased about June 1, 1955; no ore has been shipped since October 25, 1954, (The date of the exploration contract). Subsequent semi-annual reports of Field Team during period January 1, 1958 to December 31, 1958, indicate the property inactive and no operations or ore shipments are anticipated in 1959.

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

June 16, 1959

Donald T. Finch
Donald T. Finch
OME Auditor

JUN 22 1959

Memorandum

To: Mr. Donald T. Finch, OME Auditor

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

Subject: Docket No. DMEA-3266 (Copper)
Big Indian Uranium Corporation
Contract No. Idm-E733

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

EDTalbert/ama
June 22, 1959

Copies to: Docket
Director's Reading File
Code 800

REPORT
OF REVIEW

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

RECEIVED
OCT - 3 1956

I have reviewed the Monthly Reports of:

Big Indian Uranium Corporation
P. O. Box 111
Provo, Utah

pertaining to Exploration Project Contract No. Idm-E733, Docket No. DMEA-3266, including Amendments Nos. 1 and 2, for the months of February to May, 1955, inclusive, and Termination Agreement dated July 25, 1956, covering a project for the exploration of Copper on property known as Big Indian Copper Mine, located in San Juan County, Utah.

My review included an examination of the Monthly Reports (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer, DMEA Field Team, 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:

> All of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit 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		$4,732.00
Exceptions:		
By DMEA Finance Officer	$0.00	
Herewith	0.00	0.00
Total Accepted Cost		$4,732.00

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

** $2,366.00 **

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

October 1, 1956

T. H. Brading, Auditor

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

EXTRA COPY
D M E A
RECEIVED

DATE	INITIALS	CODE

REVISED REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Big Indian Uranium Corporation
P. O. Box 111
Provo, Utah

pertaining to Exploration Project Contract No. Idm-E733, Docket No. DMEA-3266, including Amendments Nos. 1 and 2, for the months of February to May, 1955, inclusive, covering a project for the exploration of copper on property known as Big Indian Copper Mine located in San Juan County, Utah.

My review included an examination of the Monthly Reports (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer, DMEA Field Team, 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:

> All of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs for 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		$4,732.00
Exceptions: (Schedule attached)		
By DMEA Finance Officer	$ 0.00	
Herewith	500.00	500.00
Total Accepted Cost		$4,232.00

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Two thousand, one hundred sixteen, and 00/100ths Dollars

** $2,116.00 **

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

July 3, 1957

T. H. Brading, Auditor

SCHEDULE OF EXCEPTIONS

BIG INDIAN URANIUM CORPORATION

DOCKET NO. DMEA-3266 CONTRACT I6m-E733

Disallowance of $500.00 is made because Operator after repeated requests failed to render an acceptable final engineering and geologic report covering work performed under the Contract, as provided for in Article 6(c) of the contract.

(See letter from Chairman, Operating Committee, dated July 28, 1957 (June 28, 1957.)

224 New Customhouse
Denver 2, Colorado

August 29, 1957

Mr. E. N. Harshman,
Acting Executive Officer,
DMEA Field Team, Region III
Denver, Colorado

Re: Contract No. Idm-E733
Docket No. DMEA-3266 (Copper)
Big Indian Copper Mine
San Juan County, Utah

Dear Mr. Harshman:

Complying with instructions in letter dated August 26, 1957, from George C. Helfridge, Chairman, Operating Committee, regarding subject Operator, Report of Review dated July 3, 1957, is rescinded and original Report of Review dated October 1, 1956, is reinstated.

Yours very truly,

T. H. Bradley

T. H. Bradley, DMEA Auditor.

THB:bh
cc-J. L. Chambers
East/Christensen
DMEA/Gr. Jct.
Townsend (MF-104 File)
Subject
Chron.

Mr. W. H. King
Executive Officer
DMEA Field Team, Region XII
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-1216 (Copper)
Big Indian Uranium Corporation
Big Indian Copper Mine
San Juan County, Utah
Contract No. IAm-8733

Dear Mr. King:

In your memorandum dated August 21, 1957, transmitting the original and one copy of the Operator's final report on the referenced project, advice is requested as to the procedure for settling the account.

As the Operator's final report is acceptable payment of the $250.00 heretofore withheld is in order. Accordingly, you should request the DMEA auditor to rescind the Revised Report of Review dated July 3, 1957, and reinstate the original Report of Review dated October 1, 1956, after which payment of the $250.00 may be made by a supplemental voucher.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

P. F. Yopes

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Copy to: Docket
Admr. Reading File
Operating Committee
Mr. McMahon, UMPM
Mr. Kiilsgaard, USGS
Mr. Chambers
Mr. Breding

EDTalbert/vb
August 23, 1957

224 New Customhouse
Denver 2, Colorado

August 21, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Alternate Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-3266 (Copper) Contract Idm-E733, Big Indian Uranium Corporation (Big Indian Copper mine) San Juan County, Utah

Enclosed are the original and one copy of a final report, submitted by the Operator, pertaining to work completed under the subject contract.

In reference to the matter, please refer to your letter stamped July 28, 1957 (which should have been June 28, 1957) and the letter to the Operator from this office, dated July 1, 1957.

Since the sum of $250.00 was withheld from reimbursement to the Operator in lieu of the Operator's final report and the account closed on that basis, please advise how we should proceed now that the Operator has rendered its final report.

Original signed by
J. W. TOWNSEND

J. W. Townsend

Enclosures

JWT:jy

cc: Final Rpt. File, Reg. III
Harshman
DMEA/G. Jct.
DMEA/DFC
Townsend
Corresp. E733
Chron.
} w/copy of Operator's final report

EXTRA COPY
D M E A
RECEIVED 90
DATE | INITIALS | COD

Mr. T. H. Breding
DMEA Auditor
224 New Customhouse Building
Denver 2, Colorado

Re: Revised Report of Review
Idm-E733, DMA-3266
Big Indian Uranium Corp.

Dear Mr. Breding:

Receipt is acknowledged of your Revised Report of Review covering the above-cited project.

The report is acceptable and normal distribution may be effected.

Sincerely yours,

(Signed) E. D. Talbert

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

AMAlley/ama
July 11, 1957

Copy to: Docket
Admr. Reading File
Mr. Chambers

500

JUN 26 1957

Mr. W. H. King
Executive Officer
DMEA Field Team, Region III
224 New Customhouse Bldg.
Denver 2, Colorado

Re: Docket No. DMEA-3266 (Copper)
Big Indian Uranium Corporation
Big Indian Copper Mine
San Juan County, Utah
Contract No. Idm-8733

Dear Mr. King:

We have your memorandum of June 13, regarding the lack of the Operator's final report on the cited project.

Since you state that your office has repeatedly requested the Operator to provide us with this report, no further action is necessary. You should make the deduction of the $250.00 which has been withheld and advise the auditor to revise the Report of Review of October 1, 1956.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee
WECrisenld/er 6/27/57
Copy to: Docket
Adar R File
Op. Committee
Mr. McMahon, USBM
Mr. Kiilsgaard, USGS
Mr. Jay Chambers, DMEA
Chron.
Base Metals

APPROVED:

P. F. Yopes
Member, Bureau of Mines

N. E. Nelson
Member, Geological Survey

P. S. In line with the usual procedure, please advise the Operator that the Government is retaining the sum of $250.00 in lieu of its final report so that the books may be closed.

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

Re: Docket No. DMEA-3266 (Copper)
Big Indian Uranium Corporation
Big Indian Copper mine
San Juan County, Utah
Contract No. Idm-8733

Dear Mr. Harshman:

By memorandum dated September 3, 1957, you request to be advised when reinstatement of the amount of $250.00 is made to the project account covering the referenced contract.

This reinstatement is being processed. Your finance officer will be notified of the reinstatement by a copy of Obligation Document, DMEA Form 14, after release thereof through the Branch of Finance, Bureau of Mines.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

Frank D. Lamb
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

FDTalbert/wb
September 10, 1957

Copy to: Docket
Admr. Reading File
Operating Committee
Mr. McMahon, USBM
Mr. Kiilsgaard, USGS
Mr. Chambers

224 New Customhouse
Denver 2, Colorado

August 28, 1957

Memorandum

To: T. H. Brading, DMEA Auditor - w/enclosure

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

Subject: Docket No. DMEA 3866 (Copper), Contract No. Idm-8733, Big Indian Uranium Corporation (Big Indian Copper mine), San Juan County, Utah

The Operator has rendered an acceptable final report as required by the contract. Therefore, in conformance with instructions in the Chairman's letter of August 26, 1957, a copy of which is enclosed, please forward a memorandum to this office rescinding the Revised Report of Review, dated July 5, 1957, and reinstating the original Report of Review, dated October 1, 1956.

Original signed by
E. N. HARSHMAN

E. N. Harshman

JWT:prl

cc: Chmn. Op. Comm. (2)
Finance Office, Reg. III
MF-104 File, Reg. III
Harshman
DMEA/DFC
DMEA/Gr.Jct.
Kaslar
Corres. file
Townsend
Chron.

} w/copy of Chairman's letter of August 26, 1957.

Dma 58-~~35~~ 36

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 30 1957
DATE | INITIALS | CODE

224 New Customhouse
Denver 2, Colorado

September 20, 1957

Memorandum

To: T. A. Christensen

From: Alternate Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-3266 (Copper) Contract Idm-E733
Big Indian Uranium Corporation (Big Indian Copper mine) San Juan County, Utah - FINAL PAYMENT

Our memorandum to you dated July 16, 1957, relative to final settlement of the account is hereby rescinded.

An acceptable final report has now been submitted to the Government, by the subject Operator. Therefore, in accordance with instructions from the Chairman, Operating Committee, DMEA, and in compliance with a request by this office the revised Report of Review, dated July 3, 1957, has been rescinded and the original Report of Review, dated October 1, 1956, has been reinstated by the Contract Administration and Audit Division, DMEA. One copy each of the following items of relative correspondence is attached:

1. Letter of instructions, dated August 26, 1957, from the Chairman, Operating Committee, to this office.

2. Memorandum of request, dated August 28, 1957, from this office to T. H. Brading, DMEA Auditor.

3. Letter dated August 29, 1957, from T. H. Brading, DMEA Auditor, to this office rescinding the revised Report of Review and reinstating the original Report of Review.

Final payment to the Operator is to be made on the following basis, which is in accordance with the original Report of Review

of reported project expenditures by the Contract Administration and Audit Division, dated October 1, 1956.

Basis for Final Payment

Total accepted cost----------	$4,732.00
Government participation at 50%----------	2,366.00
Total prior payments----------	2,116.00
Balance due the Operator----------	$ 250.00

Original signed by
J. W. TOWNSEND
J. W. Townsend

Enclosures

JDC:hmh

cc: Chmn. Op. Comm. (2)
Harshman
Hamler
DMRA/DFC
DMRA/G.Jct.
Townsend
) w/copy of T.H.Brading's letter of 8/29/57

MF-104 File, Reg.III
Corres.file, Reg.III
Chron
) w/copy of all above listed items of corres.

Pay $250.00
RRC
Randall R. Cooper
Authorized Certifying Officer
SEP 24 1957
DMA-58-35

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

August 29, 1957

Mr. E. N. Harshman,
Acting Executive Officer,
DMEA Field Team, Region III
Denver, Colorado

Re: Contract No. Idm-E733
Docket No. DMEA-3266 (Copper)
Big Indian Copper Mine
San Juan County, Utah

Dear Mr. Harshman:

Complying with instructions in letter dated August 26, 1957, from George C. Selfridge, Chairman, Operating Committee, regarding subject Operator, Report of Review dated July 3, 1957, is rescinded and original Report of Review dated October 1, 1956, is reinstated.

Yours very truly,

T. H. Brading

T. H. Brading, DMEA Auditor.

THB:bh
cc-J. L. Chambers
East/Christensen
DMEA/Gr. Jct.
Townsend (MF-104 File)
Subject
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

July 24, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 26 1957

DATE	INITIALS	CODE
7/26	C	220
7/30	Cem	100
		800

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-3266 (Uranium-Copper) Contract Idm-E733, Big Indian Uranium Corporation, (Big Indian Copper mine) San Juan County, Utah - FINAL SETTLEMENT

Enclosed are two copies of a memorandum to T. A. Christensen, dated July 16, 1957, relative to final settlement under the terms of the subject contract.

W H King

W. H. King

Enclosures

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III
[redacted]

Administrative Audit Difference Statement

[redacted]

Date: July 23, 1957
Payee's
Reference: _____

Gentlemen:

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $ _____

Difference $ _____

Amount Approved $ _____

The reason for the difference was due to:

[redacted]

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

OFFICIAL-COPY
[redacted]
DMEA
RECEIVED
DATE | INITIALS | CODE

R-III-B & F Form No. 4
4-15-52 D

224 New Customhouse
Denver 2, Colorado

July 16, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 26 1957

DATE	INITIALS	CODE

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-3266 (Uranium-Copper) Contract Idm-8733, Big Indian Uranium Corporation, (Big Indian Copper mine) San Juan County, Utah - FINAL SETTLEMENT

Reference is made to our memorandum of August 23, 1955, whereby we transmitted final Form MP-104, Operator's Monthly Report and Voucher, for April and May, 1955, and requested that you withhold the amount of $250.00, from reimbursement to the Operator, to protect the Government's interest as the project was in unauthorized recess. No additional work under the contract was performed subsequent to May, 1955, and the contract was terminated effective June 1, 1955.

The Operator has failed to submit a final report as required under Article 6(e), of the contract form, therefore the amount of $250.00 is to be retained by the Government in lieu of the Operator's final report. Copies of the following relative correspondence are attached:

1. Letter of July 28, 1957 (June 28, 1957), from the Chairman, Operating Committee, to the Executive Officer, DMEA, Region III.

2. Letter of July 1, 1957, from the Executive Officer, DMEA Field Team, Region III, to the Operator.

Deduction of the amount withheld from the April and May, 1955, vouchers is in conformance with the revised Report of Review

No Payment
7/23/57

of reported project costs by the Contract Administration and Audit Division, dated July 3, 1957.

Basis for Final Settlement

Total accepted cost	$4,232.00
Government participation at 50%	2,116.00
Total prior payments	2,116.00
Balance due the Operator	$ 0.00

Original signed by
W. H. KING
W. H. King

Enclosures

JDG:bmh
cc: Chem. Op. Comm. (2)
Barefman
DMEA, DFC
DMEA, G.Jet.
Healer
Townsend
Corres.file,Reg. III
MF-104 file, Reg. III - w/copy of above mentioned letters
Chron.

Region III

Building 20
Denver Federal Center
Denver 2, Colorado
December 12, 1955

RECEIVED
DEC 19 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Carl Belser

Subject: DMEA 3266, Contract Idm-E733 (Copper) Big Indian Uranium Corporation, Big Indian mine, San Juan County, Utah - Progress report for November 1955

The Big Indian property was visited on December 6, 1955. The Burton family is still acting as watchman. They report that Mr. Harris stopped in about two weeks ago and said that the corporation would not resume operations until spring.

No work was done during November 1955.

Carl Belser
Mining Engineer

cc 6
E733
Chron

CB/am

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

RECEIVED
DEC 19 1955

224 New Customhouse
Denver 2, Colorado

December 14, 1955

Memorandum

To: Chairman, Operating Committee, DMEA

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

Subject: Docket DMEA 3266 (Copper) Contract Idm-E733, Big Indian Uranium Corporation, San Juan County, Utah

Enclosed for your information are two copies of a memorandum report from Carl Belser, Mining Engineer, Bureau of Mines dated December 12, 1955 wherein he advises that no work was performed under the subject contract during the month of November, 1955.

Also enclosed are two copies of a letter from this office to the Operator regarding the suspension of operations and extention of the period for completion of the project work.

E. N. Harshman

By [illegible]

Enclosures

Building 20
Denver Federal Center
Denver 2, Colorado
November 7, 1955

REGION III

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Carl Belser

Subject: DMEA 3266, Contract Idm-E733 (Copper),
Big Indian Uranium Corporation,
Big Indian mine, San Juan County, Utah
Progress report for October 1955

The Big Indian property was visited on November 4, 1955. No one connected with the company was at the property. The equipment reported previously is still on the property. A family by the name of Burton is living in the mine house and were told by one of the bosses at the Homestake mine that they could live there all winter if they acted also as watchmen.

No work was done during October.

Carl Belser
Mining Engineer

CB:pk

ec 6
Idm-E733
Chron.

See Op. Comm.

DMEA
Date Rec'd.

OCT 7 1955

BUREAU OF MINES
Denver, Colorado

Building 20
Denver Federal Center
Denver 2, Colorado
October 7, 1955

REGION III

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Carl Belser

Subject: DMEA 3266, Contract Idm-E733 (Copper),
Big Indian Uranium Corporation, Big Indian mine,
San Juan County, Utah - Progress report for September 1955.

The Big Indian property was visited on October 4, 1955. No one was at the property which was much as it was on September 12 with the exception that the pick-up truck was gone.

No work has been done on the property during September 1955.

Carl Belser

Carl Belser
Mining Engineer

CB:ph

cc 6
Idm-E733
Chron.

Sec. Op. Comm

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
SEP 26 1955

224 New Customhouse
Denver 2, Colorado

September 21, 1955

Memorandum

To: Secretary to the Operating Committee, Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA-3266 (Copper), Contract No. Idm-E733, Big Indian Uranium Corporation, Big Indian Mine, San Juan County, Utah - Progress report for the period August, 1955.

Enclosed is the DMEA examining engineer's report on the subject contract for the month of August, 1955. Apparently no work was done during the period.

W. M. Traver

W. M. Traver

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

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

Building 20
Denver Federal Center
Denver 2, Colorado
September 19, 1955

Memorandum

RECEIVED
SEP 26 1955

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Carl Belser

Subject: DMEA 3266, Contract Idm-E733 (Copper), Big Indian Uranium Corporation, Big Indian mine, San Juan County, Utah - Progress report for August 1955.

The Big Indian property was inspected on September 12, 1955. No one was at the property but there was a mounted drill, a pick-up, and an old sedan near the bunkhouse. Apparently, no work had been done at the property during August. It is said that the contractor has been at a property near Ely, Nevada.

Carl Belser
Carl Belser
Mining Engineer

CB:ph

cc 6
Idm-E733
Chron.

DMEA
Date Rec'd.

AUG 15 1955

BUREAU OF MINES
Denver, Colorado

Region III

Building 20
Denver Federal Center
Denver 2, Colorado
August 10, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Carl Belser

Subject: DMEA 3266, Contract Idm-E733 (Copper), Big Indian Uranium Corporation, Big Indian mine, San Juan County, Utah - Progress report for July 1955.

Drilling progress was inspected on August 2, 1955. Neither Mr. Hafen nor Mr. Garrick were at the property. No work was being done but two men were in the bunkhouse.

No work was done on the contract during July. The men said that work was expected to start on the new drill site this month.

No reimbursement is claimed by the operator for July.

Carl Belser

Carl Belser
Mining Engineer

cc 6
E733
Chron

CB/cm

RECEIVED
AUG 18 1955

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

224 New Customhouse
Denver 2, Colorado

August 16, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3266 Contract Idm-E733 (Copper), Big Indian Uranium Corporation, Big Indian Mine, San Juan County, Utah, Progress Report for July, 1955.

Enclosed are two copies of a memorandum by Carl Belser which comprises the Progress Report for July, 1955 as no work was done on the DMEA contract during the month.

W. M. Traver
W. M. TRAVER

RECEIVED
AUG 18 1955

DMEA
Date Rec'd.

AUG 1 1955

BUREAU OF MINES
Denver, Colorado

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
July 29, 1955

Region III

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Carl Belzer

Subject: DMEA 3266, Contract Idm-E733, Copper, Big Indian Uranium Corporation, Big Indian mine, San Juan County, Utah. -- Progress report for June, 1955.

Progress was inspected on July 12, 1955. Since the completion of hole B-1-#2 no work has been done under the contract. Two drills have been drilling the main copper bearing area, which is not under the D.M.E.A. drilling program.

Mr. Joseph Hafen was at the mine. He stated that drilling by the Corporation had blocked 200,000 tons of 2 percent copper ore and that plans were being made for the erection of a mill.

Hafen said that work under the D.M.E.A. contract would be resumed soon.

Carl Belzer
Mining Engineer

CB:jw

cc: 6/w orig.
Subj.
Chron.

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

224 New Customhouse
Denver 2, Colorado

August 16, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 3266, Contract Idm-E733 (Copper), Big Indian Uranium Corporation, Big Indian Mine, San Juan County, Utah.

Progress Report for June, 1955.

Enclosed are two copies of a memorandum by Carl Belser which comprises the Progress Report for July, 1955 as no work was done on the DMEA contract during the month.

W. M. Traver

W. M. TRAVER

RECEIVED
AUG 18 1955

Form MF-404 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

RECEIVED
AUG 29 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of [illegible], 195[illegible] Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $[illegible] Government Participation: [illegible]% Amount, $[illegible]

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	[illegible]	[illegible]	[illegible]			
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	[illegible]	[illegible]	[illegible]	2730.00	2002.00	4732.00

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

Date [illegible] *Payee [illegible]

Per [illegible] Title [illegible]

*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:

$4,115.00

Signature [illegible]
(Authorized Certifying Officer)

Date 8/24/55 Vou. No. DMA-56-18

(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. Tdm-E733 in accordance with the terms of the contract.

Signature Carl Belsen (1365.00) Title Mining Engineer Date 7/28/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Janer Title Executive Officer Date AUG 23 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form [illegible]1044A
(Ap[illegible]2)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED
AUG 29 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of [illegible] & May 1955 Docket No. DMEA[illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	11200	4.55
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Assays	Each	None	None	None			200	1.50
TOTAL DISTRIBUTED COSTS		2730.00	600	4732.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2730.00	600	4732.00				

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 [illegible] Operator [illegible]

Per [illegible] Title [illegible]

REMARKS:

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

(Instructions on reverse)

(For Government use only) Carl Behn

INSTRUCTIONS

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

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

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

GPO 872894

RECEIVED
AUG 29 1955

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date: August 30, 1955
Payee's
Reference: [illegible]

[illegible] Corporation
P. O. Box [illegible]
[illegible], Ohio

Gentlemen:

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $[illegible]

Difference $

Amount Approved $[illegible]

The reason for the difference was due to:

[illegible] to [illegible] to protect the [illegible] or [illegible] to pay to a [illegible] [illegible].

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV-B & F Form No. 4
4-15-52 D

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

RECEIVED
AUG 29 1955

224, New Customhouse
Denver 2, Colorado

August 23, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3266, (Copper) Contract Idm-E733, Big Indian Uranium Corporation, Big Indian Mine, San Juan County, Utah - Operator's Monthly Progress Report, for the period April and May 1955.

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore, we recommend that payment be made for 50 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report, except as noted below.

$250.00 is to be withheld to protect the Government as the company is in an unauthorized recess.

Remarks
Date of Report- - - - - - - - - - - - - - - - -May 23, 1955
Date Received in Field Office- - - - - - - - July 27, 1955
Date Received in Region Office- - - - - - - August 23, 1955

Reason for delay:
Report was returned to the Operator for completion.

W. M. TRAVER,

W. M. Traver

Enclosures

JDC:jy

cc: MF-104 File E733
Sec. Opr. Comm. (2)
Shaw (2)
Chron.

DMEA
Date Rec'd.

RECEIVED AUG 8 1955

AUG 29 1955
BUREAU OF MINES
Denver, Colorado

Building 20
Denver Federal Center
~~Denver 9, Colorado~~
August 8, 1955

DMEA
Date Rec'd.

AUG 23 1955

BUREAU OF MINES
Denver, Colorado

Region III

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: Carl Belser

Subject: DMEA 3266, Contract Idm-2733 (Copper) Big Indian Uranium Corporation, Big Indian Mine, San Juan County, Utah -- Progress report for April-May, 1955.

Drilling progress was inspected on June 7, 1955. Neither Mr. Hafen or Mr. Garrick were at the property. The two young men on the property thought that drilling would be discontinued.

Hole B-1 No. 2 had been completed at a depth of 520 feet.

Hole B-1 No. 1 had been rechecked and the total depth found to be 520 feet instead of 525 feet. Also upon a recheck, no radioactivity or copper mineralization was found in either of the holes.

Drilling for March and April follows:

	Hole	Footage
	B-1-#1 (520'-440')	80
	B-1-#2	520
Total for April and May		600
Drilled previously (B-1-#1)		440
Total drilled to date		1040

The cost of core drilling 600 feet at $4.55 a foot is $2,730.00. Payment of 50 percent of the contract cost for April and May or $1,365.00 is recommended.

The log of hole B-1-No. 2 is retained at this office.

Carl Belser
Mining Engineer

CB:jw

cc: 6/w orig.
DMEA 3266
Subj.

RECEIVED

AUG 29 1955

BIG INDIAN URANIUM CORPORATION
Box 111
PROVO, UTAH

July 26, 1955

Mr. J.M Traver
United States Bureau of Mines
Denver Federal Center
Building 20, Room 137
Denver, Colorado.

Re: Contract Idm-2736
Monthly Drilling Narrative Report
for April, 1955

Dear Mr. Traver:

Drilling as per our contract continued during the month of April on the Big Indian property and resulted in the completion of the first hole 1B and the second hole on 1B.

This drilling was very difficult due to caving nature of the ground and the soft sands encountered . This resulted in the excessive loss of water with the resultant need for extensive casing. As a result of need for more water we had to purchase and install a new pump in our well and purchase and install a new power unit. Inasmuch as we had to make this change we had to use a different well. The above mentioned problems slowed us up quite a bit.

Mr. McMillen inspected the drilling and conferred again with Mr. Joseph Hafen on the Big Indian property recently and has the drill logs for the holes drilled. As Mr. Hafen reported to be the first hole bottomed at 580 feet and the second one at the same depth, 580 feet. As we had been paid for 440 feet this leaves a balance of 600 feet that should be reimbursed for.

I am sorry the mistake arrived in the drilling reported and I am correcting the MP-104 and MF-104. . My copies of the narrative report originally were mailed along with the log on May 23,1955 to your office.

Sincerely yours,

Carl V. Harris, Pres.
Big Indian Uranium Corp.

Form MF-10½ (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

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

Date Rec'd
MAY 11 1955
BUREAU OF MINES
Denver, Colorado

Month of March 1955 Docket No. DMEA 3266 Contract No. Idm-1733
Operator's Name Big Indian Uranium Corp. Minerals Copper
Address Box 111, Provo, Utah
Contract Amount, $ 51,260.00 Government Participation: 50 % Amount, $ 25,630.00

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: Core	1547.00	455.00	2002.00			
Drilling						
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	1547.00	455.00	2002.00	1547.00	455.00	2002.00

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

Date April 16, 1955 Payee Big Indian Uranium Corp.

Per [signature] Title President

*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:

$ 773.50

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 5-20-55 Vou. No. DMA 55-92

(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 William Mellon ($ 773.50) Title Mining Engineer Date April 21, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Berk.

Signature W. M. Maver Title Executive Officer Date MAY 13 1955

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MI[illegible]04A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Date Rec'd MAY 11 1955 BUREAU OF MINES Denver, Colorado

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1955 Docket No. DMEA 3266 Contract No. Idm-E733

Operator's Name Big Indian Uranium Corp. Minerals Copper

Address Box 111, Provo, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	ft.	1547.00	340	2002.00	440	4.55	11200	4.55
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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 April 16, 1955 Operator Big Indian Uranium Corp.

Per Carl J. Harris Title President

→ 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)

Leon McClaren

INSTRUCTIONS

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

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

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

GPO 872894

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

224 New Customhouse
Denver 2, Colorado

May 13, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3266 (Copper), Contract Idm-E733, Big Indian Uranium Corporation, Big Indian Mine, San Juan County, Utah Operator's Monthly Progress Report for the period March, 1955

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 50 per cent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report	April 16, 1955
Date Received in Field Office	May 11, 1955
Date Received in Region Office	May 13, 1955

Forms were returned to the operator for correction.

W. M. TRAVER,
W. M. Traver

Enclosures
RDB:ld

Copy to: Sec. Opr. Comm. (2)
Subject
Chron
J. F. Shaw

DMEA
Date Rec'd.
APR 29 1955
BUREAU OF MINES
Denver, Colorado

Region III

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
April 25, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shea
Supervising Mining Engineer

From: W. D. McMillan, Mining Engineer

Subject: DMEA 3266, Contract Idm-E733 (Copper), Big Indian Uranium Corporation, Big Indian mine, San Juan County, Utah - Progress Report for March 1955.

Diamond core drilling on the hole designated by the applicant as 1-A, but which is actually at location 1-B, was continued during March and at the end of the month had reached a depth of 440 feet, an advance for the month of 340 feet.

An inspection of the core was made on April 4th and April 6th, without the presence of Mr. Joseph Hafen, the company's representative. At the time of the April 4th inspection, two AEC geologists were logging the core. Hole 1-B was completed on April 6th at a depth of 510 feet, which put it through the fault without finding any copper mineralization.

An inspection of the core to 490 feet was made. Core recovery was 100 percent for 410 feet in vari-colored sandstone, beds of conglomerate and brown variegated shale for the last 120 feet. A satisfactory log for 440 feet was submitted, and is being retained in this office.

The operator has submitted in quintuplicate forms MF-104 and MF-104A, together with an original only of the narrative report, which should have been submitted in quintuplicate. Form MF-104 is satisfactory, but form MF-104A required corrections in the columns for "Unit Costs to Date" and the columns for "Authorized by Contract". The applicant should be informed of these discrepancies for his April report.

The work was satisfactory and in accordance with the contract except for the hole numbering. It is recommended that $773.50, or 50 percent of the amount claimed in March, $1,547.00 be approved for payment. The drill log is being retained in this office.

W. D. McMillan

W. D. McMillan

cc 6
Idm-E733
Chron

DIST. ENGR.
EXAMINATION
DIST. CLERK
PERSONNEL
FILES

BIG INDIAN URANIUM CORPORATION
Provo, Utah
Box 111

Date Rec'd
APR 1 8 1955
BUREAU OF MINES
Denver, Colorado

April 16,
1955

Mr. W.M. Traver
United States Bureau of Mines
Denver Federal Center
Building 20, Room 137
Denver, Colorado

Re: Contract IDm.-E733
Monthly Drilling Narrative Report.

Dear Mr. Traver:

Drilling has continued on Hole 1A on the Copper King Claim during the past month with the exception of about ten days when a new Industrial Ford Motor went out on us due to failure of the fuel pump. Another new one was sent from Denver but this had the same fault so we had to get a third one from Denver.

Drilling has been very slow and difficult on this hole . We have been alternately in loose sand that would cave into the hole and this resulted in a great deal of casing having to be put down. In the Burro Canyon formation we ran into a very hard bedding totaling about 12 feet. This was a chert or flint like material and reduced our footage to a few feet a day until we were through it .

This territory on this faulted area is full of surprizes for drill operator but he is reacting to the new problems and is continuing on. We have two shifts on the rig as of this date.

Footage completed on this hole the last of March was 340 feet for the month with the cumulative total of 440 feet completed .

Sincerely yours,

Carl F. Harris
President.

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

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

Department of the Interior
Defense Minerals Administration
RECEIVED
APR 22 1955

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

Month of February, 195 Docket No. DMEA 5566 Contract No. [illegible] - 2733
Operator's Name [illegible] Minerals Copper
Address Box 111, Provo, Utah
Contract Amount, $51,160.00 Government Participation: 85% % Amount, $5,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:	$455.00	none	$455.00			
Drilling	100 foot	none	100 foot	)		
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	$455.00	none	$455.00	455.00		455.00

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

Date Feb. 1, 1955 *Payee Big Indian Uranium Corporation

Per [signature] Title President

*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:

$ 227.50

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 4-15-55 Vou. No. DMA-55-82

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm E733 in accordance with the terms of the contract.

Signature W. McWilliam ($275.50) Title Mining Engineer Date April 12, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Berk.

Signature W. M. Graves Title Executive Officer Date APR 15 1955

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-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 22 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1955 Docket No. DMEA-3266 Contract No. IDm-E733

Operator's Name Big Indian Uranium Corporation Minerals Copper

Address Box 111, Provo, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core @ $4.55 ft.			100	$455.00	100	$455.00	100	$455.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
								TOTAL COSTS AUTHORIZED BY CONTRACT
TOTAL DISTRIBUTED COSTS								
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc. Core Drilling								$455.00
TOTAL COSTS								$455.00

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: The first hole was drilled to a depth of 100 feet. Operation will continue on this hole as per contract

Date March 1, 1955 Operator Big Indian Uranium Corporation

Per Carl J. Stures Title President

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)

Wm C Mullan

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

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

224 New Customhouse
Denver 2, Colorado

April 15, 1955

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 3266 (Copper), Contract Idm-E733, Big Indian Uranium Corp., (Big Indian mine), San Juan County, Utah - Operator's Monthly Progress Report for the month of February, 1955

Enclosed are the original and four copies of Form MF-104 and MF-104A, Narrative Report, and Engineer's Report for the above period.

Work has been completed as authorized by the contract. No documentation is required for work performed under contracts prepared on Form MF-200A, therefore we recommend that payment be made for 50 per cent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Remarks:

Date of Report.....March 1, 1955
Date Received in Field Office.....March 2, 1955
Date Received in Region Office.....April 13, 1955

W. M. TRAVER

W. M. Traver

Enclosures

RDB:sr

cc Subject
Sec. Op. Comm. (2)
Shaw
Chron

DMEA
Date Rec'd.
APR 13 1955
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region III

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
April 12, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

Through: John F. Shaw
Supervising Mining Engineer

From: W. D. McMillan

Subject: DMEA 3266, Contract Idm-8733 (Copper), Big Indian Uranium Corporation, Big Indian mine, San Juan County, Utah - Progress Report for February 1955.

Diamond core drilling on a hole designated by the applicant as I-A commenced on February 9, and at the end of February had reached a depth of 100 feet.

An inspection of the core was made on March 7, 1955. Core recovery averaged only 41 percent over the first 80 feet which was in alluvium, blue clay, shale and soft sandstone.

The operator had not submitted a log of the hole, which has held up processing of payment until now.

A satisfactory log for 400 feet of drilling in hole I-A was submitted on April 8, 1955.

Inspection of the March progress was made on April 4 and 6, 1955, and a report will be submitted as soon as the operator's report is received. Hole I-A at the end of March was at 440 feet and was completed on April 6th at 510 feet.

The operator has confused the numbering of the holes, and his I-A is actually I-B on the Copper King claim as checked by visual observation of holes C and D drilled by the Moss Copper Company. The operator should be informed of this error.

The operator has submitted in quintuplicate Forms MF-104 and MF-104A, together with a narrative report and one copy of the drill log.

The work was satisfactory and in accordance with the contract except for the hole numbering. All the forms are satisfactory, and the

monthly and accumulated totals are correct. It is recommended that $227.50, or 50 percent of the amount claimed in February 1955, $455.00, be approved for payment. The drill log is being retained in this office.

W. D. McMillan
Mining Engineer

cc 6
Idm-E733
DMEA Chron

WDM/em

BIG INDIAN URANIUM CORPORATION
Provo, Utah
March 1.1955
Box 111

RECEIVED
MAR 2 1955

Mr. W.H.Trevor
United States Bureau of Mines
Denver Federal Center
Building 20, Room 137
Denver, Colorado

Re; Contract IDm.-2735
"Monthly drilling Narrative Report."

Dear Mr. King,

Drilling was begun on this project as for the letter notifying you and Mr. King as of February 9,1955.

The BMBA Field team made their original inspection and checked our starting hole with the map as per the contract instructions for Stage 1.

To-date we have completed only 100 feet of the first hole 1A on the Copper King claim.

As this was a shakedown period on a new drill rig it took some time to make a few adjustments. The operations however since the initial start has been curtailed due to the extremely cold sub-zero weather. Our 1000 foot water line froze despite efforts of the drill oper tors to thaw it out and keep the flow running.

With the temperature moderating we are resuming our drilling.

Will you please send us additional sets of Form KF 104 and 104A ?

Enc. Forms 1o4 and 104As

Sincerely,

Carl J. Harris, Pres.
Big Indian Uranium Corporation

JAN 6 1965

Big Indian Uranium Corporation
P. O. Box 351
Salt Lake City, Utah

Re: DMEA-3266 (Copper)
Big Indian Uranium Corporation
Big Indian Copper Mine
San Juan County, Utah
Contract Ida-2733

Gentlemen:

By the terms of the subject Exploration Project Contract, as amended, and the royalty agreement in Paragraph 4 of the Termination Agreement dated July 23, 1956, all minerals mined or produced from October 23, 1954, to October 23, 1964, were subject to the Government's percentage royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Furnich, Jr.

Acting Director

MMarrithew/mm
1/5/65
cc: Director's Reading File
Region III w/cy of incoming 63 dated 12/8/64
✓CA&A Division
Docket
Code 120M

overnment's copy

TERMINATION AGREEMENT

It is agreed this 25th day of July, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Big Indian Uranium Corporation, hereinafter called the "Operator," parties to Exploration Project Contract Idm-E733 (Docket No. DMEA-3266), dated October 25, 1954, hereinafter called the "Contract," that:

1. Effective June 1, 1955, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account. All rights of the Government under the Contract with respect to records, audits, and recovery of any overpayment are preserved.

4. The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government the royalty on production as provided in the Contract, in the same manner and amount and for the same period as if certification of discovery or development had been made, such certification being hereby waived.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By O Mittendorf
Administrator, Defense Minerals
Exploration Administration

BIG INDIAN URANIUM CORPORATION

By Carl Harris
Title President

RECEIVED
AUG 2 [illegible]

RECEIVED

No. 2

AMENDMENT OF CONTRACT: No. Idm-E733

Contract Docket No. DMEA 3266, dated October 25, 1954, between the United States of America and Big Indian Uranium Corporation is hereby amended as follows, effective as of the date of the contract:

1. Amendment No. 1, dated December 29, 1954, is cancelled effective as of its effective date.

2. Referring to "Article 3. The exploration project" of Exploration Project Contract Form MF-200(A) (Revised June 1954), following the words "The Operator on or before", delete "30 days from date*" and in lieu thereof substitute "February 9, 1955"; following the words "and on or before" delete the figure "8" and in lieu thereof substitute the figure "10".

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

DATED JAN 27 1955

BIG INDIAN URANIUM CORPORATION

By Carl J. Harris
Carl J. Harris, President

UNITED STATES OF AMERICA

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

Seal

Date Rec'd
JAN 7 1955
BUREAU OF MINES
Denver, Colorado

Big Indian Uranium Corp.,
P.O. Box 111,
Provo, Utah.

To Executive Officer,
Field Team Region 4 - D.M.E.A.
New Customs House Bldg.,
Denver, Colorado.

Dear Sir:

Referring to Contract #I.B.M.- 2733. We hereby request a thirty day extention from January 9, 1955, starting date, to February 9, 1955.

This request is made because the manufacturer is unable to make delivery on drill machine before Feb. 1st.

The manufacturer has verified today that the machine will be shipped from the factory on January 10th, which will make it possible for the contractor to commence work on or before February 9, 1955.

Yours very truly,

Joseph Hafen

Joseph Hafen,
Vice President-General Manager
Big Indian Uranium Corp.

JH:cD

No. 1

Defense Materials Administration
RECEIVED
JAN 3 1955

AMENDMENT OF CONTRACT: No. Idm-E733

Contract Docket No. DMEA 3266, dated October 25, 1954, between the United States of America and Big Indian Uranium Corporation is hereby amended as follows, effective as of the date of the contract:

> Referring to "ARTICLE 3. The Exploration Project" of Exploration Project Contract form MF-200(A) (Revised June 1954), following the words "The Operator on or before" delete "30 days from date*" and in lieu thereof substitute "January 9, 1955."

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

Dated DEC 29 1954

BIG INDIAN URANIUM CORPORATION

By Carl J. Harris
Carl J. Harris, President

UNITED STATES OF AMERICA

By W H King
W. H. King, Executive Officer
DMEA Field Team, Region IV

Seal

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 11 1955

BIG INDIAN URANIUM CORPORATION
169 N. University Ave
P.O. Box 111
Provo, Utah

December 6, 1954

W.H. King
Executive Officer, DMEA
Field Team, Region IV
224 New Customhouse
Denver 2, Colorado

Re: Contract Idm-E733

Dear Mr. King,

Reference is made to telephone conversation with you and Mr. Joseph Hafen as of ~~January~~ Dec. 6, 1954, requesting a little extension in time to begin drilling. According to our contract it was to begin not later than December 9, 1954. But due to the fact that Drill Rig will not be available till after the first of the year, we are requesting an extension of this time till January 9, 1955.

Sincerely yours,

Welby W. Ricks, Secretary
Big Indian Uranium Corp.

DMEA Form 14

Contract No. Idm-E 232

Docket No. 3266

DEPARTMENT OF THE INTERIOR

Reobligation

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

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

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

Date of Contract	Region	State	Commodity
October 24, 1954	III	Utah	Copper

Name and Address of Operator: Big Indian Uranium Corporation
Big Indian Mine
San Juan Co., Utah

	Reserve	Obligation
Prior Amount	0	2,116.00
Increase	0	250.00
Decrease	0	0
Revised Amount	0	2,366.00

Remarks:

DAKAN
(Name)
Allon S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date delivered to Bureau of Mines, Washington 9/10/57

22845

DMEA Form 14

Contract No. Idm-E-739

Docket No. 3266

DEPARTMENT OF THE INTERIOR

Additional release

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

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

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

Date of Contract	Region	State	Commodity
October 25, 1954	III	Utah	Copper

Name and Address of Operator: Big Indian Uranium Corporation
Big Indian Mine
San Juan Co., Utah

	Reserve	Obligation
Prior Amount	0	2,366.00
Increase	0	0
Decrease	0	250.00
Revised Amount	0	2,116.00

Remarks:

ALLEN S. DAKAN
(Name)

Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date Delivered to Bureau of Mines, Washington 7/29/57

16416

Contract No. Idm-E 733

Docket No. 3266

DEPARTMENT OF THE INTERIOR

Terminated contract

DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Date of Contract	Region	State	Commodity
October 25, 1954	III	Utah	Copper

Name and Address of Operator: Big Indian Uranium Corporation
Big Indian Mine
San Juan County, Utah

	Reserve	Obligation
Prior Amount	0	$25,630.00
Increase	0	0
Decrease	0	23,264.00
Revised Amount	0	2,366.00

Remarks:

Allen S. Daken (Name)
Chief Operations Control and Statistics Division (Title)

Date Delivered to Bureau of Mines, Washington 10/30/56

98963

Docket No. DMEA - 3266

Commodity COPPER

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 933

Date of Contract ~~xxxAmendment~~ 10/25/54

Name and Address of Operator:
Big Indian Uranium Corporation
Big Indian Mine
San Juan County, Utah

Amount of Government participation ____ $ 25,630.00

Percent of Government participation 50 %

Region: IV State: Utah

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

Date Delivered to Bureau of Mines, Washington. 10/25/54

54458

Government's copy

MF-200A
(Revised June 1954)

Docket No. DMEA -3266

Commodity Copper

Contract No. Idm-E - 733

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT[1]
(Short Form)

It is agreed this 25th day of October, 1954 between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Big Indian Uranium Corporation, whose mailing address is P. O. Box 111 Provo, Utah, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and .....

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

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Utah, County of San Juan, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] owner of [5] the entire interest in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] ....., [7] ....recorded in Book ....., page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: None

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.), are attached, as follows: .....

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 7, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 7(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Copper The work to be performed is described in Exhibit "A." The Operator on or before 30 days from date * shall commence the work, and on or before 8 months from date * (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

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

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $51,260.00 The Government will contribute 50 percent of the fixed unit costs as work is performed, in a total sum not in excess of $ 25,630.00 : *Provided,* That until the Operator has rendered to the Government his final report, and any final 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 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work

* The word "date" refers to the date of the Contract.

performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 7. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 6) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 8. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

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

(c) The giving of any notice by the Government under the provisions of this Article 8 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 9. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 10. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 11. *Changes and added provisions.*—

Nov. 9, 1954

Executed in sextuplicate the day and year first above written.

BIG INDIAN URANIUM CORPORATION
(Operator)

By Carl J. Harris
President

THE UNITED STATES OF AMERICA

By O. Mitteudorf
Administrator, Defense Minerals
Exploration Administration

I, Welby H. Ricks, certify that I am the authorized secretary of the corporation named as Operator herein; that Carl J. Harris who signed this contract on behalf of the Operator, was then President 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.

Welby H. Ricks
Secretary Big Indian Uranium Corp.

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70618-1

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EXPLORATION PROJECT CONTRACT
BIG INDIAN URANIUM CORPORATION
DOCKET NO. DMEA-3266

ANNEX I

The property referred to in Article 2 consists of the following claims:

Patented Mining Claims

DURANGO, ANACONDA, PACIFIC, TEXAS, MINERAL POINT, COPPER KING, DANDY JIM, and NEVADA lode mining claims, Survey No. 3995.

UTAH lode mining claim, Survey No. 3997.

PIUTE and MONO placer mining claims, Survey Nos. 3996 and 3997, respectively.

Unpatented Mining Claims

Blue Jay or Eureka

La Sal No. 2a

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
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EXPLORATION PROJECT CONTRACT
BIG INDIAN URANIUM CORPORATION
DOCKET NO. DMEA-3266

EXHIBIT "A"

Description of the Work

The work consists of exploration by diamond drilling on the land described in Article 2 of the contract and shown on the maps labeled Figure 2 and Figure 3, which are attached and made a part hereof. The drilling shall be subcontracted to an established drilling company and supervised by the Operator.

The drill holes are to test the Burro Canyon formation and Dakota sandstone along the Lisbon Valley fault for occurrences of copper, and the average depth of the holes will be approximately 400 feet. Drill holes shall be of AX core size or larger, and shall be cased where necessary. Both core and sludge samples shall be taken for study or analysis. All core indicating copper mineralization shall be split, one-half to be assayed and one-half to be stored in core boxes for Government use. All holes shall be logged geologically, and the results of such logging shall be submitted to the Government with the Operator's monthly reports. Chemical analyses shall be for copper.

The work shall be done in three stages. If, in the opinion of the Government, the results of each preceding stage warrants it, and the Government approves it in writing in advance, the work outlined in each succeeding stage shall be done. The location, direction, and extent of all work in all stages are subject to the approval of the Government.

STAGE I

Drill four holes to the Lisbon Valley fault at the approximate locations marked I B on Figure 3. The depth of these holes is expected to range from 200 to 500 feet and average about 400 feet. Total footage will amount to approximately 1600.

STAGE II

Drill up to twelve holes as offsets to Stage I holes which encounter ore in the Dakota sandstone or Burro Canyon formation. The number, location and depth of Stage II holes will be dependent on the results of Stage I work, but any offset holes shall be drilled approximately 100 feet from Stage I holes. The depth of Stage II holes is expected to range from 200 to 500 feet and average about 400 feet. The total footage shall not exceed 4800.

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Bureau of Mines Administration
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STAGE III

Drill up to twelve holes to test areas indicated as favorable by projection of drill hole data from Stages I and II. The number, location and depth of Stage III holes will be dependent on the results of work in Stages I and II. They shall be located approximately 100 feet from previously drilled holes and are expected to range from 200 to 500 feet, and average about 400 feet in depth. The total footage shall not exceed 4800.

Fixed Unit Costs

Stage I		
1600 feet diamond drilling @ $4.55/ft.	$ 7,280.00	
30 analyses for copper @ $1.50/ea.	45.00	$7,325.00
Stage II		
4800 feet diamond drilling @ $4.55/ft.	21,840.00	
85 analyses for copper @ $1.50/ea.	127.50	21,967.50
Stage III		
4800 feet diamond drilling @ $4.55/ft.	21,840.00	
85 analyses for copper @ $1.50/ea.	127.50	21,967.50
Estimated total cost of the project		$51,260.00
Government participation @ 50 percent		$25,630.00

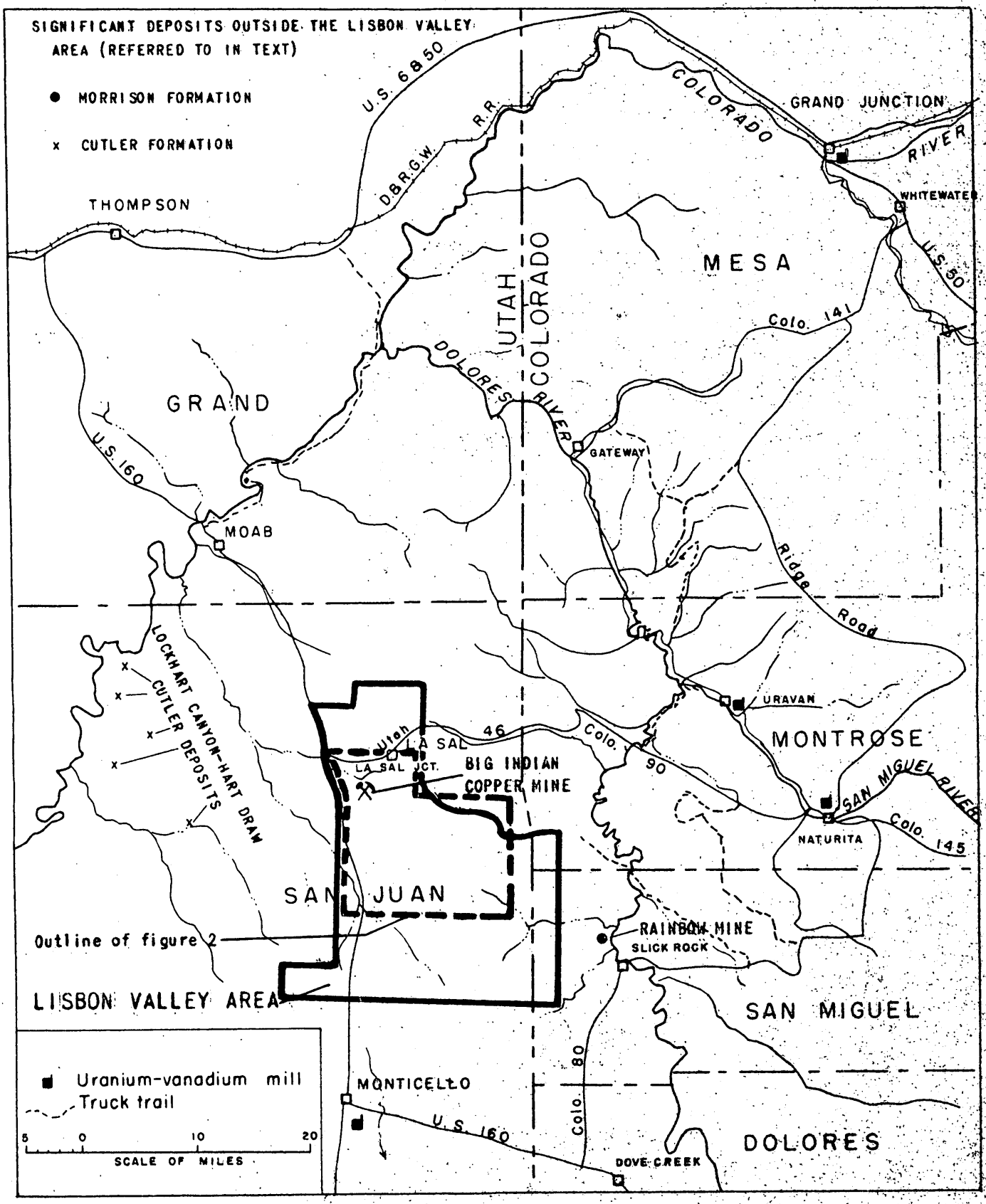

Figure 1. INDEX MAP OF PART OF THE COLORADO PLATEAU SHOWING THE LOCATION OF THE LISBON VALLEY AREA, BIG INDIAN COPPER MINE AND OUTLINE OF FIGURE 2, SAN JUAN COUNTY, UTAH

U. S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
DOCKET 3266

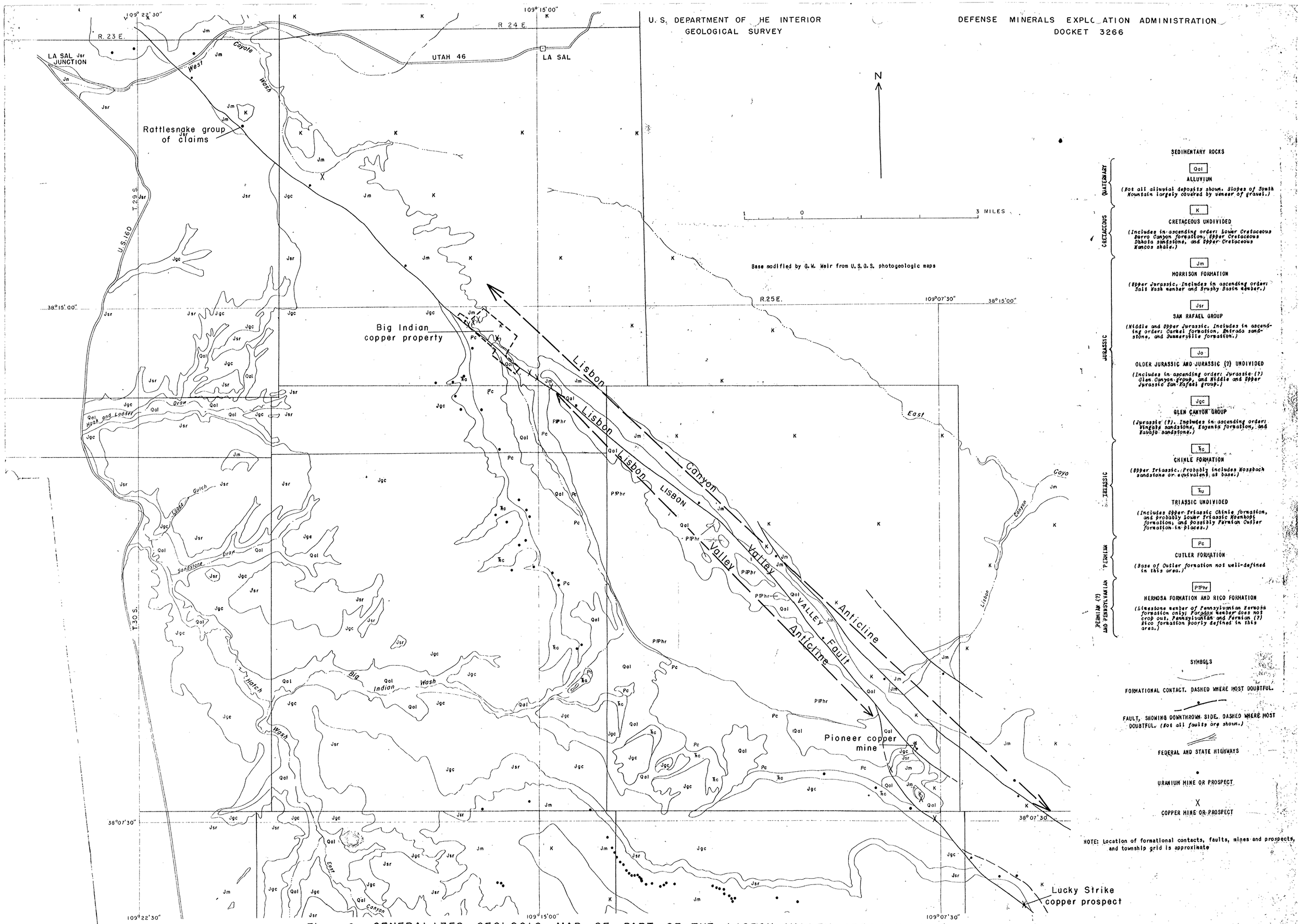

Figure 2. GENERALIZED GEOLOGIC MAP OF PART OF THE LISBON VALLEY AREA, UTAH

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
DOCKET 3266

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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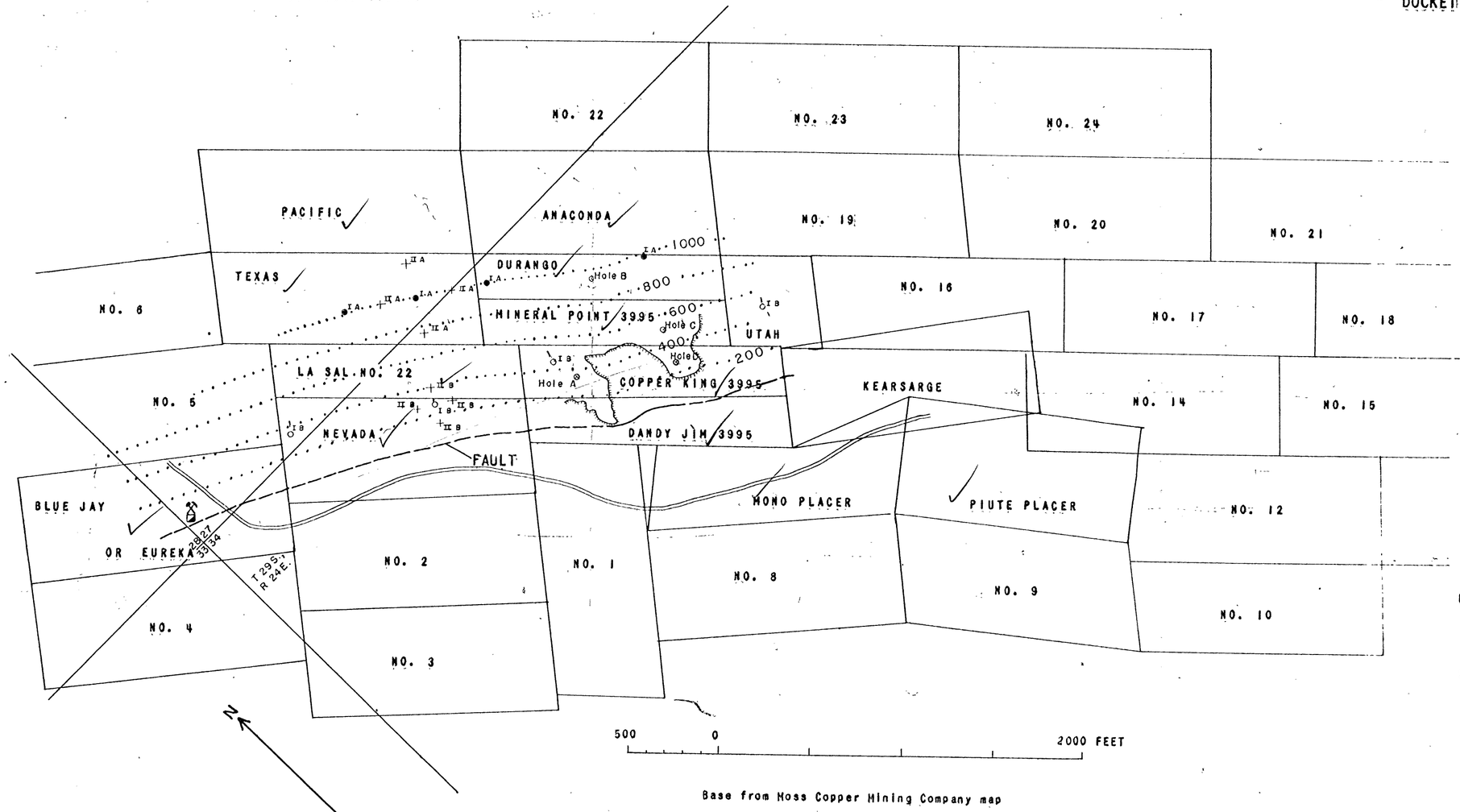


Base from Moss Copper Mining Company map

EXPLANATION

- FAULT, DASHED WHERE INFERRED
- ····200···· DEPTH TO FAULT (APPROXIMATE)
- SHAFT
- PROSPECT
- HOLES ALREADY DRILLED BY MOSS COPPER COMPANY
- I A APPROXIMATE LOCATION OF STAGE I A HOLES
- I B APPROXIMATE LOCATION OF STAGE I B HOLES
- II A POSSIBLE LOCATION OF STAGE II A HOLES SHOWING RECOMMENDED DRILLING PATTERN
- II B POSSIBLE LOCATION OF STAGE II B HOLES SHOWING RECOMMENDED DRILLING PATTERN
- MINE WORKINGS, OPEN PIT

NOTE: Depths to fault plane determined with 50° dip and approximate locations of fault trace, therefore, depths may vary from estimates.

SUPPLEMENTARY DRILL HOLE INFORMATION

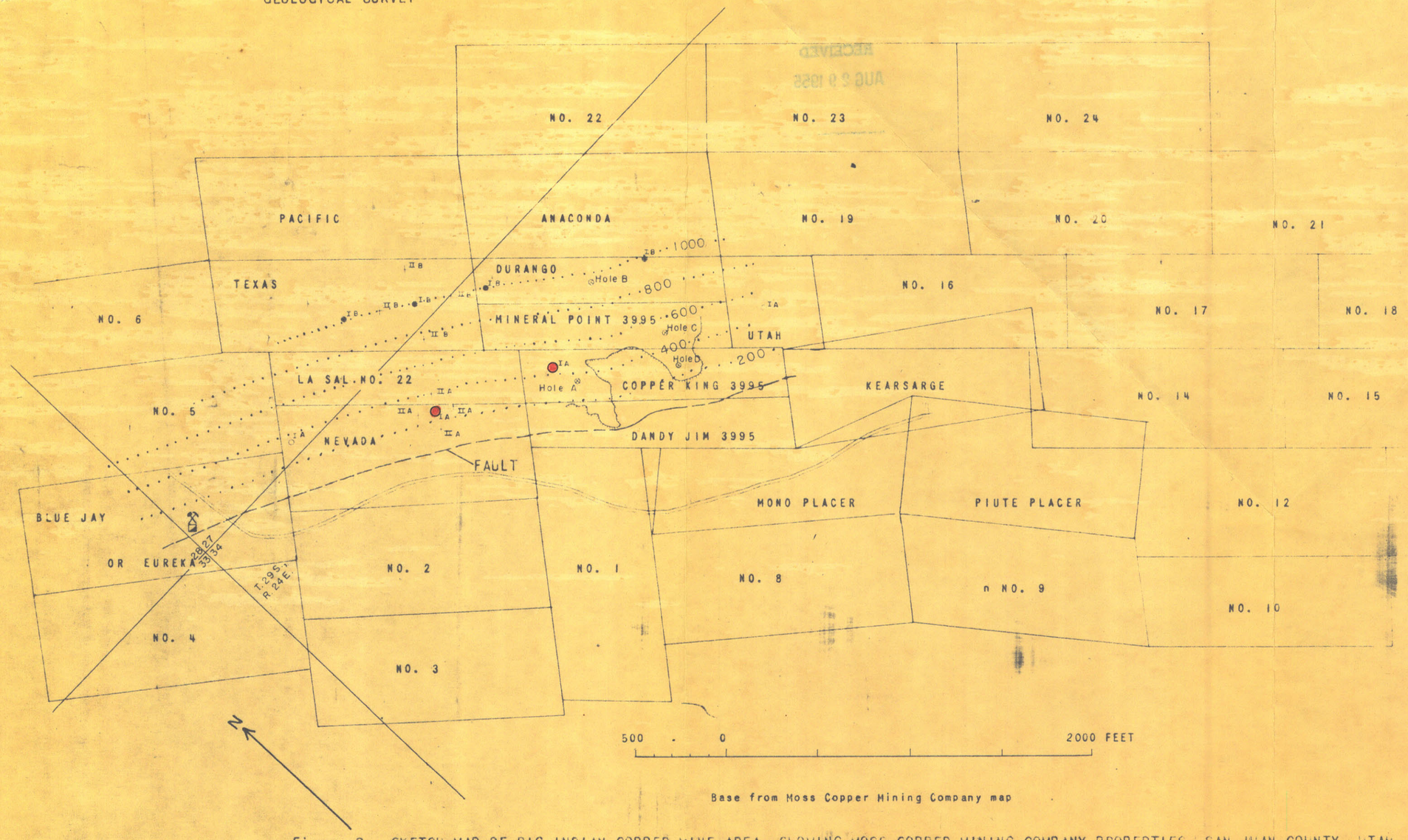
Hole A 3.46% Cu, 0.044% U at 295 feet
Hole B Minor Cu shows in upper 300 feet, 750 feet deep
Hole C Some Cu 315 feet deep
Hole D Some Cu about 200 feet deep

Figure 3. SKETCH MAP OF BIG INDIAN COPPER MINE AREA, SHOWING MOSS COPPER MINING COMPANY PROPERTIES, SAN JUAN COUNTY, UTAH.

U. S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
DOCKET 3266

RECEIVED
AUG 29 1955



Base from Moss Copper Mining Company map

EXPLANATION

FAULT, DASHED WHERE INFERRED

....200.... DEPTH TO FAULT (APPROXIMATE)

SHAFT

PROSPECT

HOLES ALREADY DRILLED BY MOSS COPPER COMPANY

I A APPROXIMATE LOCATION OF STAGE I A HOLES

I B APPROXIMATE LOCATION OF STAGE I B HOLES

II A POSSIBLE LOCATION OF STAGE II A HOLES SHOWING RECOMMENDED DRILLING PATTERN

II B POSSIBLE LOCATION OF STAGE II B HOLES SHOWING RECOMMENDED DRILLING PATTERN

MINE WORKINGS, OPEN PIT

HOLES DRILLED THROUGH JULY

NOTE: Depths to fault plane determined with 50° dip and approximate locations of fault trace, therefore, depths may vary from estimates.

SUPPLEMENTARY DRILL HOLE INFORMATION

Hole A 3.46% Cu, 0.044% U at 295 feet
Hole B Minor Cu shows in upper 300 feet, 750 feet deep
Hole C Some Cu 315 feet deep
Hole D Some Cu about 200 feet deep

Figure 3. SKETCH MAP OF BIG INDIAN COPPER MINE AREA, SHOWING MOSS COPPER MINING COMPANY PROPERTIES. SAN JUAN COUNTY, UTAH.