DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

RECEIVED
APR 2 1956

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, DMEA Field Team, Region III, pertaining to Contract Idm-2578, Docket No. DMEA-2964, with

E. C. Schroeder Company
Assigned to Schroeder Mining Company
500 Nagler Temple Building
Minneapolis, Minnesota

for the purpose of determining the amount of royalties due the United States Government on the sales of iron ore from property referred to as the Nightingale and Good Fortune Group located in Platte County, Wyoming, during the period August 17, 1953 to January 11, 1956.

My review included a tabulation and recomputation of all sales settlement sheets, a conference with the engineer who made the last inspection of this project, and a review of the status of the contract as shown in attached Exhibit "A".

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

(a) The examining engineer is of the opinion that all sales of ore produced during the period August 17, 1953 to January 11, 1956, for which settlement sheets have been released, have been properly accounted for.

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

The review established the total net sales of iron ore for this period to be $42,018.45. Royalty due the United States Government at the contract rate of 1.5% is $630.29. The royalties paid and the balance due are as follows:

Total Royalties Due	$630.29
Total Royalties Paid	560.18
Balance of Royalties Due	$ 70.11

An analysis of Royalties Due is shown in Schedule 1 attached.

April 23, 1956

T. H. Brading

T. H. Brading, Auditor

SCHEDULE 1

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APR 2 1 1950

SCHROEDER MINING COMPANY

Contract Idm-8578 Docket No. DMA-2964

SCHEDULE OF ROYALTIES DUE

Credit Memo. No. 304

(a)	Gross Tons	533.13 @ $9.049625	$4,824.63
	Gross Tons shipped prior to August 17, 1949	273.85 @ $9.049625	2,478.24
	Balance	259.28	$2,346.39
	Less Freight Paid		1,645.08
	Net to Schroeder Mining Company		$ 701.31
(b)	Credit Memo. 117 H		847.48
(b)	" " 119 H		877.36
(b)	" " 123 H		1,145.53
(b)	" " 124 H		1,067.46
(b)	" " 126 H		34.86
	Total		$4,674.00
	Royalty @ 1.5%		$ 70.11

Above information developed from information submitted by Granite City Steel Company, purchaser of crude ore. Figures accepted by Operator after correspondence.

(a) Approved by Examining Engineer

(b) Additional credits received on freight costs subsequent to date settlement sheets were submitted.

EXHIBIT "A"

E. C. SCHROEDER

ASSIGNED TO SCHROEDER MINING COMPANY

STATUS OF CONTRACT IDM-2578, DOCKET NO. DMEA-2964

The project has not been certified, but Annex III attached to the original contract provides that the Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2, 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 of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. A Report of Review in lieu of final cost audit dated February 9, 1956 indicated accepted costs under the exploration contract of $13,054.00, with the Government's participation on a 50% basis being $6,527.00.

Check Sheet of Examining Engineer

RECEIVED APR 13 1956 DMEA Date Rec'd

Operator's Name Schroeder Mining Company

Address 500 Wesley Temple Bldg.

Minneapolis Minn

BUREAU OF MINES Denver, Colorado

Exploration Contract No. IDM,E 578 Docket No. DMEA 2964

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

8. Comment on any item 2 (b) to 6 if answer is No.
Examination of the property on April 12, 1956 showed that it has been completely shut down since May 18, 1954. This was verified by local residents.

3(b) No records are available on the low-grade material stockpiled at the mine.

C. M. Harrer

Mining Engineer
C. M. Harrer

Date April 13, 1956

82448

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

APR 26 1956

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

Re: Report of Royalty Review
[illegible], DMEA-2964
E. C. Schroeder Company

Dear Mr. Breding:

The recently submitted revised Report of Royalty Review, covering the referenced project, is acceptable and normal distribution is authorized.

The Washington copies of this revised report were not accompanied, however, by the required copies of the Check Sheet of Examining Engineer. Please forward two copies of the check sheet.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

EDTalbert/wb
April 25, 1956

Copy to: Docket
Admr. Reading File
Mr. Chambers

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

Mr. Thomas H. Brading
DMEA Auditor
224 New Customhouse Building
Denver 2, Colorado

APR 20 1956

Re: Report of Royalty Review
Idm-2528, DMEA-2964
Schroeder Mining Company

Dear Mr. Brading:

The recently submitted copies of your Report of Royalty Review covering the referenced project are returned herewith for such revision as may be necessary to conform with the general format described on pages 17 and 18, and shown by examples on pages 38 and 47, of the royalty audit manual.

In particular you have not included the required informational paragraph specifying the authority for the collection of royalty, the status of certification, and the costs of the exploration. An example of such a paragraph, which appears to fit the status of this contract, is given on page 45 of the manual. In this example, however, the paragraph was furnished as an attached exhibit, but appropriately referenced in the report of royalty review, because the length of the report precluded its inclusion in the prescribed single page format.

Reason number 1, as given in the third paragraph of your report, is not a justification for the review in lieu of an audit, but is more appropriately for inclusion in your present second paragraph giving the scope or extent of your review. Possibly, a reason similar to (a) in the example on page 44 of the manual should be used in lieu of this deleted reason.

The schedule number 1, which is attached to your report of royalty review, should be referenced in the report itself. Furthermore, the schedule itself needs explication or additional explanation. It is presumed, although not specifically so stated, that the last five credit memorandum listed on the schedule represent the differences between estimated freight costs deducted by the purchaser on settlement sheets and the subsequently determined actual freight costs. The first listed credit memorandum (No. 304) is not understood. From the way it is stated it appears to be a debit memorandum, or an additional settlement sheet, rather than a credit memorandum.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

cc to: Docket
Admr. Reading File
Mr. Chambers

Enclosure

EDTalbert/wb 4-20-56

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

For credit of 413 Treasury Regional Office, Denver, Colo. 5/15/56
(Name, title, and disbursing or other identification symbol of accountable officer) (Date sent)

deposited with Federal Reserve Bank of Kansas City, Mo. Denver, Colo.
(Name and location of depositary)

for accounts listed below. SCHEDULE NOS.

DEPOSIT NO. 14-23-040-127

$ 850.10

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401		850.10

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
224 New Custom House
Denver 2, Colorado

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

R B Baker
(Authorized signature)

5/15/56
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

DENVER
FEDERAL
1956 MAY 15 PM 12 35
MAIL DE

E-879	Uranium King	779.99
E-578	Schroeder Mining	70.11
		850.10

E-578

For Certificate of Deposit No. 104, dated May 5, 1955, giving royalty repayment of $560.18, see E-53.

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

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FEB - 9 1956

R. C. Schroeder Company
Assigned to Schroeder Mining Company
500 Yeakey Temple Building
Minneapolis, Minnesota

pertaining to Exploration Project Contract No. Ida-8578, Docket No. DMEA-2964, including Amendments Nos. 1 to 3, and Termination Agreement dated November 30, 1955, for the months of November, 1953 to July, 1954, inclusive, covering a project for the exploration of iron on property known as the Good Fortune Group of Claims, located in Platte County, Wyoming.

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 agreed estimated costs of units of work actually performed.

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

Total cost as billed by Contractor		$14,054.00
Less amount withheld in lieu of rendering final report		1,000.00
Net cost as claimed by Contractor		$13,054.00
Exceptions:		
By DMEA Finance Officer	$0.00	
Herewith	0.00	0.00
Total Accepted Cost		$13,054.00

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 Six thousand, five hundred twenty-seven and 00/100ths Dollars

** $6,527.00 **

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.

February 6, 1956

T. H. Brading, Auditor.

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

FEB 10 1956

Mr. Thomas H. Brading
DMEA Auditor
224 New Customhouse Building
Denver 2, Colorado

Re: Report of Review
Idm-5578, DMEA-2964
Schroeder Mining Company

Dear Mr. Brading:

You have undoubtedly released your Report of Review, dated February 6, 1956, covering the referenced project, in accordance with the authority granted you by the last paragraph on page 72 of the manual of audit procedure.

It appears, however, that the period covered by the Forms MF-104, indicated in the first paragraph of the Report of Review as "November, 1953 to October, 1954" should be "November, 1953 to July, 1954". We have changed the Washington copies accordingly. Please arrange to correct all other copies.

Sincerely yours,

Jay L. Chambers, Chief
Contract Administration
and Audit Division

EDTalbert/wb
February 10, 1956

Copy to: Docket
Admr. Reading File
Mr. Chambers

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

224 New Customhouse
Denver 2, Colorado

April 29, 1955

Mr. C. A. Thompson
Assistant Secretary-Treasurer
Schroeder Mining Co.
Guernsey, Wyoming

Re: Docket DMEA 2964 (Iron)
Contract Idm-E578

Dear Mr. Thompson

Receipt is acknowledged of your letter of April 26, 1955, and your check in the amount of $560.18 in payment of royalties as per our calculation sheet of February 24, 1955.

In the last paragraph of your letter of April 26 you request that we release the sum of $500.00 withheld from reimbursement to you on Forms MF-104 for the months of June and July 1954.

The sum of $500.00 was withheld for the reason stated on the Administrative Audit Difference Statement which is returned herewith for your records.

Upon resumption of drilling under the contract or receipt of your final engineering and geologic report, the amount withheld will be released for reimbursement to you.

Very truly yours,

W. M. TRAVER

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

JWT:jp
cc Subject
Royalty
Chron
Chairman, Op. Comm. (3)
Harshman
Shaw
Townsend

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

224 New Customhouse
Denver 2, Colorado

May 8, 1956

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 2964 (Iron) Contract No. Idm-E578, Schroeder Mining Company (Good Fortune and Nightingale Group) Platte County, Wyoming

Reference is made to our memorandum of October 18, 1955 whereby we forwarded the Operator's Form MF-104, Supplementary Report, for the month of July, 1954, and instructed you to withhold reimbursement to the Operator pending receipt of the Operator's final report, and release of the final audit or Report of Review by the Contract Administration and Audit Division.

The requirement that the Operator provide a final report was waived under the provisions of the Termination Agreement executed the 30th day of November, 1955.

We now recommend final payment to the Operator on the following basis which is in conformance with the Report of Review by the Contract Administration and Audit Division, dated February 6, 1956, which was released February 13, 1956:

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MAY 17 1956

BASIS FOR FINAL PAYMENT

Total accepted cost----------$13,054.00

Government participation at 50 percent------$ 6,527.00
Total prior payments---------- 6,449.00
$78.00

5/9/56 DMA 56-107

Balance due the Operator under the terms of the contract----------$78.00

However, in lieu of reimbursing the Operator the amount of $78.00, please have a check prepared in favor of the Defense Minerals Exploration Administration in the amount of,---------- 70.11

as the balance of royalties due in conformance with the Report of Royalty Review by the Contract Administration and Audit Division dated April 23, 1956 which was released to this office May 8, 1956.

Therefore, the actual balance due the Operator after deducting the amount of royalty due is the amount of----------$ 7.89

Please have the check in favor of the Defense Minerals Exploration Administration forwarded to this office for later disposition.

W. M. TRAVER

W. M. Traver

JWT:jy

cc: Reg. III MF-104 File
Corresp. E578
Royalty File E578
Sec. Op. Comm. (2)
Shaw (2)
Townsend
Chron.

Form MF-104 (Rev.)
(April 1950)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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OCT 24 1955

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July Supplemental, 1954 Docket No. DMEA 2964 Contract No. IDM 578
Operator's Name Schroeder Mining Company Minerals Iron
Address Box 67 Guernsey, Wyoming,
Contract Amount, $ 48,100.00 Government Participation: 50% Amount, $ 24,050.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	156.00	11,808.00	11,964.00			
Bulldozing Rds. Trails		2,000.00	2,000.00			
Crosscutting						
Drifting Sample Analysis		90.00	90.00			
(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	156.00	13,898.00	14,054.00	156.00	13,898.00	14,054.00

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

Date 10-12-54 *Payee SCHROEDER MINING COMPANY

Per C. A. Thompson Title Ofc. Mgr.

*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:

$ No Payment

Signature [illegible]
(Authorized Certifying Officer)

Date 10/14/55 Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E578 in accordance with the terms of the contract.

Signature M. H. Salsbury #7820 USMT Title Mining Engineer Date October 18, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature for Wm. Toweg Title Executive Officer Date OCT 11 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

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OCT 24 1955

OPERATOR'S UNIT COST AND PROGRESS REPORT

Supplemental

Month of July 1954 Docket No. DMEA 2964 Contract No. IDM E 578
Operator's Name Schroeder Mining Company Minerals Iron
Address Box 67 Guernsey, Wyoming

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								
Churn	Ft	156.00	26	11,964.00	1994	11964.00	7100	42,600.00
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	Ft			2,000.00	2000	2000.00	5000	5,000.00
Sample Analysis	One			90.00	90	90.00	500	500.00
TOTAL DISTRIBUTED COSTS		156.00		14,054.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		none						
Initial Rehabilitation and Repairs		none						
New Buildings, Improvements, etc.		none						
TOTAL COSTS		156.00		14,054.00				48,100.00

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 10/12/54 Operator SCHROEDER MINING CO.

Per C. N. Thompson Title Gen. Mgr.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

RECEIVED
OCT 24 1955

October 12, 1954

Assayed

Sample Breakdown and Analysis of footage drilled in July, 1954, Nightingale Group

Hole #3	Depth Feet	Sample Length	Pb Analysis	Date
	0-6	6	None	7-13
	6-12	6	"	
	12-18	6	"	
	18-24	6	"	
	24-30	6	"	7-19
	30-36	6	"	
	36-42	6	"	
	42-48	6	"	
	48-54	6	"	
	54-60	6	"	7-20
	60-66	6	"	
	66-72	6	"	
	72-78	6	"	7-21
	78-86	8	"	

SCHRECKER MINING COMPANY

By C. A. Johnson
Gen. Mgr.

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

RECEIVED
OCT 24 1955

224 New Customhouse
Denver 2, Colorado

October 19, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 2964 (Iron), Contract Idm-E578, Schroeder Mining Company, (Nightengale group), Platte County, Wyoming - Supplementary Report.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the period July, 1954.

W. M. Traver

Enclosures

RECEIVED
OCT 24 1955

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

Administrative Audit Difference Statement

Date: [illegible]
Payee's
Reference: [illegible]

Concrete Mixing Company
[illegible] Scott Bldg.,
Minneapolis, Minnesota

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:

Entire amount due withheld pending release of the final audit or report of review by the Contract Administration and Audit Division.

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
OCT 24 1955

October 10, 1955

224 New Customhouse
Denver 2, Colorado

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region III

Subject: DMEA Docket 2964 (Iron), Contract Idm-E578, Schroeder Mining Company, (Nightengale group), Platte County, Wyoming - Supplementary Report, for the period July, 1954.

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

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 Government participation for 50 percent of the amount reported by the Operator on Form MF-104, contingent on your verification of arithmetical accuracy within the report.

Withhold payment pending receipt of the Operator's Final Report, Final DMEA Engineering Report, and release of The Final Audit or Report of Review by The Contract Administration and Audit Division, DMEA.

W. M. Traver
By [illegible]

JC:ab
cc: MF-104 File #E578
Sec. Op. Comm. (2)
Shaw (2)
Townsend
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
October 19, 1954

RECEIVED
OCT 24 1955

Memorandum

To: Executive Officer, DMSA Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMSA 2964, Contract Idm-E578 (Iron) Schroeder Mining Company (Nightingale group), Platte County, Wyoming--Supplementary claim by operator for exploration in July 1954

Enclosed are the original and four copies of a supplemental claim by the operator of the above contract for July 1954--forms MF-104 and MF-104A with letter of justification and amended drill log with sample record--and the original and six copies of M. H. Salsbury's memorandum covering his analysis of the reclaim. The contract is unit cost on short form MF-200(A) and further documentation is not required.

Salsbury investigated the reclaim for 26 feet of drilling in hole No. 3 on the Nightingale claim and found the depth shown by the drill log as 86 feet instead of 60 feet as originally claimed. He, therefore, approves the reclaim.

Payment is approved and certified on the MF-104 forms of $78.00 or 50 percent of the total $156.00 reclaimed by the contractor.

W. M. Traver

W. M. Traver

enclosures

WMT/kp

cc 4
E578
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 13
Denver Federal Center
Denver 2, Colorado
October 18, 1954

RECEIVED
OCT 24 1955

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: M. E. Salsbury

Subject: DMEA 2964, Contract Idm-2578 (Iron) Schroeder Mining Company (Nightingale group), Platte County, Wyoming--Supplementary claim by operator for exploration in July 1954

The operator has submitted a supplementary claim for churn-drilling during their DMEA assisted operation in July 1954, which was overlooked when the original claim was made. In hole No. 3 on the Nightingale claim, the corrected depth, according to the log submitted with the supplementary claim, is 86 feet instead of 60 feet as originally reported. No mineralization was reported in the first 60 feet, nor in the additional 26 feet.

Accepting the operator's statement and drill log, this is a legitimate claim under the contract and Amendment No. 3. Measurement of the hole for verification would not be a conclusive check: even if the measurable depth should be short, this is still not proof that it was not full depth when drilled.

The operator's supplemental report, including a copy of the map furnished with the original June-July 1954 claim, a drill log, and forms MF-104 and MF-104A signed by the office manager, C. A. Thompson, was submitted in quintuplicate and is satisfactory. Monthly and cumulative totals on the MF-104 and MF-104A forms are correct, having been changed from the original forms submitted for June-July 1954 operations so as to reflect the disallowance for May operations.

Payment of $78.00, or 50 percent of the additional amount claimed in July 1954, $156.00, is recommended.

M. E. Salsbury
M. E. Salsbury
Mining Engineer

MEB/kp

cc 6
2578
Chron

October 12, 1954

RECEIVED
OCT 24 1955

Mr. W. M. Traver, Chief
Mineral Resources Branch
Mining Division, Region IV
Denver Federal Center,
Denver, Colorado,

Dear Sir:

Re: DMEA 2964, Contract IDM
E 576, Iron, Schroeder
Mining Co, Platte County,
Wyoming, (Nightingale Group).

In rechecking our records we have found an error in reporting drilling depth of hole #3 in the Nightingale group of claims for the month of July, 1954 and are therefore filing amended or additional forms MF4 and MF4A.

Hole No. 3 was reported drilled to a depth of sixty feet in our July report, dated August 12, 1954. We now find that this hole was actually bottomed out at eighty-six feet.

On or about July 18 our Chemist, Charles Brooks was transferred from this project and the drilling log was not kept up to date for the periods July 19, 20 and 21.

Trusting our explanation is satisfactory and that you will place our voucher in line for payment, we are,

Very truly yours,

SCHROEDER MINING COMPANY,

By Geo. Thompson
Office Manager.

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1954 Docket No. DMEA 2964 Contract No. IDM 978
Operator's Name Schroeder Mining Company Minerals Iron
Address Box 67 Guernsey, Wyoming
Contract Amount, $ 48,100.00 Government Participation: 50 % Amount, $ 24,050.00

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:		10,572.00	11,808.00			
Drilling	1236.00	11734.00	13020.00			
Bulldozing Rds. Trails	1000.00	1000.00	2000.00			
Crosscutting						
Drifting		85.00	90.00			
Sample Analysis	5.00	89.00	94.00			
(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):						
		11,681.00	13,898.00	*		
TOTALS	2241.00	12,873.00	15,114.00	2241.00	11,657.00	13,898.00

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

Date 8/12/54 *Payee SCHROEDER MINING COMPANY

Per [signature] Title Supt.

*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:

$ 620 50

Signature Randel R. Cooper
(Authorized Certifying Officer)

Date 9-8-54 Vou. No. DMA-55-18
(See other side)

* 500.00 withheld pending resolution of drilling under Stage II

(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-E578 in accordance with the terms of the contract.

Signature M. H. Salabury $1205 Title Mining Engineer Date Aug 17, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.S.B.

Signature W S King Title Executive Officer Date SEP 8 1954

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

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 195 4 Docket No. DMEA 2064 Contract No. IM D 570

Operator's Name Schroeder Mining Company Minerals Iron

Address Box 67, Guernsey, Wyoming,

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	Ft	1236.00	206	~~13,020.00~~ 11,808.00	~~2170~~ 1968	~~13.00~~	7100	42600.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits	Ft	1000.00	1000	2,000.00	3000	2000.00	5000	5000.00
Roads and Trails								
Sample Analysis	One	5.00	5	~~96.00~~ 90.00	~~96~~ 90	~~96.00~~	500	500.00
TOTAL DISTRIBUTED COSTS		2241.00		~~15,114.00~~ 13,898.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		none						
Initial Rehabilitation and Repairs		none						
New Buildings, Improvements, etc.		none		13,898.00				
TOTAL COSTS		~~2241.00~~		~~15,114.00~~				~~48,100.00~~

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 6-10-54 Operator Schroeder Mining Company

Per [signature] Title Supt.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

Administrative Audit Difference Statement

Date: ~~September 6, 1954~~
Payee's Reference: _____

~~June-July, 1954~~

Schroeder Mining Company, Inc.
500 Healey Sample Bldg.
Minneapolis, Minn.

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

Amount Claimed	$ ~~2243.00~~ 1120.50
Difference	$ ~~500.00~~ 620.50
Amount Approved	$ _____

The reason for the difference was due to:

$500.00 withheld pending resolution of drilling under Stage II, Phase D of the contract, or receipt of the final report.

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.

224 New Customhouse
Denver 2, Colorado

September 8, 1954

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2964 (Iron), Contract Idm-E578, Schroeder Mining Company, Platte County, Wyoming. Operator's Monthly Progress Report for the period, June-July, 1954.

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.

An amount of $500.00 is to be withheld from the payment due the Operator, pending resolution of drilling under Stage II, Phase B of the contract or receipt of Operator's Final Report.

Remarks:

Date of Report	August 12, 1954
Date Received in Field Office	August 16, 1954
Date Received in Region Office	August 20, 1954

Held in Region Office pending formulation of Amendment No. 3 to the subject contract.

W H King
W. H. King

Enclosures

RDB:mb
cc: Contract
Secretary, Oper. Comm. (2)
WMTraver
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
August 20, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 2964, contract Idm-E578 (Iron) Schroeder Mining Company (Nightingale group) Platte County, Wyoming - Progress report for June-July 1954

Enclosed are the original and four copies of the above progress report--forms MF-104 and MF-104A, with narrative, sketch map, drill logs with assay records--and the original and six copies of M. H. Salsbury's memorandum covering his inspection of the churn drilling progress and checking of the reporting forms. The contract is unit cost on short form MF-200(A) and documentation is not required.

The period progress for June and July was inspected by Salsbury on August 12, 1954. He found the churn drilling of 236 feet in three holes, completion of 1,000 feet of access road, and five assays, as reported in the operator's narrative and entered on the MF-104A forms correct. Work was performed on the Nightingale group in conformance with the terms of the contract as authorized under Phase B, Stage I of Exhibit A. The operator's narrative and inspecting engineer's covering memorandum are adequate. The contractor has requested an extension of the contract and plans to request also revision of proposed future work. The disallowance of $1,216.00 from the last voucher are not taken into account in the July cumulative totals.

Payment is approved and certified on the MF-104 forms of $1,120.50 or 50 percent of the total $2,241.00 claimed by the contractor.

W. M. Traver

W. M. Traver

enclosures

cc 4
E578
DMEA Chron.

WMT/pam

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 437
Denver Federal Center
Denver 14, Colorado
August 18, 1954

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: M. M. Salsbury

Subject: DMEA 2964, contract Idm-E578 (Iron) Schroeder Mining Company (Nightingale group) Platte County, Wyoming - Progress report for June-July 1954

Progress under the subject contract was inspected on August 12, 1954, in company with R. G. Langmacher, superintendent for the contractor.

The contractor did not accomplish any DMEA exploration in June but claims payment under Phase B, Stage I, Exhibit A of the contract, for 200 feet of churn drilling in three holes, 1,000 feet of access roads and five chemical analyses for iron, in July 1954, all on the Nightingale claim.

Drill holes were verified by inspection of the sites and examination of the drill logs. Approximately 1,600 feet of completed access road was measured by taping. Claims for drilling, access roads, and analyses are not in excess of contract maximums and comply with contract requirements in all other respects.

Holes No. 1 and 4 were drilled at locations approximating the positions agreed upon by the contractor and a DMEA examining team, shown on a map furnished the Government, dated May 18, 1954, and authorized by the Region IV Field Team. The location of hole No. 3 was determined by the contractor. Hole No. 2 was not drilled at Government expense.

Mineralization encountered was insignificant. Low-grade values encountered in hole No. 1 indicated the occurrence of material which could be beneficiated as shown by heavy media tests, but no measureable reserve could be computed, inasmuch as the other holes did not show any extensions of this ore.

Langmacher believes that there might be more ore northwest and down hill from the area drilled. There is no indication of this in the outcropping strata. The formations which would be drilled underlie the ore shown in hole No. 1 and have probably been penetrated by hole No. 4, which was 108 feet deep and barren.

Stage I of Phase B and all but 238 feet of drilling allowable under Stage I of Phase A have been completed as the contract now stands. Langmacher indicated that an amendment to authorize other work would probably be requested after consultation with the manager, Paul Schroeder. However, any work under Stage II of either Phase A or B does not appear to be justified on the present showing and a new proposal will have to outline exploration with a different objective to receive favorable consideration by the DMEA examining team.

Operation of the heavy media plant has been continued on a two-shift, 5-day-per-week basis, producing about 300 tons per day. Plant feed is coming entirely from ore dumps controlled by the contractor which are not subject to DMEA royalties.

By letter dated August 1, 1954, the contractor requested an extension of the expiration date of the contract for 4 months or to December 7, 1954.

Forms MF-104 and MF-104A and a narrative report for July 1954, together with a drill log and analyses report, and map showing drill hole locations on the Nightingale claim were submitted.

Monthly unit totals on forms MF-104 and MF-104A are correct but cumulative totals do not reflect a disallowance of $1,216.00 for 202 feet of churn drilling and four chemical analyses made on the contractor's claim for May 1954.

Payment of $1,120.50, or 50 percent of the amount claimed in July 1954 is approved.

M. N. Salsbury
M. N. Salsbury
Mining Engineer

cc 6
E578
DMEA Chron

MNS/pam

August 12, 1954

Mr. W. M. Traver, Chief
Mineral Resources Branch
Mining Division, Region IV
Bldg., 20, Room 197
Denver Federal Center
Denver, 14, Colorado,

Dear Sir:

Re: DMEA 2964, Contract IIM-B-978
Iron, Schroeder Mining Company
Platte County, Wyoming.
(Nightingale Group).

Enclosed are forms MF 104 and MF 104A for the month of July, 1954, and also plats showing exploration accomplished under the above mentioned contract.

Approximately fifteen hundred feet of roads and trails were built before commencing drilling operations.

Three holes were drilled at locations indicated on the plat. Holes were numbered one, three and four. Hole number two was abandoned shortly after setting up and is not computed in footage although shown on plat.

Hole number one was drilled to a depth of 38' with showings of ore from between depths of 8 and bottom of hole.

Hole number three had no indications of ore being drilled in schist and possibly some dolomite. There was drilled to a depth of sixty feet.

Hole number four was drilled to one hundred eight feet, the only showing of ore was near the 102-106 feet mark and were very slight. No tests were run on these samples.

Very truly yours,

SCHROEDER MINING COMPANY

By R. G. Langmacher
R. G. Langmacher, Supt.

RGL/b
Encl.

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1954 Docket No. DMEA 2064 Contract No. DME 578
Operator's Name Schroeder Mining Company Minerals Iron
Address Box 67 Guernsey, Wyoming
Contract Amount, $ 28,100.00 Government Participation: 50 % Amount, $ 24,050.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	1,212.00	10,572.00	11,784.00			
Bulldozing Roads & Trails Here		1,000.00	1,000.00			
Crosscutting						
Drifting						
Sample Analysis	4.00	85.00	89.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,216.00	11,657.00	12,873.00			

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

Date 6/12/54 *Payee Schroeder Mining Company

Per [illegible] Title Supt.

*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:

$ No payment Made

Signature Randell R. Cooper
(Authorized Certifying Officer)

Date 7-30-54 Vou. No. —

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. IBM-5578 in accordance with the terms of the contract.

Signature W. B. Salsbury $60.00 WMT Title Mining Engineer Date June 16, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. H. King Title Executive Officer Date JUL 27 1954

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 MT-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of [illegible] 1954 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								
Churn	[illegible]	[illegible]	[illegible]	[illegible]	1964	[illegible]	7100	[illegible]
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	[illegible]	[illegible]	None	1,000.00	1000	1,000.00	5000	[illegible]
[illegible]	[illegible]	[illegible]	4	[illegible]	[illegible]	[illegible]	500	500.00
TOTAL DISTRIBUTED COSTS		[illegible]		[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		[illegible]		[illegible]				[illegible]

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)

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

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

Small Business Administration
RECEIVED
AUG 9 - 1954

Administrative Audit Difference Statement

Date: July 30, 1954
Payee's
Reference: Progress Report
May, 1954

Lehnsdorf Mining Company, Inc.
Guernsey,
Wyoming

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

Amount Claimed $ 1216.00

Difference $ 1216.00

Amount Approved $ .00

The reason for the difference was due to:

Entire amount of claim disallowed for the month of May, 1954 on the grounds that the work was not performed in conformance with the contract.

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.

224 New Customhouse
Denver 2, Colorado

July 27, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2964 (Iron), Contract Idm-E578, Schroeder Mining Company, Platte County, Wyoming. Operator's Monthly Progress Report for the month of May 1954.

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

Hole #16 was drilled outside of the area designated by Amendment No. 1 and on ground not included under Article 2 of the contract. Therefore the entire amount of the Operator's claim for the month of May 1954 is disallowed on the grounds that the work was not performed in conformance with the contract. Please so advise the Operator.

Remarks:

Date of Operator's report	June 12, 1954.
Date Report received in Bureau of Mines Branch Office	June 16, 1954.
Date Report received in Regional Office	June 22, 1954.

Processing of the report was deferred in the Regional Office waiting on the Operator to resolve matters relative to Hole #16.

W H King
W. H. King

Enclosures

JWT:cwm

cc: Contract
Secretary to the Oper. Comm. (2)
WMTraver
Chron.
JWTownsend

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
June 21, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 2964, Contract IDM-E578 (Iron) Schroeder Mining Company (Good Fortune group), Platte County, Wyoming--Progress report for May 1954

Enclosed are the original and four copies of the above progress report--forms MF-104 and MF-104A, with narrative, sketch map, drill logs with assay records--and the original and six copies of M. H. Salsbury's memorandum covering his inspection of the churn drilling progress and checking of the reporting forms. The contract is unit cost on short form MF-200(A) and documentation is not required.

Salsbury inspected the project June 8, 1954, and confirmed the 202 feet of churn drilling and assaying as reported in the narrative and entered on the MF-104A forms. Both the operator's narrative and covering inspecting engineer's memorandum satisfactorily describe the month's work performance. Entries and extensions on reporting forms were found correct. The churn drilling was as authorized by Amendment No. 1 of the contract.

Payment is approved and certified on the MF-104 form of $608.00 or 50 percent of the total $1,216.00 claimed by the contractor.

It was discovered from transit survey by the operator that the hole No. 16 was drilled on a claim (Blue Jay Fraction) company owned but not included in the contract. An amendment should be prepared to rectify this discrepancy.

F. W. Everitt, for
W. M. Traver

enclosures

WMT/kp

cc 4
E578
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
June 17, 1954

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: M. H. Salsbury

Subject: DMEA 2964, Contract IDM-2578 (Iron) Schroeder Mining Company (Good Fortune group), Platte County, Wyoming--Progress report for May 1954

Progress under the subject contract was inspected June 8, 1954, in company with R. G. Landmacher, superintendent for the contractor.

The contractor claims payment under Phase "A", Stage I, Exhibit "A" of the contract for 202 feet of churn drilling in hole No. 16 and four chemical analyses. Drilling and analyses were verified by inspecting the drill site and examining the drill log and analytical results, and are not in excess of contract maximums.

Forms MF-104 and MF-104A and a narrative report for May, together with a drill log and analyses report, and a map showing the location of the drill hole were submitted in quintuplicate and are satisfactory.

Mineralization encountered in hole No. 16 was insignificant. No commercial ore has been cut by the three holes drilled north of the open pits as authorized by Amendment No. 1.

The total of drilling done under Phase "A", Stage I, Exhibit "A" of the contract to date is 1,964 feet, 36 feet less than the allowable maximum of 2,000 feet.

Currently, the contractor is drilling in the floor of the lower (east) pit on his own account. The drilling is scheduled to be moved to the Nightingale group late in May to start drilling under Phase "B", Stage I of the contract. A map showing the first two holes was furnished this office, and locations are satisfactory to the inspecting engineer.

Operation of the heavy media plant was continued throughout the month. A separate memorandum on the source of ore going to this plant was furnished at the request of the Chief, Mining Division, Region IV, and the Chairman of the Operating Committee.

The remainder of the samples on the first 16 holes was brought to Denver Federal Center and stored.

Monthly unit totals entered on forms MF-104 and MF-104A for May 1954 are correct.

The work was done in accordance with Amendment No. 1 of the contract except that the transit survey shows hole No. 16 to be on the Blue Jay Fraction, a claim not included in the contract. At the time the work north of the open pit was recommended, it was not apparent that this hole would not be on a claim covered in the contract. The Blue Jay Fraction is controlled by the contractor however, and an amendment to include it under the contract should be requested.

Payment of $608.00, or 50 percent of the amount claimed in May 1954, $1,216.00, is approved, subject to an amendment to place the Blue Jay claim under the contract, if needed.

M. H. Salsbury
Mining Engineer

MHS/kp

cc 6
E578
Chron

June 12, 1954

Mr. W. M. Traver, Chief
Mineral Resources Branch
Mining Division, Region IV
Bldg., 20, Room 137
Denver Federal Center,
Denver, 14, Colorado.

Dear Sir:

Re: BLM 2964, Contract IBM-E-578
Iron, Schroeder Mining Company,
Platte County, Wyoming.
(Good Fortune Group).

Enclosed are forms MF 104 and MF 104A for the month of May, 1954, and also plats showing exploration accomplished under the above mentioned contract.

One hole was drilled at location indicated on the plat.

Hole No.	Depth (ft.)
16	202

This hole penetrated no material which could be shipped without beneficiation.

Very little showing of ore was obtained, sample analysis at 50, 100, 150 and 200 feet were made but with very poor results.

The hole showed a schist formation that closely followed the log of previous hole #15.

At depth of 202 feet it was decided to abandon further drilling.

Very truly yours,

SCHROEDER MINING COMPANY,

By R. G. Langmacher
R. G. Langmacher, Supt.

RGL/t
Encl.

May 30, 1954.

Sample Breakdown and Analysis of Footage Drilled in May, 1954.

Hole No.	Depth Feet	Sample Length	Fe Analysis	Date:
16	0-6	6'	None	5/7/54
	6-12	6'	"	
	12-18	6'	"	
	18-24	6'	"	
	24-30	6'	"	
	30-36	6'	"	
	36-42	6'	"	
	42-48	6'	"	
	48-54	6'	03.4	5/18/54
	54-60	6'	None	
	60-66	6'	"	
	66-72	6'	"	
	72-78	6'	"	
	78-84	6'	"	
	84-90	6'	"	
	90-96	6'	"	
	96-102	6'	06.6	5/20/54
	102-108	6'	None	
	108-114	6'	"	
	114-120	6'	"	
	120-126	6'	"	
	126-132	6'	"	
	132-138	6'	"	
	138-144	6'	"	
	144-150	6'	09.3	5/21/54
	150-156	6'	None	
	156-162	6'	"	
	162-168	6'	"	
	168-174	6'	"	
	174-180	6'	"	
	180-186	6'	"	
	186-192	6'	"	
	192-198	6'	"	
	198-202	4'	64.8	5/29/54

SCHRADER MINING COMPANY

By R. G. Langmacher

R. G. Langmacher, Supt.

Form MF-101 (Rev.)
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 195 4 Docket No. DMEA 2964 Contract No. DM-E-578
Operator's Name Schroeder Mining Company Minerals Iron
Address Box 67, Guernsey, Wyoming,
Contract Amount, $ 43,100.00 Government Participation: 50 % Amount, $ 24,050.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	1,980.00	8,592.00	10,572.00			
Bulldozing Roads & Trails None		1,000.00	1,000.00			
Crosscutting						
Drifting						
Sample Analysis	7.00	78.00	85.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,987.00	9,670.00	11,657.00	1,987.00	9,670.00	11,657.00

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

Date May 12, 1954 Payee SCHROEDER MINING COMPANY

Per R. D. Langenwalter Title Supt.

*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:

$ 993.50

Signature [illegible] (Authorized Certifying Officer)

Date 5/28/54 Vou. No. DMA 54-131

(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. DMEX 98 in accordance with the terms of the contract.

Signature M. H. Salsbury $993.50 Title Mining Engineer Date May 25, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.D.B.

Signature W. H. King Title Executive Officer Date MAY 27 1954

MONTHLY REPORT OF OPERATOR

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(*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.

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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.

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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

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1954 Docket No. DMEA 2X4 Contract No. DMEA-270
Operator's Name Edmondson Mining Company Minerals Iron
Address Box 02, Quincy, Montana

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								
Churn	ft.	1,900.00	230	10,572.00	1762	10,572.00	7200	42,600.00
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	ft.	None	None	1,000.00	1000	1,000.00	5000	5,000.00
Samples analyzed	One	7.00	7	65.00	65	65.00	500	500.00
TOTAL DISTRIBUTED COSTS		1,987.00		11,637.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		none						
Initial Rehabilitation and Repairs		none						
New Buildings, Improvements, etc.		none						
TOTAL COSTS		1,987.00		11,637.00				48,100.00

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 May April 22, 1954 Operator UNDERWOOD COLLINS

Per R. L. Langenbach Title Supt.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

May 27, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2964 (Iron), Contract Idm-E578, Schroeder Mining Company (Good Fortune group), Platte County, Wyoming. Operator's Monthly Progress Report for the period April 1954.

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.

Note: Operator's Narrative Report, signed by R. G. Langmacher, Superintendent, requests that future checks be sent to the Schroeder Mining Company at Guernsey, Wyoming.

Remarks:

Date of Report	May 12, 1954.
Date Received in Field Office	May 17, 1954.
Date Received in Region Office	May 26, 1954.

W H King
W. H. King

Enclosures

RDB:cwm
cc: Contract
Secretary to the Oper. Comm. (2)
WMTraver
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
May 26, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 2964, Contract IDM-E578 (Iron), Schroeder Mining Company, (Good Fortune group), Platte County, Wyoming--Progress report for April 1954

Enclosed are the original and four copies of the above progress report--forms MF-104 and MF-104A, with narrative, sketch map, drill logs with assay records--and the original and six copies of M. H. Salsbury's memorandum covering his inspection of the churn drilling progress and checking of the reporting forms. The contract is unit cost on short form MF-200(A) and documentation is not required.

Salsbury verified the progress both for March and April 1954 on an inspection made May 3. Claim is for 330 feet of churn drilling for April in one hole (No. 15) and for 7 sample analyses. The operations were in conformance with the terms of the contract and Amendment No. 1. They are satisfactorily described in narrative, location of holes are shown on the map, and footage properly entered on the MF-104A forms. The arithmetic of the reporting forms is correct. The inspecting engineer adequately reports the work in his memorandum and describes operation of the recently installed beneficiation plant.

Payment is approved and certified on the MF-104 forms of $993.50, or 50 percent of the total $1,987.00 claimed by the contractor.

W. M. Traver

W. M. Traver

enclosure

WMT/kp

cc 4
E578
Chron

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
May 24, 1954

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: M. H. Salsbury

Subject: DMEA 2964, Contract ID4-2578 (Iron), Schroeder Mining Company, (Good Fortune group), Platte County, Wyoming--Progress report for April 1954

Progress under the subject contract was inspected on May 3, 1954.

The contractor claims payment for 330 feet of churn drilling in hole No. 15, and 7 chemical analyses. Drilling and analyses were verified by inspecting drill sites, and examining drill logs and analytical results, and are not in excess of contract maximums.

Forms MF-104 and MF-104A and a narrative report for April, together with a drill log and analyses report, and a map showing the location of the drill hole, were submitted in quintuplicate, and are satisfactory.

The work done in March and approved for payment without inspection, was verified.

Mineralization encountered in hole No. 15 was negligible with no iron analyses over 6.8 percent being encountered with the exception of an analyses of 19.6 percent at a depth of 96 to 102 feet, and 16.1 percent from 150 to 156 feet. A minable grade is not indicated.

The Heavy Media plant recently installed by the contractor had been in operation for more than a month on a one- and two-shift basis, and Schroeder reported excellent results. A shipping product assaying from 57 to 60 percent iron is being made from a mill feed assaying from 25 to 40 percent iron. This is being obtained from low-grade ore stockpiled previously and from portions of an old Colorado Fuel and Iron Corporation dump that is located on property now controlled by the contractor.

The plant has a capacity of 120 tons per hour, producing about 60 tons of concentrates per hour, depending on the grade of the heads. Four thousand tons of concentrates were shipped in April.

Portions of samples covering holes Nos. 14 and 15 were brought to Denver Federal Center and stored.

Monthly unit totals entered on forms MF-104 and MF-104A for April 1954 are correct. Form, MF-104A is incorrectly dated April 12, 1954.

All work was done in accordance with the terms of the contract.

Payment of $993.50, or 50 percent of the amount claimed in April 1954, $1,987.00, is approved.

for R. L. Bolmer
M. H. Salsbury
Mining Engineer

MHS/kp

cc 6
E578
Chron

May 12, 1954

Mr. W. M. Traxler, Chief
Mineral Resources Branch
Mining Division, Region IV
Bldg., 20, Room 137
Denver Federal Center,
Denver 14, Colorado.

Dear Sir:

Re: DMEA 2964, Contract EM6-2-578
Iron, Schroeder Mining Company,
Platte County, Wyoming.
(Good Fortune Group).

Enclosed are forms MF 104 "Operator's Monthly Report and Voucher" and MF 104A "Operator's Unit Cost and Progress Report" and narrative on the captioned contract for month of April, 1954.

Only one hole was drilled during April, 1954, hole #15 to a total depth of 130 feet.

This hole penetrated no material which could be shipped without beneficiation. Test shoulings were made between the 100 and 130 foot levels.

A schist formation showed to the completed depth of the hole.

Checks in the past have been mailed to our main office in Minneapolis, they have advised us to request that in the future they should be forwarded to our Guernsey address.

Very truly yours,

SCHROEDER MINING COMPANY

By R. G. Langmuher

R. G. Langmuher, Supt.

RGL/b
Encl.

Sample Breakdown and Analysis of Footage Drilled in April, 1954.

Hole No.	Depth Feet	Sample Length	Fe Analysis	Date
15	0-6	6'	None	4/8/54
	6-12	6'	"	
	12-18	6'	"	
	18-24	6'	"	
	24-30	6'	"	
	30-36	6'	"	
	36-42	6'	"	
	42-48	6'	"	
	48-54	6'	6.8	4/9/54
	54-60	6'	None	
	60-66	6'	"	
	66-72	6'	"	
	72-78	6'	"	
	78-84	6'	"	
	84-90	6'	"	
	90-96	6'	"	
	96-102	6'	19.6	4/16/54
	102-108	6'	None	
	108-114	6'	"	
	114-120	6'	"	
	120-126	6'	"	
	126-132	6'	"	
	132-138	6'	"	
	138-144	6'	"	
	144-150	6'	"	
	150-156	6'	16.1	4/16/54
	156-162	6'	None	
	162-168	6'	"	
	168-174	6'	"	
	174-180	6'	"	
	180-186	6'	"	
	186-192	6'	"	
	192-198	6'	"	
	198-204	6'	2.0	4/19/54
	204-210	6'	None	
	210-216	6'	"	
	216-222	6'	"	
	222-228	6'	"	
	228-234	6'	"	
	234-240	6'	"	
	240-246	6'	"	
	246-252	6'	5.0	4/21/54
	252-258	6'	None	
	258-264	6'	"	
	264-270	6'	"	
	270-276	6'	"	
	276-282	6'	"	

Sample Breakdown and Analysis of Footage Drilled in April, 1934.

Hole No.	Depth Feet	Sample Length	Fe Analysis	Date:
15				
	262-268	6'	None	
	268-274	6'	"	
	274-280	6'	5.5	4/23/34
	280-286	6'	None	
	286-292	6'	"	
	292-298	6'	"	
	298-304	6'	5.4	4/26/34
	304-310	6'	None	4/26/34

SCHROEDER MINING COMPANY

By R. H. Jaeymuller Supt.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1954 Docket No. DMEA 2964 Contract No. IDM-E-578
Operator's Name Schroeder Mining Company Minerals Iron
Address Box 67 Guernsey, Wyoming
Contract Amount, $ 48,100.00 Government Participation: 50% Amount, $ 24,050.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	1986.00	6606.00	8592.00			
Roads & Trails	none	1000.00	1000.00			
Crosscutting						
Drifting						
Sample Analysis	19.00	59.00	78.00			
(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	2005.00	7665.00	9670.00	2005.00	7665.00	9670.00

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

Date Apr. 13 1954 Payee SCHROEDER MINING COMPANY

Per [signature] Title Supt.

*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:

$ 1002.50

Signature [signature]
(Authorized Certifying Officer)

Date 4/29/54 Voucher No. DMA 54-116
(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-FS79 in accordance with the terms of the contract.

Signature M. H. Salabury $1002.50 WMT Title Mining Engineer Date April 20, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.D.B.

Signature W. H. King Title Executive Officer Date APR 28 1954

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

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 195 4 Docket No. DMEA 2964 Contract No. DMA-B 578
Operator's Name Schroeder Mining Company Minerals Iron
Address Box 67 - Guernsey, Wyoming

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								
Churn	ft	1986.00	331	8592.00	1432	8592.00	7100	42,600.00
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	ft	none	none	1000.00	1000	1000.00	5000	5,000.00
Sample Analysis	one	19.00	19	78.00	78	78.00	500	500.00
Total Distributed Costs		2005.00		9670.00				Total Costs Authorized by Contract
Operating Equipment Purchased		none		none				
Initial Rehabilitation and Repairs		none		none				
New Buildings, Improvements, etc.		none		none				
Total Costs		2005.00		9670.00				48,100.00

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.

SCHROEDER MINING COMPANY

Date Mar. 13, 1954 Operator

Per [signature] Title Supt.

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

April 28, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2964 (Iron), Contract Idm-E578, Schroeder Mining Company, (Good Fortune group), Platte County, Wyoming. Operator's Monthly Progress Report for the period March 1954.

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 performed has not been verified by inspection but is 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. Recommendation for payment is made contingent upon the work being satisfactorily performed. This fact will be verified during the next regular monthly inspection.

Remarks:

Date of Report	April 13, 1954.
Date Received in Field Office	April 15, 1954.
Date Received in Region Office	April 27, 1954.

W. H. King

Enclosures

RDB:cwm

cc: Contract
Secretary to the Oper. Comm. (2)
WMTraver
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
April 26, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 2964, Contract IDM-E578 (Iron), Schroeder Mining Company, (Good Fortune group), Platte County, Wyoming--Progress report for March 1954

Enclosed are the original and four copies of the above progress report--forms MF-104 and MF-104A, with narrative, sketch map, drill logs with assay records--and the original and six copies of M. H. Salsbury's memorandum covering approval without inspection of the churn drilling progress and checking the reporting forms. The contract is unit cost on short form MF-200(A) and documentation is not required.

The claim for reimbursement is approved in this instance, subject to confirmation on the next regular inspection. The operator reports in his narrative 331 feet of churn drilling in one hole (No. 14), at the new location permitted by Amendment No. 1 to the contract, enters that amount on the MF-104A, and shows the location on his progress map. His attached drill log shows the results of 20 iron assays. The arithmetic and entries and extensions on the reporting forms are correct and work was performed in accordance with the terms of the contract and amendment.

Payment is approved and certified on the MF-104 form of $1,002.50, or 50 percent of the total $2,005.00 claimed by the contractor.

W. M. Traver

W. M. Traver

enclosure

WMT/kp

cc 4
E578
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
April 21, 1954

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: M. H. Salsbury

Subject: DMSA 2964, Contract IDM-2578 (Iron), Schroeder Mining Company, (Good Fortune group), Platte County, Wyoming--Progress report for March 1954

Progress under the subject contract was not inspected in the field. On the day that a Bureau of Mines representative passed through Guernsey, Wyoming, a blizzard was in progress and the operation was inaccessible.

The contractor claims payment for 331 feet of churn drilling in hole No. 14, and 19 sample analyses for iron in March 1954. The drill log shows 331 feet of hole and 20 samples.

Forms MF-104 and MF-104A and a narrative report for March, together with a drill log and analyses report, and map showing the location of the drill hole, were submitted in quintuplicate.

The drill hole was drilled to the north of the east pit in accordance with Amendment No. 1 to the contract. The log shows no occurrence of iron ore except for low-grade assays above the 298-foot point. From this point to the end of the hole at 331 feet, continuous ore running from 26.0 to 40.0 percent was encountered. The formation is reported as a schist. All of the ore is below shipping grade unless beneficiated.

The depth at which this ore occurs precludes a stripping and open pit operation, and it is doubtful that the low-grade ore could be mined profitably by underground methods.

Monthly unit totals entered on forms MF-104 and MF-104A for March 1954 are correct.

All work in March is accepted as being in accordance with the terms of the contract, and will be verified on the next regular field inspection.

Payment of $1,002.50, or 50 percent of the amount claimed in March 1954, $2,005.00, is approved.

M. H. Salsbury
M. H. Salsbury
Mining Engineer

MHS/kp

cc 6
E578
Chron

March 10, 1954

Mr. W. M. Traver, Chief
Mineral Resources Branch
Mining Division, Region IV
Bldg. 20, Room 137
Denver Federal Center
Denver 14, Colorado

Dear Sir:

Re: DMEA 2964, Contract IDM-S-578
Iron, Schroeder Mining Company,
Platte County, Wyoming.
(Good Fortune Group.)

Enclosed are forms MF 104 and MF 104A for the month of March, 1954, and also maps showing exploration accomplished under the above mentioned contract.

One hole was drilled at location indicated on the map.

Hole No.	Depth (ft).
14	331

This hole penetrated no material which could be shipped without beneficiation.

Very little showing of ore was obtained until a depth of 96' was reached. At 300' analysis showed 40.0%. Samples were taken every six feet in this hole. Hole was drilled in a schist formation.

In running tests we noted a black deposit left in the bottom of the beakers after the hydrochloric acid was added.

Very truly yours,

SCHROEDER MINING COMPANY,

By R. G. Langmacher

R. G. Langmacher, Supt.

RGL/t
Encl.

Sample Breakdown and Analysis of Footage Drilled in March, 1954.

Hole No.	Depth Feet	Sample Length	Fe Analysis	Date
14	0-6	6'	None	Mar. 15, 1954
	6-12	6'	"	
	12-18	6'	"	
	18-24	6'	"	
	24-30	6'	"	
	30-36	6'	"	
	36-42	6'	4.3	Mar. 15, 1954
	42-48	6'	None	
	48-54	6'	"	
	54-60	6'	"	
	60-66	6'	"	
	66-72	6'	"	
	72-78	6'	7.9	Mar. 17, 1954
	78-84	6'	None	
	84-90	6'	"	
	90-96	6'	"	
	96-102	6'	12.6	Mar. 19, 1954
	102-108	6'	None	
	108-114	6'	None	
	108-114			
	114-120	6'	None	
	120-126	6'	"	
	126-132	6'	4.0	Mar. 20, 1954
	132-138	6'	None	
	138-144	6'	"	
	144-150	6'	7.2	Mar. 23, 1954
	150-156	6'	None	
	156-162	6'	6.0	Mar. 23, 1954
	162-168	6'	None	
	168-174	6'	"	
	174-180	6'	"	
	180-186	6'	9.6	Mar. 24, 1954
	186-192	6'	None	
	192-198	6'	"	
	198-204	6'	8.2	Mar. 24, 1954
	204-210	6'	None	
	210-216	6'	"	
	216-222	6'	3.6	Mar. 24, 1954
	222-228	6'	None	
	228-234	6'	"	
	234-240	6'	"	
	240-246	6'	"	
	246-252	6'	"	
	252-258	6'	"	
	258-264	6'	"	
	264-270	6'	"	
	270-276	6'	"	
	276-280	4'	18.4	Mar. 25, 1954

Page 2.

280-286	6'	None	
286-292	6'	None	
292-298	6'	"	
298-303	5'	27.8	Mar. 26, 1954
303-306	3'	40.0	"
306-309	3'	30.8	"
309-311	2'	36.2	"
311-314	3'	39.0	Mar. 27, 1954
314-317	3'	37.0	"
317-320	3'	39.2	"
320-323	3'	33.2	Mar. 29, 1954
323-326	3'	35.5	"
326-331	5'	26.0	Mar. 30, 1954

SCHROEDER MINING COMPANY

By R. H. Laymaker

Form [illegible] (Rev.)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
RECEIVED
APR - 1 1954

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

Month of February, 1954 Docket No. DMEA 2964 Contract No. DM-E578
Operator's Name SCHROEDER MINING CO. Minerals
Address Guernsey, Wyoming
Contract Amount, $ 48,100.00 Government Participation: 50 % Amount, $ 24,050.00

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:		5430.00	66.06.00			
Drilling	1176.00	[illegible]	[illegible]			
~~Building Roads & Trails~~ None		1000.00	1000.00			
Crosscutting						
Drifting						
~~Sample Analysis~~	5.00	54.00	59.00			
(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	1181.00	6484.00	7665.00			

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

Date MAR 6 1954 *Payee SCHROEDER MINING COMPANY

Per [signature] Title Supt.

*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:

$ 590.50

Signature [signature]
(Authorized Certifying Officer)

Date 3/25/54 Vou. No. DMA 54-98

(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 E678 in accordance with the terms of the contract.

Signature W. H. Salsbury #590.50 WMT Title Mining Engineer Date March 12, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R. D. B.

Signature John F. Shaw for W. H. King Title Executive Officer Date MAR 25 1954

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.

DEPARTMENT OF THE INTERIOR
Defense Minerals Admin.
RECEIVED
MAR - 1 1954

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

Month of February, 195 4 Docket No. DMEA 2964 Contract No. DM-3578
Operator's Name SCHROEDER MINING CO. Minerals Iron
Address Guernsey, Wyoming

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								
Churn	ft	1176.00	196	66.06.00	1101	6606.00	7100	42,600.00
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	ft	None	None	1000.00	1000	1000.00	5000	5,000.00
~~Sample Analysis~~ Sample Analysis	one	5.00	5	59.00	59	59.00	500	500.00
TOTAL DISTRIBUTED COSTS		1181.00		7665.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None		None				
Initial Rehabilitation and Repairs		"		"				
New Buildings, Improvements, etc.		"		"				
TOTAL COSTS		1181.00		7665.00				48,100.00

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 MAR 6 1954 Operator SCHROEDER MINING COMPANY

Per [signature] By Title Supt.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

March 25, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2964 (Iron), Contract Idm-E578, Schroeder Mining Company (Good Fortune Group), Platte County, Wyoming. Operator's Monthly Progress Report for the period February 1954.

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.

Remarks:

Date of Report	March 6, 1954.
Date Received in Field Office	March 11, 1954.
Date Received in Region Office	March 24, 1954.

John F. Shaw
John F. Shaw
For W. H. King

Enclosures

RDB:cwm

cc: Contract
Secretary to the Oper. Comm. (2)
WMTraver
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
March 23, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 2964, Contract IDM-E578 (Iron), Schroeder Mining Company, (Good Fortune group), Platte County, Wyoming--Progress report for February 1954

Enclosed are the original and four copies of the above progress report--forms MF-104 and MF-104A, with narrative, sketch map, drill logs with assay records--and the original and six copies of M. N. Salsbury's memorandum covering inspection of the churn drilling progress and checking the reporting forms. The contract is unit cost on short form MF-200(A) and documentation is not required.

Salsbury confirmed the 196 feet of churn drilling completed in three holes, Nos. 11, 12, and 13, as reported in the narrative, located on the map, and entered on the MF-104A forms. Five sample analyses are also approved. The work was in conformance with the terms of the contract and entries and extensions are correct on the reporting forms.

The Region IV Field Team has approved and prepared an amendment, recommended by field, to change the remaining four holes under Phase A, Stage I, of the contract to a more favorable location.

Payment is approved and certified on the MF-104 forms of $590.50, or 50 percent of the total $1,181.00 claimed by the contractor.

W. M. Traver

W. M. Traver

enclosures

WMT/kp

cc 4
E578
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
March 23, 1954

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: M. E. Salsbury

Subject: DMEA 2964, Contract IDM-2578 (Iron), Schroeder Mining Company, (Good Fortune group), Platte County, Wyoming--Progress report for February 1954

Progress under the subject contract for February 1954 was inspected on February 25, 1954, in company with Paul Schroeder, manager for the contractor. At the same time a joint field examination was made with a representative of the Geological Survey to consider an amendment requested by the contractor to permit a change in the location of four churn drill holes remaining to be drilled under Phase A, Stage I, Exhibit A of the contract. Three holes were tentatively located on the north side of the east pit by Brunton survey.

The contractor claims payment for 196 feet of churn drilling in holes 11, 12, and 13, with depths and locations given in the narrative report and map submitted for February. Payment for five chemical analyses is also claimed. Drilling and analyses were verified by inspecting drill sites, and examining drill logs and analytical results, and are in accordance with the terms of the contract.

An ore product which could be shipped mine run, or probably after heavy media concentration, was not indicated in any of the holes, drilled largely in barren limestone. It has been established by drilling completed to date that the possibility of finding any more ore to the east is poor, and after the field examination, it was agreed to recommend an amendment to the contract permitting shifting of the last four holes in Stage I to explore for a possible ore deposit on the north side of the main ore body.

The heavy media plant being installed by the contractor was scheduled to begin operating about March 15, 1954.

Portions of samples covering holes No. 6 to 13 were brought to Denver Federal Center and stored.

Drilling operations under the contract were suspended on February 25, 1954, pending authorization to proceed under the proposed amendment.

Monthly unit totals entered on forms MF-104 and MF-104A for February 1954 are correct. These forms and a narrative report were incomplete as originally received at the Mineral Resources Branch office on March 15, 1954, were returned for completion, and were resubmitted in correct form on March 22, 1954.

All work was done in accordance with the terms of the contract.

Payment of $590.50, or 50 percent of the amount claimed in February 1954, $1,181.00, is approved.

M. H. Salsbury
Mining Engineer

MHS/kp

cc 6
E578
Chron

Defense Materials Administration
RECEIVED
1954

March 6, 1954

Mr. W. M. Traver Jr.,
Chief Mineral Resources Branch
Mining Division, Region IV
U. S. Bureau of Mines
Denver Federal Center
Denver, 14, Colorado

Dear Sir:

Re: DMEA 2964, Contract IIM-E578,
(Iron), Schroeder Mining Company
Platte County, Wyoming.
(Good Fortune Group).

Enclosed are forms MF104 and MF104A for the month of February, 1954, and also maps showing exploration accomplished under the above mentioned contract.

Three holes were drilled as follows, at locations noted on map:

Hole No.	Depth (ft.)
11	61
12	65
13	70

None of the holes penetrated material which could be shipped without beneficiation. Hole #11 was a dry hole. Hole #12 showed a mineralized color from 6' - 15' but the analysis was very low. Hole #13 showed low grade ore at 0' - 12' which could possibly be beneficiated. All three holes were drilled in Pre-Cambrian Limestone and were abandoned before reaching a 100 foot depth.

The Bureau Inspector Mr. Salsbury and the Field Engineer agreed upon the necessity of relocating the last four holes on Phase "A" of Stage I. Drilling was stopped on the 24th day of February. They will be resumed as soon as decision is made upon the relocation of the remaining holes in this portion of the contract.

Very truly yours,

SCHROEDER MINING COMPANY

By R. O. Langmacher
R. O. Langmacher, Supt.

ROL/t

March 16, 1954

Minerals
RECEIVED

Mr. W. M. Traver Jr.,
Chief Mineral Resources Branch
Mining Division, Region IV
U. S. Bureau of Mines
Denver Federal Center
Denver, 14, Colorado

Dear Sir:

Re: DMEA 2964, Contract IDM-2578,
(Iron), Schroeder Mining Company
Platte County, Wyoming.
(Good Fortune Group).

Supplementing our letter of March 6, 1954, we are enclosing log for holes 11, 12 and 13:

Hole No.	Depth Feet	Sample Length	FE Analysis	Date
11	0-6	6'	None	Feb. 1
	6-12	6'	"	
	12-18	6'	"	
	18-24	6'	"	
	24-30	6'	"	
	30-36	6'	"	
	36-42	6'	"	
	42-28	6'	"	
	48-54	6'	"	
	54-61	6'	"	
12	0-6	6'	None	Feb. 7
	6-9	3'	5.0	
	9-12	3'	5.2	
	12-15	3'	6.2	
	15-21	6'	None	
	21-27	6'	"	
	27-33	6'	"	
	33-39	6'	"	
	39-45	6'	"	
	45-51	6'	"	
	51-57	6'	"	
	57-65	8'	"	
13	0-6	6'	19.0	Feb. 18
	6-12	6'	25.2	
	12-18	6'	None	
	18-24	6'	None	

24-30	6'	None
30-36	6'	"
36-42	6'	"
42-48	6'	"
48-54	6'	"
54-60	6'	"
60-70	10'	"

Respectfully,

SCHLUMBERGER MINING COMPANY

By [illegible]
Supt.

RGL/t

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

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

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

Month of January, 1954 Docket No. DMEA 2964 Contract No. IDM-E578
Operator's Name E. C. Schroeder Co., Inc. Minerals Iron
Address Mc Gregor, Iowa
Contract Amount, $ 48,100.00 Government Participation: 50 % Amount, $ 24,050.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	1974.00	3456.00	5430.00			
~~XXXXXXXX~~ Roads & Trails	None	1000.00	1000.00			
Crosscutting						
Drifting						
Sample Analysis	14.00	40.00	54.00			
(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	1988.00	4496.00	6484.00	1988.00	4496.00	6484.00

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

Date 2/10/54 *Payee E. C. Schroeder Co. Inc.

Per W. J. Langemach Title Supt

*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:

$994.00

Signature [illegible]
(Authorized Certifying Officer)

Date 2/26/54 Vou. No. DMA 54-85
(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. DMEF578 in accordance with the terms of the contract.

Signature M. H. Salsbury $94.00 Wmt Title Mining Engineer Date Feb. 15, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R.D.B.

Signature W. H. King Title Executive Officer Date FEB 19 1954

MONTHLY REPORT OF OPERATOR

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(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.

Received
MAR 8 - 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January, 1954 Docket No. DMEA 2964 Contract No. DMEE578
Operator's Name E. C. Schroeder Co., INC. Minerals Iron
Address McGregor, Iowa

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								
Churn	329	1974.00	329	5430.00	905	5430.00	7100	42,600.00
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	None	None	None	1000.00	1000	1000.00	5000	5,000.00
Sample Analysis	14	14.00	14	54.00	54	54.00	500	500.00
TOTAL DISTRIBUTED COSTS		1988.00		6484.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None		None				
Initial Rehabilitation and Repairs		"		"				
New Buildings, Improvements, etc.		"		"				
TOTAL COSTS		1988.00		6484.00				48,100.00

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 2/10/54 Operator E. C. Schroeder Co. Inc.
Per W. L. Langenwalter Title Supt.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

February 19, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2964 (Iron), Contract Idm-E578, E. C. Schroeder Company, Inc. (Good Fortune group), Platte County, Wyoming. Operator's Monthly Progress Report for the period January 1954.

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.

Remarks:

Date of Report	February 10, 1954.
Date Received in Field Office	February 14, 1954.
Date Received in Region Office	February 16, 1954.

W H King
W. H. King

Enclosures

RDB:cwm

cc: Contract
Secretary to the Oper. Comm. (2)
WMTraver
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
February 16, 1954

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 2964, contract Idm-E578 (Iron), E. C. Schroeder Company, Inc. (Good Fortune group), Platte County, Wyoming - Progress report for January 1954

Enclosed are the original and four copies of the subject progress report--forms MF-104 and MF-104A, with narrative, progress map, and sample and assay record--and the original and six copies of M. H. Salsbury's memorandum covering inspection of churn drilling progress and review of the reporting forms. The contract is unit-cost on short form MF-200(A) and documentation is not required.

The inspecting engineer confirmed in the field the churn drilling footage of 329 feet shown as completed in the narrative and on the progress map and the assaying entered on the MF-104A forms and confirmed by the sample records. Entries and extensions are correct on the reporting forms and the work was performed in accordance with the terms of the contract.

Payment is approved and certified on the MF-104 forms of $994.00, or 50 percent of the total $1,988.00 claimed by the contractor.

W. M. Traver

W. M. Traver

enclosures

cc 4
E578
DMEA Chron.

WMT/pam

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
February 15, 1954

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: M. H. Salsbury

Subject: DMEA 2964, contract Idm-2578 (Iron), E. C. Schroeder Company, Inc. (Good Fortune group), Platte County, Wyoming - Progress report for January 1954

Progress under the subject contract for January 1954 was inspected February 1, 1954, in company with C. F. Brooks, bookkeeper for the contractor.

The contractor claims payment for 329 feet of churn drilling and 14 chemical analyses of samples for iron, as described in the narrative report and map for January 1954. All work was done under Stage I, phase "A" of the contract.

Following is a list of the holes, with the lengths given in the drill logs, and the corresponding length measured by the Bureau of Mines engineer:

Hole No.	Length in Drill Log	Length Measured
7	34 feet	24 feet
8	100 feet	98 feet
9	100 feet	97 feet
10	95 feet	---
Total length drilled -	329 feet	

The claims were verified by checking drill logs and laboratory reports. In addition, a tape was dropped in Holes No. 7, 8, and 9, with results as shown. The holes measured shorter than the length given in the drill logs. The discrepancy can be accounted for by caving near the top when the casing placed at the collar was withdrawn. In the case of Hole No. 7, drilled entirely in waste, excessive caving was noted in the drill log, together with very hard ground encountered at the bottom, caused abandonment. Hole No. 10, also entirely in waste, was stopped at 95 feet in exceptionally hard ground.

Holes No. 8 and 9 penetrated material some portions of which might be amenable to concentration by heavy media processes. To date, no ore is indicated in line with the expected ore trend eastward from

the present workings. The low-grade ore indicated in Holes No. 6, 8, and 9 is south of this trend and may not necessarily be a continuation of the ore in the present workings. Some of the remaining holes under phase "A" are to be drilled to test further the mineralization encountered in these holes.

The contractor has put a heavier drilling rig into service and progress should be more rapid. Seven holes, remaining to be drilled under Stage I, phase "A," will probably be completed before April 1, 1954, and an appraisal by an engineer and geologist will probably be required at that time to arrive at a decision on further work under phase "B."

Portions of all samples taken in Holes No. 6 to 10, inclusive, were saved for DMEA, whether analysed or not.

Monthly unit totals entered on forms MF-104 and MF-104A for January are correct.

All work was done in accordance with the terms of the contract.

Payment of $994.00, or 50 percent of the amount claimed in January 1954, $1,988.00, is approved.

F. W. Everest, for
M. H. Salsbury
Mining Engineer

cc 6
E578
DMEA Chron.

MHS/pam

Guernsey, Wyoming
February 8, 1954

Mr. W. M. Traver Jr., Chief
Mineral Resources Branch, Mining Division, Region IV
U. S. Bureau of Mines
Bldg 20, Room 137
Denver Federal Center
Denver 14, Colorado

References: DMEA 2064, Contract Idm-2578
(Iron), E. C. Schroeder Co., Inc.
Platte County, Wyoming
(Good Fortune Group).

Dear Sir:

Enclosed are forms MF104 and MF104A for the month of January, 1954, and also maps showing exploration accomplished under the above mentioned contract.

Four holes were drilled as follows, at locations noted on map:

Hole No.	Depth (ft)
7	34
8	100
& 9	100
10	95

None of the holes penetrated material which could be shipped without beneficiation. Sections of holes No. 8 and 9 showed ore which might be concentrated by heavy media processes. Hole #7 was abandoned at thirty-four feet due to caving from the top and very hard grit. Hole #10 was discontinued at ninety-five feet due to this same grit material. Both holes No. 7 and 10 were barren. It appears from the surface and the samples taken, that both holes encountered the same rock and grit formations.

Samples were taken every three and six feet in mineralized and barren material. The mineralized sections were analyzed for iron content. Cuts of all samples were saved for the Field Team.

Attached is sheet showing sample breakdown, and analysis of mineralized samples.

Sincerely yours,

R. G. Langmacher
Superintendent

RGL:ef
Enclosures

February 6, 1954

Sample Breakdown and Analysis of Footage Drilled January, 1954.

Hole No.	Depth	Sample Length	FE Analysis	Date
7	0-6'	6'	None	Jan. 1, 1954
	6-12'	6'	"	
	12-18'	6'	"	
	18-24'	6'	"	
	24-34'	10'	"	
8	0-6'	6'	"	Jan. 7, 1954
	6-12'	6'	"	
	12-18'	6'	"	
	18-24'	6'	"	
	24-30'	6'	"	
	30-36'	6'	"	
	36-42'	6'	"	
	42-48'	6'	"	
	48-54'	6'	"	
	54-60'	6'	13.0%	
	60-63'	3'	13.8%	
	63-66'	3'	9.0%	
	66-72'	6'	14.4%	
	72-78'	6'	36.0%	
	78-81'	3'	42.0%	
	81-84'	3'	45.0%	
	84-87'	3'	29.2%	
	87-90'	3'	17.8%	
	90-96'	6'	None	
	96-100'	4'	"	
9	0-6'	6'	None	
	6-12'	6'	"	
	12-18'	6'	"	
	18-24'	6'	"	
	24-30'	6'	"	
	30-36'	6'	"	
	36-39'	3'	"	
	39-45'	6'	"	
	45-51'	6'	"	
	51-57'	6'	"	
	57-63'	6'	"	
	63-66'	3'	"	
	66-69'	3'	26.1%	
	69-72'	3'	35.0%	
	72-75'	3'	34.8%	
	75-58'	3'	24.2%	
	78-81'	3'	16.2%	
	81-87'	6'	None	
	87-93'	6'	"	
	93-100'	7'	"	

XII

January Sample Breakdown & Analysis Continued -

Hole No.	Depth	Sample Length	YE Analysis	Date
10	0-8'	8'	None	January 24, 1954
	8-14'	6'	"	
	14-20'	6'	"	
	20-26'	6'	"	
	26-32'	6'	"	
	32-38'	6'	"	
	38-44'	6'	"	
	44-50'	6'	"	
	50-56'	6'	"	
	56-62'	6'	"	
	62-68'	6'	"	
	68-74'	6'	"	
	74-80'	6'	"	
	80-86'	6'	"	
	86-92'	6'	"	
	92-95'	3'	"	

Note: Hole #8 is less than 100 ft. from holes #6 & 7. The reason for this being that No. 7 hole was drilled in a rock wall, and it was felt that by moving up the hill between these two holes that drilling in the wall could be avoided.

Form MF-[illegible] (Rev.)
(April 1952)

Budget Bureau No. 42-[illegible]36.3.
Approval expires 6-30-53.

RECEIVED
FEB 1 1954

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

Month of December, 195[illegible] Docket No. DMEA 3964 Contract No. IOA-[illegible]
Operator's Name E. C. Schroeder Co., Inc. Minerals Iron
Address Mc Gregor, Iowa
Contract Amount, $ 48,100.00 Government Participation: 50 % Amount, $ 24,050.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	1812.00	1644.00	3456.00			
~~Bulldozing~~ Roads & Trails	475.00	525.00	1000.00			
Crosscutting						
Drifting						
Sample Analysis	29.00	11.00	40.00			
(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	2316.00	2180.00	4496.00	2316.00	2180.00	4496.00

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

Date January 9, 1954 *Payee E. C. Schroeder Co., Inc.

Per R. G. Langmacher Title Supt

*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:

$ 11.58

Signature [illegible]
(Authorized Certifying Officer)

Date 1/25/54 Vou. No. DMA 54-75

(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. IAm-E518 in accordance with the terms of the contract.

Signature M. H. Salsbury $1158.00 Title Mining Engineer Date Jan. 13, 1954

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: L. DB.

Signature W. H. King Title Executive Officer Date JAN 18 1954

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 DF-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
JAN - 1 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1953 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name E. C. Schroeder Co., Inc. Minerals Iron
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								
Churn	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TOTAL DISTRIBUTED COSTS		[illegible]		[illegible]				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None		None				
Initial Rehabilitation and Repairs		"		"				
New Buildings, Improvements, etc.		"		"				
TOTAL COSTS		[illegible]		[illegible]				[illegible]

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 January 9, 1954 Operator E. C. Schroeder Co. Inc.

Per R. H. Langmacher CJB Title Supt.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

January 18, 1954.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2964 (Iron), Contract Idm-E578, E. C. Schroeder Company, Inc., (Good Fortune group), Platte County, Wyoming. Operator's Monthly Progress Report for the period December 1953.

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.

Remarks:

Date of Report	January 9, 1954.
Date Received in Field Office	January 13, 1954.
Date Received in Region Office	January 15, 1954.

W. H. King

Enclosures

RDB: cwm

cc: Contract
Secretary to the Oper. Comm. (2)
WMTraver
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
January 14, 1954

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 2364, contract Idm-E578 (Iron), E. C. Schroeder Company, Inc. (Good Fortune group), Platte County, Wyoming - Progress report for December 1953

Enclosed are the original and four copies of the above progress report--forms MF-104 and MF-104A, with narrative, two progress maps, and sample record--and the original and six copies of M. H. Salsbury's memorandum covering his inspection of the surface churn drilling progress and review of the reporting forms. The contract is unit-cost on short form MF-200(A) and documentation is not required.

Salsbury verified in the field the churn drilling footage of 302 feet and access road building 475 feet, reported in the narrative and entered on the MF-104A forms and in addition, the 29 sample analyses entered on the reporting forms. Hole locations and access roads are shown on the progress maps, entries and extensions on the reporting forms are correct, and the inspecting engineer describes satisfactorily the work performance which was in accordance with the terms of the contract.

We presume the signatures on the report are acceptable.

Payment is approved and certified on the MF-104 forms of $1,158.00, or 50 percent of the total $2,316.00 claimed by the contractor.

W. M. Traver

W. M. Traver

enclosures

cc 4
E578
DMEA Cheron.

WMT/pam

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 80, Room 137
Denver Federal Center
Denver 14, Colorado
January 14, 1954

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: M. H. Salsbury

Subject: DMEA 2964, contract Idm-8578 (Iron), E. C. Behroeder Company, Inc. (Good Fortune group), Platte County, Wyoming - Progress report for December 1953

Progress under the subject contract for December 1953 was inspected January 4 and 5, 1954, in company with C. F. Brooks, bookkeeper and chemist for the contractor.

At the time of inspection, Hole No. 7 to the east of the open pit was being drilled. The contractor claims payment for 302 feet of churn drilling in Holes No. 4, 5, and 6, 29 chemical analyses for iron, and 475 feet of access road. All work was under Stage I, phase "A," of the contract.

The claims for drilling and chemical analyses were verified by checking drill logs and laboratory reports. The footage of access road built was measured as 500 feet but the contractor claims only 475 feet which brings the total to date to 1,000 feet, the maximum allowed under Stage I, phase "A," of the contract.

The narrative report and maps for December, submitted by the contractor, give length and location of completed holes and access roads and results of the analyses of samples for iron.

Drilling west of the open pit under Stage I, phase "A," of the contract, has been completed. Holes No. 1, 2, and 3, completed in November, showed low-grade ore which, according to the contractor's representative, can be beneficiated in a heavy media plant to make a product of shipping grade. Holes No. 4 and 5, completed in December, do not show ore of commercial value. The highest iron content in either hole was 18.0 percent iron at a depth of 91-97 feet in Hole No. 5. Other samples were negligible.

In Hole No. 6, the first drilled east of the open pit, analyses of as high as 41.8 percent iron were obtained and 84 out of

102 feet of hole showed material which probably could be concentrated. The hole was still in mineralized material at 102 feet, but had to be abandoned because of caving.

The only operation being carried on at the time of inspection was drilling under the exploration contract. Mining operations had been suspended pending installation of a heavy media plant which is scheduled for delivery in January 1954. The churn drilling crew of two men and Brooks were on duty.

The narrative report and forms MF-104 and MF-104A submitted by the contractor for December were signed by Brooks for the superintendent, R. G. Landmacher.

While it is apparent in the field that the location of the holes bear the proper relation to the ore trend as indicated by the open pit, the contractor is being advised to show this data on their progress maps.

Cuts of all samples taken in the first five holes were saved for DMEA, whether they had been analysed or not, and were brought to Denver Federal Center by the inspecting engineer.

Monthly unit totals entered on forms MF-104 and MF-104A for December are correct.

All work was done in accordance with the terms of the contract.

Payment of $1,158.00, or 50 percent of the amount claimed in December 1953, $2,316.00, is approved.

M. H. Salsbury
M. H. Salsbury
Mining Engineer

cc 6
E578
DMEA Chron.

MHS/pam

Guernsey, Wyoming
January 4, 1954

Mr. W. M. Traver Jr., Chief
Mineral Resources Branch, Mining Division, Region IV
U. S. Bureau of Mines
Bldg 20, Room 137
Denver Federal Center
Denver 14, Colorado

Dear Sir:

Enclosed are forms MF104 and MF104A for the month of December, 1953, and also maps showing exploration accomplished under contract IDM E578 in December.

Three holes were drilled as follows at locations noted on map:

Hole No.	Depth (ft)
4	100
5	100
6	102
Total	302

None of these holes penetrated material which could be shipped without beneficiation. Sections of hole No. 6 showed ore which might be concentrated by heavy media processes.

Samples were taken every six feet in mineralized and barren material. The mineralized sections were analyzed for iron content. Cuts of all samples were saved for the Field Team.

There were four hundred seventy-five feet of access roads built as shown on the maps.

Attached is sheet showing the sample breakdown, and analysis of mineralized samples.

Yours truly,

E. C. SCHROEDER CO., INC.

R G Langmacher CJB

R. G. Langmacher
Superintendent

RGL: ef
Enclosures

January 4, 1954

Sample Breakdown and Analysis of Footage Drilled December, 1953.

Hole No.	Depth	Sample Length	FE Analysis	Date
4	0-8'	8'	7.6%	Dec. 1, 1953
	8-11'	3'	7.0%	
	11-14'	3'	7.4%	
	14-17'	3'	9.4%	
	17-20'	3'	14.7%	
	20-23'	3'	11.8%	
	23-29'	6'	None	
	29-35'	6'	"	
	35-44'	9'	"	
	44-50'	6'	"	
	50-59'	9'	"	
	59-65'	6'	"	
	65-71'	6'	"	
	71-77'	6'	"	
	77-83'	6'	"	
	83-89'	6'	"	
	89-95'	6'	"	
	95-100'	5'	"	
5	0-7'	7'	None	Dec. 15, 1953
	7-13'	6'8	"	
	13-19'	6'	"	
	19-25'	6'	"	
	25-31'	6'	"	
	31-37'	6'	"	
	37-43'	6'	"	
	43-49'	6'	"	
	49-55'	6'	"	
	55-61'	6'	14.8%	
	61-67'	6'	None	
	67-73'	6'	"	
	73-79'	6'	"	
	79-85'	6'	7.8%	
	85-91'	6'	10.8%	
	91-97'	6'	18.0%	
	97-100'	3'	6.2%	
6*	0-12'	12'	39.0%	Dec. 24, 1953
	12-18'	6'	39.0%	
	18-24'	6'	31.0%	
	24-30'	6'	20.6%	
	30-33'	3'	18.1%	
	33-39'	6'	6.1%	No Visible Ore Particles
	39-45'	6'	4.8%	" " " "
	45-51'	6'	6.0%	" " " "
	51-57'	6'	20.5%	
	57-63'	6'	25.0%	
	63-69'	6'	12.5%	
	69-75'	6'	20.5%	
	75-81'	6'	18.0%	
	81-87'	6'	41.8%	
	87-93'	6'	16.2%	
	93-102'	9'	20.6%	

*Hole #6 was drilled in loose material, and casing was used the first thirty five feet. The hole was drilled over one hundred feet due to mineralized formation at this depth. However, drilling was impossible beyond this depth of one hundred two feet, because of caving.

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

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

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

Month of November, 195 Docket No. DMEA 2964 Contract No. IDM-2578
Operator's Name E. G. Schroeder Co., Inc. Minerals Iron
Address McGregor, Iowa
Contract Amount, $ 48,100.00 Government Participation: 50 % Amount, $ 24,050.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	1644.00		1644.00			
Roads & Trails	525.00		525.00			
Bulldozing						
Crosscutting						
Sample Analysis	11.00		11.00			
(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	2180.00		2180.00	2180.00		2180.00

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

Date Dec. 4/53 *Payee E. G. Schroeder Co. Inc.

Per W. L. Langenwalter Title Supt.

*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:

$1090.00

Signature
(Authorized Certifying Officer)

Date 12/16/53 Vou. No. DMA 54-59

(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. I dm-E578 in accordance with the terms of the contract.

Signature W. H. Goldsmith $1090.00 Title Mining Engineer Date Dec. 7, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: R. D.B.

Signature W. S. King Title Executive Officer Date DEC 15 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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
JAN - 8 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November, 1953 Docket No. DMEA 2964 Contract No. [illegible]
Operator's Name Firm Name E. C. Schroeder Co., Inc. Minerals IRON
Address McGregor, Iowa

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								
Churn	274	1644.00	274	1644.00	274	1644.00	7100	42,600.00
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	525	525.00	525	525.00	525	525.00	5000	5,000.00
Sample Analysis	11	11.00	11	11.00	11	11.00	500	500.00
TOTAL DISTRIBUTED COSTS		2180.00		2180.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None		None				
Initial Rehabilitation and Repairs		None		None				
New Buildings, Improvements, etc.		None		None				
TOTAL COSTS		2180.00		2180.00				48,100.00

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

Date Dec. 4/53 Operator E. C. Schroeder Co., Inc.
R. J. Langenbach Title Supt.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

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

224 New Customhouse
Denver 2, Colorado

December 15, 1953.

Memorandum

To: T. A. Christensen

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 2964 (Iron), Contract Idm-E578, E. C. Schroeder Company, Inc. (Good Fortune group), Platte County, Wyoming. Operator's Monthly Progress Report for the period November 1953.

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.

Although located in Wyoming the field inspection work on this contract is handled by the Colorado office and copies of correspondence, etc. for Field Office use are to be sent to W. M. Traver.

Remarks:

Date of Report	December 4, 1953.
Date Received in Field Office	December 7, 1953.
Date Received in Region Office	December 14, 1953.

W. H. King

W. H. King

Enclosures

RDB:cwm

cc: Contract
Secretary to the Oper. Comm. (2)
WMTraver
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
December 9, 1953

Memorandum

To: Executive Officer, Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 2964, Contract Idm-E578 (Iron) E. C. Schroeder Company, Inc. (Good Fortune group), Platte County, Wyoming -- Progress report for November 1953

Enclosed are the original and four copies of the above progress report--forms MF-104 and MF-104A, with narrative, progress map--and the original and six copies of M. H. Salsbury's memorandum covering inspection of progress and checking the reporting forms. The contract is unit cost on Short Form MF-200(A), and documentation is not required.

Salsbury confirms the churn drill footage of 274 feet in three holes, 525 feet of access road to drill sites, and eleven sample analyses reported in the operator's narrative and entered on the MF-104A forms. The hole locations and access road are shown on the progress map. Entries and extensions on the reporting forms are verified, and an adequate description of the work performed which is in accordance with the terms of the contract is included in the engineer's memorandum.

The operator includes a statement with the progress report regarding the location of mine workings on the Nightingale claim concerning which there was some question. Salsbury finds the survey confirms the operator's statement.

Payment is approved and certified on the MF-104 forms of $1,040.00, or 50 percent of the total $2,080.00 claimed by the contractor.

for Scott W. Hagen
W. M. Traver

enclosure

WMT/kp

cc 4
E578
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
December 7, 1953

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: M. H. Salsbury

Subject: RMRA 2964, Contract Idm-5578 (Iron) E. C. Schroeder Company, Inc. (Good Fortune group), Platte County, Wyoming -- Progress report for November 1953

Progress under the subject contract for November 1953 was inspected November 30-December 1, 1953, in company with Paul C. Schroeder and R. G. Landmacher, manager and superintendent, respectively, for the contractor.

At the time of the inspection, hole No. 4 was being drilled, and holes No. 1, 2, and 3 had been completed. The contractor claims payment for a total of 274 feet of churn drilling in the three holes completed, 585 feet of access roads, and eleven chemical analyses for iron. All work done was under Stage I, Phase "A", of the contract. These figures were verified by checking drill logs and laboratory records and by measuring the access roads.

The narrative report and map for November, submitted by the contractor, give length and location of completed holes and access roads, and results of analyses of certain samples for iron.

The amount of mineralization present in the material being penetrated is roughly determined in the field by visual inspection. If the iron content appears to be high enough to have significance, samples of the sludge are taken for each 2-foot or 3-foot interval and analyzed. The lower grade material is sampled at 6- to 8-foot intervals but is not analyzed, except as an occasional check. Portions of all samples, whether analyzed or not, were saved for the Region IV Field Team. Results to date do not show ore which could be shipped mine run or upgraded sufficiently by screening to make a commercial product. Schroeder, however, states that much of the

material drilled can be concentrated successfully in a heavy media plant which is being purchased for the operation.

A survey of the Nightingale group has been made, locating the old workings definitely, placing them well within the boundaries of the Nightingale claim. The first three holes to be drilled under Phase "B" of the contract will be located definitely in relation to these workings, and a map of the property, showing the drill locations, will be sent to the Region IV Field Team prior to actual drilling which probably will not be started before March 1954.

Monthly unit totals entered on forms MF-104 and MF-104A for November are correct.

All work was done in accordance with the terms of the contract.

Payment of $1,090.00, or 50 percent of the amount claimed in November 1953, $2,180.00, is approved.

M. E. Salsbury
M. E. Salsbury
Mining Engineer

MES/kp

cc 6
2578
Chron

Guernsey, Wyoming
December 4, 1953

Mr. W. M. Trever Jr., Chief
Mineral Resources Branch, Mining Division, Region IV
U. S. Bureau of Mines
Bldg 20, Room 137
Denver Federal Center
Denver 14, Colorado

Dear Sir:

Enclosed are forms MF104 and MF104A for November, 1953, and a map showing exploration accomplished under contract IM 8398 in November.

Three holes were drilled as follows at locations noted on map:

Hole No.	Depth (ft)
1	100
2	60
3	114
Total	274

None of these holes penetrated material which could be shipped without beneficiation. Sections of hole No. 1 and 3 showed ore which might be concentrated by heavy media processes.

Samples were taken every 2 or 3 feet in mineralized formations and every 5 or 8 feet in barren material. The mineralized sections were analyzed for iron content. Cuts of all samples were saved for the Field Team.

There were five hundred and twenty-five feet of access road built as shown on the map.

Attached is sheet showing the sample breakdown, and analysis of mineralized samples.

Yours truly,

R. G. SCHROEDER CO., INC.

R. G. Langwacher
Superintendent

RGL:ef

[illegible]ember 4, 1953

Sample Breakdown and Analysis of Footage Drilled November, 1953.

Hole No.	Depth	Sample Length	FE Analysis	Date
1	0-6'	6'	11.0%	Nov. 1, 1953
	6-12'	6'	10.0%	
	12-16'	4'	12.0%	
	16-18'	2'	13.0%	
	18-20'	2'	17.0%	
	20-23'	3'	9.4%	
	23-29'	6'	None	
	29-35'	6'	None	
	35-41'	6'	None	
	41-47'	6'	None	
	47-53'	6'	None	
	53-59'	6'	None	
	59-65'	6'	None	
	65-71'	6'	None	
	71-77'	6'	None	
	77-83'	6'	None	
	83-89'	6'	None	
	89-95'	6'	None	
	95-100'	5'	None	
2 *	0-6'	6'	9.6%	Nov. 13, 1953
	6-12'	6'	None	
	12-18'	6'	None	
	18-24'	6'	None	
	24-30'	6'	None	
	30-36'	6'	None	
	36-42'	6'	None	
	42-48'	6'	None	
	48-54'	6'	None	
	54-60'	6'	None	
3 **	0-8'	8'	None	Nov. 23, 1953
	8-11'	3'	16.0%	
	11-14'	3'	15.8%	
	14-17'	3'	17.0%	
	17-20'	3'	11.3%	
	20-26'	6'	None	
	26-32'	6'	None	
	32-38'	6'	None	
	38-44'	6'	None	
	44-50'	6'	None	
	50-56'	6'	None	
	56-62'	6'	None	
	62-68'	6'	None	
	68-74'	6'	None	
	74-80'	6'	None	
	80-86'	6'	None	
	86-92'	6'	None	
	92-101'	9'	None	
	101-104'	3'	8.1%	
	104-107'	3'	10.3%	
	107-114'	7'	None	

* Hole #2 was drilled only to a sixty foot depth because the shist formation had turned almost vertical and there was the indication of foot-wall.

**Hole #3 was drilled more than one hundred feet deep because it was penetrating mineralized formation at one hundred feet.

Guernsey, Wyoming
December 4, 1953

Mr. W. M. Traver Jr., Chief
Mineral Resources Branch, Mining Division, Region IV
U. S. Bureau of Mines
Bldg. 20, Room 197
Denver Federal Center
Denver 14, Colorado

Dear Sir:

Mr. Salsbury the Bureau of Mines inspector, brought to my attention a discrepancy in the location of the shaft and tunnel workings, located on the Nightengale Claim. Mr. Peter F. Anker, our surveyor at Guernsey, gives the location of the shaft and tunnel on the Nightengale Claim as follows:

From Corner No. 2 of the Nightengale Claim a distance of 462.7 feet bearing N 49 degrees 12' W to a point on the claim boundary line between Corner No. 2 and Corner No. 3, thence a distance of 332.0 feet bearing N 16 degrees 50' W to the excavations.

The Plat of U. S. Survey 196 also shows these workings in this same location.

Yours truly,

R. C. SCHROEDER CO., INC.

R. G. Langnacher

R. G. Langnacher
Superintendent

RGL: of

C
O
P
Y

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

April 25, 1956

Mr. C. A. Thompson
Assistant Secretary-Treasurer
Schroeder Mining Company
Guernsey, Wyoming

Re: Docket No. DMEA 2964 - Iron
Good Fortune and Nightingale Mines
Platte County, Wyoming
Contract No. Idm-E578

Dear Mr. Thompson:

This is with reference to the subject exploration contract between you and the Government.

It is not our intention to issue a certification of discovery or development which would create a lien against the subject property. We are, therefore, closing our books and records with respect to this project. Your attention is called, however, to the provisions of the contract which require the operator to keep and preserve certain records for the period indicated.

We regret that the exploration work performed did not result in a discovery or development. Your participation in the exploration program, however, is sincerely appreciated.

Sincerely yours,

/s/ C. O. Mittendorf

Administrator

Government's copy

RECEIVED
FEB - 9 1956

TERMINATION AGREEMENT

It is agreed this 30th day of November, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Schroeder Mining Company, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E578, Docket No. DMEA-2964, dated August 7, 1953, hereinafter called the "Contract," that:

1. Effective September 1, 1954, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government will contribute only to the fixed unit costs of work performed prior to said effective date, provided that the Government may deduct the sum of $500 from any money due the Operator in lieu of the Operator making and rendering the final report and final account required under the Contract.

3. All rights of the Government provided for in the Contract with respect to a certification of discovery or development and a percentage royalty and lien for its payment are preserved.

4. 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.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mitchell
Administrator, Defense Minerals Exploration Administration

SCHROEDER MINING COMPANY

By E. A. Thompson

Asst. Secy. Treas.

Refer to who?

SCHROEDER MINING CO.

P.O. BOX 487
CHATFIELD, MINNESOTA

DMEA
Date Rec'd
JAN 10 1956
BUREAU OF MINES
Denver, Colorado

January 9, 1956

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

Re: DMEA 2964, Contract
Idm-E578 - Iron

Dear Mr. Harshman:

Referring to your letter of December 7, 1955, in which you enclosed copies of a Termination Agreement prepared in Washington and signed by the Administrator, DMEA, whereby the contract would be terminated by mutual agreement.

Our records show claims of $568.00 and $156.00 which were held up pending release of Final Audit or Report of Review or mutual termination of the above contract.

We agree to termination of the contract by mutual agreement with the understanding that the Government may deduct the sum of $500.00 from any monies due us in lieu of making and rendering the final report and final account required under the contract.

Very truly yours,

SCHROEDER MINING COMPANY

By E. A. Thompson
Asst. Secy. Treas.

CT/1

Mr. Chambers.

AUG 4 - 1954

Mr. [illegible] King, Executive Officer
DMEA Field Team, Region IV
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA 2964 - Iron
Schroeder Mining Co. (Assignee)
Good Fortune & Nightingale mines
Platte County, Wyoming
Contract No. Ior-578

Dear Mr. King:

Reference is made to your memorandum of June 14, 1954, transmitting a memorandum dated June 10, 1954, from [illegible] Salsbury, Bureau of Mines, to [illegible] Traver, Bureau of Mines, on certain production under the subject contract.

In our letter of June 10, 1954, you are requested to advise the Operator that all production from the property set forth in Article 2 of the contract is subject to royalty payments. Production in this case resulting from the treatment of a stockpile of low-grade overburden stripped from the ore deposit is considered the same as that coming from a waste dump.

In several cases similar to the present one, where it was not the intention of either the Government or the Operator that the production from such sources would be subject to royalty payments, production from the waste dumps or detrital material have been excluded by suitable amendments from that on which royalty is to be paid. Therefore, as the low-grade material stripped was stockpiled prior to commencement of work under the subject exploration contract and did not benefit in any fashion from the DMEA program, the production resulting therefrom may be excluded from that on which the Government's percentage royalty is due by an amendment to carry out the real intention of both parties. Such exclusion, however, should be requested by the Operator, accompanied by the reasons for the exclusion and stating that, when the contract was executed, it was not the Operator's belief that the production from the stockpiled material would be subject to the Government's percentage royalty.

The Operator's request should then be forwarded to Washington with the Field Team's recommendation. If exclusion of this production or any other production from that on which royalty is due the Government is recommended by the Field Team, the Field Team's recommendations should be accompanied by justifications for the exclusion.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Director, Bureau of Mines

T. P. Thayer

Director, Geological Survey

cc: [illegible]
[illegible]
[illegible] TEAM, [illegible] IV
OPER. COMMITTEE
MR. [illegible]
[illegible]
[illegible], USGS
AIM. READING FILE

FARutledge/ls
7/23/54

P.S. Attached hereto are copies of Counsel's memorandum dated July 19, which was prepared pursuant to the initial draft reply to your memorandum dated June 14. The text of the foregoing does not contain the "waiver of royalty claim" which Counsel objected to. He has surnamed the docket copy of this letter.

No. 3

AMENDMENT OF CONTRACT: No. IDM-E578

Contract Docket No. DMEA 2964, dated August 7, 1953, between the United States of America and Schroeder Mining Company is hereby amended as follows, effective June 15, 1954:

> Referring to EXHIBIT "A" attached to Exploration Project Contract Form MF-200(A) (February 1952) caption "Description of the Work", second paragraph; and subheadings PHASE "B", Stage I, item "1", in lieu of drilling the three churn drill holes as described therein and as shown on "Figure 3" referred to therein, instead two of the holes will be drilled on the Nightingale claim at the approximate locations shown on the map titled "Schroeder Mining Co., Drill Hole Locations, Nightingale Group, Phase B, Stage I, Date: May 18, 1954" which is attached hereto and made a part of this amendment.
>
> The third hole will be drilled in the general locality of the first two holes, its exact location will be established by mutual agreement between the operator and the Defense Minerals Exploration Administration, depending upon results obtained from drilling the first two holes.

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 SEP 7 1954

SCHROEDER MINING CO.

By Paul E. Schroeder

UNITED STATES OF AMERICA

By W.H. King

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

August 30, 1954

Memorandum

To: Mr. A. H. Koschmann E.M.H. for AHK.

From: D. W. MacLaren

Subject: DMEA Docket 2963, 2964, Contract Idm-E578, Schroeder Mining Company, Nightengale - Good Fortune Groups, Platte County, Wyoming

In a letter dated June 3, 1954, R. G. Langmacher, superintendent for the subject operator requested authorization to begin churn drilling under Phase B of the subject contract. Accompanying the letter were five copies of a map showing the proposed location of two drill holes.

In the original geologic report, the recommendations were to drill three holes to find out whether or not the ore body in the Whalen formation, now being mined by the Colorado Fuel and Iron Company, extends beneath the Rustler, Nightengale, and Origin claims of the subject operator. Additional drilling was recommended if this should prove to be the case. The contract was set up to provide for this drilling.

In the same report mention was made of the existence of localized deposits, some of excellent grade but usually too small to be of much economic importance, that have been found in a hematitic conglomerate at the base of the Guernsey formation. On the first visit to the property evidence of a conglomeratic deposit was found in a short tunnel and in the dump of an inaccessible shaft. Due to a lack of a suitable map, Mr. Schroeder estimated the workings to be about one quarter of a mile west of the Nightengale claim, but a subsequent survey showed that they are on that claim.

February 25, 1954, in anticipation of completion of Phase A and the start of Phase B, a second visit was made to the Nightengale claim

in company of Mr. Schroeder and M. H. Salsbury of the U. S. Bureau of Mines. This time suitable maps were available and Mr. Schroeder expressed a desire to test the shallow deposit indicated in the tunnel and winze by drilling two or three holes. The proposal was discussed and tentative drill sites were indicated by Mr. Schroeder. He was advised to prepare a map showing the exact location of the proposed holes and to submit it with an application for an amendment to the contract to allow this drilling before starting the holes provided for in the original contract.

It is therefore recommended that the holes requested in Mr. Langmacher's letter of June 3, 1954, be approved.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
August 25, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: DMEA 2964, Contract IDM-E578 (Iron) Schroeder Mining Co. (Nightingale and Good Fortune groups), Platte County, Wyo.

Transmitted herewith are the original and three copies of a letter with accompanying plat maps from the contractor on the captioned docket, stating that Phase "A" under Stage I has been completed and stating that he is prepared to start within 3 weeks of June 3, 1954, Phase "B" under Stage I. One copy is being retained in our files.

You will note from the date stamp on the original copy of the letter that we received it on June 8, 1954, and for some unknown reason the copies were not transmitted to you in the usual manner.

In the interim, the contractor started Phase "B", Stage I, on the assumption and with the assurance of this office through its representatives that it would receive Field Team approval.

There is transmitted also the original and eight copies of a memorandum prepared by M. H. Salsbury, recommending approval of the revised churn drill hole locations for the two holes requested and shown on the operator's sketch. The third hole was located and authorized subject to Field Team approval as shown on the operator's last or July progress report. It is also now recommended to the Field Team for approval. If it is your interpretation that an amendment is required to the contract, Salsbury's memorandum will also serve this purpose.

With regard to the possibility that these three holes, all located on the Nightingale claim, might be considered as in conflict with holes under Stage II of Phase "B"-- The results achieved so far on the project have not been encouraging, and anticipating that we

would be required to make a reappraisal of the outcome before authorization of Stage II of Phase "B" or possibly a revised proposal which the contractor indicated he might request, we decided upon the location of the three holes partly to facilitate our reappraisal of the matter with the intention of recommending elimination at least of Stage II of Phase "B" or possibly suggesting termination of the contract.

W. M. Graver

W. M. Graver

enclosures

WMG/ky

cc/ 8
2578
Caron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 2, Colorado
August 24, 1954

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: M. H. Salsbury

Subject: DMEA 2964, Contract IDM-8578 (Iron) Schroeder Mining Co. (Nightingale and Good Fortune groups), Platte County, Wyo.--Request of the operator for approval of or a contract amendment authorizing Stage I, Phase "B"

Under date of June 3, 1954, the Schroeder Mining Co. submitted a map and covering letter requesting a change in churn drill hole sites called for under Stage I, Phase "B", of the subject contract.

The new sites for the first two holes are near the center of the Nightingale claim and on an iron ore outcrop where a tunnel, shaft, and several pits have been dug some time in the past.

The original sites as shown on the map in the engineering report on the original application, and as used in the contract, were decided upon solely to form a pattern to cover the entire property as shown on a claim map, and not in relation to a known ore occurrence on the property. The location of the ore outcrop was uncertain at the time the examination was made, prior to a survey of the claims.

The purpose of the exploratory drilling is to determine if there is any commercial iron ore in the potential ore-bearing, pre-Cambrian Whalen formation which is capped by an estimated 75 to 200 feet of sediments of the Guernsey and Hartville formations. An occurrence similar to the nearby Sunrise ore deposit is sought.

However, there is some possibility of commercial ore in the capping formations. The contractor wishes to do the first work at a point where ore is exposed to investigate the possibility of worthwhile ore at surface as well as at depth.

A DMEA examining team made up of Bureau of Mines and Geological Survey members made a field inspection of the proposed drill sites in March 1954.

The DMEA team does not see any objection to locating holes under Stage I, Phase "B", of the contract as indicated by the two holes shown on the map submitted. There is a possibility that mineralization in the underlying Whalen formation might be indicated by mineralization in the cap rock immediately above, and a location where some mineralization is showing at surface appears to be a logical place to start drilling.

It is recommended that the contract be amended to permit drilling two of the holes in Stage I, Phase "B", at the locations shown on the map submitted by the contractor, with the third hole to be located depending on the results of drilling the first two.

F. W. Everett, for
M. E. Salisbury
Mining Engineer

MES/kp

cc / 8
2578
Chron

June 3, 1954

Mr. W. M. Traver, Chief
Mineral Resources Branch
Mining Division, Region IV
Denver Federal Center
Denver, 14, Colorado,

Dear Sir:

Re: DMEA 2964, Contract IDM E 578
Schroeder Mining Company,
Platte County, Wyoming,

We wish to advise you that we have completed drilling on Phase A on the Good Fortune group of mining claims.

We will be in position to commence drilling on Phase B on the Nightingale group of claims in about three weeks from today.

Enclosed herewith are five copies of plat showing proposed locations of holes 1 and 2.

Plat was drawn from Mineral Survey number 196.

Very truly yours,

SCHROEDER MINING COMPANY

By R. G. Langmacher

R. G. Langmacher, Supt.

RGL/t

Encl.

No. 2

AMENDMENT OF CONTRACT: No. IDM-E578

Contract Docket No. DMEA 2964, dated August 7, 1953, between the United States of America and Schroeder Mining Company is hereby amended as follows, effective as of the date of the contract:

> Referring to "Article 3. Exploration project" of Exploration Project Contract Form MF-200(A) (February 1952), following the words "and shall bring the project to completion within a period of", delete "twelve (12)" and in lieu thereof substitute "sixteen (16)".

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 AUG 30 1954

SCHROEDER MINING COMPANY

By Paul E. Schroeder
President

UNITED STATES OF AMERICA

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

COPY

SCHROEDER MINING CO.
Guernsey, Wyoming

August 1, 1954

Mr. W. M. Traver, Jr.
Chief Mineral Resources Branch
Mining Division, Region IV
U.S.Bureau of Mines
Denver Federal Center
Denver 14, Colorado

Dear Sir:

Re: DMEA 2964, Contract IDM-E578
Iron, Schroeder Mining Company
Platte County, Wyoming,
(Nightingale Group).

In the past several months we have been considerably delayed in commencing drilling operations on the Nightingale Group of claims under the above captioned project dueto our inability to secure necessary easement for right-of-way for access road to the claims.

We therefore ask you to give full consideration to our request, herewith made, for an extension of term of contract for a further period of four months.

Very truly yours,

SCHROEDER MINING COMPANY

By /s/ R. G. Langmacher, Supt.
R. G. Langmacher

RGL/t

No. 1

AMENDMENT OF CONTRACT: No. IDM-E578

Contract Docket No. DMEA 2964, dated August 7, 1953, between the United States of America and Schroeder Mining Co., is hereby amended as follows, effective March 10, 1954:

> Referring to EXHIBIT "A" attached to Exploration Project Contract Form MF-200(A) (February 1952), caption "Description of the Work", heading PHASE "A", subheading "Stage I" item "1", in lieu of drilling twelve (12) holes east of the pit as cited at the locations shown on figure 2, referred to and attached to said Exhibit "A", eight (8) holes will be drilled east of the pit and the unexpended balance of the 2000 feet of drilling will be expended in drilling north of the pit in "Area A" shown on Figure 2 which is attached hereto and made a part of this amendment.

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 MAR 2 5 1954

SCHROEDER MINING CO.

By Paul E. Schroeder
President

UNITED STATES OF AMERICA

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

March 8, 1954

Memorandum

To: Mr. A. H. Koschmann A.H.K by E.M.H.

From: D. R. MacLaren

Subject: DMEA Docket 2964 (iron), Contract Idm-E578, Schroeder Mining Company, Platte County, Wyoming

In a letter dated February 23, 1954, Mr. Paul Schroeder, vice-president of the subject company, asked that a field examination be made to justify certain radical changes in the locations of the four holes remaining to be drilled under Phase A, Stage I of the subject contract. On February 24 and 25, 1954, accompanied by M. H. Salsbury of the U. S. Bureau of Mines and Paul Schroeder of the subject company, I visited the property, checked churn drill cuttings, and made a reappraisal of the geologic picture in the light of new exposures in cuts along roads for drill-rig access. It appears that the east end of the ore body in the main pit has been offset to the south a distance of about 110 feet. The offset portion has been well delineated by churn drilling and it is not likely that any more holes in the pattern originally laid out will result in the discovery of more ore. Mr. Schroeder requested that authorization be given to drill the remaining four holes north of the main pit to see if the ore extends in that direction or, if not, to look for another ore body to the north. Schroeder indicated three locations for drilling and asked that the fourth hole location be dependent upon the results in the first three, or that the footage of the fourth hole be made available for deepening one or more of the first three, depending on the results of the drilling. For purposes of reference, one site was marked by a double-jack hammer and the other two holes were located respectively about 150 feet southwesterly and 150 feet easterly from the jack hammer.

It is recommended that authorization be given to drill these holes at the locations indicated by Schroeder and that the hole east of the jack hammer be drilled only after completion of the first two holes.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
March 5, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region IV

From: Chief, Mineral Resources Branch, Mining Division, Region IV

Subject: Docket DMEA 2964, Contract Idm-E578 (Iron), Schroeder Mining Company, Platte County, Wyoming

Enclosed are the original and seven copies of M. H. Salsbury's memorandum recommending an amendment to the subject contract. The recommendation has my approval.

W. M. Traver

W. M. Traver

enclosure

WMT/kp

cc 7
E578
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Region IV

Building 20, Room 137
Denver Federal Center
Denver 14, Colorado
March 3, 1954

Memorandum

To: Chief, Mineral Resources Branch, Mining Division, Region IV

From: M. H. Salsbury

Subject: Docket DMEA 2964, Contract Idm-E578 (Iron), Schroeder Mining Company, Platte County, Wyoming--Request for amendment

Schroeder Mining Company has requested an amendment to the subject contract to permit a change in the location of the remaining churn drill holes allowed under Phase A, Stage I.

The property was visited on February 24 and 25, 1954, by Region IV Defense Minerals Exploration Administration representatives to check the advisability of the proposed change. Phase A, Stage I drilling, 5 holes west of the open pits, has been completed. East of the open pits, 8 of 12 projected holes have been drilled. The possibility of finding more ore by drilling the remaining 4 designated holes here is remote. Hole No. 6 is the only one which has encountered worthwhile mineralization; holes Nos. 8 and 9 encountered mineralization at depth, but it is overlain by as much as 66 feet of overburden. Three holes, Nos. 7, 10, and 11, drilled to explore a possible eastward extension of the ore in the pits were all in barren material. The last 2 holes, Nos. 12 and 13, drilled to explore a possible extension of the ore encountered in hole No. 6, which was not in the projected ore trend, encountered a few feet of low-grade material at surface

and then entered barren limestone, probably in the footwall.

North of the eastern pit, the operators have stripped 20 to 30 feet of overburden, and mineralization extending to the north is indicated. The proposed holes, which were tentatively located by Paul Schroeder, in company with the examining team, would determine if there is a lens in the probably favorable schist structure paralleling the known ore body. While there is no surface evidence of such a lens of ore, it is possible that another ore body does occur here, and it could be determined at comparatively small cost.

It is recommended that the Region IV Field Team approve an amendment to permit churn drilling of 3 holes at locations approximating the sites shown the examining team by Schroeder on the north side of the east pit. No hole is to be deeper than 150 feet, unless in ore, and the aggregate footage is not to exceed the amount remaining in Phase A, Stage I, or 899 feet.

A 4th hole should be permitted if the results of the other 3 justify it. This would also apply to the 18 holes in Phase A, Stage II, which are not now advisable at the locations specified in the contract.

J. A. Everitt, for
M. H. Salsbury
Mining Engineer

MHS/kp

cc 7
2578
Chron

C
O
P
Y

E. C. SCHROEDER CO., INC.
Guernsey, Wyoming

Feb. 23, 1954

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

Dear Sir:

Re: Exploration Project Contract
No. IDM-E 578, Docket No. DMEA 2964

As explained in our telephoned conversation this morning we have come to the conclusion that we will have to make some radical changes in our drilling program and believe that same should be inspected at your earliest convenience.

Very truly yours,

E. C. SCHROEDER COMPANY, INC.,

By /s/ Paul E. Schroeder

Paul E. Schroeder, Vice Pres.

PES/t

Government's Copy

ASSIGNMENT OF CONTRACT
ASSIGNEE'S ACCEPTANCE
GOVERNMENT'S CONSENT

WHEREAS, the E. C. Schroeder Co., Inc., an Iowa corporation (hereinafter called the "Operator"), entered into an Exploration Project Contract dated August 7, 1953, Contract No. Idm-E578, Docket No. DMEA-2964, with the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration (hereinafter called the "Government"); and

WHEREAS, by an instrument dated December 26, 1952, the Operator leased from W. H. Collins 12 patented mining claims known as:

Nightingale	Good Fortune
Origan	Good Fortune Annex
O. K.	Appex
Rustler	Blue Bird
Columbia	Denver and Gulf
Black Cloud	Cottonwood

and

WHEREAS, the Operator by an instrument dated December 4, 1953, duly assigned all his right, title, and interest in and to the said claims to the Schroeder Mining Co., a corporation duly organized and existing under and by virtue of the laws of the State of Delaware (hereinafter called the "Assignee"), having an office located at 500 Wesley Temple Bldg., Minneapolis 3, Minnesota;

NOW THEREFORE, the Operator in consideration of the sum of One Dollar ($1.00) lawful money of the United States and other good and valuable consideration received from the Assignee, does hereby assign, transfer, and convey to the Assignee all its right, title, and interest in and to the aforesaid Exploration Project Contract including any and all property purchased for, and the right to use any and all property devoted to the exploration work under this Exploration Project Contract, and hereby consents to any and all future amendments to the said contract; Provided, however, That the Government shall pay to the Operator all monies which may be or become due and payable to the Operator before the first day of the second month following the month in which this Assignment is accepted in writing by the Assignee; and upon payment thereof, the Operator agrees

to release and hereby releases the Government from any and all claims, past, present, or future arising out of the said Exploration Project Contract.

This Assignment is subject (1) to the written consent of the Government; (2) to written acceptance by the Assignee; and (3) assumption by the Assignee of the terms, provisions, and conditions of said Exploration Project Contract binding upon the Operator.

Dated December 4, 1953.

E. C. SCHROEDER CO., INC.

By _____

On this 4th day of December, 1953, before me Jessie Ruff, the undersigned officer, personally appeared E.C. Schroeder, who acknowledged himself to be the President of the E. C. Schroeder Co., Inc., a corporation, and that he as President, being duly authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

IN WITNESS WHEREOF, I have hereunto set my hand and seal.

Jessie Ruff
Notary Public

The Assignee, this 4 day of December, 1953, hereby accepts the above Assignment, and assumes and agrees to be bound by the terms, provisions, and conditions of said Exploration Project Contract that are binding on the Operator.

SCHROEDER MINING CO.

By James R. Ritchay

On this 4 day of December, 1953, before me ROBERT P. WANDER, the undersigned officer, personally appeared James R. Ritchay, who acknowledged himself to be the Vice President of the Schroeder Mining Co., a corporation, and that he as Vice President, being duly authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as Vice President.

IN WITNESS WHEREOF, I have hereunto set my hand and seal.

ROBERT P. WANDER
Notary Public, Hennepin County, Minn.
My Commission Expires Sept. 14, 1957.

Robert P. Wander
Notary Public

The Government, this 28th day of January, 1953, without releasing the Operator from any of the terms, provisions, and conditions of the said Exploration Project Contract, hereby consents to the above Assignment.

THE UNITED STATES OF AMERICA

By O Mitchendorf
Administrator, Defense
Minerals Exploration
Administration

Docket No. 2964

Commodity Iron

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 578

Date of Contract ~~xxxxxxxxxxxx~~: August 7, 1953

Name and Address of Operator:

E. C. Schroeder Co., Inc.
McGregor, Iowa

Amount of Government participation $24,050.00

Percent of Government participation 50 %

Region: III State: Wyoming

Note: Please release $17,523.00. Contract terminated.

(Name)

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

(Title)

Date Delivered to Bureau of Mines, Washington. 2/27/56

54458

Docket No. 2964

Commodity Iron

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 578

Date of Contract ~~or Amendment~~: August 7, 1953

Name and Address of Operator:

H. C. Schroeder Co. Inc.
McGregor, Iowa

Amount of Government participation $ 24,050.00

Percent of Government participation 50 %

Region: IV State: Wyoming

(Name)

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

(Title)

Date Delivered to Bureau of Mines, Washington. August 7, 1953

13908

MF-200 (A)
(February 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT - 2 1953

DOCKET NO. DMEA 2964

COMMODITY Iron

Government's Copy
IDM-E 578

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

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this 7th day of August, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] E. C. Schroeder Co., Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Iowa McGregor, Iowa

hereinafter called the "Operator," as follows: and as set forth in Annexes I, II, and III

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Wyoming, County of Platte, described as follows:[3] Twelve (12) patented mining claims, six (6) in the Good Fortune Group and six (6) in the Nightingale Group, more particularly described as set forth in Annex I and indicated on the following maps attached hereto and made a part hereof: Fig. 1 - Location map, showing relative position of Nightingale and Good Fortune Groups, Fig. 2 - Good Fortune Group, and Fig. 3 - Nightingale Group.

the Operator represents and undertakes: 4/ Guaranty of the Operator as Annex II, in lieu of the

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.

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

ARTICLE 3. *Exploration project.*—The Operator, within --90- days from the date of this contract shall commence work on a project of exploration for[5] iron ore in or upon the described land; and shall bring the project to completion within a period of twelve (12) months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 50 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $24,050.00 which is 50 percent of $48,100.00 the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; ~~Provided that no transfer by the Operator to a partner in the Operator's business shall be deemed a transfer within the meaning of this Article 7 if such partner shall be a bona fide resident of the United States and shall be a citizen of the United States or a corporation organized under the laws of the United States or of any State thereof, and if such transfer shall be made for the purpose of enabling the Operator to comply with the requirements of the laws of the United States or of any State thereof with respect to the ownership of property by such partner.~~ Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

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

ARTICLE 9. *Changes and added provisions* _____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

E. C. SCHROEDER CO., INC.
(Operator)

By Paul E. Schroeder
Vice President

By O. M. Mitendorf
Administrator, Defense Minerals Exploration Administration

I, Violet M. Schroeder, certify that I am the secretary of the corporation named as Operator herein; that Paul E. Schroeder, 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.

Violet M. Schroeder
Secretary

NO [CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
E. C. SCHROEDER CO., INC.
DOCKET NO. DMEA-2964

EXHIBIT "A"

Description of the Work

The exploration work on this project is to be done in two concurrent phases on neighboring areas in the Hartville Mining District. Phase "A" on the Good Fortune group of claims shall consist of two (2) stages as indicated on the attached map entitled "Fig. 2 - Good Fortune group showing approximate location of open cut, holes drilled by E. C. Schroeder Co., Inc. . . . "

The second phase, Phase "B", is on the Nightingale group of claims and shall consist of three (3) stages; Stages I and II of Phase "B" are indicated on the attached map entitled "Fig. 3 - Nightingale group showing approximate location of recommended churn drill holes."

In each phase, the work in each successive stage shall be undertaken only upon completion of the prior stage and if in the opinion of the Government, the results thereof warrant it. The location of all roads shall be subject to the prior approval of the Government.

Representative samples shall be taken of all mineralized formations encountered. Each sample shall be divided into not less than two parts, one of which is to go to the Field Team and the other to the Operator. The samples are to be analyzed to the extent below indicated.

PHASE "A"

Stage I

Time Schedule: 0 - 3 months

1. Churn drill seventeen (17) holes with not less than a 6-inch bit for an aggregate length not to exceed 2,000 feet. Five (5) of the holes are to be west of the pit presently being mined and twelve (12) east of this pit as indicated on figure 2. Churn drill holes in barren or waste material shall not exceed 100 feet in length.

2. Construct a maximum of 1,000 feet of access roads to the drill sites.

Stage II

Time Schedule: 4 - 7 months

1. Churn drill eighteen (18) holes with not less than a 6-inch bit for an aggregate length not to exceed 3,000 feet.

2. Construct a maximum of 2,000 feet of access roads to the drill sites.

PHASE "B"

Stage I

Time Schedule: 0 - 2 months

1. Churn drill Holes 1, 2, and 3 as indicated on Fig. 3 with not less than a 6-inch bit for an aggregate length of 600 feet to explore for iron in the Guernsey and Hartville formations.

2. Construct a maximum of 1,000 feet of access roads to the drill sites.

Stage II

Time Schedule: 3 - 4 months

1. Churn drill Holes 4, 5, 6, 7, and 8 as indicated on Fig. 3 with not less than a 6-inch bit for an aggregate length of 1,000 feet to explore for iron in the Guernsey and Hartville formations. Drill holes in order listed.

2. Construct a maximum of 1,000 feet of access roads to the drill sites.

Stage III

Time Schedule: 5 - 6 months

1. Deepen by churn drilling one or two of the holes drilled under Stages I and II of Phase "B" for an aggregate length not to exceed 500 feet.

Estimated Costs of the Project

Agreed Unit Costs

Churn drill 7100 feet @ $6.00/ft. 1/	$42,600.00	
Construct access roads - 5000 feet @ $1.00/ft.	5,000.00	
Analyze 500 samples @ $1.00 per element determined	500.00	
Total Agreed Unit Costs		$48,100.00
Government Participation @ 50%		$24,050.00

1/ Includes all costs of supervision, sampling, drilling, and of hauling water.

EXPLORATION PROJECT CONTRACT
E. C. SCHROEDER CO., INC.
DOCKET NO. DMEA-2964

ANNEX I

Nightingale Group

The six patented mining claims Nightingale, Origan, O. K., Rustler, Columbia, and Black Cloud (Mineral Certificate 137) surveyed under U. S. Survey 196.

Good Fortune Group

The six patented mining claims Good Fortune, Good Fortune Annex, Appex, Blue Bird, Denver and Gulf, and Cottonwood (Mineral Certificate 140) surveyed under U. S. Survey 194.

EXPLORATION PROJECT CONTRACT
E. C. SCHROEDER CO., INC.
DOCKET NO. DMEA-2964

ANNEX II

G U A R A N T Y

In consideration of the waiver, by the United States of America of the requirement of the Owner's Consent to Lien, as set forth in paragraph 2(b) of the attached Exploration Project Contract between the undersigned and the United States of America, the undersigned hereby guarantees the payment to the United States of America of royalties, as specified in said Contract and any amendment thereof, upon any and all ore discovered or developed as a result of said Contract and any amendment thereof, which is mined within 10 years from the date of said Contract, whether or not the undersigned has any interest in the property, covered by the said Contract, or any part in the mining operations at the time said ore is mined. If for any reason the net smelter returns, or other net amounts, from operations that would be subject, under said Contract and any amendments thereof, to such payments to the United States of America, are not available as a means of measuring the amount of such payment, then the undersigned agrees and undertakes to make such payment according to the best estimates of the amount that can reasonably be made, and in the event of dispute as to such estimate, the undersigned agrees that the determination thereof by either the Administrator of Defense Minerals Exploration Administration, or his designee, shall be final and binding upon the undersigned.

Dated September 18, 1953.

E. C. SCHROEDER CO., INC.

By E. C. Schroeder
President

I, Violet M. Schroeder, certify that I am the secretary of the corporation named as Guarantor herein; that E. C. Schroeder, who signed this guaranty, was then President of said corporation; that said guaranty 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.

Violet M. Schroeder

NO
CORPORATE
SEAL

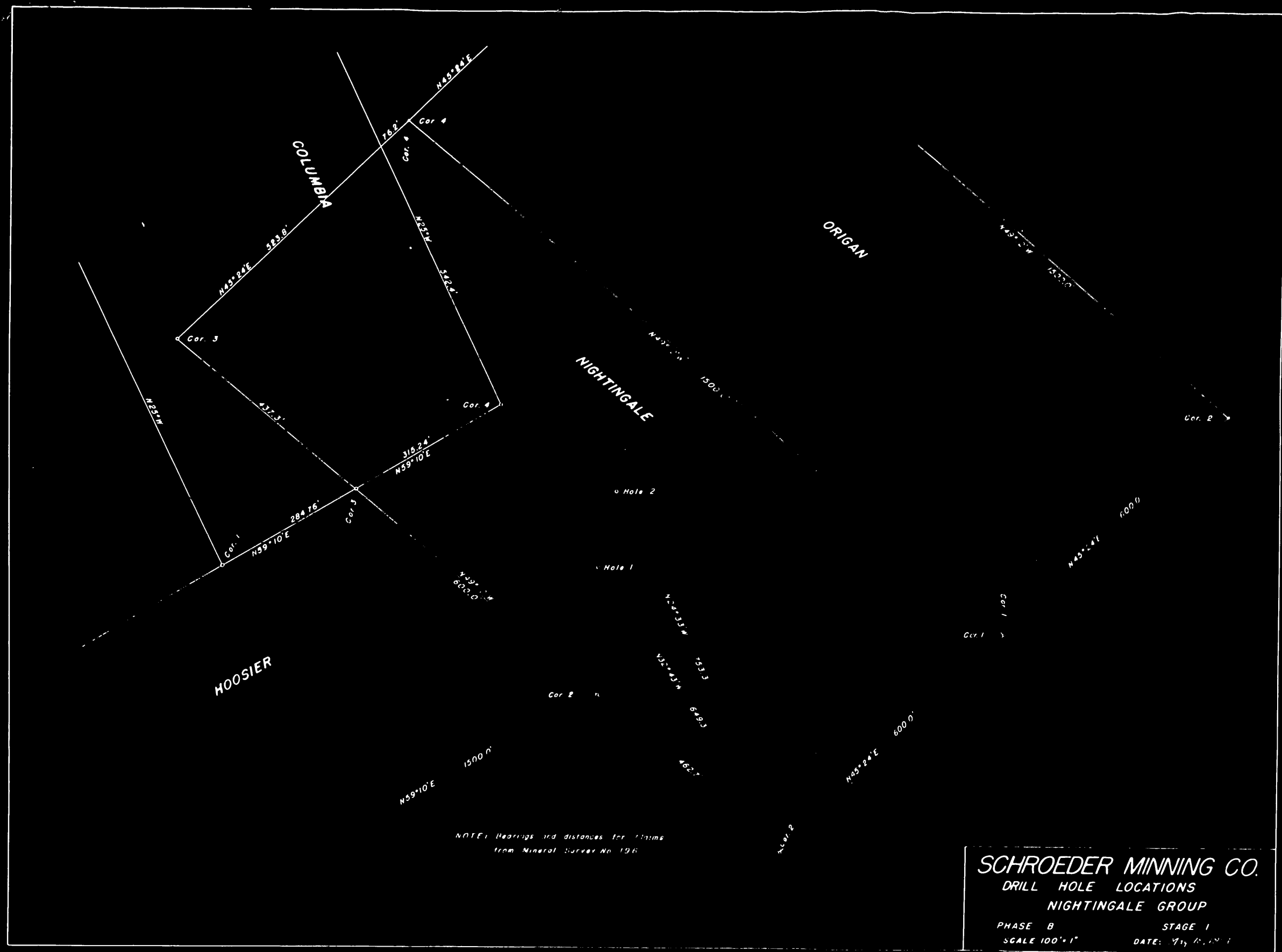
EXPLORATION PROJECT CONTRACT
E. C. SCHROEDER CO., INC.
DOCKET NO. DMEA-2964

RECEIVED

ANNEX III

The following provisions are in lieu of all of paragraph (a) of Article 6 which precedes the colon:

If the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after a sufficient, complete, final report and final account referred to in the contract 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, The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2, 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 of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; 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. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:



SCHROEDER MINNING CO.

DRILL HOLE LOCATIONS

NIGHTINGALE GROUP

PHASE B — STAGE 1

SCALE 100' = 1" — DATE: [illegible]

mDL

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

DEPARTMENT OF THE INTERIOR
Denver Mineral Conservation
RECEIVED
OCT - 2 1953

224 New Customhouse
Denver 2, Colorado

September 29, 1953

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Contract Idm-E578, Docket No. DMEA 2964, E. C. Schroeder Co., Inc., Platte County, Wyoming

Enclosed are three copies of Contract Idm-E578.

Copies of this contract have been given to the Operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

The E. C. Schroeder, Co., Inc. does not have a corporate seal. The company is incorporated in the State of Iowa, and a corporate seal is optional according to the laws of that State.

W. H. King
W. H. King

Enclosures

cal
10-2

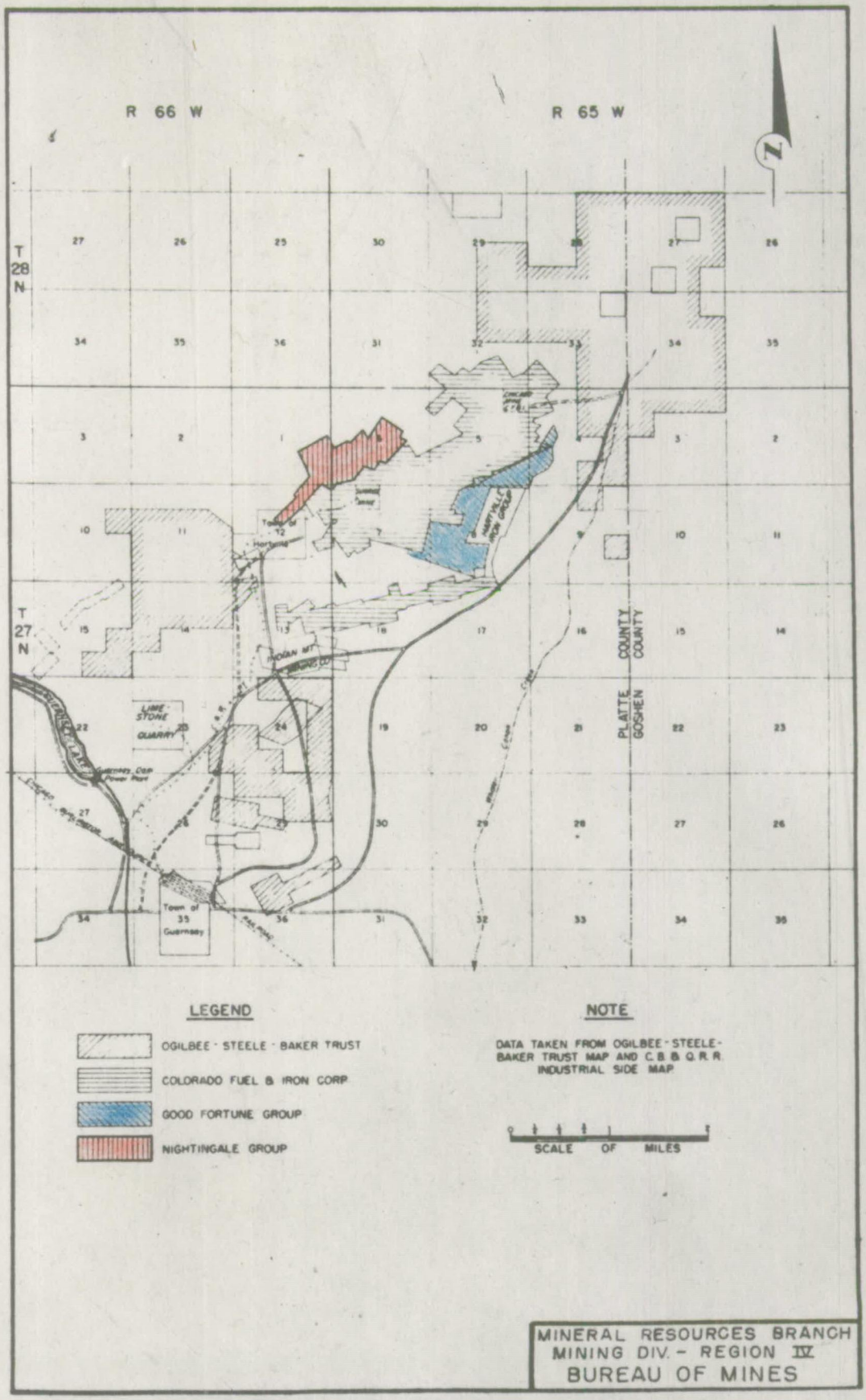
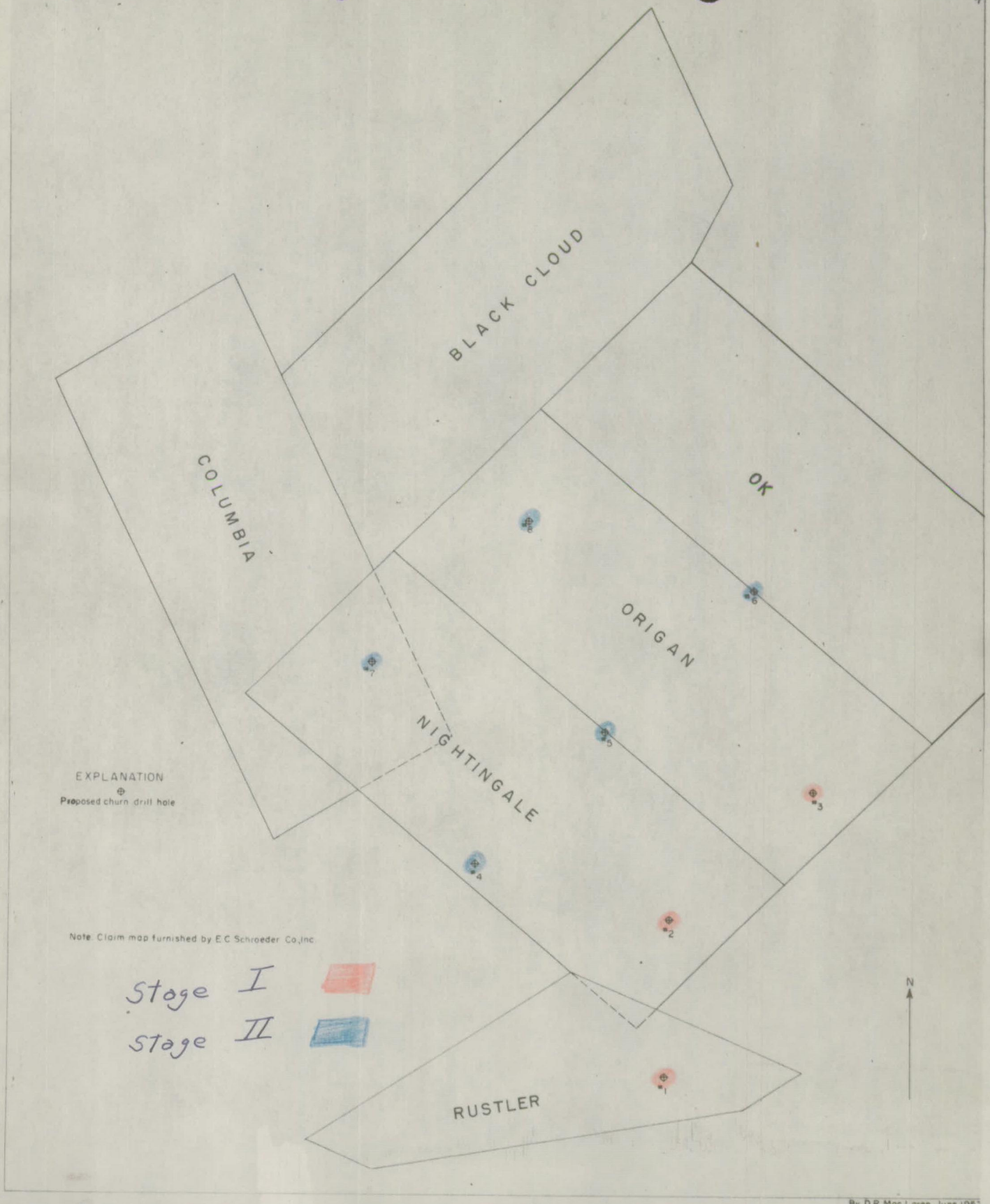


FIGURE 1. - LOCATION MAP, SHOWING RELATIVE POSITION OF NIGHTINGALE AND GOOD FORTUNE GROUPS, PLATTE COUNTY, WYOMING



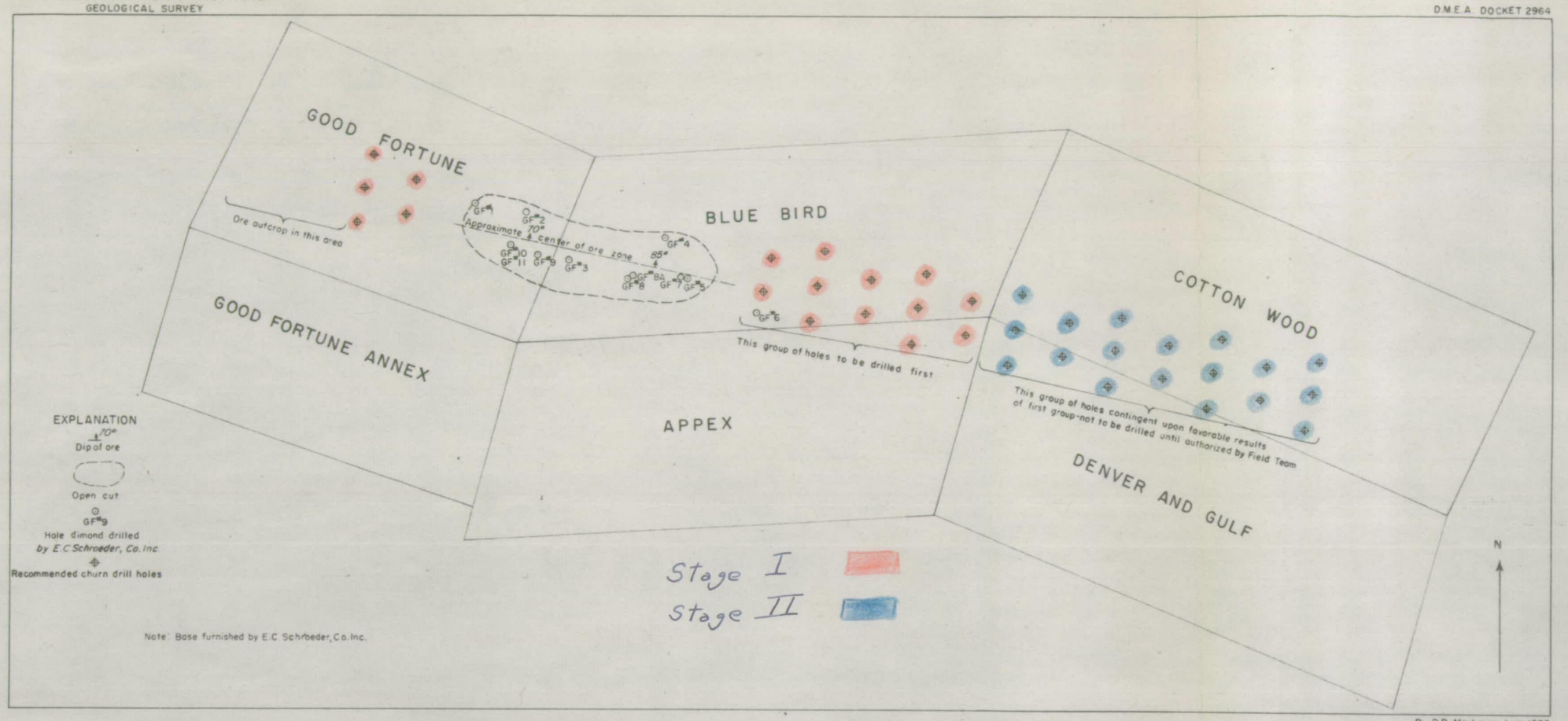
By D.R. MacLaren June, 1953

FIGURE 3.—NIGHTINGALE GROUP SHOWING APPROXIMATE LOCATION OF RECOMMENDED CHURN DRILL HOLES

200 100 0 200 Feet

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

D.M.E.A. DOCKET 2964



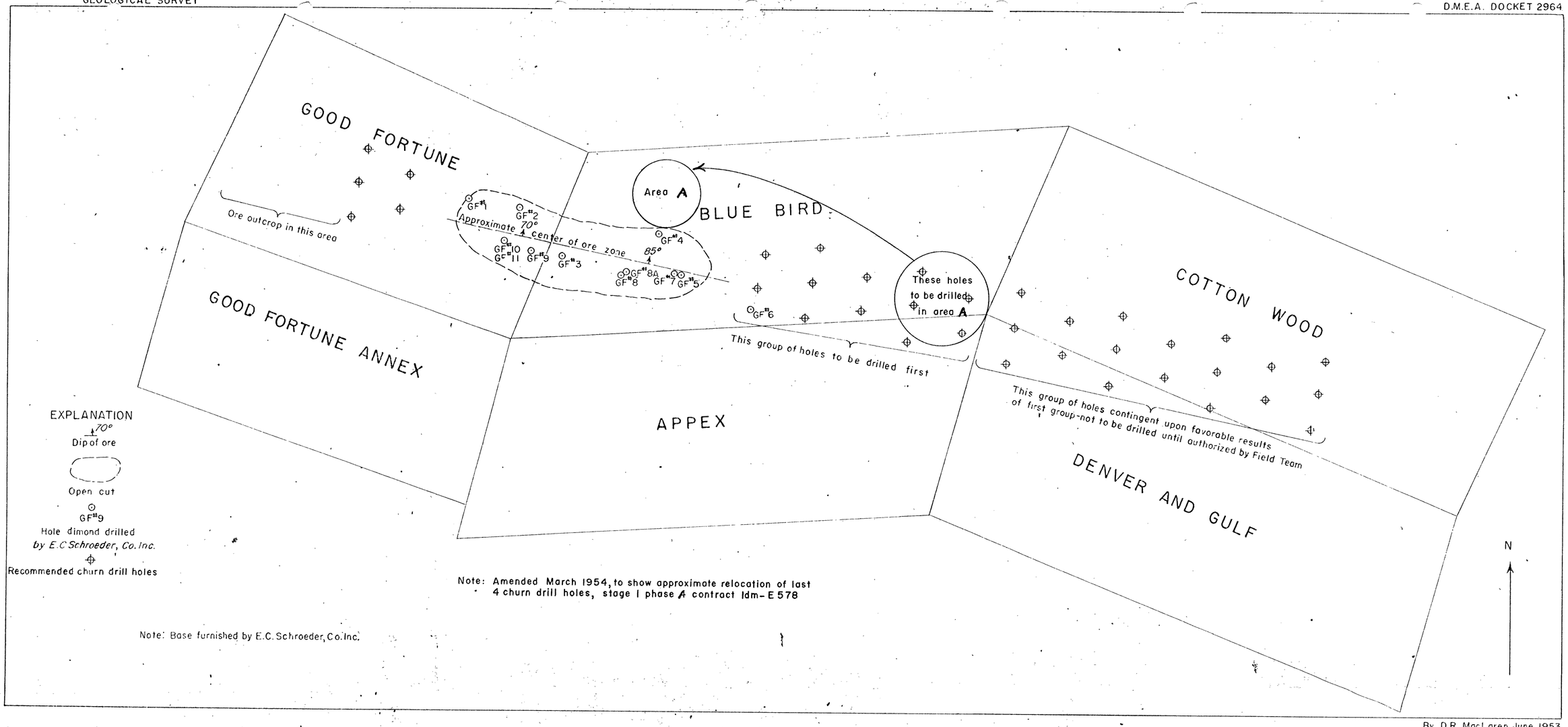
By D.R. MacLaren June, 1953

FIGURE 2.— GOOD FORTUNE GROUP SHOWING APPROXIMATE LOCATION OF OPEN CUT, HOLES DRILLED BY E.C. SCHRODER CO. INC., AND RECOMMENDED CHURN DRILL HOLES.

200 100 0 200 Feet

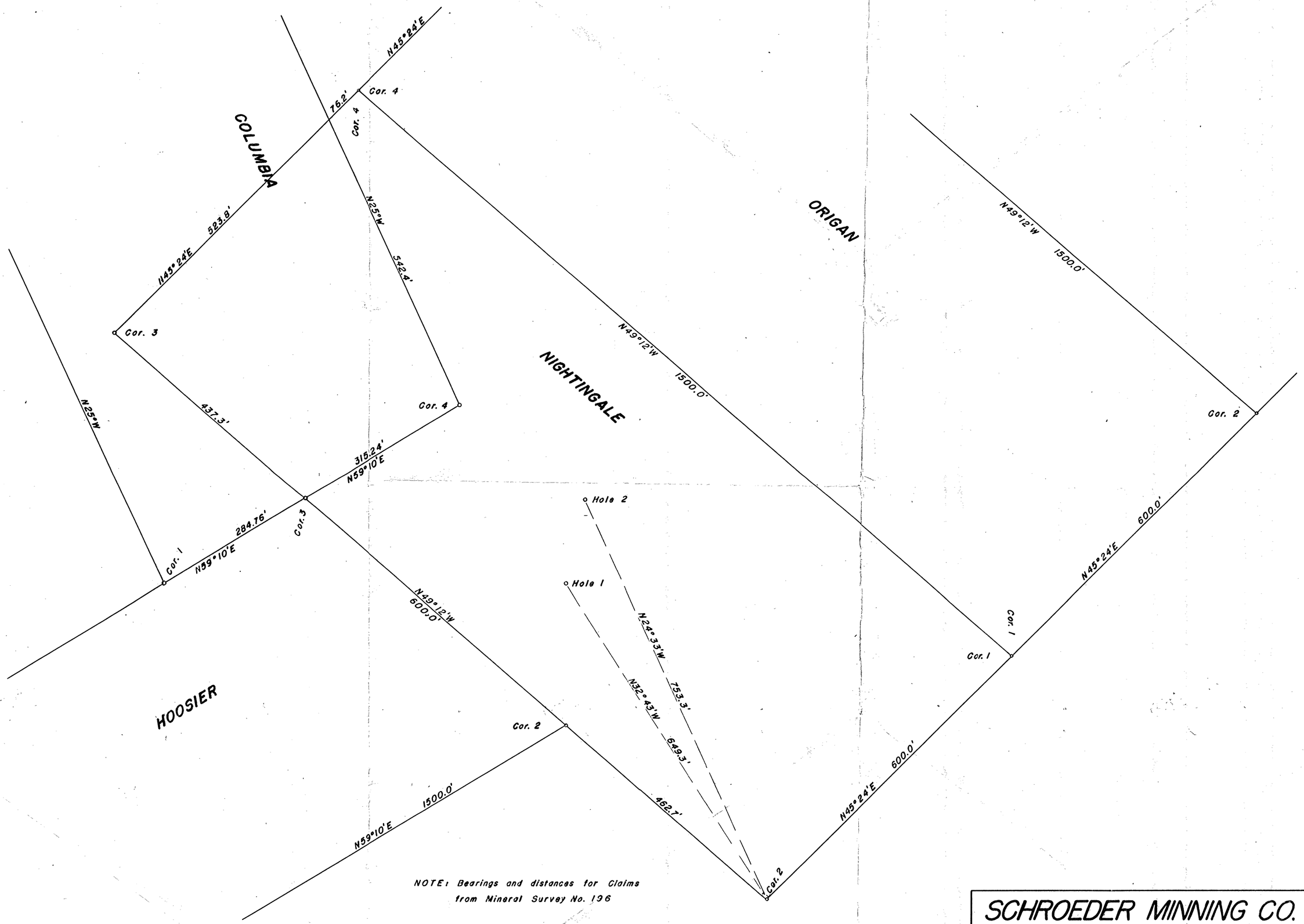
UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

D.M.E.A. DOCKET 2964



By D.R. MacLaren June, 1953

FIGURE 2.— GOOD FORTUNE GROUP SHOWING APPROXIMATE LOCATION OF OPEN CUT, HOLES DRILLED BY E.C. SCHRODER CO. INC., AND RECOMMENDED CHURN DRILL HOLES.



NOTE: Bearings and distances for Claims from Mineral Survey No. 196

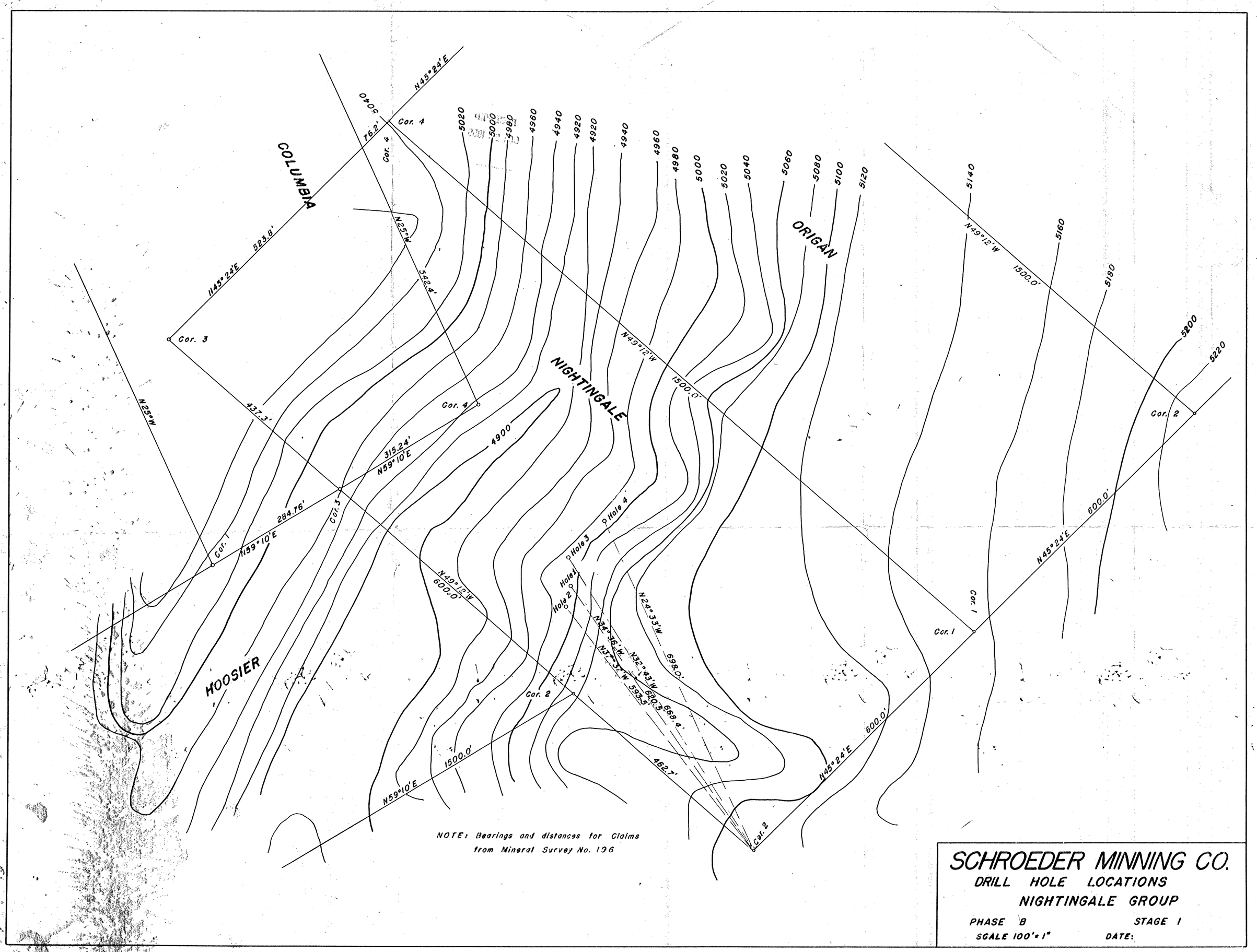
SCHROEDER MINNING CO.

DRILL HOLE LOCATIONS

NIGHTINGALE GROUP

PHASE B — STAGE I

SCALE 100' = 1" — DATE: May 18, 1954



NOTE: Bearings and distances for Claims from Mineral Survey No. 196

SCHROEDER MINNING CO.

DRILL HOLE LOCATIONS

NIGHTINGALE GROUP

PHASE B STAGE 1

SCALE 100' = 1" DATE: