DMEA
21 1958

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Howe Sound Company
238 North 21st Street West
Salt Lake City, Utah

pertaining to Exploration Project Contract No. Idm-E1111, Docket No. DMEA-4687, dated July 22, 1957, without Amendments, for the months of July and August 1957, inclusive, covering a project for the exploration of copper on property known as the Calumet Claims, located in Snohomish County, State of Washington.

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

This review was made in lieu of 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 work actually performed.

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

Total cost claimed by Operator	$12,202.00
Exceptions	None
Total accepted cost claimed	$12,202.00

The contract calls for a 50 percent participation of accepted costs. Therefore, payments as follows are valid and proper:

Amount payable on audited claim	$ 6,101.00
Amount reimbursed	5,601.00
Balance due Operator	$ 500.00

C. A. Turner, Auditor

April 16, 1958

Schedule of Work Completed

Howe Sound Company | DMEA-4687 | Idm-E1111

Fixed Unit Costs

Diamond drilling - AX	1,226 feet @ $9.50	$11,647.00
Samples assayed	75 each @ 4.00	300.00
Core boxes	85 each @ 3.00	255.00
Total Accepted Costs		$12,202.00

C. A. Turner, Auditor

April 16, 1958

EXTR COPY
RECE N 5
DATE
CODE
900

So. 157 Howard Street
Spokane 4, Washington

May 2, 1958

Howe Sound Company
238 North 21st Street West
Salt Lake City, Utah

Re: Docket No. DMEA-4687 (Copper)
Calumet claims
Snohomish County, Washington
Contract No. Idm-E1111

Gentlemen:

Enclosed for your information and files is a copy of Report of Review dated April 16, 1958, by C. A. Turner, DMEA Auditor. This Report of Review covers the period of July and August 1957, inclusive.

This report shows a balance due Howe Sound Company as $500. This money has been scheduled for release and you should be receiving payment shortly.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I

Enclosure

cc: DMEA (3)
USBM (2)
USBM (AD)
Turner

Mr. Charles A. Turner
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: Idm-F1111, DMEA-4687
Howe Sound Company (Copper)

Dear Mr. Turner:

Your Report of Review covering the above-referenced project is acceptable and normal distribution is authorized.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

AMAlley/ama
April 21, 1958

Copy to: Docket
Admr. Reading File
Mr. Chambers

1201 N. Division St.
Spokane 2, Washington

March 25, 1958

Mr. C. A. Turner
DMEA Auditor, Region I
1201 North Division St.
Spokane 2, Washington

Re: Docket No. DMEA-4687 (Copper)
Howe Sound Company
Calumet Claims
Snohomish County, Washington
Contract No. Idm-Kllll

Dear Mr. Turner:

The project work under the referenced contract was completed by September 3, 1957. All the work performed was done to the satisfaction of the Government.

A final inspection report on the completed work was submitted by E. A. Magill on January 8, 1958.

The Operator's final engineering and geological report was received on March 3, 1958. It is considered as having met the requirements of Article 5(c) of the contract.

The Government has no equity in equipment, materials or supplies used at the project.

A certification of discovery or development will not be recommended in the Field Team final report.

Work units completed within the terms of the contract are:

	Authorized	Completed
Diamond drilling (AX)	2,400 ft.	1,226 ft.
Sample assays	100 ea.	75 ea.
Core boxes	120 ea.	85 ea.

It is now in order for you to issue your Report or Review.

By Field Team, Region I

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

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

DMEA (3)
DMOC (2)
DMEM (AB)

S[redacted] Form No. 1034—Revised
Form prescribed by
Comptroller General, U. S.
September 7, 1950
(Gen. Reg. No. 51, Supp. No. 1)

PU[redacted]C VOUCHER FOR PURCHASES AND [redacted]
SERVICES OTHER THAN PERSONAL

D. O. Vou. No. .....

Bu. Vou. No. 2152

U. S. .....
(Department, bureau, or establishment)

Voucher prepared at Spokane, Washington 5/1/58
(Give place and date)

THE UNITED STATES, Dr.,

Payee's Account No. Idm-E1111

To Howe Sound Company
(Payee)

238 North 21st West — Salt Lake City 16, Utah
(Address) (City) (State)

PAID BY

(For use of Paying Office)

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms	QUANTITY	UNIT PRICE Cost	UNIT PRICE Per	AMOUNT Dollars	AMOUNT Cts.
	July and August 1957	Balance withheld under Voucher No. 2053, dated October 9, 1957				500	00
PAYMENT: Complete ☐ Partial ☐ Final ☐		FINAL PAYMENT					
		Use continuation sheet(s) if necessary					
Shipped from	to	Weight	Government B/L No.		Total	500	00

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

(Sign original only)

Date ..... *Payee .....
(This certificate not required when a like certificate is made by payee on attached bill or bills)

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

(Payee must NOT use this space)

Differences .....

Account verified; correct for 500 00

(Signature or initials) .....

Contract No. Date Req. No. Date Invoice Rec'd.

Pursuant to authority vested in me, I certify that this account is correct and proper for payment.

† Approved for $ 500.00

By .....

Title .....

SIGN ORIGINAL ONLY

† .....
(Authorized Certifying Officer)

Title .....

Date .....

THE REVERSE OF THIS FORM MUST BE EXECUTED WHEN PURCHASES ARE MADE OR SERVICES SECURED WITHOUT WRITTEN AGREEMENT IN ANY FORM

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

Appropriation, limitation, or project symbol	Appropriation title	Limit'n. or Proj't. *Amount*	Appropriation *Amount*

Allotment symbol	Amount	Obligations liquidated	COST ACCOUNT Symbol	COST ACCOUNT Amount	OBJECTIVE CLASSIFICATION Symbol	OBJECTIVE CLASSIFICATION Amount

Paid by { Check No. ..... dated ....., 19....., for $..... } on Treasurer of the United States in favor of payee named above.
{ Cash, $....., on ....., 19..... Payee .....
(Sign original only)

* 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.

† If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign on the line below "Approved for $.....", and over his official title.

Per .....

Title .....

16—22900-3

METHOD OF OR ABSENCE OF ADVERTISING

METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐
2. (*a*) Advertising by circular letters sent to ..... dealers.
   (*b*) And by notices posted in public places Yes ☐ No ☐.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.)

ABSENCE OF ADVERTISING

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with .....
5. Without advertising, it being impracticable to secure competition because of .....

.....

.....

.....

.....

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, as amended.)

16—22900-2 ☆ U. S. GOVERNMENT PRINTING OFFICE : 1950—O-75806

1201 N. Division St.
Spokane 2, Washington

April 29, 1958

Mrs. Dorothy Long, Certifying Officer
DMEA Field Team, Region I
1201 N. Division Street
Spokane 2, Washington

Re: Docket No. DMEA-4687 (Copper)
Howe Sound Company
Calumet Claims
Snohomish County, Washington
Contract No. Idm-81111

Dear Mrs. Long:

The project work under the referenced contract was completed by September 3, 1957. All the work performed was done to the satisfaction of the Government. A final report evaluating the results of the exploration program has been presented by the Operator and accepted by the Executive Officer.

The Government has no equity in equipment, materials or supplies used at the project.

A certification of discovery or development will not be recommended by the Field Team.

A final Report of Review dated April 16, 1958 by DMEA Auditor C. A. Turner has been received.

As all contract requirements have been met, it is requested that final settlement of our account with the Operator be made.

Sincerely yours,

A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region I

cc: DMEA (2)
USGS (2)
Contract Admin. & Audit Div. (2)
Docket

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

Budget Bureau No. 42-R1036.5

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

RECEIVED OCT 14 1957 DMEA

Card Cat

Month of July & August, 1957 Docket No. DMEA 4687 Contract No. 1111

Operator's Name Howe Sound Company Minerals Copper

Address 730 5th Avenue, New York 19, N.Y.

Contract Amount, $ 23,560 Government Participation: 50 % Amount, $ 11,780

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 1226 ft.	11647.00		11647.00	11,647.00	—	11,647.00
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Core Boxes 85	255.00		255.00	255.00	—	255.00
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis 75	300.00		300.00	300.00	—	300.00
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	12202.00		12202.00	12,202.00	—	12,202.00

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

Date Sept 24, 1957 *Payee Howe Sound Company

Per John Lamb Title Geologist & agent for

*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:

$ 5,601.00

Signature Dorothy F. Long
(Authorized Certifying Officer)

Date 10/9/57 Vou. No. 2052

(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. E 1111 in accordance with the terms of the contract.

Signature /s/ Elwin A Magell Title Mining Engr. Date Oct. 7, 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ A. E. Weissenborn Title Area Mgr. Date Oct. 8, 1957

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 DEF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

RECEIVED OCT 14 1957 D.M.E.A.

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

Month of Jul-Aug 1957 Docket No. DMEA 4687 Contract No. 1111
Operator's Name Howe Sound Company Minerals: Copper
Address 730 5th Avenue, New York 19, NY

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	9.50	11647	1226	11647	1226	11647	2400	9.50/ft.
Churn								
Auger								
~~Stripping~~ Core Boxes	3.00	255	85	255	85		120	3.00 each
Trenching								
Test Pits								
Roads and Trails								
Assaying	4.00	300	75	300	75	300	100	4.00 each
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		12202		12202				

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 Sept 24th, 1957 Operator Howe Sound Company

Per John Lamb Title Geologist & agent for

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)

/s/ Elvin A. Mogill

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

OFFICIAL FILE COPY
D M E A
RECEIVED OCT 14 1957
DATE | INITIALS | CODE

EA 4687 (Copper)
Contract No. 1111

Report on Operations during July and August 1957

Calumet Vein - Sultan Basin Mining Company

Snohomish County - Washington

The above property, under option to the Howe Sound Company, was diamond drilled in July and August, drilling being confined to the western end of the Calumet Vein. Five holes were drilled, aggregating 1226 feet. The holes intersected the mineralized zone at depths of 150 to 300 feet below the outcrops covering a segment of the vein 450 feet long.

Inclement weather in June and July prevented a rapid melting of snow in Calumet Basin. Preparations for the operation were begun early in July and on July 18th and 19th a camp was established near the site. Transportation to the campsite from the road end in Sultan Basin was by helicopter, involving a rise of 2600 feet in approximately two miles of travel.

Because of heavy tree-covered talus immediately below the vein the drilling plan was changed from that outlined in the contract. It was necessary to set up farther away from the outcrop and drill lateral fans of holes instead of vertical fans. This change of plan was agreed to by Mr. Magill of the Seattle office, U.S.B.M.

Drilling commenced on July 22nd and finished on August 28th. Some of the ground was very hard and much of it blocky so that drilling progress was slow. The drillers experienced a large diamond loss through excessive wear on bits. AX core was drilled throughout, placed in trays and after logging was stored in a good shelter near the drill site. It has been inspected by both E.A. Magill of the U.S.B.M. and H. Albee of the DMEA.

Following are the data on the holes drilled:

No.	Length	Brg.	Incl.	El. Collar	El. Bottom	Remarks
1	260'	N17E	-38	4780		Few specks of copper and zinc
2	260	N16W	-40	4780		No ore
3	272	N24E	-35	4851		Scattered light mineralization
4	224	N7W	-36	4851		No ore
5	210	N59E	-34	4851		Light scattered mineralization

DMEA 4687 (Copper)

Contract No 1111

Surface trenches were cleaned out and re-sampled. A 40-scale map showing both surface features geology and topography is being prepared and will accompany the final report. The sketch accompanying this report shows the area adjacent to the drill holes, location of holes, and assays in both holes and surface trenches. Assay certificates are attached to this narrative.

It was felt that results of drilling did not justify further work, so the operation was stopped on August 28th.

Respectfully submitted,

John Lamb

John Lamb,
Geologist,
Howe Sound Company.

September 24th, 1957.

EXTRA COPY
DMEA
RECEIVED OCT 14 1957
DATE | CODE
800

1201 N. Division St.
Spokane 2, Washington

October 9, 1957

Howe Sound Company
730 5th Avenue
New York 19, New York

Re: Docket No. DMEA-4687
Contract No. Idm-E1111
Monthly operating report for July
and August 1957

Gentlemen:

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

We are withholding an amount of $500 pending receipt of Operator's final report and final audit by a representative of the Contract Administration and Audit Division of Defense Minerals Exploration Administration. This is the customary procedure and is applicable to all contracts.

By Field Team, Region I

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

Thomas E. Howard, Acting Member
U. S. Bureau of Mines

cc: DMEA (2)
USGS (2)
AD

OCT 2

Howe Sound Company
238 North 21st Street West
Salt Lake City, Utah

Re: Docket No. DMEA-4687 (Copper)
Howe Sound Company
Calumet Claims
Snohomish County, Washington
Contract No. Idm-81111

Gentlemen:

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

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

We appreciate your interest and participation in the Defense Minerals Exploration Administration exploration program which has now been succeeded by the Office of Minerals Exploration program.

Sincerely yours,

FRANK E. JOHNSON

ACTING Director

WPKlugescheid/er 10-22-58
Copies to: Docket
Director
Dir. Read.File
Op. Committee
Mr. McMahon, USBM
Mr. Kiilsgaard, USGS
Region I (2)
Mr. Robert T. Curtiss, Vice. Pres.
Mr. Robert T. Curtiss
Mr. Jay Chambers
Chron.

Mr. Robert T. Curtiss, Vice President
Sultan Basin Mining Company
Route 2, Box 156
Monroe, Washington

Re: Docket No. DMEA-4687 (Copper)
Rome Summit Company
Calumet Claims
Snohomish County, Washington
Contract No. Idm-61111

Dear Mr. Curtiss:

Enclosed are copies of a self-explanatory letter of today to the Operator under the above-cited contract.

This correspondence relates to the Consent to Lien and Subordination agreement signed on July 31, 1957, by you as an individual and as Vice President of the Sultan Basin Mining Company. The Defense Minerals Exploration Administration program has now been succeeded by the Office of Minerals Exploration program.

Sincerely yours,

FRANK E. JOHNSON

ACTING Director

Enclosures

WPKlingesheid/er 10-22-58
Copy to: Docket
Dir: Mand. File
Op. Committee
Mr. McMahon, USBM
Mr. Killegaard, USGS
Mr. Chambers
Region I (?)
Chron.

EXTRA COPY
DMEA
RECEIVED SEP 17 1958
DATE | INITIALS | CODE
800

So. 157 Howard Street
Spokane 4, Washington

February 11, 1958

Lowe Sound Company
238 North 21st, West
Salt Lake City 16, Utah

Re: Docket No. DMEA-4007 (Copper)
Calumet Claims
Snohomish County, Washington
Contract No. Idm-21111

Gentlemen:

Drilling under the subject contract was completed about the end of August 1957. In our letters to you of October 9, 1957 and January 9, 1958, you were informed and reminded that we are withholding the sum of $500 otherwise due you, pending receipt of your final engineering and geological report on the completed project. Such a report is a requirement of the contract under Article 5(c).

On November 27, 1957, we received from Mr. John Lamb one copy of his completed map of the Calumet area with a letter of transmittal dated November 1, 1957. While we appreciate having this map, it does not fulfill the requirements of a final report as defined in Article 5(c).

We would appreciate receiving this report at an early date so we can release the funds due you and close our books on this account.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region 1

cc: DMEA (2)
USBM (2)
USBM (AB)
Albee

EXPR.
RECEIVED
DATE
800

1201 W. Division St.
Spokane 2, Washington

January 9, 1958

Howe Sound Company
238 North 21st, West
Salt Lake City 16, Utah

Re: Docket No. DMEA-4687 (copper)
Howe Sound Company
Calumet Claims
Snohomish County, Washington
Contract No. Idm-81111

Gentlemen:

Drilling under the subject contract was completed about the end of August 1957. In our letter to you of October 9, 1957 you were informed that we were withholding the sum of $500.00 from money otherwise due you, pending receipt of your final engineering and geological report on the completed project. Such a report is a requirement under Article 5(e) of the contract.

We would appreciate receiving this report as soon as possible so that we may close our books on this account.

By Field Team, Region I

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

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

cc: Mr. John Lamb, Geologist
Britannia Mining & Smelting Co., Ltd.
313 Royal Bank Bldg.
Vancouver 2, B. C.

DMEA (2)
USGS (2)
USBM (AD)
Turner

DMEA Form 14

Contract No. Idm-E 1111

Docket No. 4687

DEPARTMENT OF THE INTERIOR

Terminated contract

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
July 22, 1957	I	Washington	Copper

Name and Address of Operator: Howe Sound Co.
730 Fifth Avenue
New York 19, New York

	Reserve	Obligation
Prior Amount	0	11,780.00
Increase	0	0
Decrease	0	5,679.00
Revised Amount	0	6,101.00

Remarks:

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

Date delivered to Bureau of Mines, Washington 4/28/58

22845

DMEA Form 14

Contract No. Idm-E 1111

Docket No. 1687

DEPARTMENT OF THE INTERIOR

Executed contract

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
July 22, 1957	I	Washington	Copper

Name and Address of Operator: Howe Sound Co.
730 Fifth Avenue
New York 19, New York

	Reserve	Obligation
Prior Amount	11,780.00	0
Increase	0	11,780.00
Decrease	11,780.00	0
Revised Amount	0	11,780.00

Remarks:

ALLEN S. DAKAN
(Name)

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

Date Delivered to Bureau of Mines, Washington 8/22/57

16418

BMA form 34

Contract No. 14-[illegible]

Docket No. _____

DEPARTMENT OF THE INTERIOR

BUREAU MINERALS EXPLORATION ADMINISTRATION

Obligation Document

To: Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter the following entry on the records of the Bureau Mineral Exploration Administration under the Strategic and Critical Mineral Exploration Program.

Date of Contract	Region	State	Commodity

Name and Address of Operator:

	Reserve	Obligation
Prior Amount		
Increase		
Decrease		
Revised Amount		

Remarks:

_____
(Name)

_____
(Title)

Date Delivered to Bureau of Mines, Washington

Audi[illegible]copy

MF-200A
(Rev. April 1956)

RECEIVED
AUG 22 1957
D.M.E.A.

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

DMEA No.	*Commodity*	*Contract No. Idm–E*	*County*	*State*
4687	Copper	1111	Snohomish	Washington

It is agreed 22 JUL 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and HOME SOUND COMPANY, a corporation duly organized and existing under the laws of the State of Maine

whose mailing address is 730 Fifth Avenue
New York 19, New York

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) 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 Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before one month after date of contract, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within six months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $23,560.00. The Government will contribute 50 percent of the fixed unit cost of the work performed, not exceeding $11,780.00, in accordance with the provisions of Articles 4 and 5.

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

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: Interests of landowners (see Annex I).

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

(c) 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. 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. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after 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 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. 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 will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

(b) *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 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 6. *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 the Operator has rendered a sufficient final report (see Article 5), 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 (for example, if the Operator either transfers or fails to retain his interest in the land), 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, for 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, 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, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(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 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 7. *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 Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *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 the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

[redacted]
(Operator)

By [signature]

Title [signature]

By [signature]
[redacted]

I, William T. Holmes, certify that I am the secretary of the corporation named as Operator herein; that Vinton H. Clarke, who signed this contract on behalf of the Operator, was then Vice 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.

[signature]

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE: 1956—O-383069

EXPLORATION PROJECT CONTRACT
HOME SOUND COMPANY
DOCKET NO. DMRA-4637

ANNEX I

The land referred to in Article 2 of the contract consists of three unpatented mining claims all located in Section 27, Township 29 North, Range 10 E. W.M., Snohomish County, Washington. The Operator is in possession by virtue of an Option Agreement, executed October 31, 1956, with Robert T. Curtiss and the Sultan Basin Mining Company. The option is a continuing option which shall remain in force as long as the Optionee, its successors and assigns, shall perform the terms and conditions thereof. The claims are shown, outlined in blue color, on the attached map entitled "Figure 1--Calumet Claims in the Iowa Group." Copies of the Option Agreement are contained in Docket No. DMRA-4637, and the land descriptions therein are incorporated herein by reference.

The claims are recorded under Mining Locations in the office of the Auditor of Snohomish County, Washington, as follows:

Name	Volume	Page
Calumet Lode Claim	40	27
Calumet Extension	42	604
Calumet Fraction	42	604

EXPLORATION PROJECT CONTRACT
[illegible] COMPANY
DOCKET NO. [illegible]-4487

EXHIBIT A

Description of the Work

The purpose of the project is to explore for ores of copper by diamond drilling, and such shown drilling as is necessary in loose and unconsolidated material in the upper portion of the holes. The Calumet vein is a strong, wide, nearly vertical structure which is exposed for a distance of about 500 feet.

It is estimated that approximately 14 drill holes will be required, varying in depth from 140 to 200 feet with an average depth of approximately 170 feet. Not more than 2,400 feet of drilling shall be performed.

The locations of the initial holes are tentatively shown, in red, on the attached map entitled "Plate 2--Applicant's Proposed Drilling, Calumet Vein, Iowa Group." Two holes, on inclinations of minus 30° and minus 50°, are to be drilled from each drill site. The actual locations, directions, inclinations, and depths of all drill holes are subject to prior Government approval.

All diamond drilling shall be done with AX, or larger, size coring bits, except that when necessary to complete a hole, an EX size bit may be used. Drill holes shall be reamed and cased or cemented and redrilled as necessary.

All drill holes shall be logged and all drill core shall be made available to the Government for examination. All significantly mineralized core, in lengths not to exceed five feet, shall be split and one half thereof shall be properly sampled and assayed for copper, gold, and silver.

Sludges corresponding to the cores shall be retained (if possible) when drilling is being done in significantly mineralized ground and, in the event that core recovery does not exceed seventy per cent, both core and sludge samples shall be taken, at intervals not to exceed five feet. Both the core and sludge shall be split, and one half thereof properly sampled and assayed.

The remaining half of all significantly mineralized core samples, and sludge samples when taken, shall be furnished to the Government upon request.

MF-205
(Combines and supercedes MF-2[redacted] and MF-203)
June 1956

For Government's Use Only
EXPL[redacted]ION PROJECT CONTRACT
Operator [redacted]
Docket No. DMEA-[redacted]
Contract No. Idm-E[redacted]
Contract Date 22 JUL 1957

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Snohomish, State of Washington, described as follows: 2/

Calumet Lode Claim, Calumet Extension, and Calumet Fraction, all located in Section 27, Township 27 North, Range 10, E.W.M.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

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

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

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

None

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

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

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

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

7. Added provision: None (State "None" or "See Annex No.____")

Dated this 31 day of July, 1957.

Robert T. Curtiss Robert T. Curtiss	[Seal]	Monroe, Wash.	[Address]
	[Seal]		[Address]
SULTAN BASIN MINING COMPANY	[Seal]		[Address]
By Robert T. Curtiss	[Seal]	Monroe, Wash.	[Address]
Title Vice President	[Seal]		[Address]
	[Seal]		[Address]

I, H. Gibbon certify that I am the Secretary (Secretary, etc.) of the corporation named herein; that Robert T. Curtiss who signed this agreement was then Vice President (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

H. Gibbon Secretary

[Corporate Seal]

All assays shall be reported monthly to the Government, together with drill logs and proper plan maps and sections, showing the progress of the work and sample locations.

All work of drilling and sample preparation shall be properly supervised by competent engineers and geologists.

Estimated Costs of the Project

Fixed Unit Costs

2,400 feet of churn drilling and diamond drilling @ $9.50/ft. 1/	$22,800.00	
100 samples assayed @ $4.00/each sample	400.00	
120 core boxes @ $3.00/each (wooden)	360.00	
Estimated Total Cost of the Project		$23,560.00
Government's Participation @ 50%		$11,780.00

1/ Any drilling with EX size bit will be at a maximum rate of $9.30/ft.

DOCKET No. DMEA 4687

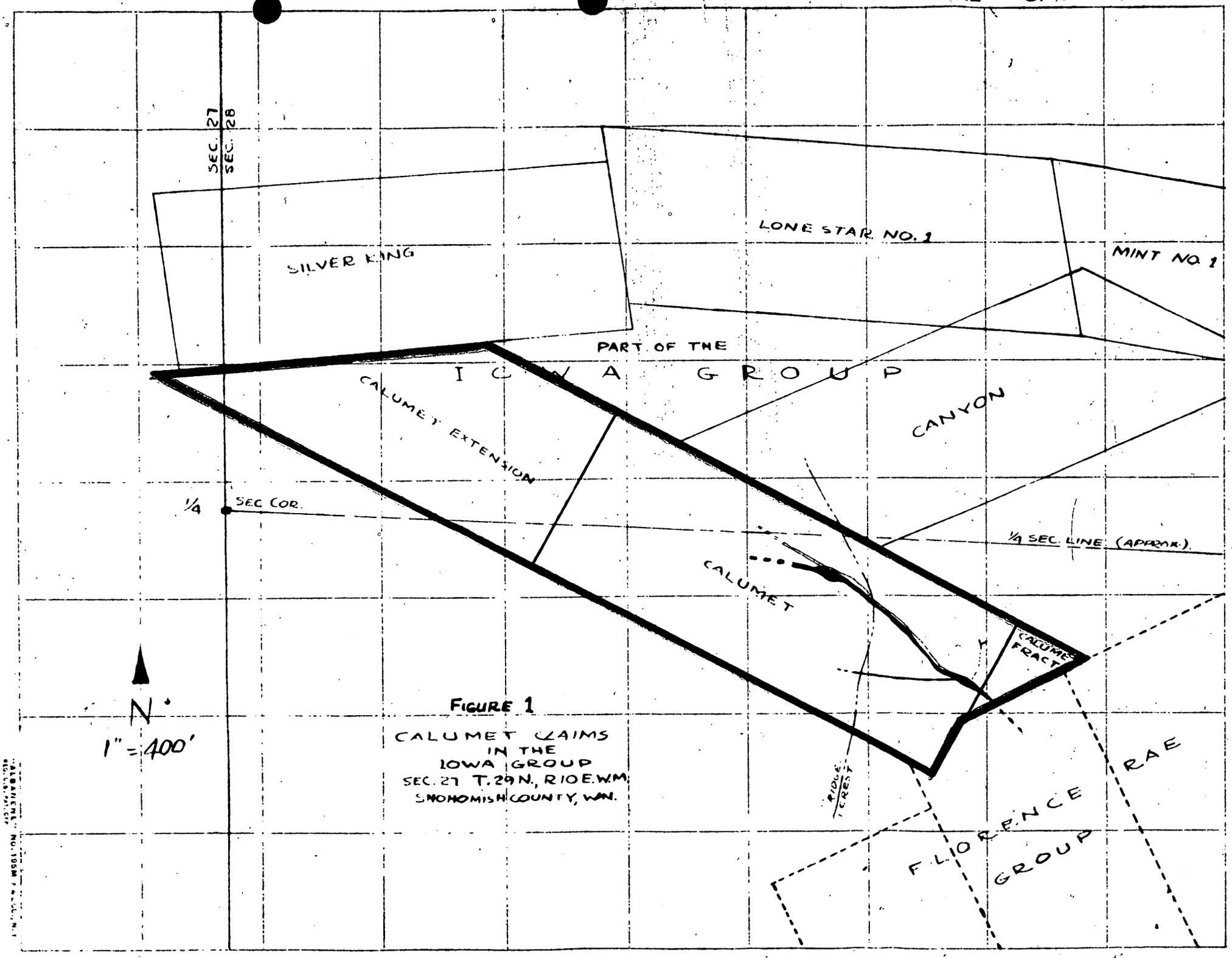


FIGURE 1

CALUMET CLAIMS
IN THE
IOWA GROUP
SEC. 27 T. 29 N., R 10 E. W.M.
SNOHOMISH COUNTY, WAN.

HOWE SOUND COMPANY
(A CORPORATION)
730 FIFTH AVENUE
NEW YORK 19, N.Y.

V. H. CLARKE
VICE PRESIDENT

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 22 1957

DATE	INITIALS	CODE
		800

[illegible] DMEA DOCKET [illegible]

[illegible]

[illegible]

[illegible] original [illegible] contract [illegible] [illegible] [illegible] our files. Mr. Lamb [illegible] [illegible] and we are all looking forward to [illegible] results from this interest [illegible]

[illegible]

VHC/[illegible]
cc: Mr. J. Lamb - [illegible]
Mr. A. F. [illegible] Ware
Mr. G. C. Lipsey
Mr. F. Elbutt

DMEA Form 14

Contract No. Idm-E1111

Docket No. 4687

DEPARTMENT OF THE INTERIOR

Approved contract

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
July 22, 1957	I	Washington	Copper

Name and Address of Operator: Howe Sound Co.
730 Fifth Avenue
New York 19, New York

	Reserve	Obligation
Prior Amount	0	0
Increase	$11,780.00	0
Decrease	0	0
Revised Amount	$11,780.00	0

Remarks:

ALLEN S. DAKAN
(Name)

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

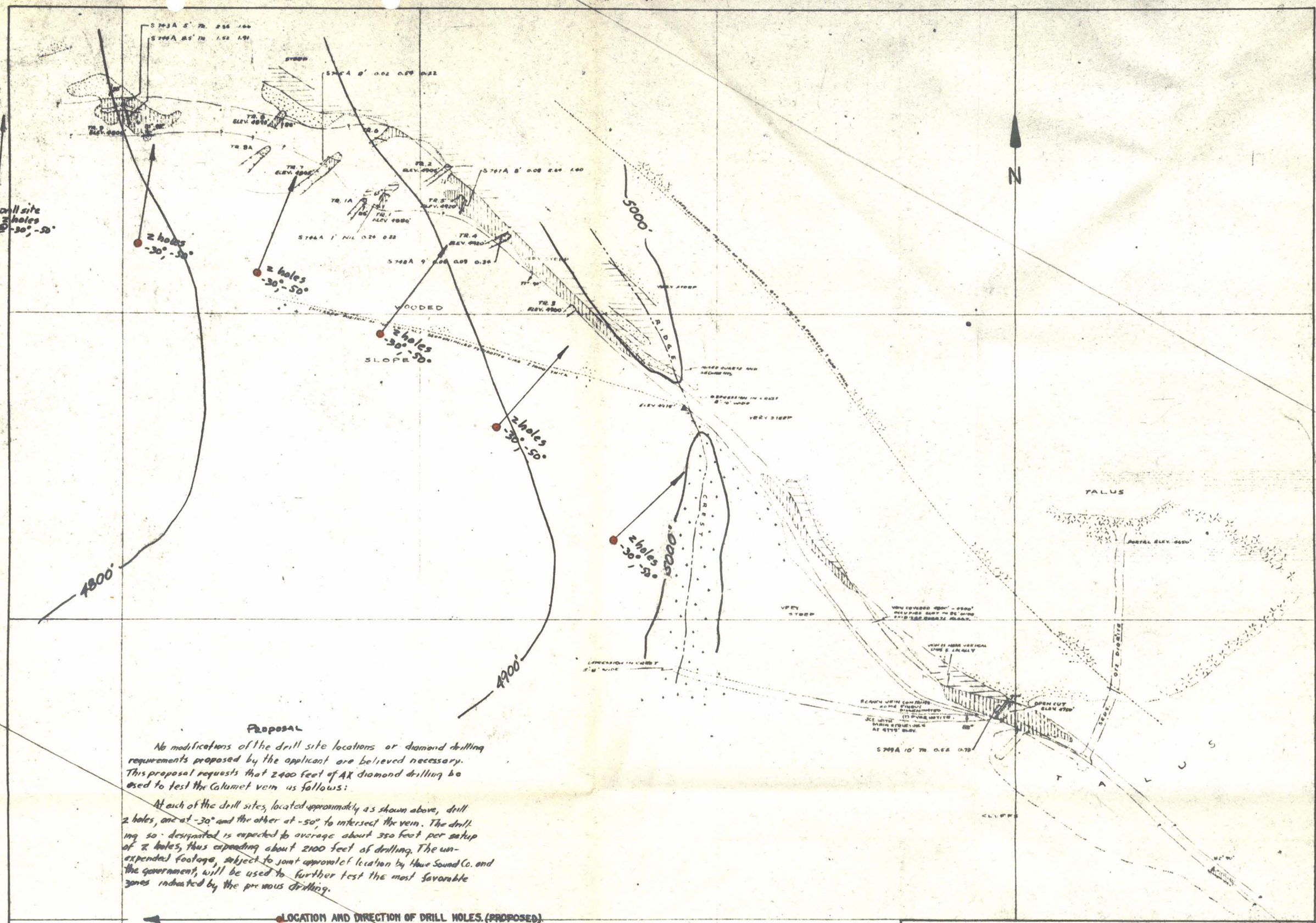
Date Delivered to Bureau of Mines, Washington 7/22/57

16416

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
APPLICATION REPORT

DOCKET NO. DMEA 4687



PROPOSAL

No modifications of the drill site locations or diamond drilling requirements proposed by the applicant are believed necessary. This proposal requests that 2400 feet of AX diamond drilling be used to test the Calumet vein as follows:

At each of the drill sites, located approximately as shown above, drill 2 holes, one at -30° and the other at -50°, to intersect the vein. The drilling so designated is expected to average about 350 feet per setup of 2 holes, thus expending about 2100 feet of drilling. The unexpended footage, subject to joint approval of location by Howe Sound Co. and the government, will be used to further test the most favorable zones indicated by the previous drilling.

LOCATION AND DIRECTION OF DRILL HOLES. (PROPOSED)

Base from applicants map by J. W. Mills 7/16/57
Proposed work by applicant

APPLICANT'S PROPOSED DRILLING
CALUMET VEIN DMEA-4687
IOWA GROUP
SEC. 27, T. 29 N., R. 10 E. W. M.
SNOHOMISH COUNTY, WASH.
1" = 40'

PLATE 2

3/4 size