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BATES NO. 0344

DMEA Form 18
Feb. 58

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ANALYSIS OF SEMIANNUAL REPORT OF CERTIFIED PROJECT

Prepare in duplicate. File original in Official Docket. Send copy

To: Statistics Branch (Code 210)

From: Division of Base Metals

Report Period: 7-1-57 thru 12-31-57

DMEA No.	Operator	Contract No.
2637	Golconda Lead Mines	Idm-E475

ORE ESTIMATES

	Tons	Analysis
DMEA	3300	
Operator to date		
Total		
Production to date	3300	
Ore in ground		

INVESTMENT

Type	Size		Feet	Cost
Shafts				
Winzes				
Drifts and Crosscuts				
Raises				
Drilling	Type			
Rehabilitation	Description			
Reopening	1600 level			$16,000.00

FACILITIES

Mine Plant		
Mill		
Roads		

REMARKS

Some work done raising above 1600 level.

All mine operations suspended and equipment removed, no further operation contemplated.

Prepared by W. R. Griswold/er Date 3/17/58

31398

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Reporting Period - January 1 - June 30, 1957

Base Metals Division Date **July 24, 1957**

Semi-Annual Report - Certified Project Date **June 25, 1957**

DMEA No. **2637** Operator **Golconda Lead Mines** Contract No. Idm-E **475**

Ore Reserves

Ore Estimates	Tons	Analysis
Original (DMEA)		
Increase (Operator)		
Total	22	
Decrease (Production)	**181.708 Tons - Concentrates**	
Net Available		

Investment

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

Raises			Drilling			Rehabilitation	
Size	Feet	Cost	Type & Size	Feet	Cost	Description	Cost
						Reopening 1600 level	1600

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks

The mine is idle. No mining operation is contemplated until the lead-zinc metal prices are more favorable.

Some work was done raising above the 1600 level

J. W. Alt/er

DEFENSE MINERALS EXPLORATION ADMINISTRATION

To January 1, 1956

Base Metals J.W.A. Division Date June 6, 1956

Semi-Annual Report - Certified Project Date December 12, 1955

DMEA No. 2637 Operator Golconda Lead Mines Contract No. Idm-E 475

Ore Reserves

Ore Estimates	Tons	Analysis
Original (DMEA)		
Increase (Operator)		
Total		
Decrease (Production)	194 Tons Zn-Pb. Concentrates	
Net Available		

Investment

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

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

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks

Since the termination of the exploration project contract the Operator has spent $16,000.00 to date reopening the 1600 level. This expenditure does not include the cost of raising above the 1600 level nor the cost of an intermediate level at the top of the old stope just west of the DMEA royalty lien area.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: July 1 to December 31, 1956 Date of exam: Dec. 20, 1956

Operator: Golconda Lead Mines, Wallace, Idaho

Mine name: Golconda

County and State: Shoshone County, Idaho

Docket number and commodity: DMEA-2637 (lead-zinc)

Contract number: Idm-E475

The Operator mined 1296 tons during the reporting period but settlement with the smelter is still pending, and this production will be reported in the next period.

The status of the contract remains the same as reported for January 1 to June 30, 1956.

Signed: E. G. Erickson (Engineer)

Distribution:
DMEA (4)
usgs (2)
USBM (AD)
USBM (2)

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

1201 N. Division St.
Spokane 2, Washington
February 1, 1955

MEMORANDUM

To: DMEA Field Team, Region I

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Docket No. DMEA 2637 (lead-zinc), Golconda Lead Mines, Shoshone County, Idaho, Contract No. Idm-E475

Mr. Wray Featherstone, superintendent, was contacted on January 28, 1955 regarding production from the 1600 level.

At the present time two miners are working above the stoped area about 100 feet west of the east end of Block No. 2 (see longitudinal section attached to Amendment No. 3). The vein flattened at this point and an intermediate drift is being driven in the footwall of the top of the old stope. Mr. Featherstone plans on working easterly as the ore values continue, and connecting to the 1400 level through the old raise at the east end of Block No. 2 or raising a new opening. He intends to continue working easterly and eventually to mine the area below Block No. 1.

Progress is slow because the flattening of the vein makes it necessary to slush to the old stope raise. Condition of the 1400 level between Blocks Nos. 1 and 2 will be an influencing factor on the progress to the area below Block No. 1. As soon as more ore is opened up the Operator plans on working more men.

The Operator stated he would notify the Field Team when the east boundary of Block No. 2 is reached and extraction of ore subject to Government royalty will start.

E. G. Erickson

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
AD
EGE/he

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
November 30, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Final inspection, Golconda Lead Mines, Shoshone County, Idaho, Contract No. Idm-E475, Docket No. DMEA 2637 (lead-zinc)

The Operator has submitted his final report and final invoice. The report has been accepted and the MF-104 approved.

Following is a tabulation of the work items completed and approved for payment:

Item	Units approved	Agreed unit cost	Total approved cost
Drilling	259 feet	$ 3.00/ft.	$ 777.00
Drifting	2035.7 " 1/	41.00/ " 2/	83,463.70
Timbering	30 "	5.00/" 3/	150.00
Total approved amount			$ 84,390.70
Government's share - 50%			42,195.35
Total amount of contract			$ 90,000.00
Government's share - 50%			45,000.00
Contract funds remaining			5,609.30

1/ Additional drifting in excess of the 1500 feet originally estimated was approved by amendments Nos. 4 and 6.

2/ Unit cost of drifting requiring regular timber.

3/ Unit cost allowed for extra timbering required in excess of regular timber.

A Certification of Discovery for the project has been recommended.

E. G. Erickson
E. G. Erickson

Orig. & 3 cys - Wash.
USGS (2)
DMEA
AD
Auditor Turner
EGE/he

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~XXXXXXXXXXXXXXXXXXXX~~
So. 157 Howard Street
Spokane 4, Washington

Received
OCT 20 1954

October 20, 1954

Memorandum

To: DMEA Field Team, Region II

From: J. J. Quinlan, Geologist, U. S. Geological Survey

Subject: Final inspection, Docket No. DMEA-2637 (lead-zinc), Golconda Lead Mines, Shoshone County, Idaho, Contract Idm-E475

INTRODUCTION

The Golconda exploration project was inspected September 15, 1954, in company with Mr. Wray Featherstone, superintendent for the company.

Mr. Featherstone, in a letter dated August 28, 1954, advised this office of the company's intent to discontinue work on the project. The company directors are very disappointed in the results and high costs of the project work and do not feel that they can consider further work at this time. The company has not as yet submitted their report for the last project work completed. However, Mr. Eric Erickson, Bureau of Mines, estimates that approximately $5,000 will remain in the contract after payment has been made for this work.

At the time of the inspection, pipe and rail were being removed from the DMEA project area on the 1800 level prior to abandonment of this level.

Attached is a geologic map of the Golconda 1800 level. This map has been furnished by the operator. Also, attached is a copy of the operator's raise section of the one raise driven on the vein from the 1800 level. This raise was driven on company account.

RESUME OF FINAL PHASE OF PROJECT WORK

The runaround drift and crosscut commencing near survey station 1821A has been extended 367 feet in an easterly direction. A number of long holes ranging in length from 30 to 60 feet have been put out from this drift and crosscut. The runaround drift and crosscut, as well as the long holes, are shown on the geologic map of the 1800 level which accompanies this memorandum.

This work has failed to locate any eastward extension of the strong vein exposed in the main east drift heading. It is evident that the fault structure encountered in the runaround drift and crosscut between survey station 1824 and 1825 cuts off the vein. It is now apparent that the heavy flow of water encountered in the main east drift heading came from this fault and that at the time this heading was abandoned it had entered the hanging wall shear zone accompanying this fault.

Company officials now believe that this fault may be the Paymaster (Golconda) fault or a branch from the Paymaster fault. This fault is one of the major faults of the area and as far as known definitely cuts off the Golconda vein.

It will be noted on the geologic map of the 1800 level that in testing for the possible offset segment of the vein east of the fault much more attention has been given to a possible right-hand offset of the vein by the fault than a left-hand offset. This was done because of the indicated drag of the vein to the right near the face of the main east drift heading.

Although the area east of the fault has been adequately tested for the possible offset segment of the vein, it is believed that it would have been well to undertake a diamond drilling program entailing about 1,000 feet of drilling from the 1800 level east drift heading in order to more thoroughly test the area for the possible offset segment of the vein and for other possible parallel vein structures. Such drilling is admittedly of a wild-cat nature but is within the intent of Article 2 of Exhibit A of the contract. The company geologist suggested such a program to the Golconda director, but they did not wish to do it. It will probably be impossible to consider such a program at a later date because after the level is abandoned a large part of it will probably cave due to the heavy nature of the ground.

Although the author believes that some diamond drilling from the east end of the 1800 level would be worthwhile, it is evident that the company has completed a reasonable amount of work to test for the possible offset segment of the vein and has also adequately tested contract objectives, thus bringing the project to a logical conclusion. Therefore, it is recommended that action be taken to close the contract. As approximately $5,000 will remain in the contract after payment for all work has been made, it will probably be advisable to formally terminate the contract. The operator is willing to sign a mutual termination agreement.

BRIEF RESUME OF RESULTS OF DMEA PROGRAM

The results of the DMEA program at the Golconda mine proved very disappointing. Although the operator milled approximately 1,250 tons of development muck from the DMEA exploration heading and an additional 300 tons of muck from a company raise in the DMEA exploration

area, the grade of this muck was very low. All muck milled came from three marginal to submarginal oreshoots along the vein.

The first shoot is about 50 feet in length and extends from a point 15 feet east of survey station 1811A to a point 5 feet east of survey station 1812A. Within this area the vein varies in width from 1 to 2.5 feet and contains excellent zinc values. Three samples taken by the company across the vein in this area averaged 1.83 feet in width, 0.73 ounce silver per ton, 3.56 percent lead, and 22.45 percent zinc. The operator milled approximately 280 tons of development muck from this area. Car samples of this muck averaged 0.57 ounce silver per ton, 0.63 percent lead, and 4.3 percent zinc. (See geologic map of 1800 level for geology and cut samples taken in this area.)

The second shoot is about 90 feet in length and extends from a point 40 feet east of survey station 1813A to a point 130 feet east of this same survey station. On the level within this area the vein varies in width from less than a foot to over 4 feet. Eight samples taken by the company across the vein in this area averaged 1.71 feet in width, 4.57 ounces silver per ton, 7.74 percent lead, and 23.24 percent zinc. The operator milled approximately 515 tons of development muck from the level in this area. Car samples of this muck averaged 0.57 ounce silver per ton, 0.91 percent lead, and 5.21 percent zinc. (See 1800 level geologic map for geology and sample locations.)

A raise was driven on company account near the western margin of the second shoot. This raise follows the vein for a distance of 68 feet. Sublevel drifts were driven 15 feet east and west from the top of the raise. In the east sublevel drift the vein is cut off by a small fault. This same faulted condition exists at the eastern end of the second area on the 1800 level. Also, the raise was extended a few feet east at places where the best ore was encountered. The vein exposed in the raise is similar to the vein exposed in the drift. A geologic and assay section of the raise which has been copied from a section prepared by the company accompanies this memorandum.

Cut samples taken from the last 40 feet of raise by the operator averaged 1.9 feet in width, 2.12 ounces silver per ton, 4.16 percent lead, and 21.73 percent zinc. The operator reports that approximately 300 tons of muck were milled from the raise. Car sample records available at this time on 235 tons of this muck average 0.56 ounce of silver per ton, 1.37 percent lead, and 7.64 percent zinc.

The third shoot is about 100 feet in length and extends from a point 25 feet west of survey station 1822A to the main east drift face, east of which the vein is cut off by the fault described in the section of this memorandum dealing with the final phase of project work. Long-hole drilling, holes 1W, 2W, and 3W, also trace the vein structure in the north wall of the main drift to a point about 100 feet west of survey station 1822. The vein on this third area is strong but it is low grade. The principal vein shear is about 7 feet

wide and contains appreciable amounts of gouge and quartz. Stringers and irregular lenses of sphalerite with subordinate amounts of galena occur throughout the vein shear; however, they appear to be more numerous in the footwall portion. The operator did not cut any samples of the vein in this area. One cut sample taken by the DMEA in this area over a width of 7.3 feet assayed 0.2 ounce silver per ton, 0.3 percent lead, and 8.4 percent zinc. The operator milled approximately 450 tons of development muck from this area. Car samples of this muck averaged 0.26 ounce silver per ton, 0.40 percent lead, and 3.01 percent zinc.

The operator has paid $584.09 in royalties on drift and raise development muck milled from the DMEA exploration area. The Government's interest in these royalties is fully protected by Article b(1), Annex I of Amendment No. 3 to the contract, even if the project were not certified.

Although some marginal to submarginal ore has been indicated by project work, it is clearly evident that the DMEA project has not resulted in a significant discovery. The 1800 level is now being abandoned. Once abandoned it will be costly to reopen this level because of heavy ground conditions existing in many of the workings. Therefore, it is doubtful whether any attempt will be made in the foreseeable future to reopen the level for the marginal to submarginal ore indicated by the program. However, it is true that several mines in the Coeur d'Alene district are now mining, under leasing systems, narrow but high-grade veins similar in many respects to sections of the Golconda vein on the 1800 level. Also, it would be possible to gain access by drifting and crosscutting on upper levels of the mine to the upper portions of the ore indicated on the 1800 level, but here again the cost of rehabilitation may discourage such work. Because of the marginal nature of the ore a lien against production for 8½ years may tend to discourage any exploration on the property during the duration of the lien period. However, as the possibility does exist that by careful leasing operation it might be possible to mine some of the marginal to submarginal ore indicated by the program, it is believed that it would be advisable to certify the project as a discovery in order to protect the Government's interest in possible future production.

CONCLUSIONS

Although the author believes that some diamond drilling from the east end of the 1800 level would be worthwhile it is evident that the company has completed a reasonable amount of work to test contract objectives, thus bringing the project to a logical conclusion. Therefore, it is recommended that action be taken to close the contract.

Although the project work has not resulted in a significant discovery some marginal to submarginal ore was indicated. The company at present does not intend to mine this ore. However, as this ore may be of some interest at a future date it is believed that the project should be certified as a discovery in order to protect the Government's interest in possible future production.

Enclosures

Distribution:

DMEA (Orig. & 3) w/3 cys	geologic	map &	raise	section
USBM (2) w/ 1 cy	"	"	"	"
Docket w/ 1 cy	"	"	"	"
USGS (SRO) w/ 1 cy	"	"	"	"
Quinlan				

Form MF-104 (Rev.) (August 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 August, 1954 Docket No. DMEA 2637 Contract No. Idm 2475
Operator's Name Golconda Lead Mines Minerals Lead-zinc
Address Box 258, Wallace, Idaho
Contract Amount, $ 90,000.00 Government Participation: 50 % Amount, $ 45,000.00

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		777.00	777.00			
Bulldozing						
Crosscutting						
Drifting	3,185.70	80,428.00	83,613.70			
(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	3,185.70	81,205.00	84,390.70	3185.70	81205.00	84390.70

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

Date Sept. 30, 1954 *Payee Golconda Lead Mines

Per G. Hoagman Title Secretary

*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:

$ 1592 85

Signature M. J. P. (Authorized Certifying Officer)

Date 1/6/55 Vou. No. 1395 (See other side)

1046 - Nanaimo
9 mos next Wash. 11-19-54

Final Payment.

(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. E475 in accordance with the terms of the contract.

Signature /S/ Eric G Erickson Title Mining Engr Date 11/18/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Engr Date 11/18/54

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

Final invoice. Payment held up temporarily

Alt
Betty

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1954 Docket No. DMEA 2637 Contract No. Idm E475

Operator's Name Golconda Lead Mines Minerals Lead-zinc

Address Box 258, Wallace, Idaho

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	Feet	3,185.70	77.70	83,613.70	2,035.7			1*
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	Feet	-0-	-0-	777.00	259			3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		3,185.70		84,390.70				

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

REMARKS:

Date Sept. 30, 1954 Operator Golconda Lead Mines

Per [signature] Title Secretary

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)

1* $41.00 per ft. ordinary timber
33.50 per ft. no timber
46.00 per ft. extra timber

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

September 30, 1954

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane 2, Washington

Attention: A. E. Weissenborn
Wing G. Agnew

Re: Exploration Project
Contract Golconda
Lead Mines Docket
No. DMEA 2637 Lead-
Zinc - Idm E/475

Gentlemen:

Work on Project Contract Idm E/475 during the period August 1-31, 1954, included 77.70 feet of crosscutting and 257 feet of long-hole drilling (see sketch). One shift was employed during the period. Repeated timber failure in the vicinity of Sta. 1824 due to swelling ground slowed progress in the face materially. Long holes 9W, 10W, and 11W did not indicate any mineralization or vein structure. Long hole 13W was drilled at Sta. 1821 to check previously drilled holes 2W and 3W. Two and one-half foot samples were taken through the mineralized section. Assays ranged from 0.0 - 0.2% lead and 0.0 to 0.55% zinc. Work was discontinued on the project on August 31, 1954.

The Golconda's position in regard to additional work was explained in our letter of August 28, 1954. The company directors felt that the original target area had been adequately explored. Consideration was given to diamond drilling two holes, one north about 250 feet at Sta. 1825, the other southeast 500-750 feet at the face. The high maintenance cost to hold the drift open, together with limited company finances and the wildcat nature of the holes resulted in a negative decision.

Our final report is now being prepared and will be sent to your office in the next few days. Five prints of the complete 1,800 level were sent to James Quinlan, U.S.G.S., a day or two ago. It is our understanding that he will bring the extras to your office. If anything further is required, please let us know.

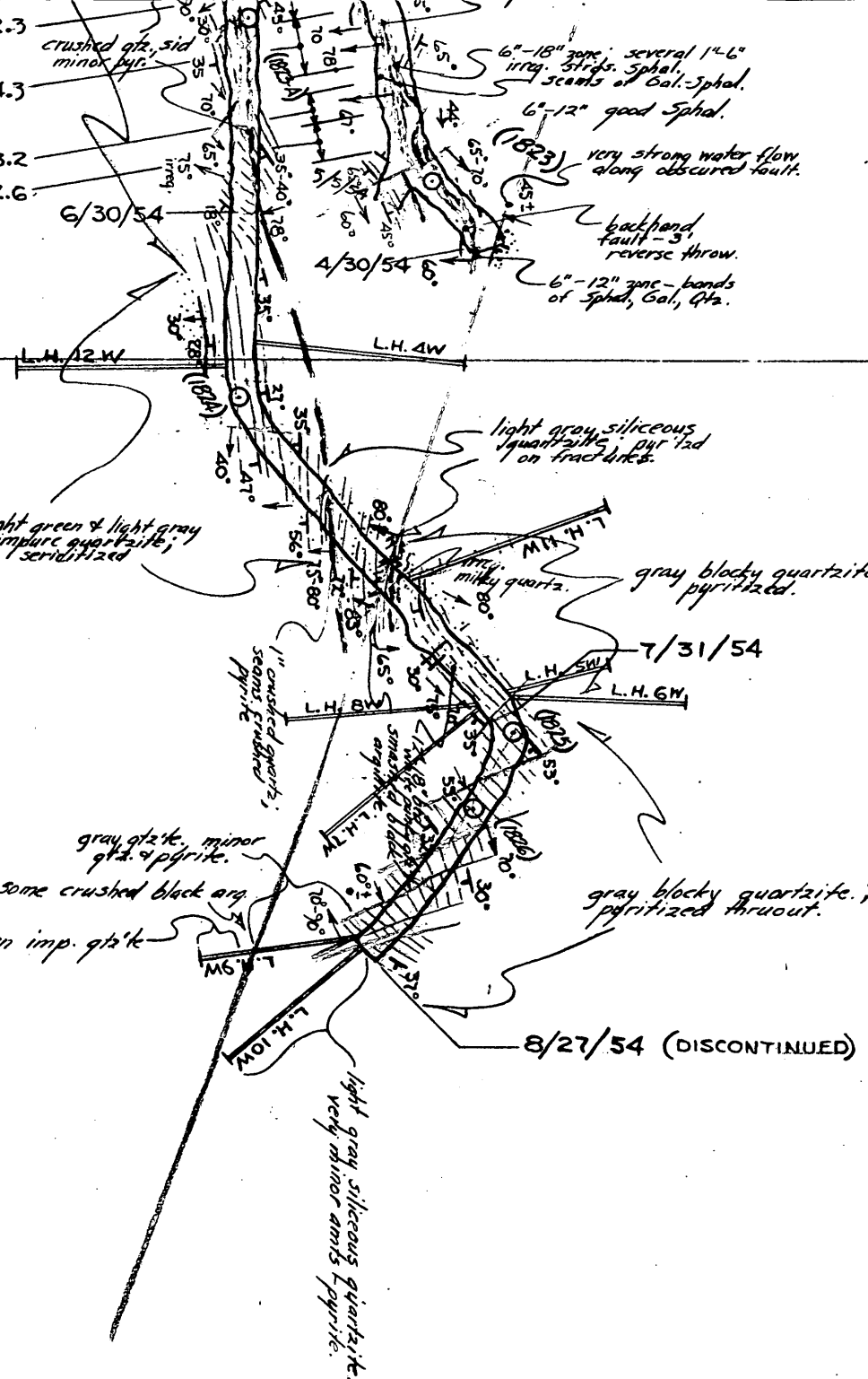
Very truly yours,

GOLCONDA LEAD MINES

By_____
Wray Featherstone, Superintendent

WF:mj

86	0.1	0.2	2.3
60	0.3	0.4	4.3
40	0.5	0.7	3.2
56	0.3	0.5	2.6



1800 LEVEL
1" = 20'

Form MF-194 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 24 1954

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

Month of July, 1954 Docket No. DMEA 2637 Contract No. Idm E475
Operator's Name Golconda Lead Mines Minerals Lead-zinc
Address Box 258, Wallace, Idaho
Contract Amount, $90,000.00 Government Participation: 50 % Amount, $45,000.00

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	-0-	777.00	777.00		777.00	777.00
Bulldozing						
Crosscutting						
Drifting	7,093.00	73,335.00	80,428.00	7093.00	73335.00	80428.00
(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	7,093.00	74,112.00	81,205.00	7093.00	74112.00	81205.00

Betty 9/27/54 J.W.A.

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

Date August 14, 1954 Payee Golconda Lead Mines

Per [signature] Title Secretary

*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:

$ 3546.50

Signature [signature]
(Authorized Certifying Officer)

Date 9/17/54 Vou. No. 1283
(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. E475 in accordance with the terms of the contract.

Signature /s/ Eric G. Erickson Title Mining Engr Date 9/14/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Stephen W. Zoldok Title Mining Engr Date 9/15/54

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 24 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1954 Docket No. DMEA 2637 Contract No. Idm E475
Operator's Name Golconda Lead Mines Minerals Lead-zinc
Address Box 258, Wallace, Idaho

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	Feet	7,093.00	173 @41.00 ft.	80,428.00	1,958			1*
Crosscutting								
Raising								53.75
Shafts								
Winzes								
Drilling: Core	Feet	-0-	-0-	777.00	259		2,000	3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		7,093.00	✓	81,205.00				

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 August 14, 1954 Operator Golconda Lead Mines

Per [signature] Title Secretary

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)

1* 841.00 per ft. ordinary timber
33.50 " " no "
46.00 " " etra "

INSTRUCTIONS

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

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

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

GPO 872894

August 17, 1954

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane, 2, Washington

Attention: A. E. Weissenborn
Wing G. Agnew

Re: Exploration Project Contract
Golconda Lead Mines
Docket No. DMEA 2637
Lead-zinc
Idm E475

Gentlemen:

During the period, July 1 - 31st, 1954, 173 feet of drifting was completed on Exploration Project Contract, Idm E475. After and exploratory longhole (L.H. 4W, see sketch) was drilled without encountering either excess water or vein structure, the drift was turned northeast at Sta. 1824. Drifting was continued northeasterly for 125 feet to Sta. 1825. Swelling ground for 50 feet on each side of Sta. 1824 hampered operations. Some of the posts in this section have had to be replaced three times in less than a month. Two shifts were employed during this period.

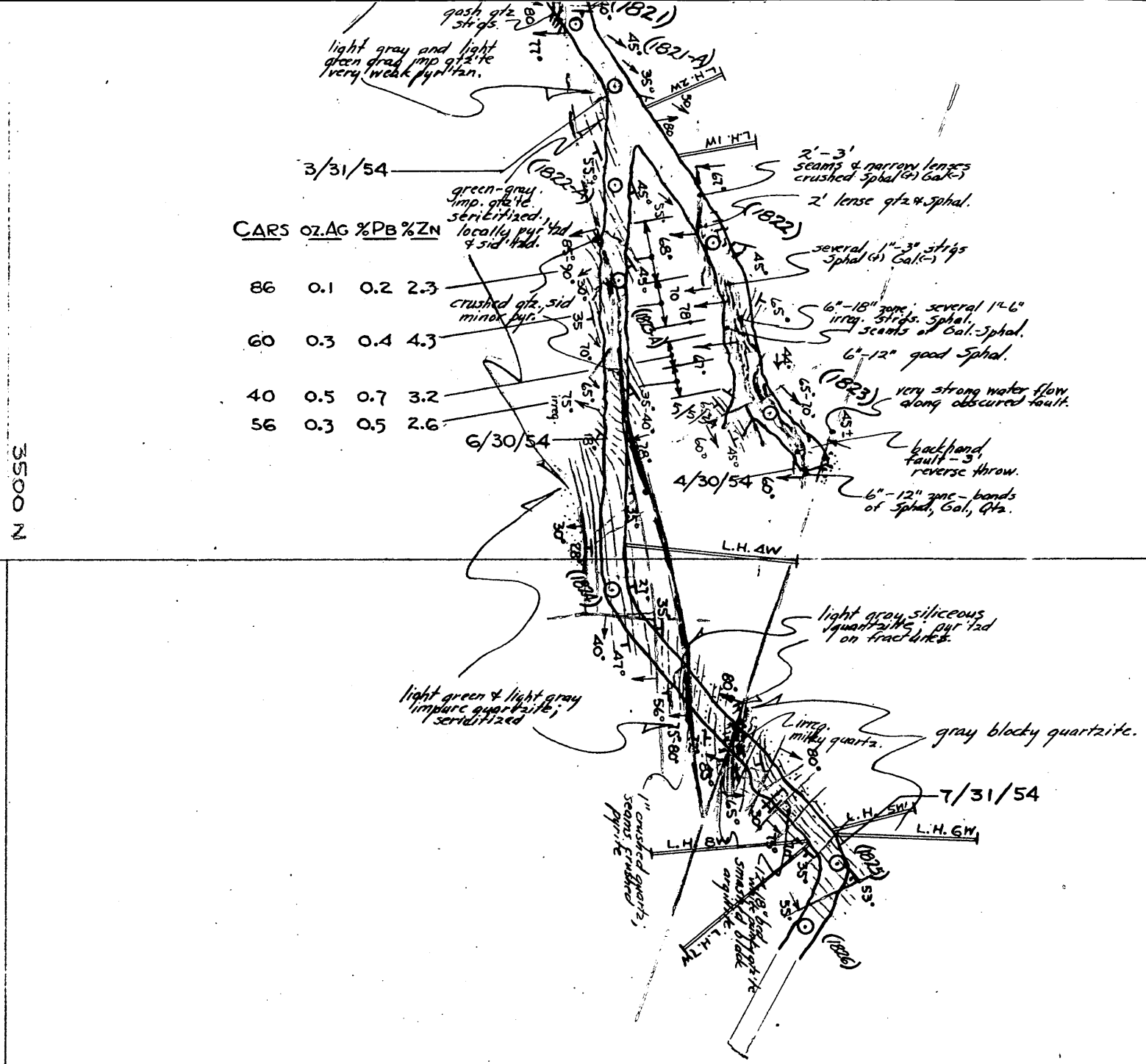
The strong fault about midway between Sta. 1824 and Sta. 1825 (see sketch) may have terminated any mineralization east of the old face of April 30th. Additional longholes 5W,6W, 7W and 8W failed to disclose a vein structure. Present work to the southeast is being done to explore that area, as the fault drag indicates movement was in that direction. Only work enough to cut the fault again appears justified. Longhole drilling can be used to reach out an additional 50 to 75 feet.

Golconda has about reached its financial limit on this project. In the near future we should like to get together with Mr. Quinlan for the purpose of discussing diamond drilling. Possible parallel structures may exist north or south of the present target area. In setting up a drilling program it must be kept in mind that any follow-up drifting or cross cutting would have to be delayed, or at best be done on a very reduced scale.

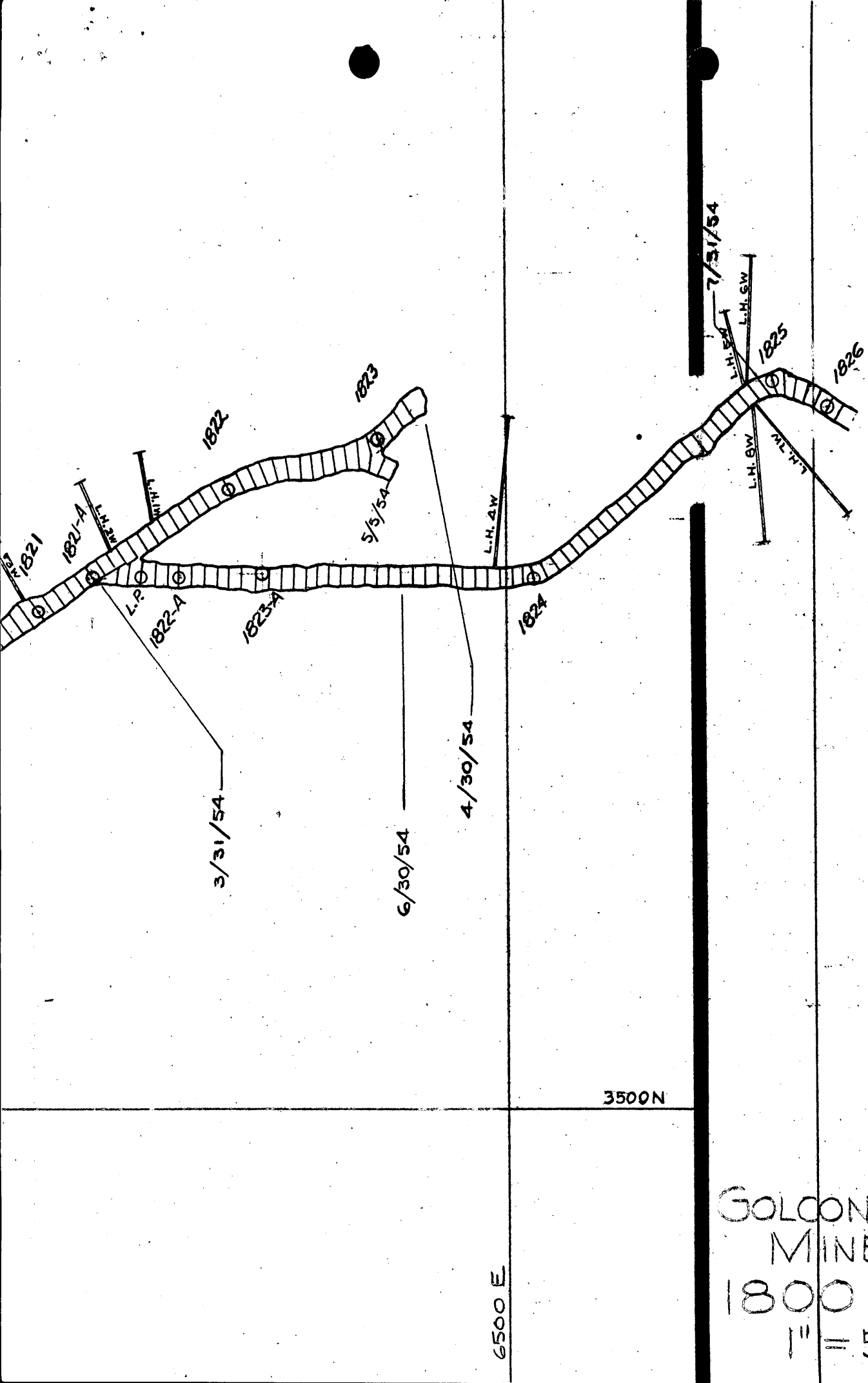
Very truly yours,

GOLCONDA LEAD MINES

By Wray Featherstone
Wray Featherstone, Supt.



SCADA MINE
1800 LEVEL
1" = 50'



GOLCONDA
MINE
1800 LEVEL
1" = 50'

Form MF-104 (Rev.)
(April 2052)

Budget Bureau No. 42-R1036.5

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

Month of June, 1954 Docket No. DMEA 2637 Contract No. Idm E475
Operator's Name Golconda Lead Mines Minerals Lead-zinc
Address Box 258, Wallace, Idaho
Contract Amount, $90,000.00 Government Participation: 50 % Amount, $45,000.00

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		777.00	777.00		777.00	777.00
Bulldozing						
~~XXXXXXXX~~ Raising		3,655.00	3,655.00		3655.00	-0-
Drifting	4,715.00	68,620.00	73,335.00	4715.00	68620.00	73335.00
(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	4,715.00	73,052.00	77,767.00	1060.00	73052.00	74112.00

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

Date July 6, 1954 *Payee Golconda Lead Mines

Per [signature] Title Secretary

*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:

$ 530.00

Signature [signature]
(Authorized Certifying Officer)

Date 8/2/54 Vou. No. 1243
(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. E475 in accordance with the terms of the contract.

Signature (S) Eric G. Erickson Title Mining Engr Date 7/26/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature (S) Stephen W Zoldok Title Mining Engr Date 7/26/54

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1954 Docket No. DMEA 2637 Contract No. Idm E475

Operator's Name Golconda Lead Mines Minerals Lead-zinc

Address Box 258, Wallace, Idaho

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	Feet	4,715.00	115	73,335.00	1785			1*
Crosscutting								
Raising	Feet	-0-	-0-	3,655.00	68			53.75
Shafts								
Winzes								
Drilling: Core	Feet	-0-	-0-	777.00	259		2000	3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		4,715.00		77,767.00				

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

Date July 6, 1954 Operator Golconda Lead Mines

Per C. D. Magnuson Title Secretary

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)

1* $ 41.00 per ft. ordinary timber
33.50 " " no "
46.00 " " extra "

INSTRUCTIONS

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

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

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

GPO 872894

July 6, 1954

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane, 2, Washington

Re: Exploration Project Contract
Golconda Lead Mines
Docket No. DMEA 2637
Lead-zinc
Idm E475

Attention: A. E. Weissenborn
Wing G. Agnew

Gentlemen:

Progress on Exploration Project, Contract Idm E475 during the period June 1 - 30, 1954, consisted of 115 feet of drifting. This work was done as a lateral to go around heavy ground and strong water flow encountered along the vein between Sta. 1822 and the face of April 30, 1954. (See sketch) All ground required close timbering.

Two shifts were used only during the last two weeks of the month on drifting. One crew was on timber repair work until June 9, 1954, when they started installing a carrying cap for sideswipe round at Sta. 1821A. The other crew, which had been driving the raise near Sta. 1813A, took a test stoping cut down along the east side of the raise and did not start in the drift until June 16, 1954.

The question has been raised as to whether or not the prospect raise footage for May, 1954, should have been charged to the D.M.E.A. contract. We can assure you, that if it was not meant to be included, it was an error of misunderstanding on our part. It was generally agreed by our respective geologists that prospecting this area by raising was a good project while we were in the process of installing extra pumps. In our No. 4 Ammendment we had requested the transfer of raise funds to additional drifting for the purpose of trying to find a better place to raise. However, if a better structure is not found, it could hardly be assumed that raising would not have been done near Sta. 1813A. The final decision as to whether or not it should be allowed rests with you.

It is our intention to drift ahead from the present face, gradually turning northeast for the next 75 feet. Long holes will be drilled ahead. If no strong water flow is encountered, the drift will be continued until the vein structure is cut about 100 feet ahead of the face of April 30, 1954. Should the vein at this point justify additional drifting, we should like to request additional help. A letter requesting such aid will be sent in the next day or two.

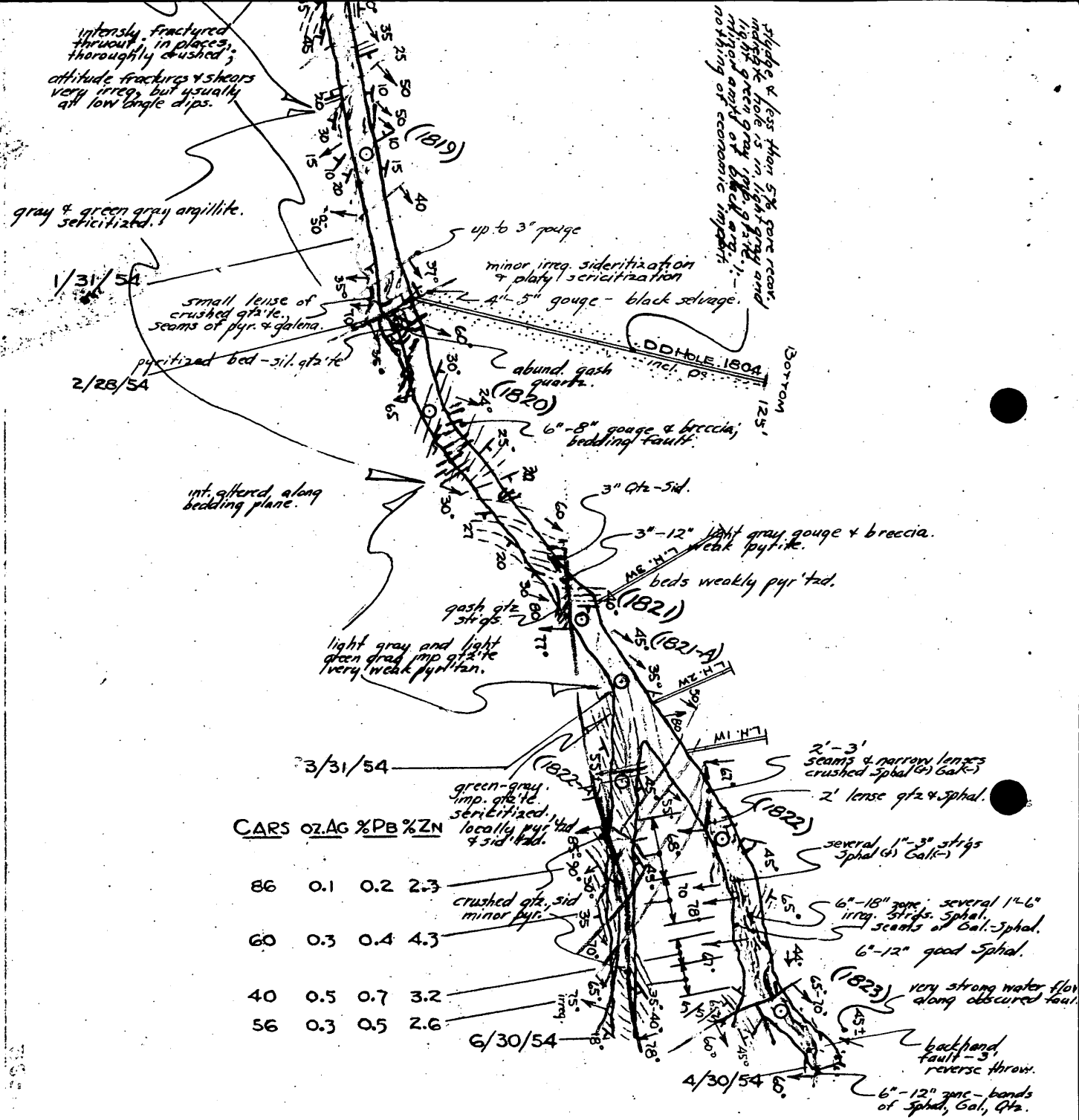
Very truly yours,

GOLCONDA LEAD MINES

Wray Featherstone

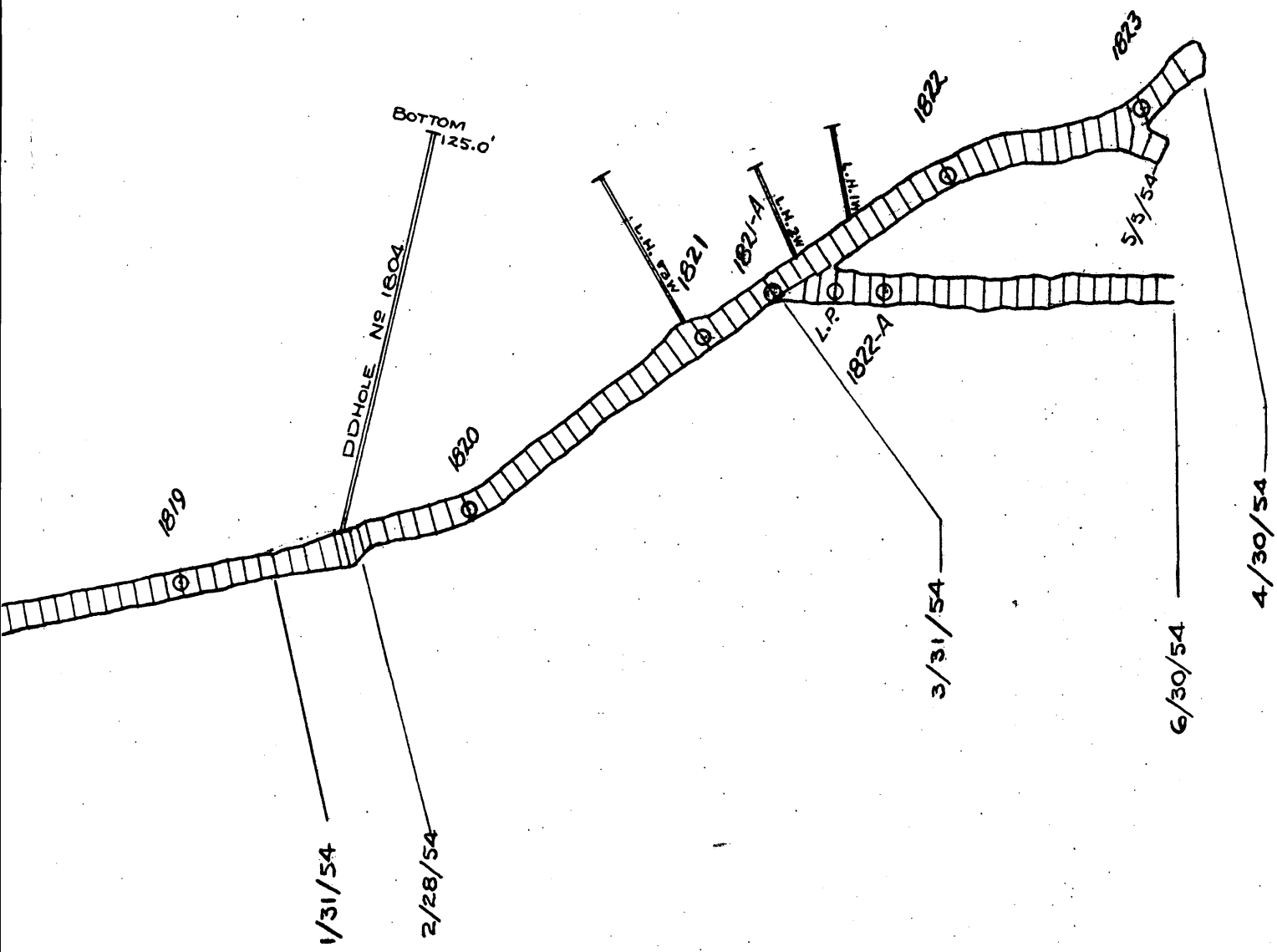
Wray Featherstone, Supt.

GOLCONDA MINE
1800 LEVEL
1" = 50'



CARS	OZ.AG	%PB	%ZN
86	0.1	0.2	2.3
60	0.3	0.4	4.3
40	0.5	0.7	3.2
56	0.3	0.5	2.6

6500



GOLCONDA MINE
1800 LEV.
1" = 50'

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 May 1-31 incl., 1954 Docket No. DMEA 2637 Contract No. Idm E475

Operator's Name Golconda Lead Mines Minerals Lead-zinc

Address Box 258, Wallace, Idaho

Contract Amount, $90,000.00 Government Participation: 50 % Amount, $45,000.00

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:		777.00	777.00			~~Delay~~ Body
Drilling						
Bulldozing						
~~Cross~~ Raising	3,655.00		3,655.00			7/12/54 J.W.L.
Drifting	410.00	68,210.00	68,620.00			
(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	4,065.00	68,987.00	73,052.00	4065.00	68,987.00	73,052.00

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

Date June 10, 1954 Payee Golconda Lead Mines

Per H. F. Magnuson Title Secretary

*When a voucher is signed or received 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:

$ 2032.50

Signature MJP (Authorized Certifying Officer)

Date 6/18/54 Vou. No. 1187

(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. E475 in accordance with the terms of the contract.

Signature /S/ Eric G. Erickson Title Mining Eng Date 6/16/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Engr Date 6/16/54

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1-31 1954 Docket No. DMEA 2637 Contract No. Idm E475
Operator's Name Golconda Lead Mines Minerals Lead-zinc
Address Box 258, Wallace, Idaho

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	Feet	410.00	10	68,620.00	1670			1*
Crosscutting								
Raising		3655.00	68	3,655.00	68			53.75
Shafts								
Winzes								
Drilling: Core	Feet	-0-	-0-	777.00	259		2000	3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc								
TOTAL COSTS		4065.00		73,052.00				

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 June 10, 1954 Operator Golconda Lead Mines

Per H. F. Magnuson Title Secretary

H. F. Magnuson

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)

REMARKS:

(For Government use only)

1* $41.00 per ft. ordinary timebr
33.50 " " no "
46.00 " " extra "

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

June 10, 1954

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane, 2, Washington

Attention: A. E. Weissenborn
Wing G. Agnew

Re: Exploration Project Contract
Golconda Lead Mines
Docket No. 2637
Lead-zinc
Idm E475

Gentlemen:

Progress on Exploration Project Contract, Idm E475, during May 1-31, 1954, consisted of 10 feet of drifting and 68 feet of raising, 50 feet east of Sta. 1813A. Two shifts were employed during the period, with one shift in the raise and the other doing repair work and pump installation. As mentioned in report for April the strong flow of water encountered at the face had about reached the capacity of our pumps. Another electric pump was installed on the 1600 level. This together with a change from jet to direct pumping and an additional air pump in the sump on 1800 has doubled pumping capacity.

Our attempt to drive around water course and bad ground from a point west of Sta. 1823 (See sketch) into hanging wall was not successful. Water flow increased and followed our work. Even after being relieved, and with double sets, 12" - 14" caps and 10" posts, continued to break. Side pressure did not show much tendency to let up and the bottom continued to heave 50 feet back from the face. Water flow has decreased slightly, but the cost of opening this 50 feet of drift would be excessive. Therefore, a new lateral, turning off into the hanging wall, has been started between Sta. 1821 and 1822. This heading will be driven parallel to and 20 to 40 feet south of vein to a point ahead of the present face. Long holes can be used to explore ahead and determine the best point to swing back onto the vein structure.

The raise 50 feet east of Sta. 1813A was driven 68 feet above drift caps on vein structure (See raise sketch). The ore followed was about the same width and grade as that opened in drift. The vein narrowed in the back of raise. Short dog hole drifts were driven both east and west. On the east side the vein was cut off by a fault which appears to be the same one that terminated ore on main drift. A few more rounds each way may be justified, but chances for vein continuation look slim.

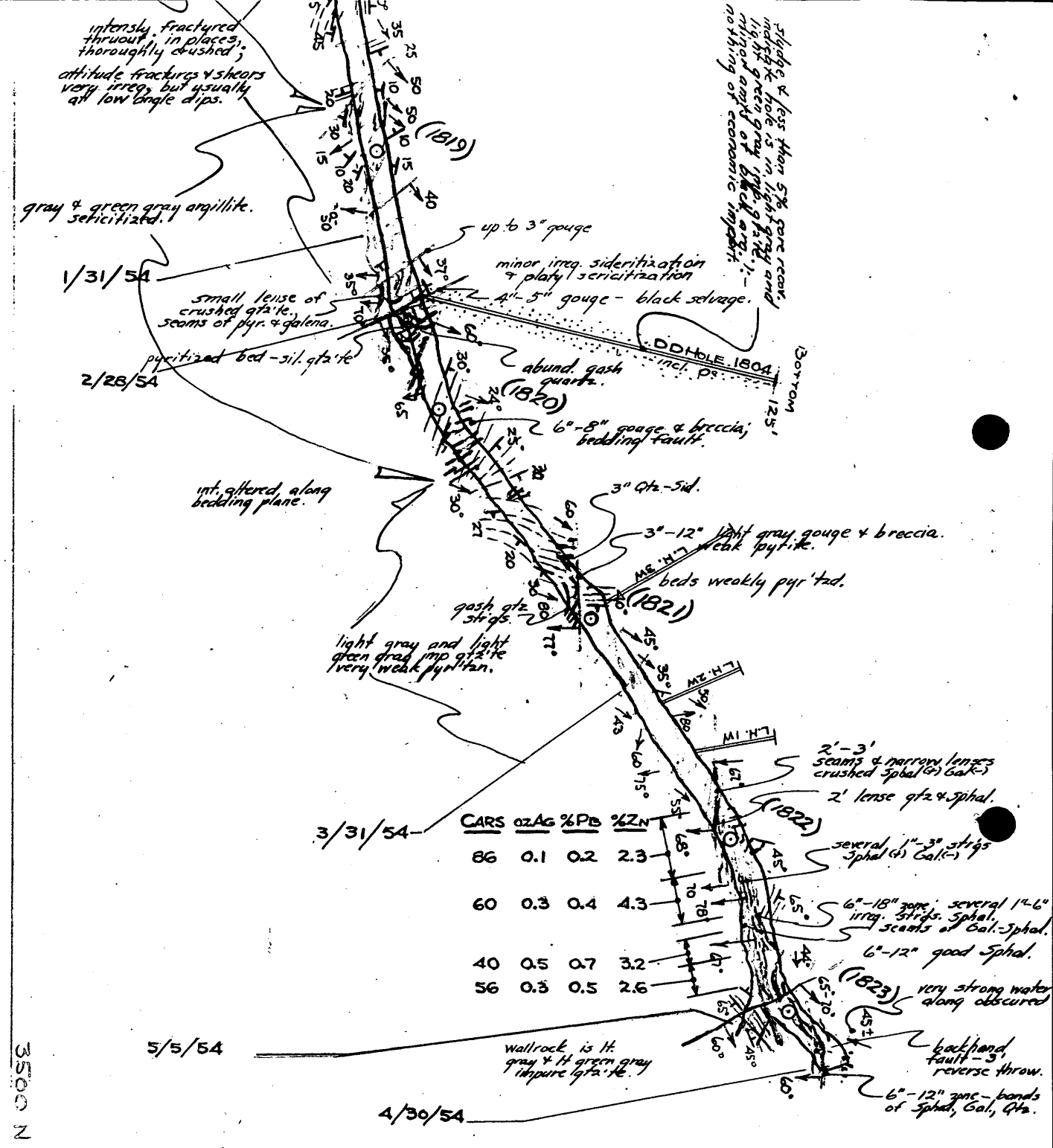
About 300 tons of ore taken from raise and 500 tons from drift between Sta. 1822 and 1823 is now being milled. Mill heads show .9% Pb, 5% Zn. Concentrate will be shipped to Bunker Hill and Anaconda with advice to deduct 5% royalty for D.M.E.A. account.

Very truly yours,

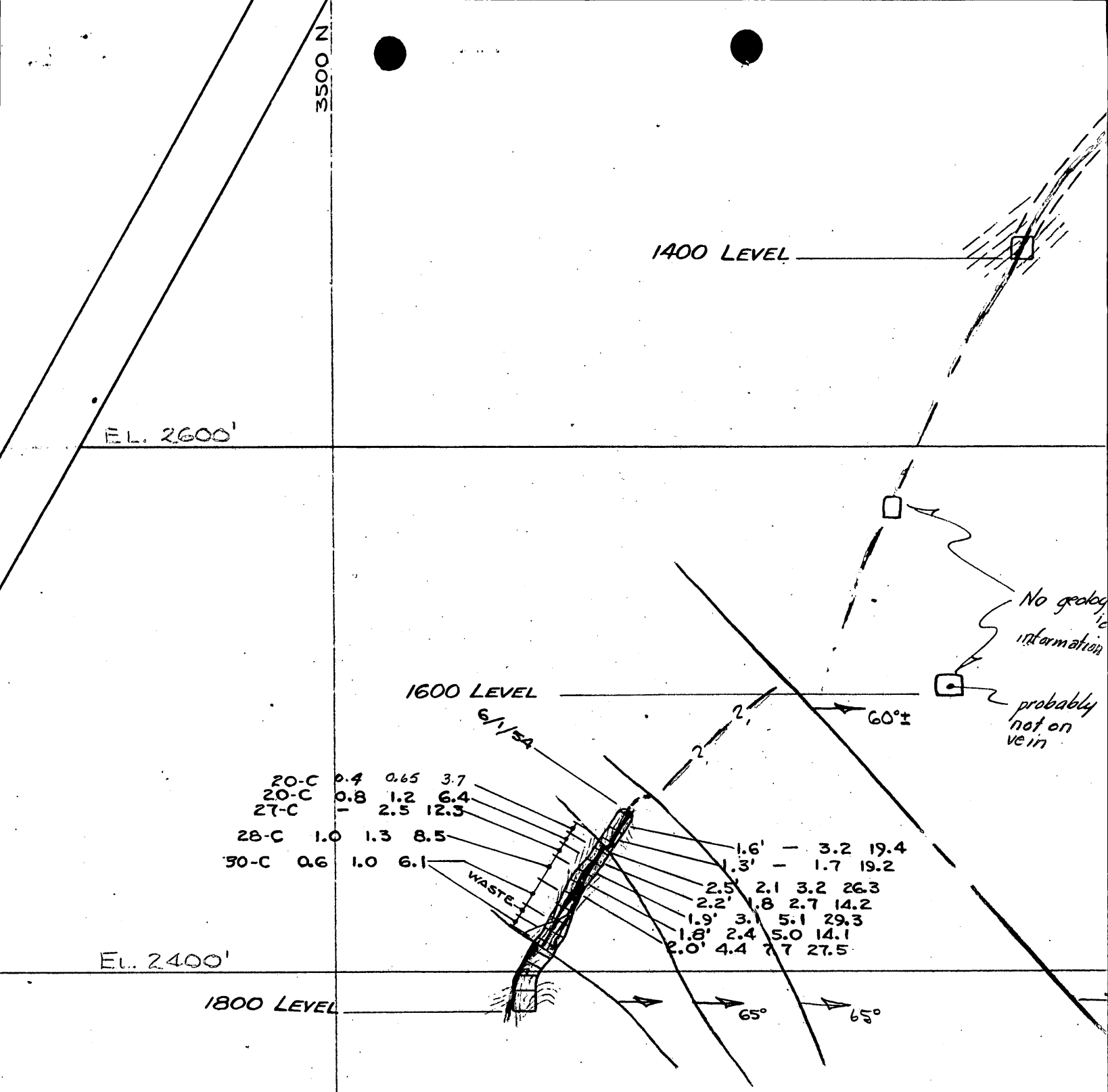
GOLCONDA LEAD MINES

By Wray Featherstone
Wray Featherstone, Supt.

GOLCONDA MINE
1800 LEVEL
1" = 50'



CARS	oz Ag	% Pb	% Zn
86	0.1	0.2	2.3
60	0.3	0.4	4.3
40	0.5	0.7	3.2
56	0.3	0.5	2.6



ASSAY ORDER:
WIDTH OZAG %PB %ZN

RAISE
50' East of Sta 1813A
PLANE OF SECTION IS
NORTH ON 5500 E. COORD
SCALE: 1"=50'

LOOK WEST.

GOLCONDA MINE

Form MF-104 (Rev.) (April 1953)

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 1-30 incl., 1954 Docket No. DMEA 2637 Contract No. Idm 2475

Operator's Name Golconda Lead Mines Minerals Lead-zinc

Address Box 250, Wallace, Idaho

Contract Amount, $ 92,000.00 Government Participation: 50 % Amount, $ 45,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling		777.00	777.00			
Bulldozing						
Crosscutting						
Drifting	6560.00	61,650.00	68,210.00			5/27/54. J.W.A.
(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		62,427.00	68,987.00	6560.00	62427.00	68987.00

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

Date May 10, 1954 *Payee Golconda Lead Mines

Per C. Ingraham Title Secretary

*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:

$ 3280.00

Signature (Authorized Certifying Officer)

Date 5/18/54 Vou. No. 1168

(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. E475 in accordance with the terms of the contract.

Signature /S/ Eric G. Erickson Title Mining Eng. Date 5/13/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W. Zoldok Title Mining Eng. Date 5/13/54

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 April 1-30 1954 Docket No. DMEA 2637 Contract No. Idm 8475
Operator's Name Golconda Lead Mines Minerals Lead-zinc
Address Box 258, Wallace, Idaho

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	Feet	6560.00	160	$68,210.00	1660			1*
Crosscutting								
Raising	Feet							
Shafts								
Winzes								
Drilling: Core	Feet			777.00	259		2000	$3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$6560.00		$68,987.00				

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 10, 1954 Operator Golconda Lead Mines

Per H. F. Magnuson Title Secretary

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)

REMARKS:

(For Government use only)

1* $41.00 per ft. ordinary timber
33.50 " " no "
46.00 " " extra "

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

May 10, 1954

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane, 2, Washington

Attention: A. E. Weissenborn
M. E. Volin

Re: Exploration Project Contract
Golconda Lead Mines
Docket No. DMEA 2637
Lead-zinc
Idm E475

Gentlemen:

During the period, April 1-30, 1954, 151 feet of drifting was completed on Exploration Project Contract, Idm E475, on a two shift basis. This footage, together with a 9 foot balance driven but not included for March, makes a 160 foot total to be reported. You will recall that due to the contract amend ment being in process, we did not report over the original 1500 feet of drifting.

A well defined vein was encountered about 10 feet west of Station 1822 (See sketch). This structure was followed for approximately 85 feet at which point a heavy flow of water was encountered. Although well defined, with an average 7 foot width, the vein exhibited subcommercial ore as indicated by car samples. Sphalerite mineralization was predominate and in small stringers and irregular lenses along the foot wall. Small seams of galena were found along the hanging wall. Quartz was abundant. Long holes, 1W, 2W, 3W, drilled between Station 1821 - 1822 (See sketch) indicate that the vein structure continues as distance west from Station 1822. Hole 1W from 11.0' - 20.0' assayed: 0.15 oz. silver, trace lead, 2.0 percent zinc. Hole 2W from 20.0' - 30.0' assayed: 0.15 oz. silver, trace lead, 0.4 percent zinc. Hole 3W from 35.0' - 50.0' assayed: trace silver, trace lead, 0.7 percent zinc.

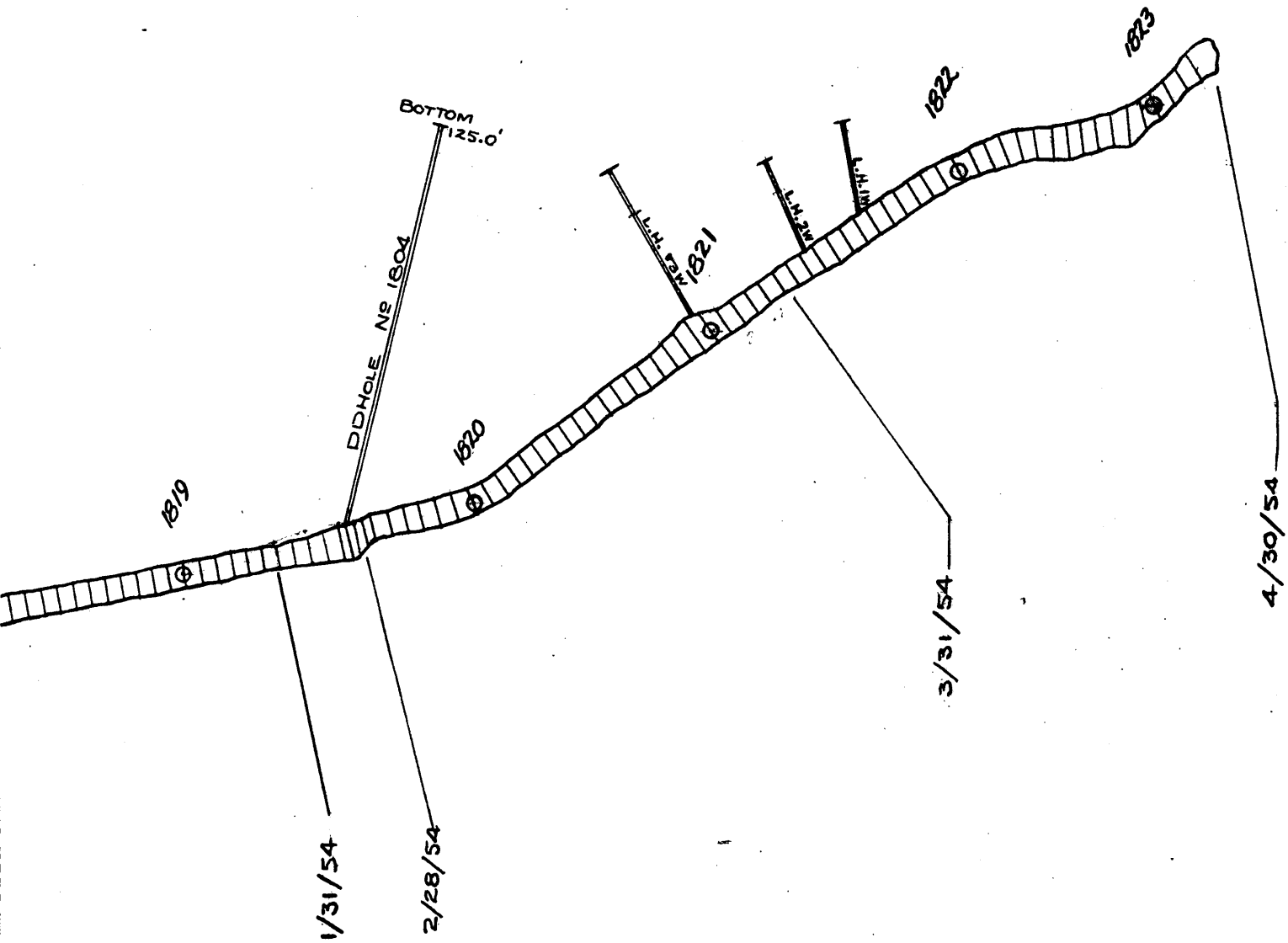
The strong flow of water encountered at the vace (4/30/54) increased and also worked its way back along the vein. This caused heavy pressure along the foot wall which broke most of the posts back to Station 1823. It now appears that this part of the drift may have to be abandoned. An attempt was made to swing around into the hanging wall 10 feet back from Station 1823 but additional blasting increased the flow of water. It is our intention to let this water drain for a week or two, as our pumps are at capacity. During this time some repair work, long holing and a short prospect raise between Stations 1813A - 1814 will be worked on.

Very truly yours,

GOLCONDA LEAD MINES

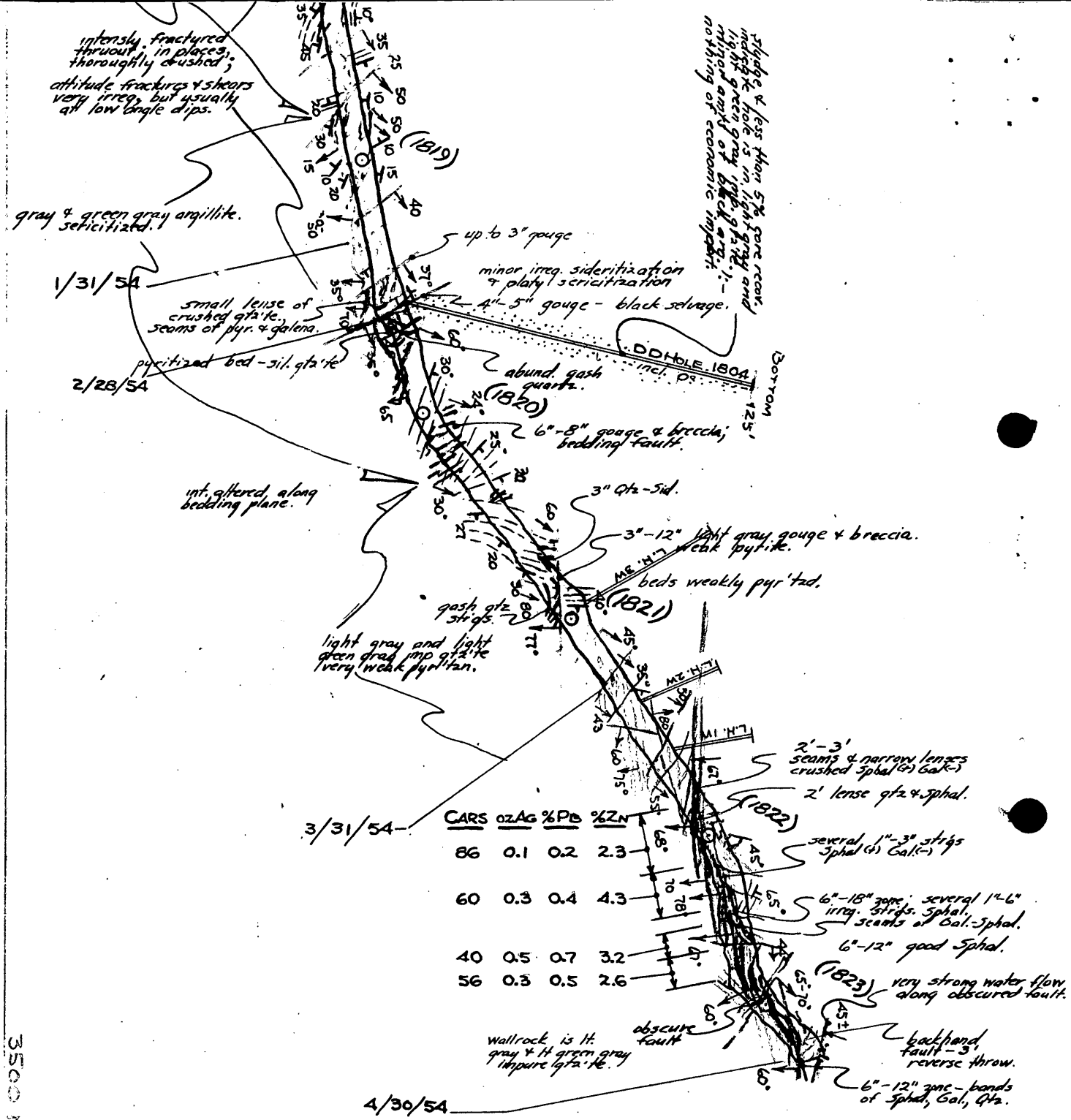
By Wray Featherstone

Wray Featherstone, Supt.



GOLCONDA MINE
1800 LEV.
1" = 50'

GOLCONDA MINE
1800 LEVEL
1" = 50'



CARS	oz.AG	%PB	%ZN
86	0.1	0.2	2.3
60	0.3	0.4	4.3
40	0.5	0.7	3.2
56	0.3	0.5	2.6

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 March 1-31 incl., 1954 Docket No. DMEA 2637 Contract No. Idm 1475
Operator's Name Golconda Lead Mines Minerals Lead-zinc
Address Box 258, Wallace, Idaho
Contract Amount, $ 90,000.00 Government Participation: 50 % Amount, $ 45,000.00

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		777.00	777.00			
Bulldozing						
Crosscutting						
Drifting	5863.00	55,787.00	61,650.00			
(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		56,564.00	62,427.00	5863.00	56,564.00	62,427.00

Betty 4/21/54 J.W.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date April 10, 1954 *Payee Golconda Lead Mines
N. F. Magnuson
Per N. F. Magnuson Title Secretary

*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:
2931.50
$ 2931.50
Signature (Authorized Certifying Officer)
Date 4/15/54 Vou. No. 1132
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-475 in accordance with the terms of the contract.

Signature (S) Eric G Erickson Title Mining Engr Date 4/12/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature (S) Stephen W Zoldok Title Mining Engr Date 4/13/54

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 1-31 1954 Docket No. DMEA 2637 Contract No. Idm 1475
Operator's Name Golconda Lead Mines Minerals Lead-zinc
Address Box 258, Wallace, Idaho

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	Feet	5863.00	143.00	61,650.00	1500		1500	1*
Crosscutting								
Raising							400	$53.75
Shafts								
Winzes								
Drilling: Core	Feet			777.00	259		2000	$3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		5863.00		62,427.00				

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 April 10, 1954 Operator Golconda Lead Mines

Per H. F. Magnuson Title Secretary
H. F. Magnuson

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)

REMARKS:

(For Government use only)

1* $41.00 per ft. ordinary timber

33.50 " " no "

46.00 " " extra "

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

April 10, 1954

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane, 2, Washington

Attention: A.E. Weissenborn
M. E. Volin

Re: Exploration Project Contract
Golconda Lead Mines
Docket No. DMEA 2637
Lead-zinc
Idm E475

Gentlemen:

Progress on Project Contract, Idm E475, during March 1-31, 1954 was 152 feet of drifting. Two shifts were employed.

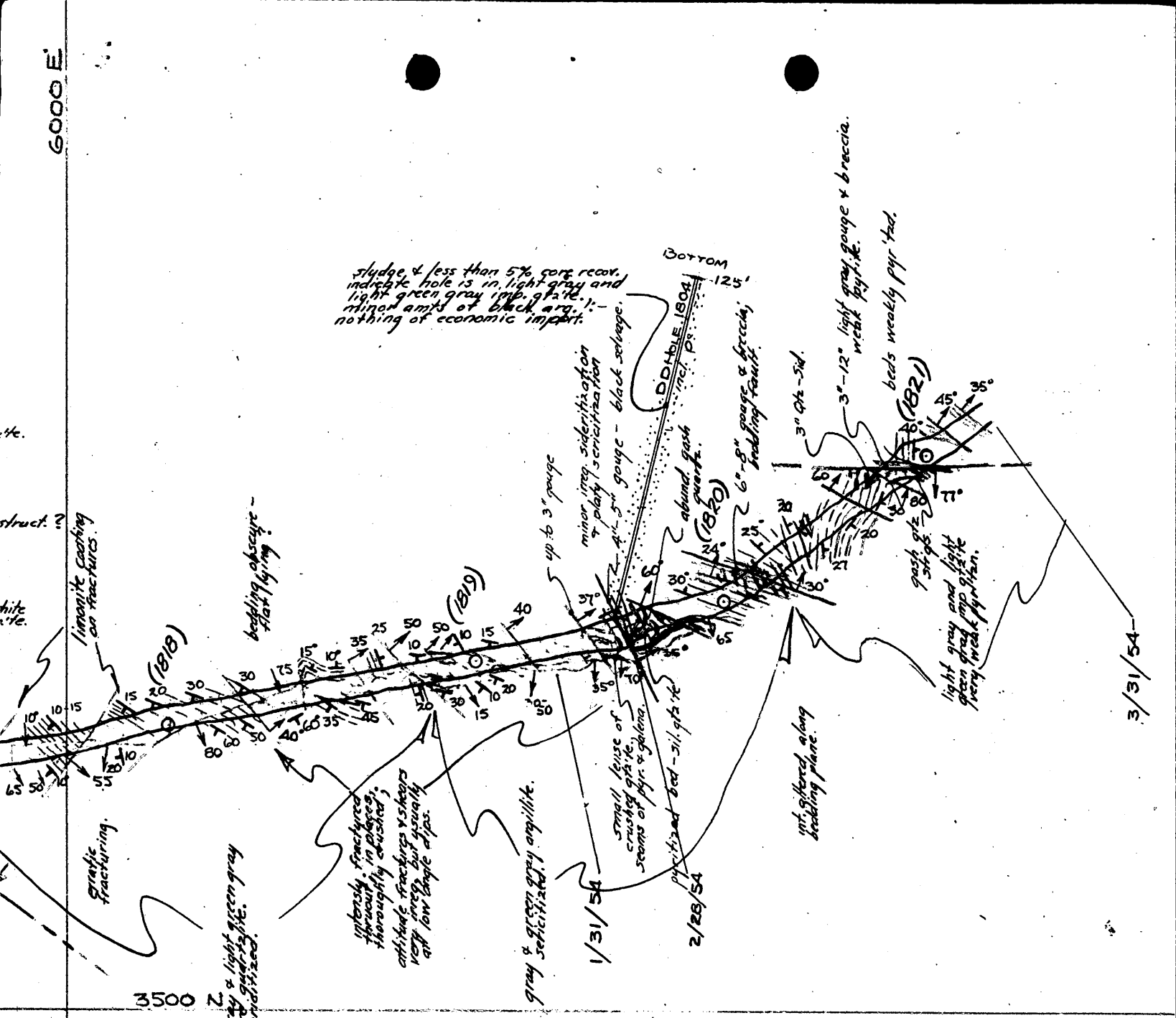
The drift was driven ahead approximately thirty feet to Station 1820 (See sketch), at which point, bearing was changed to approximately N. 57° E. At Station 1821 a cherry picker station was cut. Ground conditions improved, but still exhibited swelling characteristics, which required changing and relieving of most of the posts and side lacing. Actual footage driven (152') exceeded by 9 feet the balance (143') provided for in the contract. Therefore only 143 feet was reported on Form MF 104.

Since March 31, 1954, the face has been advanced on the same bearing, approximately 65 feet. The last round blasted encountered a strong, well mineralized zone containing galena, sphalerite, quartz and siderite. Several more rounds will be required to determine strike, dip and true width. This structure appears to justify the additional footage requested to be transfered from raise footage. In any event the work will be continued until a definite determination can be made.

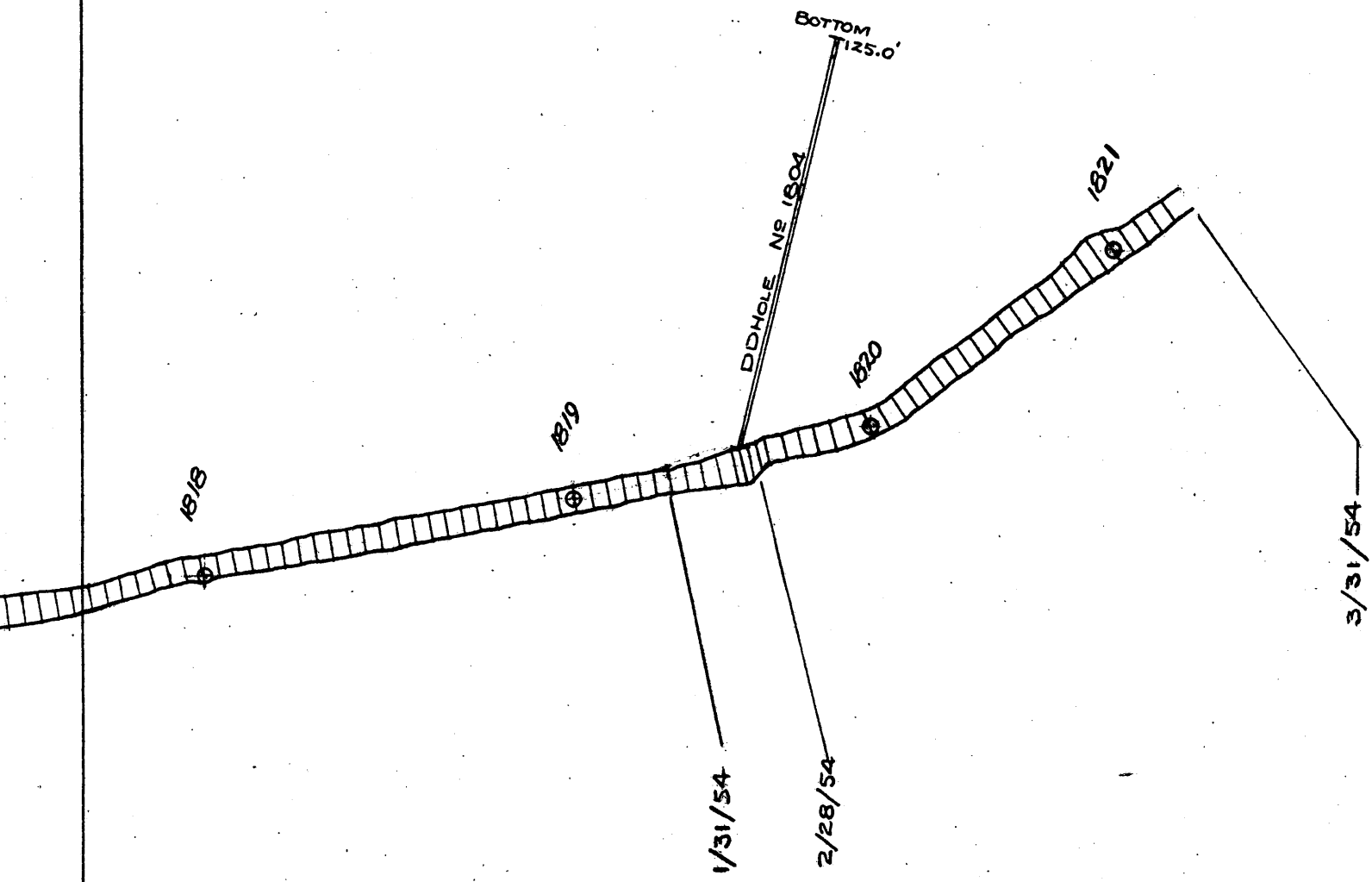
Very truly yours,

GOLCONDA LEAD MINES

By Wray Featherstone
Wray Featherstone, Supt.



GOLCONDA MINE
1800 LEVEL
1" = 50'



GOLCONDA MINE
1800 LEV.
1" = 50'

6000 E

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 Feb. 1-28 incl., 1954 Docket No. DMEA 2637 Contract No. 1954-2475
Operator's Name Coleonda Lead Mines Minerals Lead-zinc
Address Box 240, Wallace, Idaho
Contract Amount, $ 90,000.00 Government Participation: 50% Amount, $ 45,000.00

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	375.00	402.00	777.00			
Bulldozing						
Crosscutting						
Drifting	1380.00	54,427.00	55,807.00			
(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	1755.00	54,809.00	56,564.00	1755.00	54809.00	56,564.00

Betty 4/5/54

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

Date March 10, 1954 *Payee Coleonda Lead Mines
Per [signature] Title Secretary

*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:

$ 877.50

Signature [signature] (Authorized Certifying Officer)

Date 3/17/54 Vou. No. 1113
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-475 in accordance with the terms of the contract.

Signature /S/ Eric G. Erickson Title Mining Engr Date 3/15/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W. Zoldok Title Mining Engr Date 3/15/54

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

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

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

DEPARTMENT OF THE INTERIOR
Received
MAR 20 1954

Month of Feb. 1-28 1954 Docket No. DMEA 2637 Contract No. Idm E475
Operator's Name Golconda Lead Mines Minerals Lead-zinc
Address Box 258, Wallace, Idaho

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	Feet	1380.00	30.00	55,787.00	1357.00			1*
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	Feet	375.00	125.00	777.00	259.0		2000	3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc								
TOTAL COSTS		1755.00		56,564.00				

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 March 10, 1954 Operator Golconda Lead Mines

Per H. F. Magnuson Title Secretary

H. F. Magnuson

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)

REMARKS:

(For Government use only)

1* $41.00 per ft. ordinary timber
33.50 " " no "
46.00 " " extra "

March 10, 1954

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane, 2, Washington

Attention: A. E. Weissenborn
M. E. Volin

Re: Exploration Project Contract
Golconda Lead Mines
Docket N. DMEA 2637
Lead-zinc
Idm E475

Gentlemen:

During the period February 1 - 28, 1954, 30 feet of drifting and 125 feet of diamond drilling was completed on Exploration Project Contract, Idm E475. Two shifts were employed.

The drift was continued on a bearing of approximately N.80°E. through very heavy ground (See Sketch). Double timber sets and some spiling was required. The cherry picker station was cut and used for a diamond drill set up for one flat hole drilled 125 feet, on a bearing approximately n. 10° E. No apparent vein structure was encountered in this hole.

During the diamond drilling (Feb. 8-13) and from Feb. 15-27 repair work was carried on from Station 1818 to the face. The bottom had to be taken up for 150 feet, in some places as much as thirty inches, because of swelling ground. Most of the posts had to be replaced because they broke before the sides could be relieved. Some side sections were rock bolted. The cherry picker station at the face could not be used.

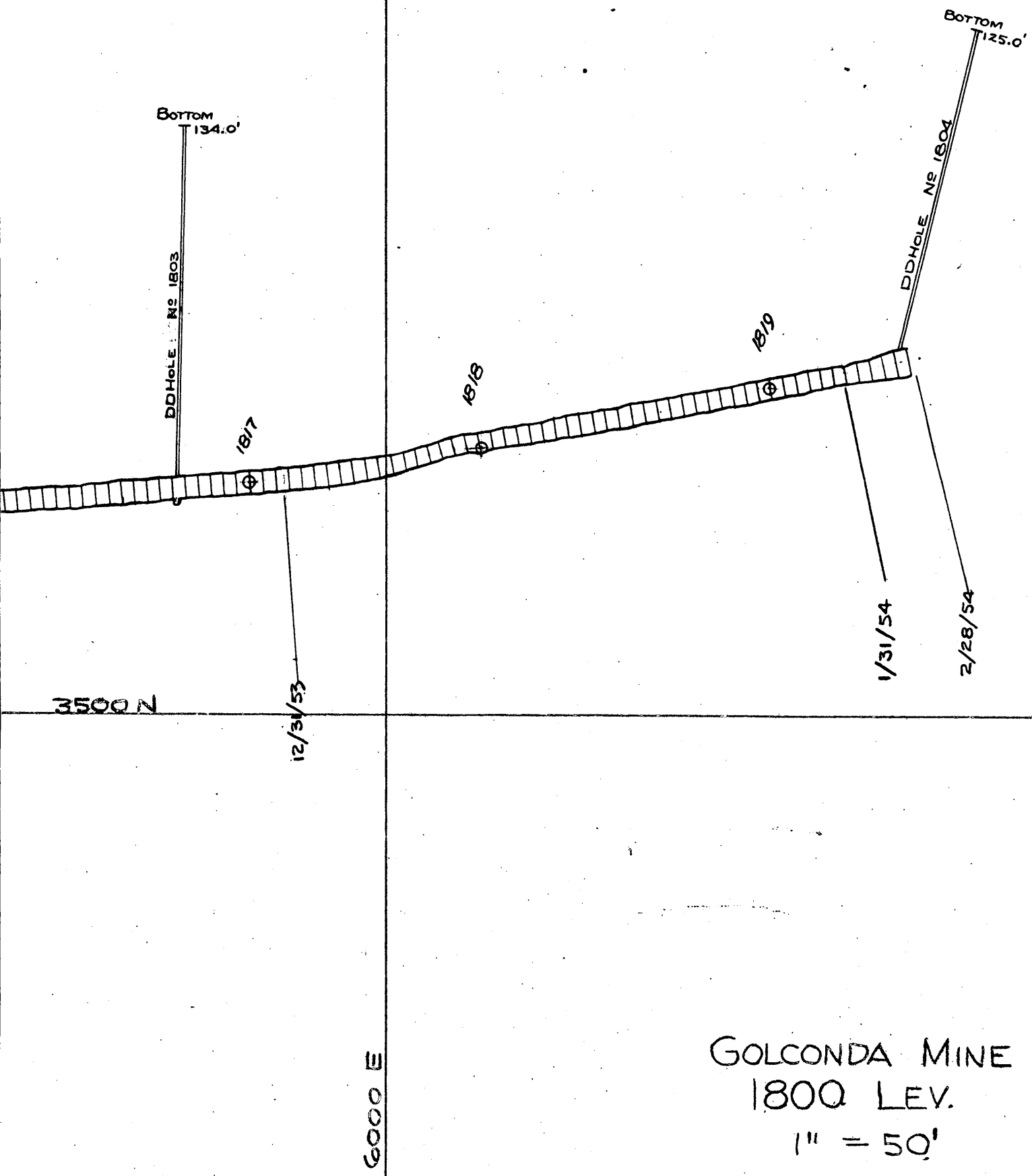
The ground in the face has improved after several rounds and the drift is now continuing in a northeasterly direction.

It appears that the remaining drifting footage on the contract may not be enough to adequately explore the favorable area ahead. Therefore, we are asking for an amendment to the contract which would allow part or all of the raise footage for additional drifting or crosscutting if conditions justify.

Very truly yours,

GOLCONDA LEAD MINES

By Wray Featherstone
Wray Featherstone, Supt.



GOLCONDA MINE
1800 LEV.
1" = 50'

GOLCONDA MINE
1800 LEVEL
1" = 50'

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

RECEIVED FEB 23 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Jan. 1-31 incl., 1954 Docket No. DMEA 2637 Contract No. Idm 8475
Operator's Name Golconda Lead Mines Minerals Lead-zinc
Address Box 258, Wallace, Idaho
Contract Amount, $90,000.00 Government Participation: 50 % Amount, $45,000.00

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	None	402.00	402.00			
Bulldozing						
Crosscutting						
Drifting	9020.00	45,387.00	54,407.00			
(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	9020.00	45,789.00	54,809.00	9020.00	45789.00	54,809.00

Betty 2/24/54 J.W.A.

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

Date Feb. 6, 1954 *Payee Golconda Lead Mines

Per N. F. Magnuson Title Secretary

*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:

$ 4510.00

Signature (Authorized Certifying Officer)

Date 2/16/54 Vou. No. 1074

(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. E475 in accordance with the terms of the contract.

Signature /S/ Eric G Erickson Title Mining Eng Date 2/15/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Eng Date 2/15/54

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 22 1954

Month of Jan. 1-31 195 4 Docket No. DMEA 2637 Contract No. 1dm 5475
Operator's Name Golconda Lead Mines Minerals Lead-zinc
Address Box 258, Wallace, Idaho

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	Feet	9020.00	220.0	54,407.00	1327		1500	1*
Crosscutting								
Raising							400	53.75
Shafts								
Winzes								
Drilling: Core	Feet	None	None	402.00	134		2000	3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		9020.00		54,809.00				

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 Feb. 6, 1954 Operator Golconda Lead Mines

Per H. F. Magnuson Title Secretary

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)

1* 41.00 per ft. ordinary timber
33.50 " " no "
46.00 " " extra "

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

February 8, 1954

United State Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane, 2, Washington

Attention: A. D. Weissenborn
M. E. Volin

Re: Exploration Project Contract
Golconda Lead Mines
Docket N. DMEA 2637
Lead-zinc
Idm 2475

Gentlemen:

From January 1st to 31st, 1954, 220 feet of drifting was completed on Exploration Project Contract, Idm 2475. Two shifts were employed.

The drift was driven on a bearing of approximately N. 80° E through crushed and broken impure quartzites. The entire advance required close timbering. Several northwest trending faults were cut, accompanied by gouge seams, minor amounts of water and swelling ground. Some posts had to be replaced or relieved within a few days. Track grade was difficult to hold because of swelling bottom.

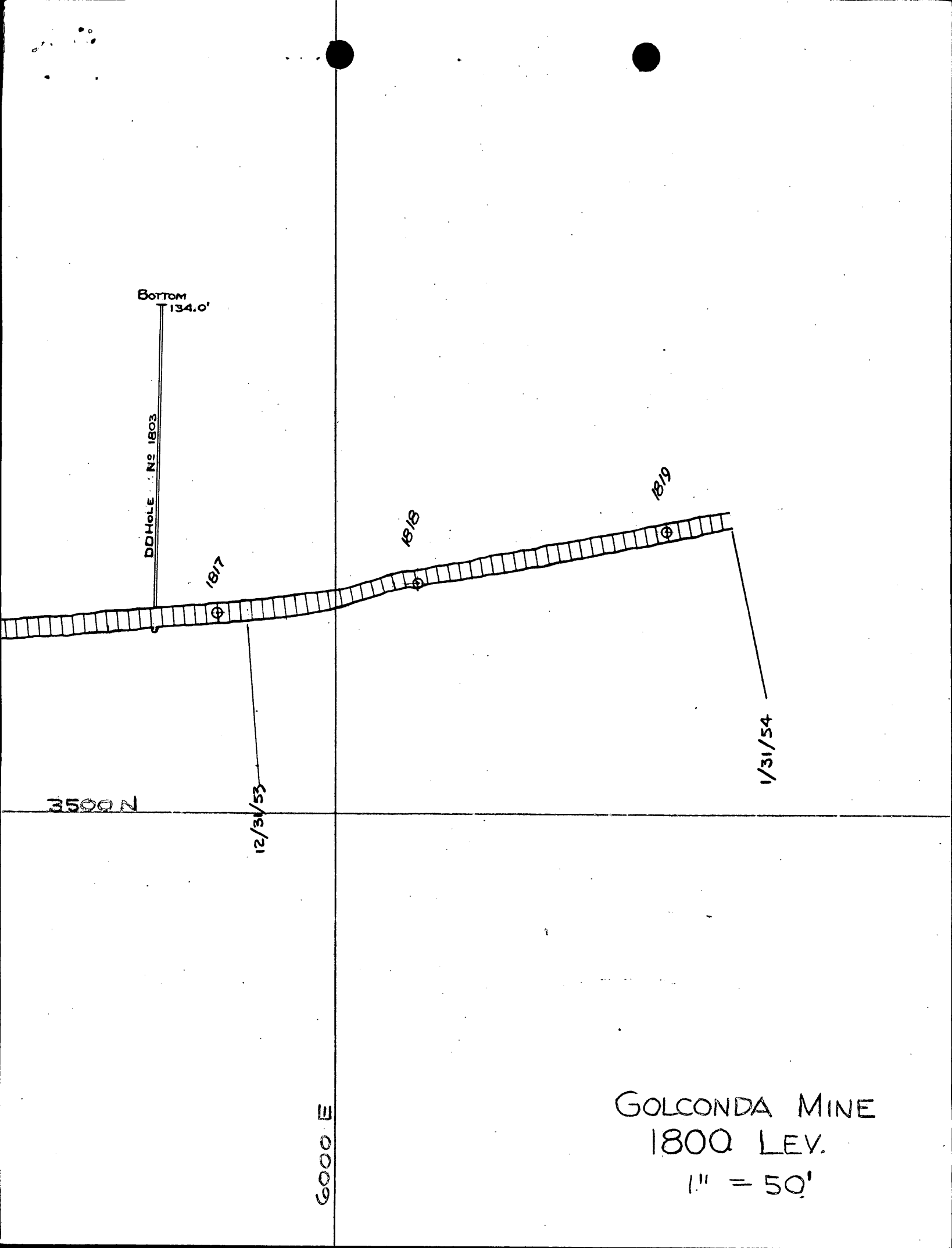
A cherry picker station, which is now being cut, will be used as a diamond drill set up. Drilling to the north and northeast will start as soon as this set up is completed. Other wall testing by long hole drill is contemplated. Necessary repair work will also be taken care of at this time.

Very truly yours,

GOLCONDA LEAD MINES

By Wray Featherstone
Wray Featherstone, Supt.

GOLCONDA MINE
1800 LEVEL
1" = 50'


BOTTOM
134.0'
DDHOLE Nº 1803
1817
1818
1819
12/31/53
1/31/54
3500 N
6000 E
GOLCONDA MINE
1800 LEV.
1" = 50'

Form MF-134 (Rev.)
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Department of the Interior
Defense Minerals Administration
RECEIVED
JAN 29 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Dec. 1-31 Incl., 1953 Docket No. DMEA 2637 Contract No. Idm E475
Operator's Name Golconda Lead Mines Minerals Lead-zinc
Address Box 258, Wallace, Idaho
Contract Amount, $ 90,000.00 Government Participation: 50 % Amount, $ 45,000.00

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	402.00	None	402.00			
Bulldozing						
Crosscutting						
Drifting	5330.00	40,057.00	45,387.00			2/3/54 J.W.A.
(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	5732.00	40,057.00	45,789.00	5732.00	40057.00	45,789.00

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

Date Jan. 15, 1954 *Payee Golconda Lead Mines

H. D. Hagnuson

Per H. D. Hagnuson Title Secretary

*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:

$ 2866.00

Signature
(Authorized Certifying Officer)

Date 1/4/54 Vou. No. 1054

(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. E475 in accordance with the terms of the contract.

Signature /S/ Eric G Erickson Title Mining Eng Date Jan 20/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Eng Date Jan 20/54

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 20 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Dec. 1-31 Inc 25 1953 Docket No. DMEA 2637 Contract No. Idm 2475
Operator's Name Golconda Lead Mines Minerals Lead-zinc
Address Box 258, Wallace, Idaho

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	Feet	5330.00	130	45,387.00	1107		1500	1o
Crosscutting								
Raising							400	53.75
Shafts								
Winzes								
Drilling: Core	Feet	402.00	134	402.00	134		2000	3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		5732.00	264	45,789.00				

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 Jan. 15, 1954 Operator Golconda Lead Mines

Per W. V. Harrison Title Secretary

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)

REMARKS:

(For Government use only)

1o 41.00 per ft ordinary timber
33.50 " " no "
46.00 " " extra "

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

January 15, 1954

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane, 2, Washington

Attention: A. E. Weissenborn
M. E. Volin

Re: Exploration Project Contract
Golconda Lead Mines
Docket No. DMEA 2637
Lead-zinc
Idm E475

Gentlemen:

For the period December 1 - 31, 1953, 149 feet of drifting and 134 Feet of diamond drilling was completed on Exploration Project Contract, Idm E475. Two shifts were employed. December 24th, 25th, and 26th were taken off for Christmas. During this time and December 27th through 30th, diamond drilling and necessary repair work was carried on. One hundred forty nine feet of drift was driven in very wet, broken and faulted quartzite that required close timebring. Electric delays were required for blasting.

The drift was driven ahead at about N 85° E. No vein structure was in evidence. At a point 27 feet west of Station 1817 (See sketch) an EX dialmond drill hole was drilled north for 134 feet. Core recovery was poor (about 10%), but sludge samples indicated a possible vein structure between 79-86 feet. Assays of the sludge from this section (79'-86') showed traces of lead and from 0.15% to 0.40% of zinc.

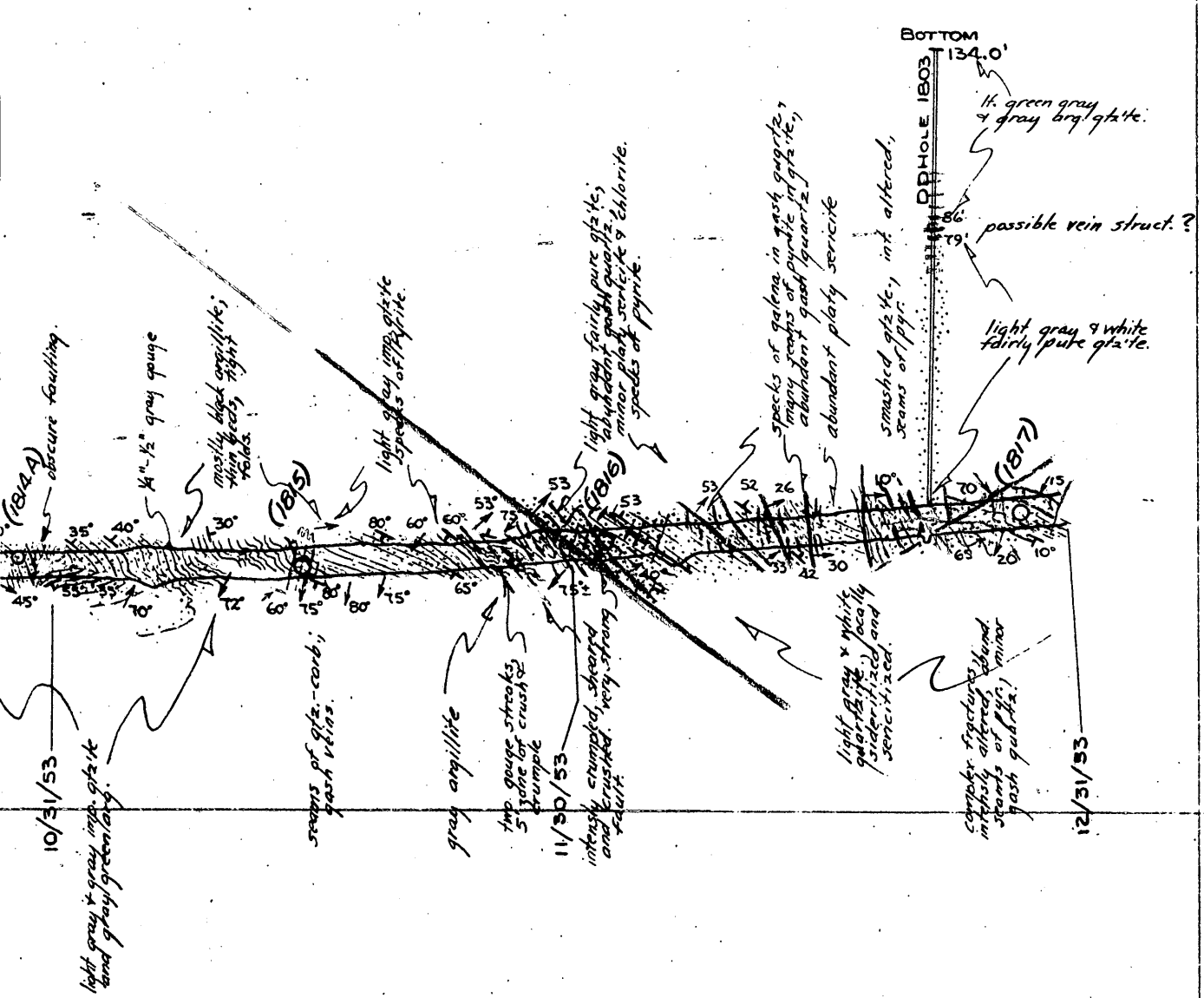
Drifting is being continued on a bearing about N 80° E. Another fault is anticipated about 150 feet east of Station 1817. After cutting this fault an attempt will be made to pick up the vein structure by diamond drilling or dog-hole cross cut.

In checking our monthly vouchers against footage advanced, a measurement duplication of 19.0 feet was found. Therefore, 19.0 feet was deducted from the December footage. The total shown on voucher and progress reports is correct as well as the face location on map as of the end of December, 1953.

Very truly yours,

GOLCONDA LEAD MINES

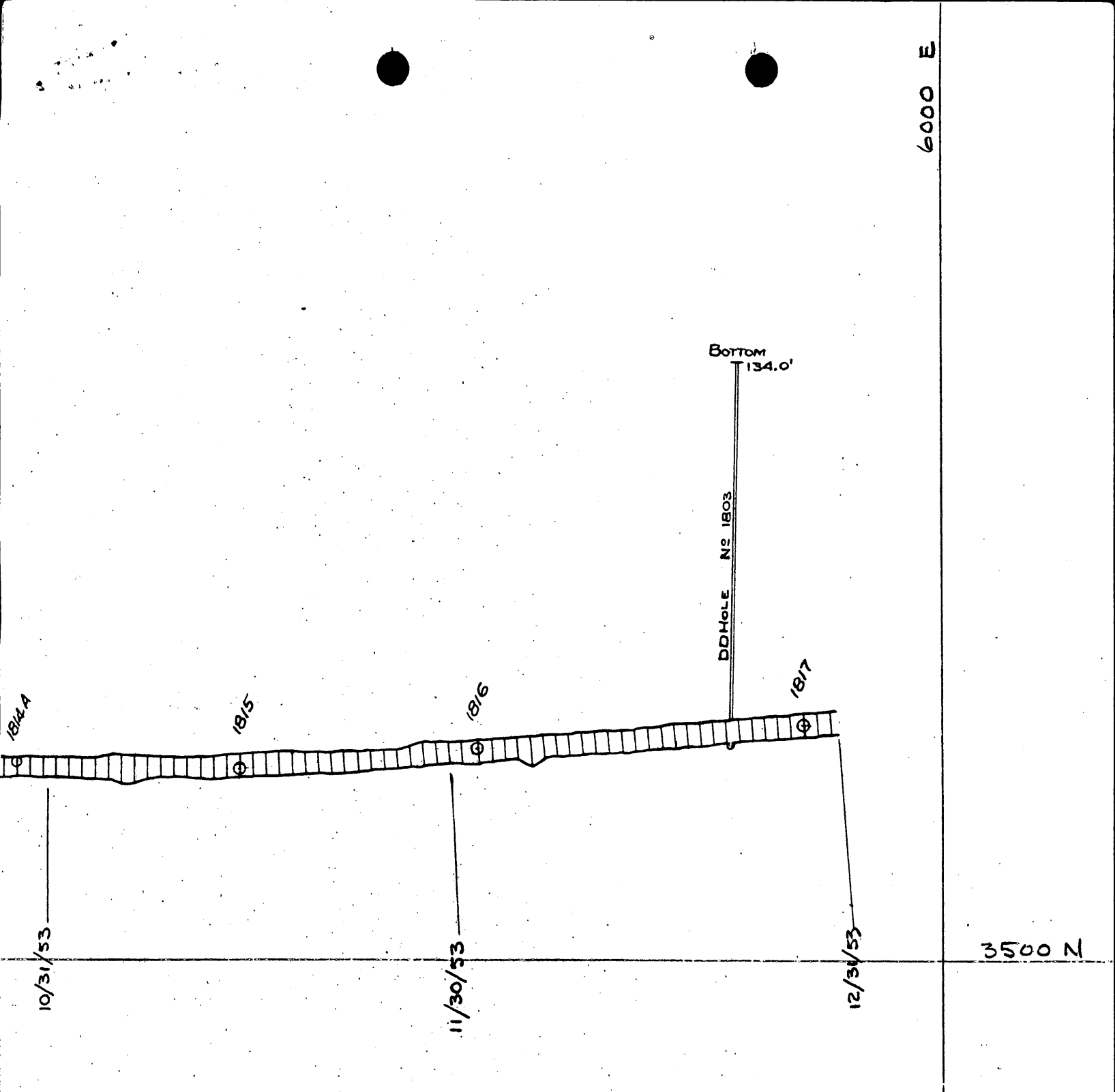
By Wray Featherstone
Wray Featherstone, Supt.



Golconda Lead Mines

1800 Level

Scale 1" = 50'



Golconda Lead Mines

1800 Level

Scale 1" = 50'

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 November 1-30 incl. 1953 Docket No. DMEA 2637 Contract No. Idm E475
Operator's Name Golconda Lead Mines Minerals Lead-Zinc
Address Box 258, Wallace, Idaho
Contract Amount, $ 90,000.00 Government Participation: 50 % Amount, $ 45,000.00

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						
Bulldozing						
Crosscutting						
Drifting *	$7150.00	$33,907.00	$41,057.00	6150.00	33907.00	40,057.00
(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	$7150.00	$33,907.00	$41,057.00	6150.00	33907.00	40,057.00

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

Date Dec. 10, 1953 *Payee Golconda Lead Mines
H. F. Magnuson
Per [signature] Title Secretary

*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:

$ 3075.00

Signature [signature] (Authorized Certifying Officer)

Date 12/16/53 Vou. No. 1016
(See other side)

* Error in computing 150' drift @ 41.00

(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. E475 in accordance with the terms of the contract.

Signature 1st Eric G Erickson Title Mining Engr Date 12/15/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature 1st Stephen W Zoldok Title Mining Engr Date 12/16/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Nov. 1-30 incl. 3 Docket No. DMEA 2637 Contract No. Idm E475

Operator's Name Golconda Lead Mines Minerals Lead-Zinc

Address Box 258, Wallace, Idaho

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	Feet	$7150.00	150	~~$41,057.00~~	977		1500	1*
Crosscutting		6150.00		40,657.00				
Raising							400	53.75
Shafts								
Winzes								
Drilling: Core							2000	3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
		6150		40,657.00				
TOTAL COSTS		~~7150.00~~	150	~~$41,057.00~~				

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. 10, 1953 Operator Golconda Lead Mines

Per H. F. Magnuson Title Secretary

H. F. Magnuson

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)

1* $41.00 per ft. ordinary timber
33.50 " " no timber
46.00 " " extra timber

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

December 10, 1953

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane, 2, Washington

Attention: A. E. Weissenborn
M. E. Volin

Re: Exploration Project Contract
Golconda Lead Mines
Docket No. DMEA 2637
Lead-zinc
Idm E475

Gentlemen:

During the period November 1 - 30, 1953, 150 feet of drifting was completed on Exploration Project Contract Idm E475. Two shifts were employed. The first six days of the period were required to relieve posts and replace broken timber. Drifting was then resumed, with 150 feet being driven. Unusually heavy and swelling ground retarded progress. Several posts in the newly driven section had to be replaced before the end of the month. At a point 80 feet ahead of Sta. 1815 (See Sketch) a strong northwesterly striking fault was cut. A moderate flow of water at this point added to timbering difficulties.

No vein structure has been in evidence since our last report. (See Sketch) The extremely faulted and broken condition of the formation the last 150 - 175 feet did not indicate the advisability of doing any prospecting in either wall. It appears now that the face is in a more competent quartzite, after going through a strong fault zone, that cross-cutting for possible vein structure soon will be in order.

We should like to propose an amendment to our contract which would allow the transfer of part of the diamond drilling funds to driving dog hole cross-cuts and inclines, where conditions justify. This has been discussed with Mr. Quinlan and Mr. Erickson. In those sections of the structure that are badly broken, it is certain that more useful and reliable information can be obtained. The cost per foot for this type of exploration would not exceed $10.00. This cost covers all prorated expenses.

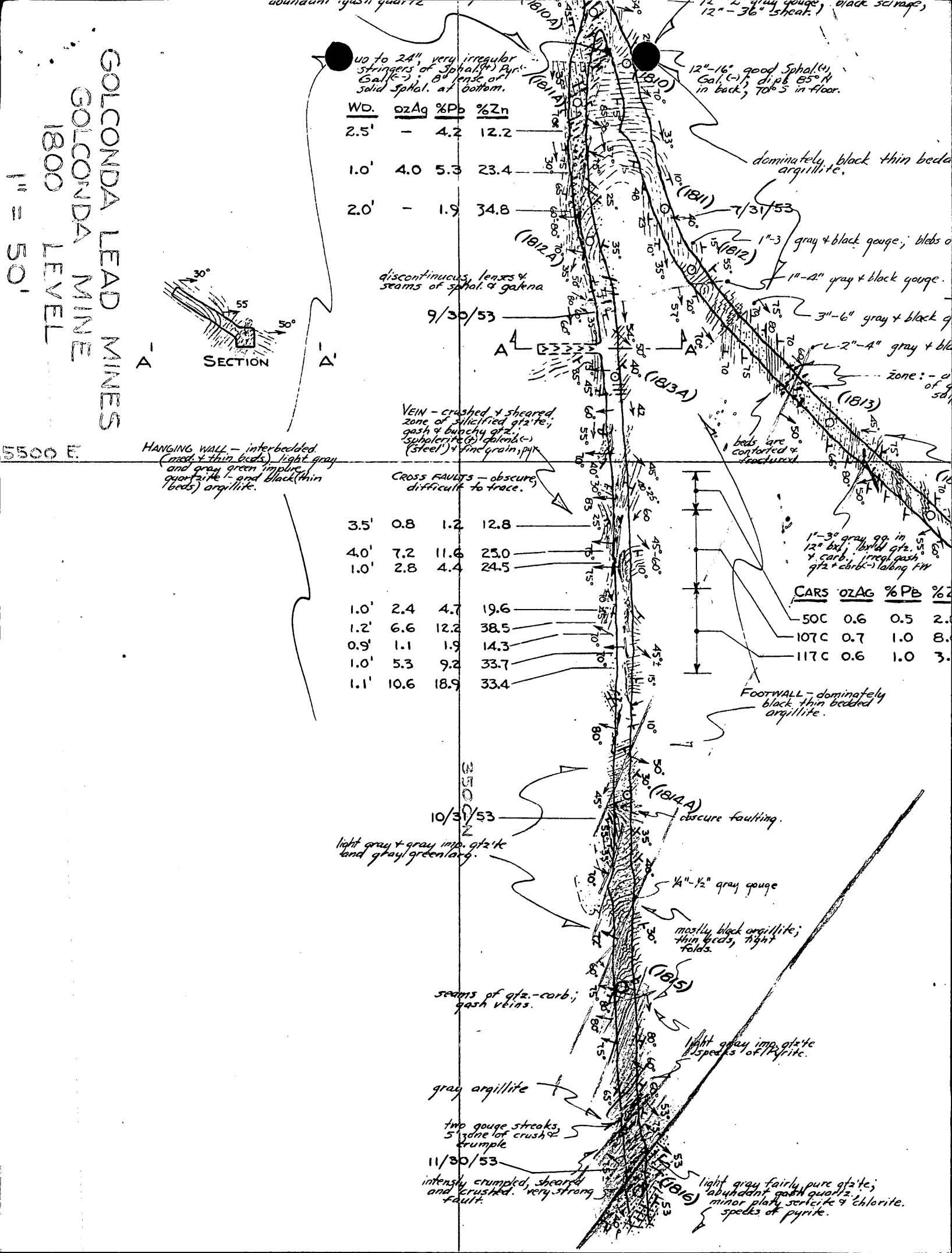
Under separate cover, we are sending a 5% royalty check on lead concentrates shipped to the Bunker Hill Smelter during November.

Very truly yours,

GOLCONDA LEAD MINES

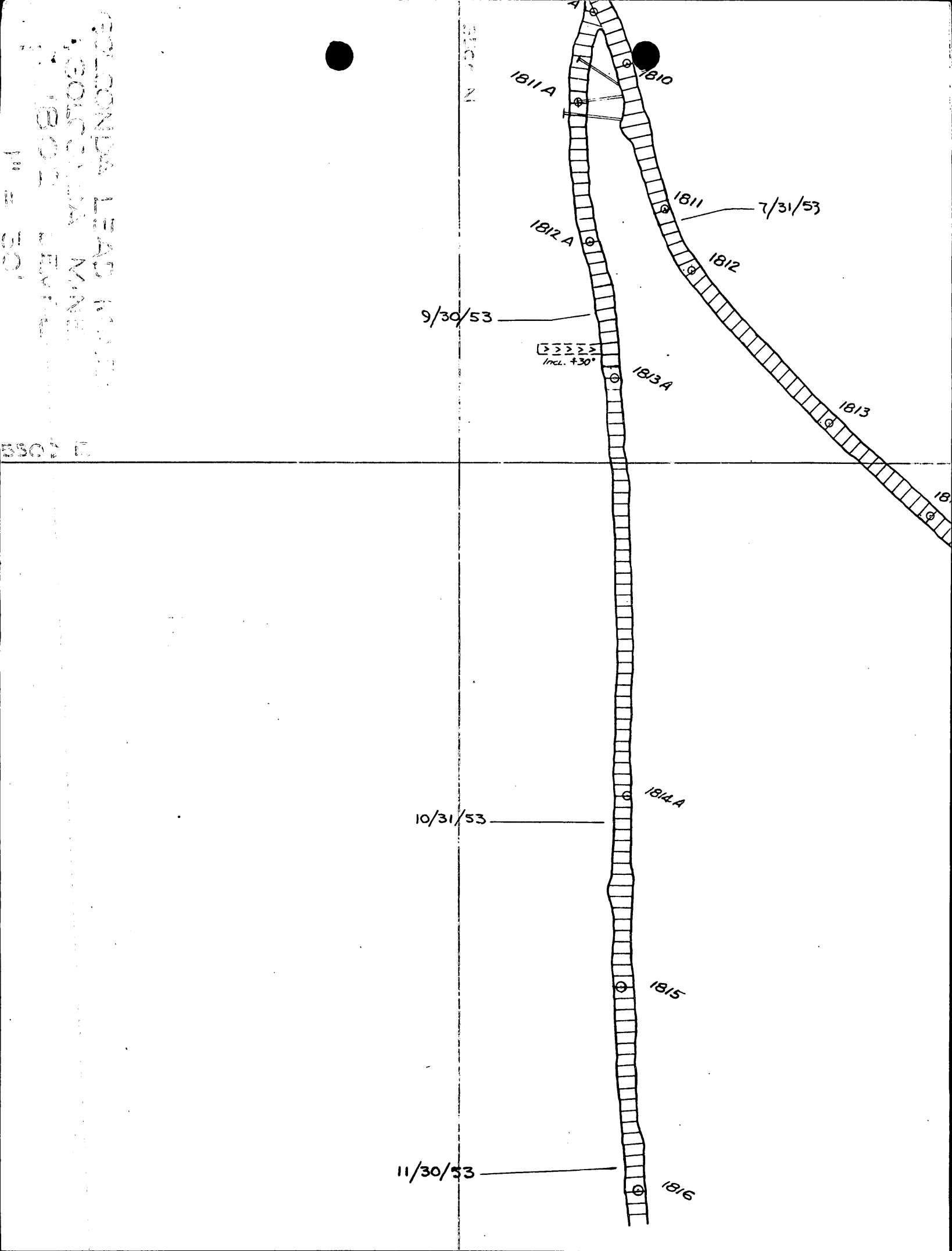
By Wray Featherstone
Wray Featherstone, Supt.

GOLCONDA LEAD MINES
GOLCONDA MINE
1800 LEVEL
1" = 50'



WD.	ozAg	%Pb	%Zn
2.5'	–	4.2	12.2
1.0'	4.0	5.3	23.4
2.0'	–	1.9	34.8
3.5'	0.8	1.2	12.8
4.0'	7.2	11.6	25.0
1.0'	2.8	4.4	24.5
1.0'	2.4	4.7	19.6
1.2'	6.6	12.2	38.5
0.9'	1.1	1.9	14.3
1.0'	5.3	9.2	33.7
1.1'	10.6	18.9	33.4

CARS	ozAg	%Pb	%Z
50C	0.6	0.5	2.
107C	0.7	1.0	8.
117C	0.6	1.0	3.


1811 A
1810
1811
7/31/53
1812 A
1812
9/30/53
Incl. +30°
1813 A
1813
10/31/53
1814 A
1815
11/30/53
1816

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 Oct. 1-31, inc., 1953 Docket No. DMEA 2637 Contract No. Ida 475
Operator's Name Golconda Lead Mines Minerals Lead-Zinc
Address Box 250, Wallace, Idaho
Contract Amount, $90,000.00 Government Participation: 50 % Amount, $45,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						12/18/53 J.W.A.
Bulldozing						
Crosscutting						
Drifting	9225.00	24,682.00	33,907.00			
(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	9225.00	24,682.00	33,907.00	9225.00	24682.00	33907.00

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

Date Nov. 12, 1953 *Payee Golconda Lead Mines
H. P. Magnuson
Per [signature] Title Secretary

*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:

$ 4612.50

Signature [signature]
(Authorized Certifying Officer)

Date 11/18/53 Vou. No. 975
(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. TE 475 in accordance with the terms of the contract.

Signature /S/ Eric G. Erickson Title Mining Eng. Date 11-16-53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ A. E. Weissenborn Title Exec. Officer Date 11/16/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Oct. 1-31, inc. 195 3 Docket No. DMEA 2637 Contract No. Idm D475

Operator's Name Golconda Lead Mines Minerals Lead-Zinc

Address Box 258, Wallace, Idaho

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	Feet	$9225.00	225	33,907.00	827		1500	1*
Crosscutting								
Raising							400	53.75
Shafts								
Winzes								
Drilling: Core							2000	3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		9225.00	225	33,907.00				

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 Nov. 12, 1953 Operator Golconda Lead Mines

Per N. F. Magnuson Title Secretary

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)

1*
041.00 ft. of ordinary timber
33.50 ft. no timber
46.00 ft. extra timber

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

~~Oles~~
Betty

November 12, 1953

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane, 2, Washington

Re: Exploration Project Contract
Golconda Lead Mines
Docket No. DMEA 2637
Lead-Zinc
Idm E475

Attention: A. E. Weissenborn
N. E. Volin

Gentlemen:

Progress on Exploration Project Contract Idm E475 from October 1st through October 31st, 1953, was 225 feet of drifting and 32 feet of dog hole raise. Two shifts were employed during the period. Close timbering was necessary because of the faulted and broken condition of the ground. Overbreaking was a problem, even in rounds drilled without back holes, and a large number of sets required 3 foot bulkheads above timber.

From the face of September 30th to a point 10 feet ahead of Station 1813A (See sketch) the vein structure was difficult to trace. Small amounts of quartz and some scattered sulfides were present. A 32 foot dog hole raise was driven into the hanging wall to check any possible vein offset. About 10 feet east of Station 1813A a more uniform and stronger structure was encountered. Predominately sphalerite mineralization increased for the next 25 feet. For the next 55 feet of drifting, 274 cars were sampled and stockpiled. The ore widths and grade are shown on the attached sketch. This stockpiled ore, together with 150 cars stockpiled during September was milled October 30th - November 3rd. Total treated was 796 dry tons; average head sample was:

Silver	0.6 oz.
Lead	1.03%
Zinc	4.28%

Concentrate weights and grades are not yet available.

At a point 130 feet east of Station 1813A, where a strong northwest fault cut the vein, the galena and sphalerite mineralization became very weak. Just ahead the vein split; one part turning sharply into the footwall, the other, fairly weak, gradually turning into the hanging. The drift was continued in an easterly direction 10 feet past Station 1814A.

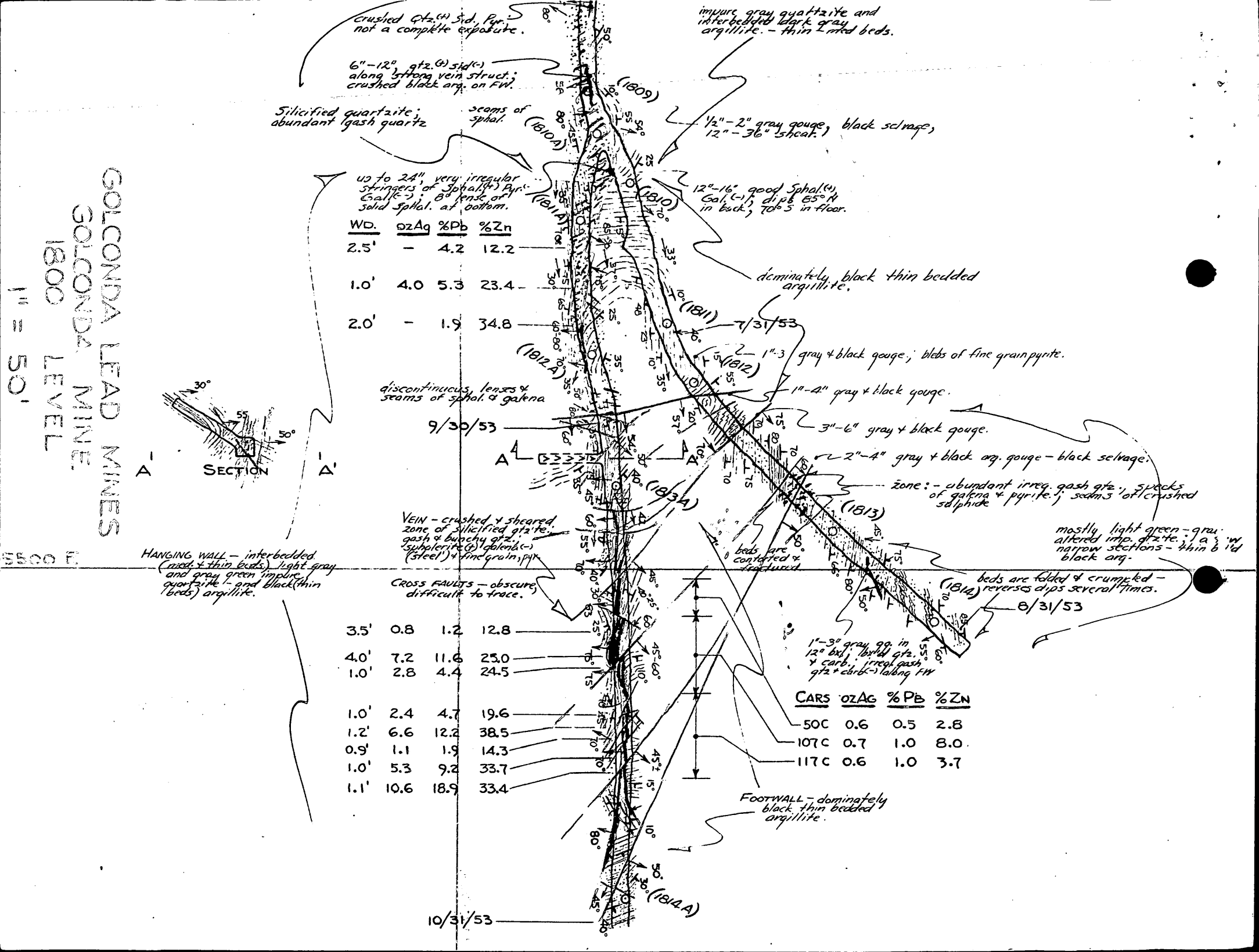
Before drifting can be continued it will be necessary to relieve and replace broken posts in that section of the drift driven last month. This work will require about one week.

Very truly yours,

GOLCONDA LEAD MINES

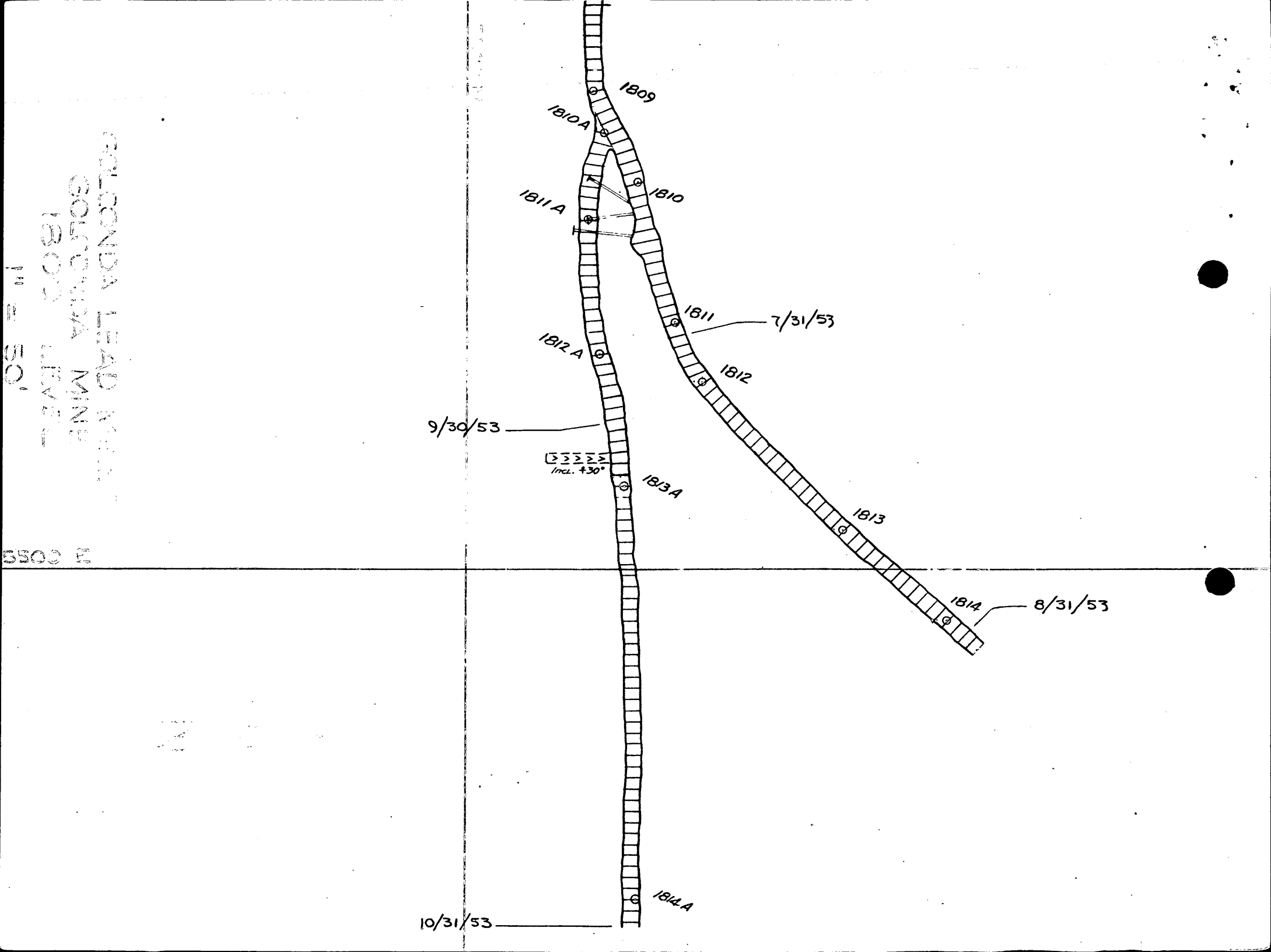
By Wray Featherstone
Wray Featherstone, Supt.

GOLCONDA LEAD MINES
GOLCONDA MINE
1800 LEVEL
1" = 50'



WD.	oz Ag	% Pb	% Zn
2.5'	–	4.2	12.2
1.0'	4.0	5.3	23.4
2.0'	–	1.9	34.8
3.5'	0.8	1.2	12.8
4.0'	7.2	11.6	25.0
1.0'	2.8	4.4	24.5
1.0'	2.4	4.7	19.6
1.2'	6.6	12.2	38.5
0.9'	1.1	1.9	14.3
1.0'	5.3	9.2	33.7
1.1'	10.6	18.9	33.4

CARS	oz AG	% PB	% ZN
50C	0.6	0.5	2.8
107C	0.7	1.0	8.0
117C	0.6	1.0	3.7


GOLCONDA LEAD MINE
GOLCONDA MINE
1800 LEVEL
1" = 50'
5500 E
1809
1810 A
1810
1811 A
1811
7/31/53
1812 A
1812
9/30/53
Incl. +30°
1813 A
1813
1814
8/31/53
1814 A
10/31/53

Form MF-10t (Rev.)
(April 1953)

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 Sept. 1-30, 1953 Docket No. DMEA 2637 Contract No. Idm E475
Operator's Name Golconda Lead Mines Minerals Lead-Zinc
Address Box 258, Wallace, Idaho
Contract Amount, $ 90,000.00 Government Participation: 50 % Amount, $ 45,000.00

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:						10/26/53 J.W.G.
Drilling						
Bulldozing						
Crosscutting						
Drifting	$5740.00	$18,942.00	$24,682.00			
(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	$5740.00	$18,942.00	$24,682.00	5740.00	18942.00	24682.00

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

Date October 9, 1953 Payee Golconda Lead Mines
H. F. Magnuson
Per H. F. Magnuson Title Secretary

*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:

$ 2870.00

Signature
(Authorized Certifying Officer)

Date 10/19/53 Vou. No. 938
(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. E475 in accordance with the terms of the contract.

Signature /S/ Eric G. Erickson Title Mining Eng. Date 10/19/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E. Howard Title Mining Engr. Date 10/19/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-194A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept 1-30 195 3 Docket No. DMEA 2637 Contract No. Idm E475
Operator's Name Golconda Lead Mines Minerals Lead-Zinc
Address Box 258, Wallace, Idaho

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	Feet	$5740.00	140'	$24,682.00	602		1560	1*
Crosscutting								
Raising							400	53.75
Shafts								
Winzes								
Drilling: Core							2000	3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
								TOTAL COSTS AUTHORIZED BY CONTRACT
TOTAL DISTRIBUTED COSTS								
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$5740.00	140'	$24,682.00				

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 October 9, 1953 Operator Golconda Lead Mines

Per H. F. Magnuson Title Secretary

H. F. Magnuson

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)

REMARKS:

(For Government use only)

1*
$41.00 ft ordinary timber
33.50 ft No timber
46.00 ft extra timbering

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

October 9, 1953

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane, 2, Washington

Re: Exploration Project
Contract
Golconda Lead Mines
Docket No. DMEA 2637
Lead-Zinc
Idm E475

Attention: A. E. Weissenborn
M. E. Volin

Gentlemen:

During the month, September 1-30, 1953, 140 feet of drifting was completed on Exploration Project Contract Idm E475. Two shifts were employed during this period. Some time was lost due to a storage battery locomotive breakdown. All ground required timbering.

As indicated in our report of September 3rd, 1953, a check of the hanging wall for a possible faulted continuation of structure near Station 1810, seemed advisable. Although long holes drilled at this point did not show anything conclusive, subsequent drifting showed that the vein structure continued after an offset to the south. That section through which the drill holes passed (See Sketch) was very weakly mineralized. However, drifting was continued and a fault cut about 15 feet east of Station 1811A. At this point fairly strong but predominately sphalerite mineralization was encountered. For the next 50 feet this mineralization continued. Three samples were taken as indicated. All cars from this section were sampled and stockpiled. The composite sample of the first 100 2 ton cars assayed:

0.6 oz. Ag, 0.7% Pb, 4.7% Zn

The next 50 cars:

0.5 oz Ag, 0.5% Pb, 4.8% Zn

From station 1812A to the face, small irregular seams and lenses of galena and sphalerite were present in a well defined vein structure. This mineralization is now being followed.

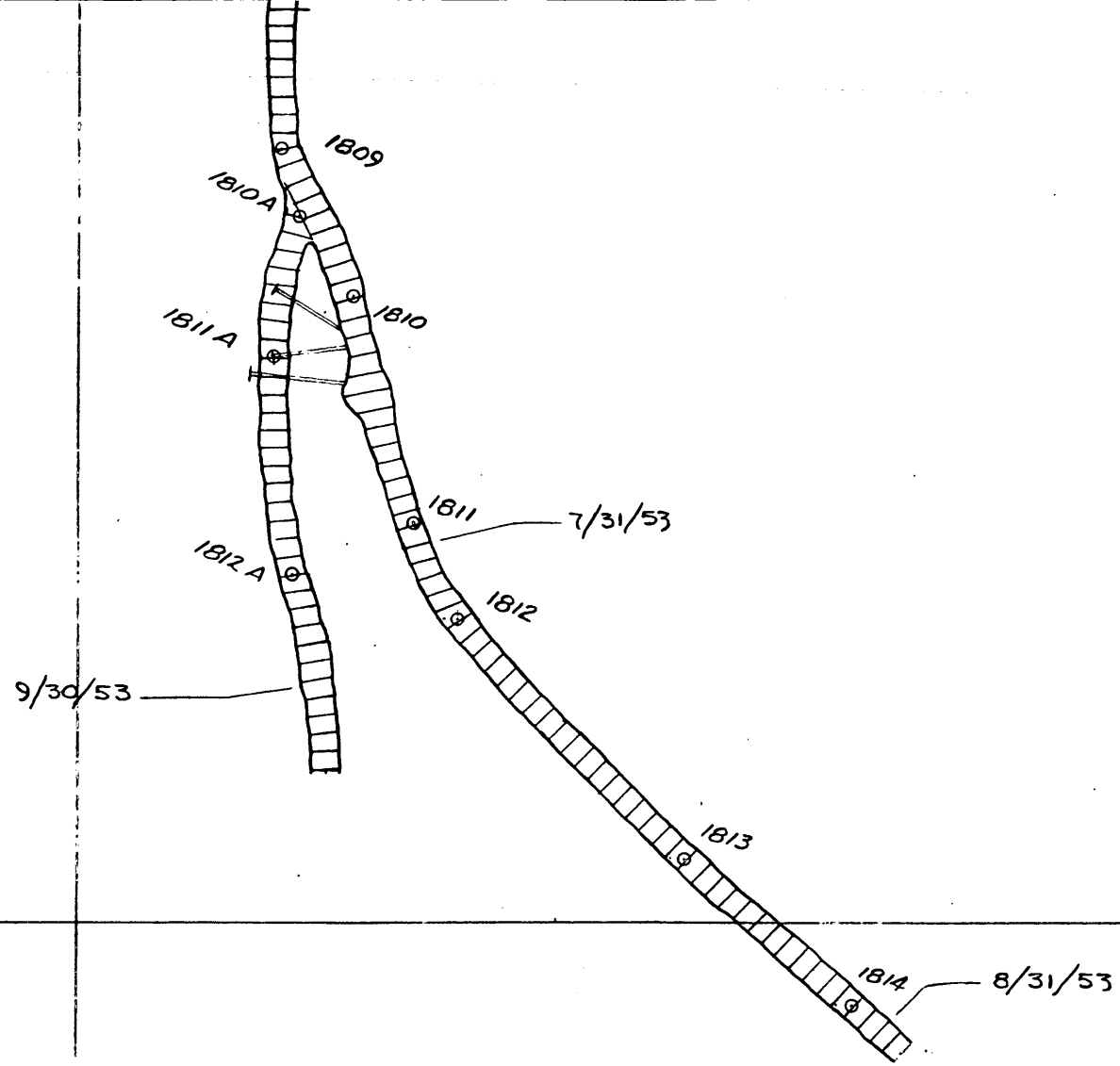
Your attention is called to the corrected position (See Sketch) of drift from Station 1809 through Station 1810 to the face at Station 1814.

Very truly yours,

GOLCONDA LEAD MINES

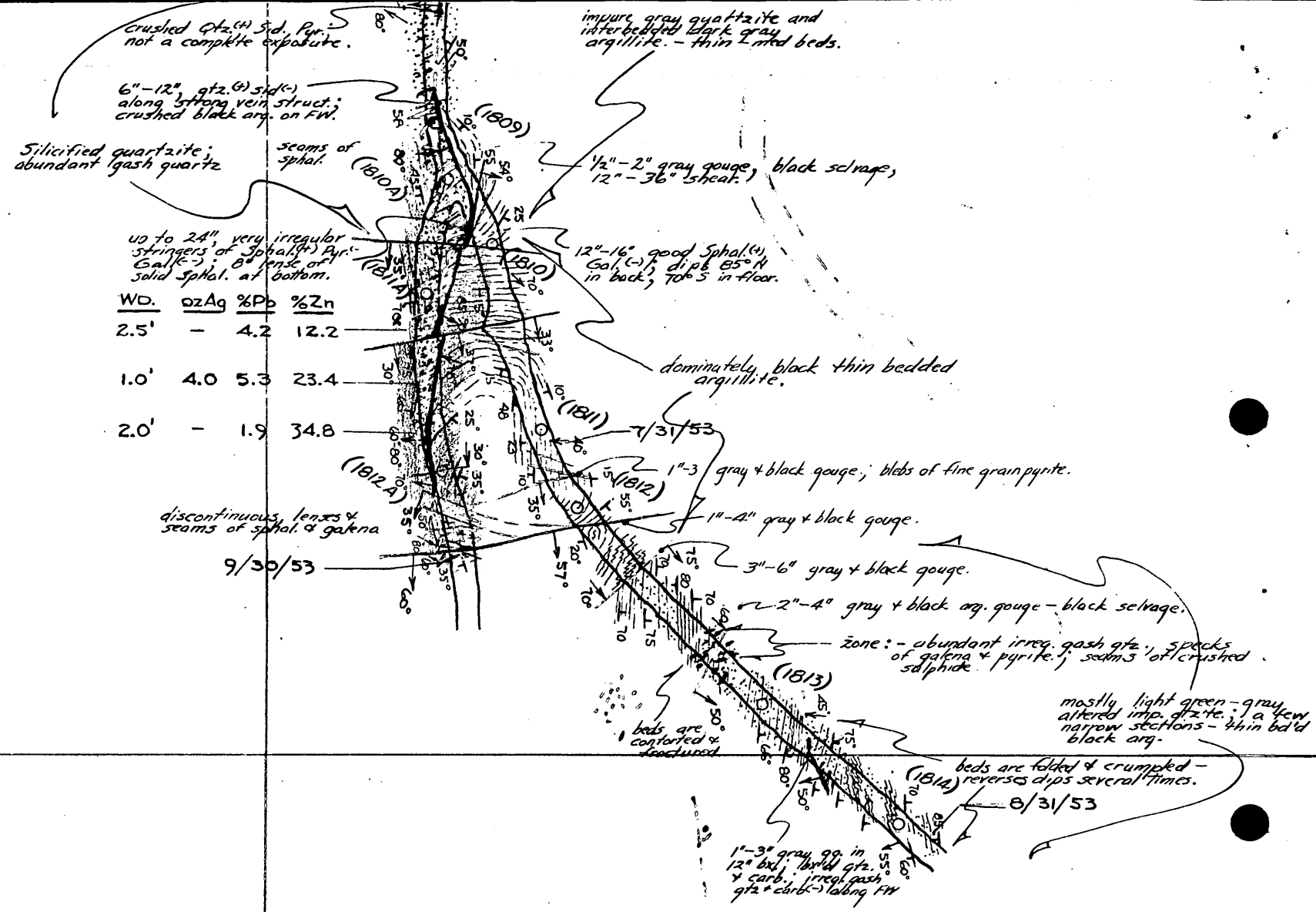
By Wray Featherstone

Wray Featherstone, Supt.



BUTTONWILLOW LEAD MINES
BUTTONWILLOW MINE
1800 LEVEL
1" = 30'

5500 E


crushed Qtz.(+) Sd. Pyr.; not a complete exposure.
6"-12", qtz.(+) sid(-) along strong vein struct.; crushed black arg. on FW.
Silicified quartzite; abundant gash quartz
seams of sphal.
impure gray quartzite and interbedded dark gray argillite. - thin 2 mtd beds.
1/2"-2" gray gouge, black selvage, 12"-36" sheat.
up to 24", very irregular stringers of Sphal.(+) Pyr.- Gal.(-); 8" lense of solid Sphal. at bottom.
12"-16" good Sphal.(+) Gal.(-); dips 85° N in back, 70° S in floor.
dominately black thin bedded argillite.
7/31/53
1"-3" gray & black gouge; blebs of fine grain pyrite.
1"-4" gray & black gouge.
3"-6" gray & black gouge.
2"-4" gray & black arg. gouge - black selvage.
zone: - abundant irreg. gash qtz.; specks of galena & pyrite.; seams of crushed sulphide.
mostly light green - gray altered imp. qtzite.; a few narrow sections - thin bd'd black arg.
beds are folded & crumpled - reverses dips several times.
8/31/53
1"-3" gray qg. in 12" bxd. bxd qtz. & carb.; irreg. gash qtz & carb(-) along FW
beds are contorted & fractured
discontinuous lenses & seams of sphal. & galena
9/30/53
(1809)
(1810A)
(1810)
(1811A)
(1811)
(1812)
(1812A)
(1813)
(1814)
WD. oz Ag %Pb %Zn
2.5' - 4.2 12.2
1.0' 4.0 5.3 23.4
2.0' - 1.9 34.8
GOLCONDA LEAD MINES
GOLCONDA MINE
1800 LEVEL
1" = 50'
5500 E
3500 N

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED Wash

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August 1-31, 1953 Docket No. DMEA 2637 Contract No. Idm 8475

Operator's Name Golconda Lead Mines Minerals Lead-zinc

Address Box 258 Wallace, Idaho

Contract Amount, $ 90,000.00 Government Participation: 50 % Amount, $ 45,000.00

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						
Bulldozing						
Crosscutting						
Drifting	$7790.00	$11,152.00	$18,942.00			10/5/53 J.W.A.
(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	$7790.00	$11,152.00	$18,942.00	7790.00	11152.00	18942.00

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

Date Sept. 3, 1953 *Payee Golconda Lead Mines
H. V. Magnuson

Per H. V. Magnuson Title Secretary

*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:

$ 3895-00

Signature [illegible]
(Authorized Certifying Officer)

Date 9/18/53 Vou. No. 906
(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. 475 in accordance with the terms of the contract.

Signature S/ E. G. Erickson Title M. Eng Date 9/14/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S/ E. G. Erickson Title M. Eng Date 9/14/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 20 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Aug. 1-31 195 3 Docket No. DMEA 2637 Contract No. Idm 2475
Operator's Name Golconda Lead Mines Minerals Lead-zinc
Address Box 258 Wallace, Idaho

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	Feet	$7790.00	190.00	18,942.00	462	41.00	1500	1*
Crosscutting								
Raising	Feet						400	$53.75
Shafts								
Winzes								
Drilling: Core	Feet						2000	3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$7790.00	190	$18,942.00				

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 Sept. 3, 1953 Operator Golconda Lead Mines

Per [signature] Title Secretary

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)

1*

841.00 ft. ordinary timber
33.50 ft. no timber
46.00 ft. extra timbering

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

September 3, 1953

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane, 2, Washington

Attention: A. E. Weissenborn
M. E. Volin

Re: Exploration Project Contract
Golconda Lead Mines
Docket No. DMEA 2637
Lead-zinc
Idm - E475

Gentlemen:

From August 1 - 31, 1953, 190 feet of drifting was completed on Exploration Project Contract, Idm - E475. Two shifts were employed through August 22, one shift, August 24 - 31. Union negotiations with a strike possibility accounted for one crew quitting.

As indicated on the attached sketch, the heading was driven in a north easterly direction. No ore bearing vein structure was encountered. So far the ground has been so intensely broken and sheared, the faulting so complicated, that a definite geological picture cannot be drawn. The present face is nearly vertically under a possible ore shoot on the 1600 level above. However, taking into account the apparent rake to the east of some of the known ore shoots, we may still be west of any ore that showed on the 1400 and 1600 levels.

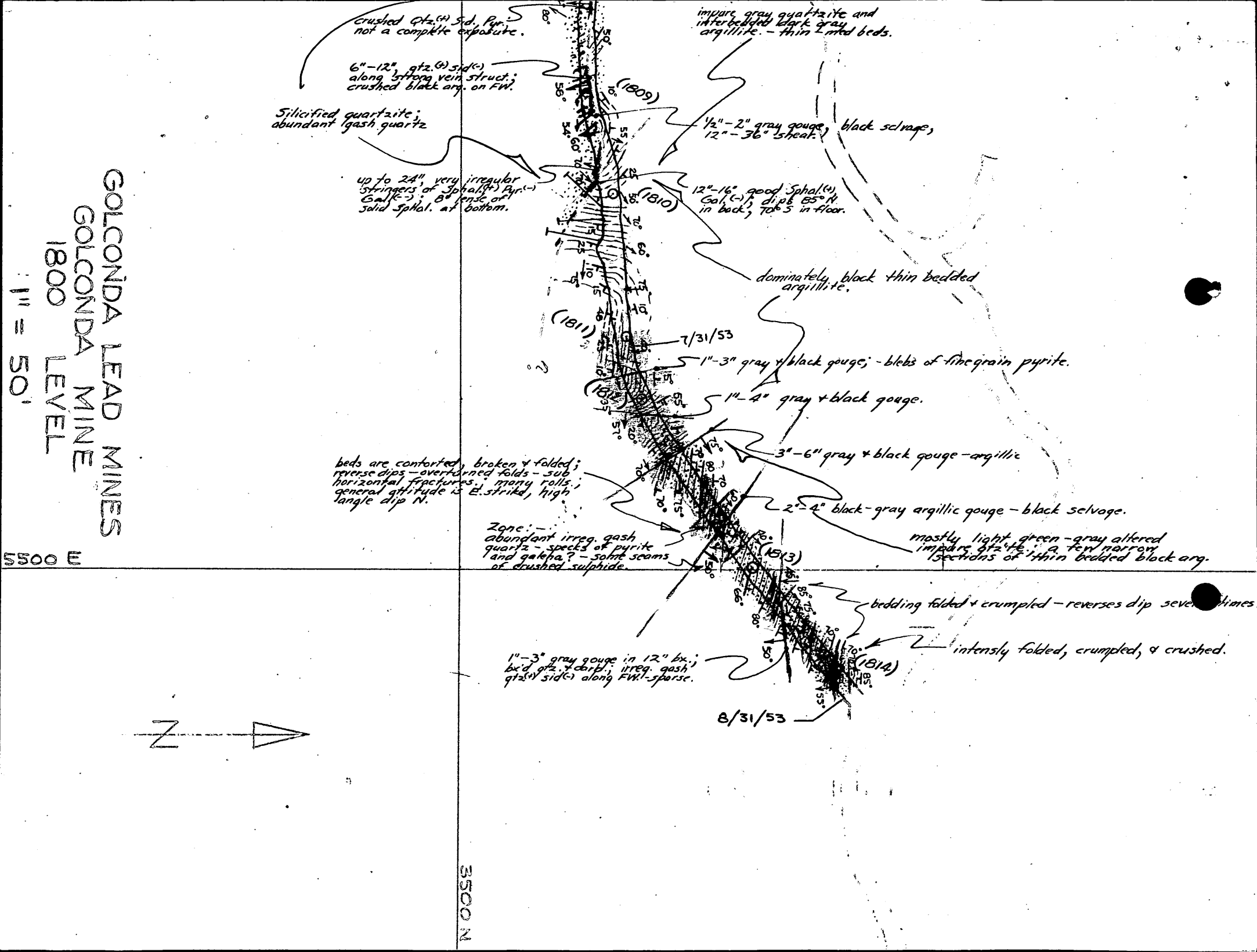
It is our intention to put in a few rounds to check our long holes on that section of the vein which was faulted 35 feet east of station 1809. If nothing new shows up at this point, we will have to pick some target to the east of the present face.

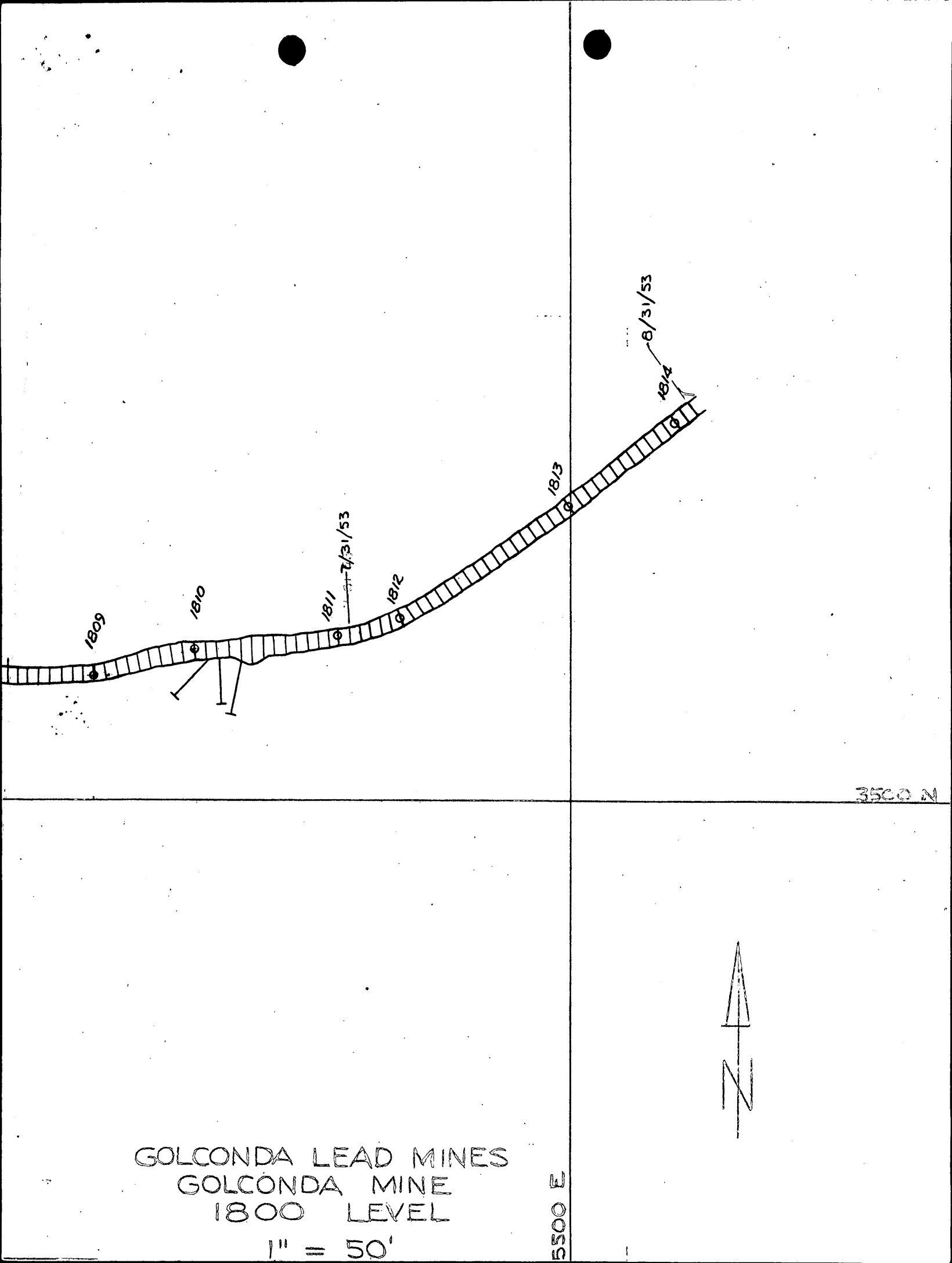
If any of your men will be up this way after Labor Day, we should like them to inspect the 1800 with an eye to suggestions for future work.

Very truly yours,

GOLCONDA LEAD MINES

By Gray Featherstone
Gray Featherstone, Supt.


GOLCONDA LEAD MINES
GOLCONDA MINE
1800 LEVEL
1" = 50'
5500 E
3500 N
N
crushed Qtz.(+) Sd. Pyr.; not a complete exposure.
6"-12", qtz.(+) sid(-) along strong vein struct.; crushed black arg. on FW.
Silicified quartzite; abundant gash quartz
up to 24", very irregular stringers of Sphal(+) Pyr.(-) Gal(-); 8" lense of solid Sphal. at bottom.
impure gray quartzite and interbedded dark gray argillite. - thin laminated beds.
1/2"-2" gray gouge, black selvage, 12"-36" sheat.
12"-16" good Sphal.(+) Gal.(-); dips 85° N in back, 70° S in floor.
dominately black thin bedded argillite.
7/31/53
1"-3" gray + black gouge; - blebs of fine grain pyrite.
1"-4" gray + black gouge.
3"-6" gray + black gouge - argillic
beds are contorted, broken + folded; reverse dips - overturned folds - sub horizontal fractures; many rolls; general attitude is E. strike, high angle dip N.
2"-4" black-gray argillic gouge - black selvage.
Zone: - abundant irreg. gash quartz - specks of pyrite and galena? - some seams of crushed sulphide.
mostly light green-gray altered impure qtz'te.; a few narrow sections of thin bedded black arg.
bedding folded + crumpled - reverses dip seve[illegible] times
intensly folded, crumpled, & crushed.
1"-3" gray gouge in 12" bx.; bx'd qtz. + carb.; irreg. gash qtz(+) sid(-) along FW.! - sparse.
8/31/53
(1809)
(1810)
(1811)
(1812)
(1813)
(1814)



GOLCONDA LEAD MINES
GOLCONDA MINE
1800 LEVEL
1" = 50'

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 ~~July 31~~ June 29, 195 3 Docket No. DMEA 2637 Contract No. Idm 8475

Operator's Name Golconda Lead Mines Minerals Lead-zinc

Address Box 258 Wallace, Idaho

Contract Amount, $ 90,000.00 Government Participation: 50 % Amount, $ 45,000.00

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:						9/9/53. J.W.L.
Drilling						
Bulldozing						
Crosscutting						
Drifting	$5535.00	$5617.00	$11,152.00			
(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	$5535.00	$5617.00	$11,152.00	5535.00	5617.00	11,152.00

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

Date Aug. 11, 1953 *Payee Golconda Lead Mines

Per W. S. Thompson Title Secretary

*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:

$ 2767.50

Signature (Authorized Certifying Officer)

Date 8/24/53 Vou. No. 884

(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. 5475 in accordance with the terms of the contract.

Signature /s/ John a Dawsher Title Mining Eng Date 8/18/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E Howard Title Mining Engr Date 8/19/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of ~~July 31~~ June 29 1953 Docket No. DMEA 2637 Contract No. Idm E 475

Operator's Name Golconda Lead Mines Minerals Lead-zinc

Address Box 258 Wallace, Idaho

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	Feet	$5535.00	135	$11,152.00	272	41.00	1500	1a
Crosscutting								
Raising	Feet						400	$53.75
Shafts								
Winzes								
Drilling: Core	Feet						2000	3.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$5535.00	135	$11,152.00				

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 August 11, 1953 Operator Golconda Lead Mines

Per [signature] Title Secretary

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)

1a 241.00 ft. ordinary timber
33.50 ft. no timber
46.00 ft. extra timbering

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

August 11, 1953

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane, 2, Washington

Attention: A. E. Weissenborn
M. E. Volin

Re: Exploration Project
Contract
Golconda Lead Mines
Docket No. DMEA 2637
Lead-zinc
IDM - E475

Gentlemen:

During the period, June 29th - July 31st, 1953, work on Exploration Project Contract, Idm - E475, Docket No. DMEA 2637 was carried on on a two shift basis. Progress included 135 feet of new drifting and 55 feet of cleaning and retimbering of old drift.

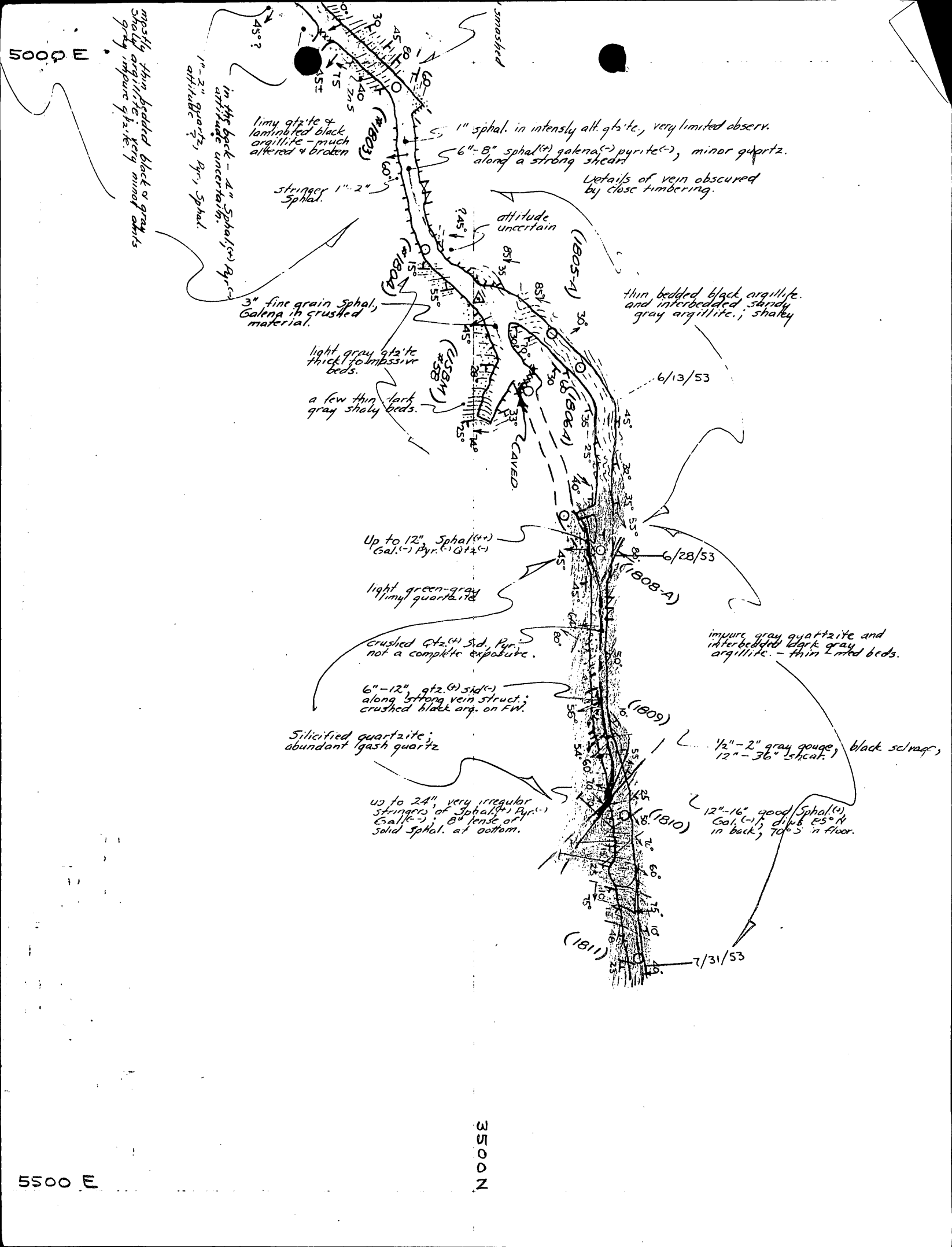
The vein structure was followed from the old drift face, 5 feet west of station 1809, for about eight rounds (See attached sketch). A test sample of 75 tons taken from the best ore encountered in this section assayed 0.5% lead and 2.15% zinc

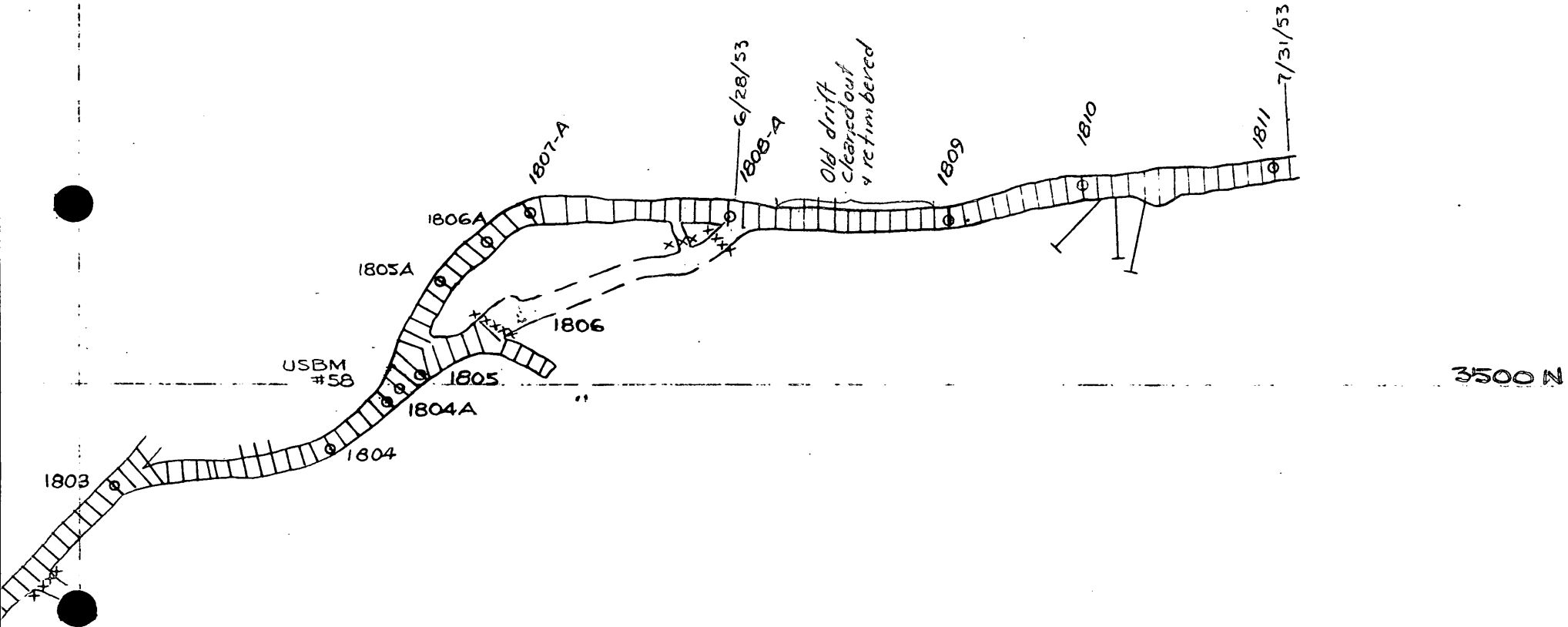
At a point 35 feet east of station 1809, cross faulting caused the vein to turn sharply to the right into the hanging wall. Drag sulfides and quartz followed along the fault for at least 6 feet into the wall. The drift was continued easterly for 30 feet. Three long holes drilled to intersect the possible continuation of the vein showed no sulfides, but some quartz, indicating the probable end of this ore shoot.

The drift was extended in the general direction of the next possible ore shoot to the east, as projected from the levels above. Because of the intensely fractured and sheared condition of the ground, over breaking is the rule; timber must be carried within a foot or two of the face.

GOLCONDA LEAD MINES

By Wray Featherstone
Wray Featherstone, Supt.


5000 E
5500 E
3500 N
mostly thin bedded black & gray shaly argillite; very minor quartz; very impure qtz.; very minor pyrite
1"-2" quartz?, Pyr., Sphal.
in the back - 4" Sphal.(+) Pyr.? attitude uncertain.
limy qtzite & laminated black argillite - much altered & broken
(#1803)
stringer 1"-2" Sphal.
1" sphal. in intensly alt. qtzite, very limited observ.
6"-8" sphal(+) galena(-) pyrite(-), minor quartz. along a strong shear.
Details of vein obscured by close timbering.
attitude uncertain
(1805-A)
(#1804)
3" fine grain Sphal, Galena in crushed material.
thin bedded black argillite and interbedded sandy gray argillite.; shaley
light gray qtzite thick to massive beds.
(#58M)
a few thin dark gray shaly beds.
6/13/53
(1806-A)
CAVED.
Up to 12" Sphal(++) Gal.(-) Pyr.(-) Qtz(-)
6/28/53
(1808-A)
light green-gray limy quartzite
crushed Qtz.(+) Sid., Pyr. - not a complete exposure.
impure gray quartzite and interbedded dark gray argillite. - thin limited beds.
6"-12" qtz.(+) sid(-) along strong vein struct.; crushed black arg. on FW.
(1809)
Silicified quartzite; abundant gash quartz
1/2"-2" gray gouge, black schist, 12"-36" shear.
up to 24", very irregular stringers of Sphal.(+) Pyr.(-) Gal(-); 8" lense of solid Sphal. at bottom.
(1810)
12"-16" good Sphal.(+), Gal.(-); dips 85° N in back, 70° S in floor.
(1811)
7/31/53



GOLCONDA LEAD MINES
GOLCONDA MINE
1800 LEVEL
1" = 50'

3500 E

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

RECEIVED
BUREAU OF MI
JUL 6 1953
SPOKANE, WASH.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May 12-June 27, 1953 Docket No. DMEA 2637 Contract No. Idm E475
Operator's Name Golconda Lead Mines Minerals Lead-zinc
Address Box 258, Wallace, Idaho
Contract Amount, $90,000.00 Government Participation: 50 % Amount, $45,000.00

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:						Betty
Drilling						
Bulldozing						
Crosscutting						7/21/53 J.W.A.
Drifting	$5617.00	None	$5617.00			
(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	$5617.00	None	$5617.00	5617.00	— 0 —	5617.00

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

Date July 1, 1953 *Payee Golconda Lead Mines

Per [signature] Title Secretary

*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:

$ 2808.50

Signature [signature] (Authorized Certifying Officer)

Date 7/13/53 Vou. No. 828
(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. E475 in accordance with the terms of the contract.

Signature /S/ Eric G. Erickson Title Mining Engr Date 7/13/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Engr Date 7/13/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 12-June 27 3 195

Docket No. DMEA 2637

Contract No. IDE 2475

Operator's Name Golconda Lead Mines

Minerals Lead-zinc

Address Box 258, Wallace, Idaho

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	Feet	$5617.00	137.00	$5617.00	137.00	41.00	1500	1*
Crosscutting								
Raising								
Shafts	Feet						400	$53.75
Winzes								
Drilling: Core								
Churn	Feet						2000	3.00
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$5617.00	137.00	$5617.00				

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

REMARKS:

Date July 1, 1953 Operator Golconda Lead Mines

Per [signature] Title Secretary

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)

1* $41.00 ft. ordinary timber
33.50 ft no timber
46.00 ft extra timbering

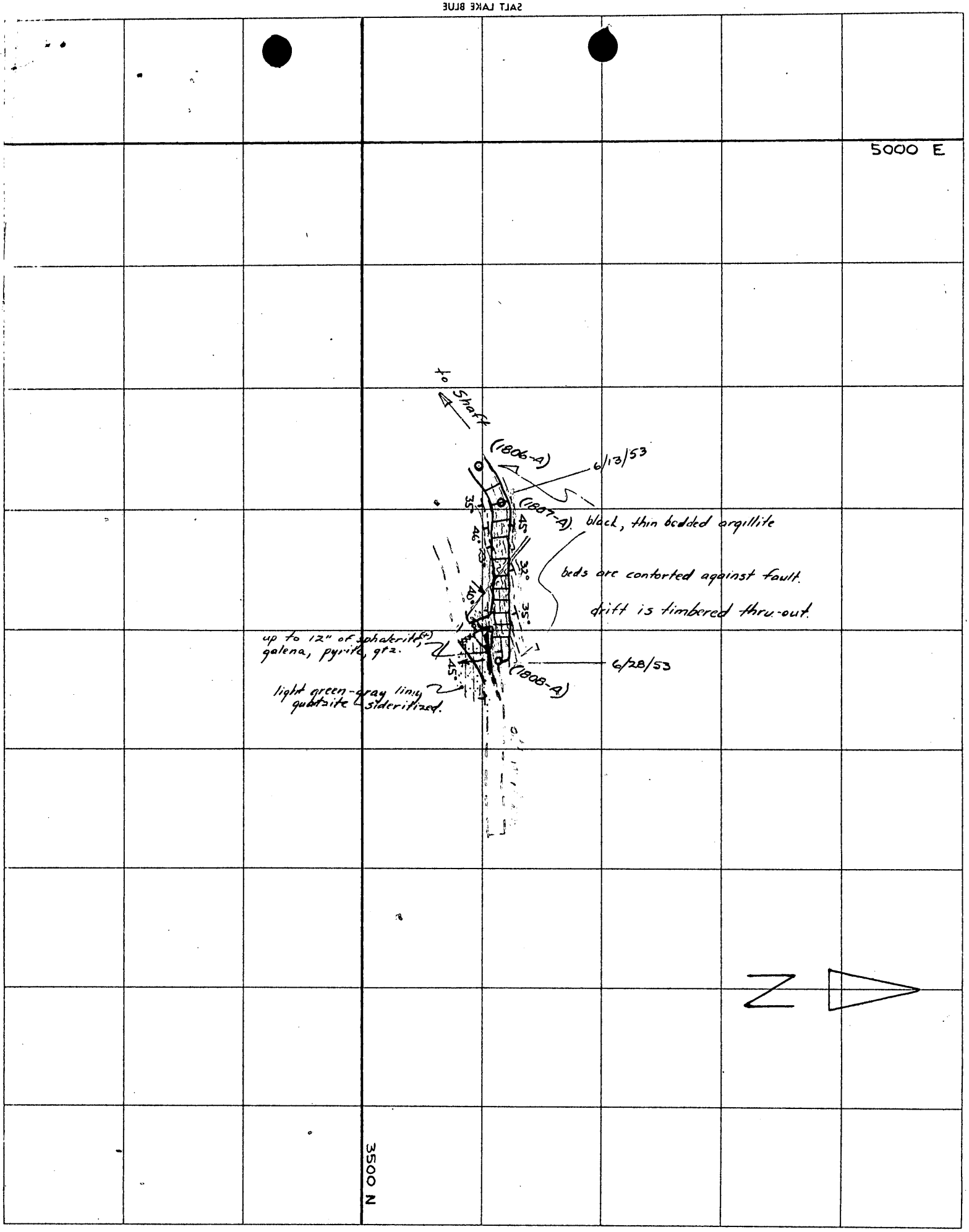
INSTRUCTIONS

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



MINE GOLCONDA LOCATION WALLACE, IDA. LEVEL 1800 (portion)

GEOLOGY BY SURVEY W. Featherstone SCALE 1" = 50' DATE 7/1/53

July 1, 1953

United States Department of the Interior
Defense Minerals Exploration Administration
1201 North Division Street
Spokane, 2, Washington

Re: Exploration Project Contract
Golconda Lead Mines
Docket No. DMEA 2637
Lead-zinc
Idm 2475

Attention: A.E. Weissenborn
M.E. Volin

Gentlemen:

Work on Exploration Project Contract, Idm 2475, Docket No. DMEA 2637, started May 12, 1953. A side swipe round to the north was put in at Bureau of Mines Tag No. 58.

The purpose of the first part of this work is to bypass old caved workings, which to date have been slow and very expensive to rehabilitate. This drifting was carried on in a north easterly direction during the last part of May and through June 20th on a single shift basis. Two men, making up the drift crew, are serviced by a hoistman, cager-motorman and dumpman who also takes care of the compressor, dry, blacksmithing and timber framing.

On June 22nd, a night shift, consisting of two drift miners, hoistman, cager-motorman and dumpman, was added. On June 27th, a small dog hole was driven connecting with old workings at approximately Sta. 1807. (See map showing old workings) From this point on through Sta. 1808 to the face, the old drift appeared to be in satisfactory condition. On June 28th, a connection was made with the old drift at approximately Sta. 1808A. Clean up work and some retimbering will be necessary before drifting can be resumed.

As indicated on the geology map attached to this report, that part of the vein exposed in the old drift is narrow and irregular. Part of the original drift is not on the vein, but into the hanging wall of the structure. A preliminary inspection of the old drift face indicates that the vein structure may be in the foot wall. If the vein is not picked up soon, upon resumption of drifting, some crosscutting may be necessary.

Total drifting this period was 137.00 feet.

GOLCONDA LEAD MINES

By Wray Featherstone
Wray Featherstone, Supt.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

1201 N. Division St.
Spokane 2, Washington
September 28, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Golconda Lead Mines, Shoshone County, Idaho, Docket No. DMEA 2637 (lead-zinc), Contract Idm-E475

Mr. Wray Featherstone, mine superintendent, was contacted September 10, 1954, regarding his plans for further exploration or termination of the contract.

The Operator had not advanced the drift since August 1954; it is now 51 feet beyond survey station No. 1826. Because of disappointing results to date the company does not believe they can finance further exploration at this time.

Mr. Featherstone planned a trip to the American Mining Congress convention, returning by way of the Utah uranium area. He will be contacted upon his return in connection with the final accounting of the contract. A brief check of the contract account to date indicates that about $5,000 remains unexpended.

E. G. Erickson

E. G. Erickson

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
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EGE/he

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
July 13, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Golconda Lead Mines, Shoshone County, Idaho, Contract No. Idm-E475, Docket No. DMEA 2637 (lead-zinc)

The project site was inspected July 2, 1954. The two miners were working on the level at the time of the inspection, and Mr. Wray Featherstone was contacted at the mine office. Mr. Featherstone also had been contacted several times since my last physical inspection of the project.

The drifting had been advanced a total of 1794 feet under the contract, which checks with the Operator's report of June 30, 1954 when he reported a total of 1785 feet.

The heading was lost at Survey Station 1823 + 25 feet, as reported by Mr. Quinlan in his inspection of May 10, 1954. An attempt to run-around the last heading from a point 10 feet back from S.S. #1823 was unsuccessful. At the time of my inspection the drift was caved at a point 40 feet ahead of S.S. #1822.

The present run-around had reached the fault at 123 feet ahead of S.S. #1821-A. Only a slight drip was noted from the back although loose ground was causing twice as much shoveling. At the time of the inspection it appeared that the water was draining from the fault into the abandoned drift and that it will be possible to successfully complete the run-around. The Operator was cautioned about turning into the vein too soon in view of the bad ground encountered approaching the main fault in the abandoned drift.

Following is a summary of work approved as of June 1954 invoice:

Item of work	Approved units	Total cost
Drifting and/or crosscutting	1785 feet	$73,185.
Timbering	30 "	150.
Diamond drilling	259 "	777
Total expended		$74,112.
Total amount of contract		$90,000.

Orig. & 3 cys - Wash.
USGS (2)
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E. G. Erickson

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

1201 N. Division St.
Spokane 2, Washington
March 22, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Golconda Lead Mines, Shoshone County, Idaho, Contract Idm-E475, Docket No. DMEA 2637 (lead-zinc)

The project was inspected March 19, accompanied by Mr. Wray Featherstone, supervisor.

The 1800 level drift east had been advanced 162.5 feet beyond Survey Station No. 1819 for an advance of 126 feet since the last inspection on February 3, 1954. The drift had been directed approximately N. 60° E. from Survey Station No. 1819 + 92 feet. No significantly mineralized structure has been exposed by the drift beyond the fault located 10 feet west of Survey Station No. 1816.

Exploration by crosscutting, drifting, and drilling has been discouraging to date. Present plans are to continue the drift on the present course. The target is the downward extension of the vein mined on upper levels.

In his narrative dated March 10, 1954 the Operator proposed that the contract be amended to allow raising money to be used for drifting and/or crosscutting. After discussion of the matter with Mr. J. Quinlan, geologist, U. S. Geological Survey, it was decided to approve the request.

Following is a tabulation of work items authorized by contract and percentage completed:

Item	Units authorized	% completed
Drifting	1500 feet	97½
Extra timbering 1/	200 "	15
Diamond drilling	2000 "	13
Raising	400 "	none

1/ Operator has submitted a claim for 30 feet of drifting that included extra timbering. Much more of the drift has had to be regraded and retimbered because of "heaving" ground. To date the Operator has been

very conservative in his claim for "Extra timbering" because he figured there was as much aid available as the amount of the contract and it made little difference to him if he got it on advance or extra timbering, but in view of the possibility of getting more aid on lead and zinc contracts his views may change.

E. G. Erickson

E. G. Erickson

Orig. & 3 cys - Wash.
USGS (2)
DMEA
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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

1201 N. Division St.
Spokane 2, Washington
February 18, 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Golconda Lead Mines, Shoshone County, Idaho, Contract Idm-E475, Docket No. DMEA 2637 (lead-zinc)

The project was inspected February 3, accompanied by Mr. Wray Featherstone, supervisor.

The 1800 level drift east had been advanced 366 feet beyond Survey Station No. 1816, which is located about 10 feet east of the fault between the argillite and quartzite. Company Survey Stations Nos. 17, 18 and 19 have been set, and the face was 36.5 feet beyond S.S. #1819.

Drifting beyond the fault has not been on a structure. A 134-foot horizontal diamond drill hole, drilled north from a position about 100 feet east of Survey Station #1816, cut a weak vein at a depth of 79 feet but was not believed to be the vein sought. Core recovery was reported to be about 10%.

Present plans are to stop the drift and diamond drill both north and south. Because some crosscutting will be necessary, it is doubtful that the remaining drifting (168 feet) will be sufficient to expose enough ore to justify raising. Therefore, it is recommended that raising money be made available for further lateral development.

The Operator corrected his reported drift advance in his December 1953 MF-104 invoice to take care of the discrepancy mentioned in my interim report dated December 23, 1953.

Following is a tabulation of work items authorized by the contract and percentage completed.

Drifting	1500 feet authorized	89% complete
Extra timbering	200	none
Diamond drilling	2000	6½%
Raising	400	none

E. G. Erickson

Orig. & 3 cys - Wash.
USGS (2)
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M/D--AD--EGE/he

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

1201 N. Division St.
Spokane 2, Washington
December 23, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN - 1 1954

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Docket No. DMEA 2637 (lead-zinc), Golconda Lead Mines, Shoshone County, Idaho, Contract Idm-E475

Mr. Wray Featherstone was contacted at the company office in Wallace, Idaho, December 15, 1953, regarding breakdown of proposed unit cost for "dog-hole" raising and crosscutting; also to check on drift advance reported on MF-104.

Mr. Featherstone has since submitted cost data which was necessary before proposed amendment No. 2 could be approved.

Measurements taken on inspection of project indicated the Operator's reported advance was in error 19 feet. He was advised that 19 feet would have to be deducted from his December invoice if he could not justify the discrepancy. The Operator is very conscientious and cooperative, and I am sure any error on his part would be unintentional.

A strong fault was reported cut at survey station 1815 plus 80 feet. Vein structure beyond the fault is lacking. It is planned to continue the drift on its present course about 100 feet beyond the fault and diamond drill a hole north. The Operator has discussed these plans with Mr. J. J. Quinlan, geologist, USGS.

E. G. Erickson

E. G. Erickson

Orig. & 3 cys - Wash.
USGS (2)
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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

1201 N. Division St.
Spokane 2, Washington
November 30, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Golconda Lead Mines, Shoshone County, Idaho, Contract Idm-E475, Docket No. DMEA 2637 (lead-zinc)

Mr. Wray Featherstone, who is in charge of the work under the exploration project contract, was contacted at the mine office on November 24, 1953.

Drifting outlined in the contract has been progressing favorably, and the southeast drift has been advanced 470 feet beyond survey station #1810-A for an advance of 315 feet since my last inspection on October 5, 1953. A geologic and sample map will accompany the Operator's monthly progress report.

Stockpiled ore aggregating 796 tons was milled, from which 17,811 dry pounds of lead concentrates and 124,445 dry pounds of zinc concentrates were recovered.

The lead concentrates were sold to the Bunker Hill lead smelter and a net smelter return of $1226.19 was realized. The zinc concentrates were shipped to Anaconda, Mont. in lot No. G-65, aggregating a total of 156,905 dry pounds which included 32,460 tons of lessor's concentrates not subject to repayment royalties. At the time of my visit, settlement for shipment had not been received.

The Field Team did not receive notification of the shipment soon enough to advise the Operator or buyer of the correct royalty deduction procedure. I gave the Operator instructions for making royalty payment on the above mentioned shipments.

The Operator has proposed to drive footwall and hanging wall openings ("dog holes") in lieu of short diamond drill holes to test the walls. Because of the sheared ground condition the "dog holes" are considered the better means of exploring the walls. The

contract does not specify an agreed unit price for these small cross section openings; therefore, the Operator was asked to submit a cost analysis for performing this work. Upon receipt and appraisal of the Operator's cost proposal an agreed unit cost will be set forth in a recommended amendment. The contract is a MF-200(A) short form type; therefore, the amendment will have to be transmitted to Washington for approval.

E. G. Erickson

Orig. & 3 cys - Wash.
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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
NOV 16 1953

1201 N. Division St.
Spokane 2, Washington
October 30, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Golconda Lead Mines, Shoshone County, Idaho, Contract No. Idm-E475, Docket No. DMEA 2637 (lead-zinc)

On October 5, 1953 the project was inspected, accompanied by Mr. Wray Featherstone, superintendent for the company.

The main drift had been continued easterly to survey station #1811, where it was turned northeasterly and continued more as a crosscut to survey station #1814 plus 20 feet, at which point it was stopped.

Progress Tabulation

Working place	Starting point	Advance: Previously reported	Advance: To date	Remarks
1800 level "run-around" drift	USBM tag #58 minus 5 ft.	137'	137'	Completed
Main drift east, 1800 level	Company survey station #1809	13'	309'*	Stopped
Drift southeast, 1800 level	Company survey station #1810A	0	155'	On mineralized structure

*Last 200 feet run as crosscut northeasterly

The Operator was testing the footwall structure of the 1800 level drift southeast with an incline "dog-hole" at the time of the inspection.

Ore from a section of the drifting is being stockpiled. There were about 300 tons in the stockpile at the time of the inspection, of which 200 tons assayed 0.6 oz. Ag, 0.7% Pb, 4.7% Zn, and 100 tons assayed 0.5 oz. Ag, 0.5% Pb and 4.8% Zn. Sampling was done by car grab sampling by the Operator.

The Operator plans on milling and selling the concentrates when the price of zinc is more favorable.

Since my last inspection it has been reported that an additional 300 tons has been added to the stockpile.

The Operator plans on continuing the drifting southeasterly.

E. G. Erickson

E. G. Erickson

Orig. & 3 cys - Wash.
USGS (2)
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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

1201 N. Division St.
Spokane 2, Washington
July 15, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Golconda Lead Mines, Shoshone County, Idaho, Docket No. DMEA 2637 (lead-zinc), Contract No. E475

The project was inspected June 11, 1953, accompanied by Mr. Wray Featherstone, who is in charge of the operation, and on July 9, accompanied by the drift miner employed in the 1800 level exploration heading.

The 1800 level "run-around" drift (see attached sketch) had been advanced a total of 60 feet on June 11. Ground conditions required conventional timbering. On July 9, a total of 137 feet of "run-around" had been completed and joined with old drift. The drift had been advanced 13 feet beyond old face and second set of timber was being placed.

The present ground is quite loose and will require timbering. The Operator intends using roof bolting where applicable.

Two shifts are now employed and a favorable rate of advance is expected.

Exposed mineralization indicates that footwall should be explored at an early date with a short crosscut.

Base maps submitted by the Operator have been distributed and overlays showing progress will be submitted with the monthly invoices.

The initial invoice for work performed under the contract has been received and approved. Report and maps are good.

E. G. Erickson
E. G. Erickson

Orig. & 3 cys - Wash.
USGS (2)
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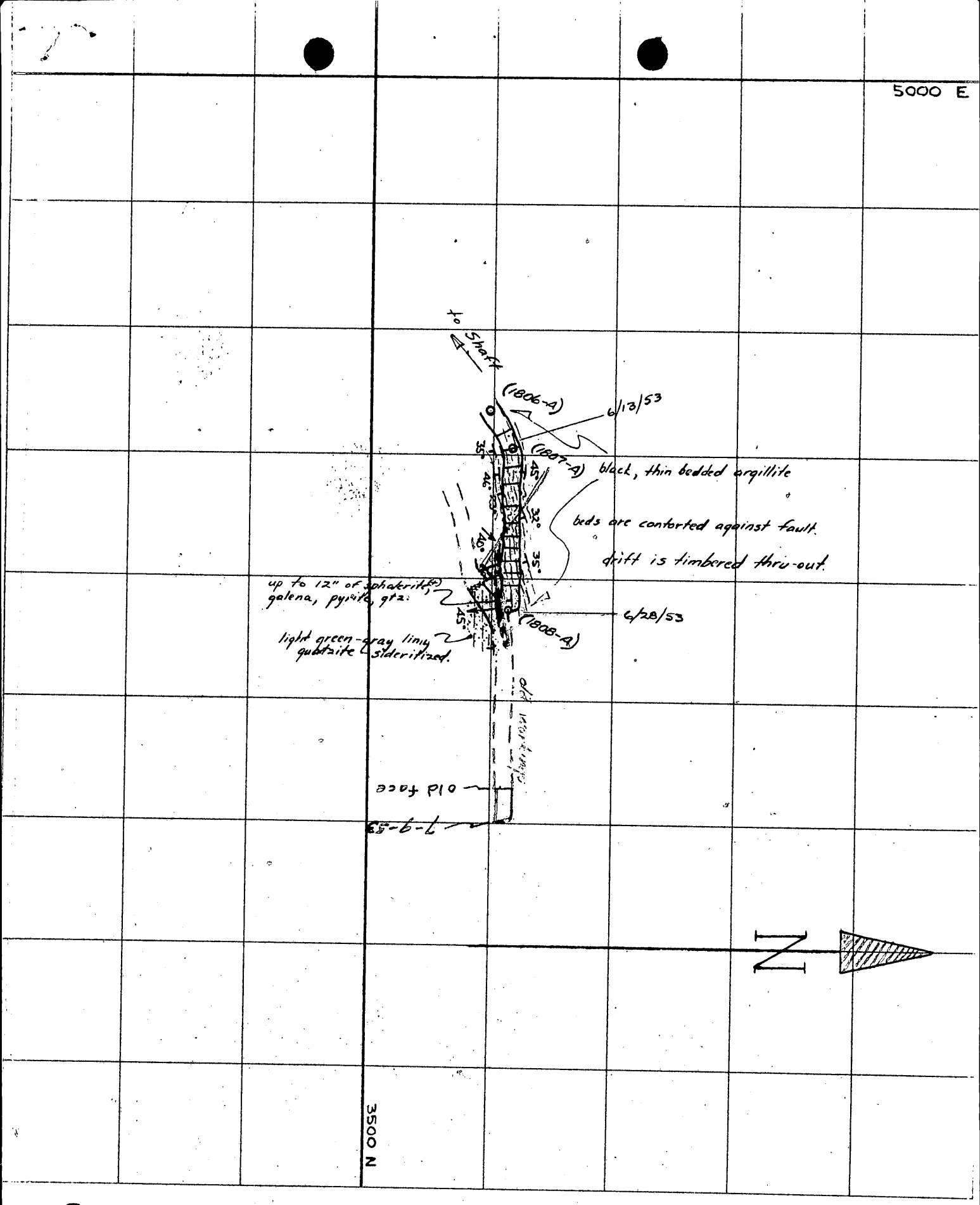

MINE GOLCONDA LOCATION WALLACE, IDA. LEVEL 1800 (portion)

GEOLOGY BY SURVEY W. Featherstone SCALE 1" = 50' DATE 7/1/53

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

1201 North Division Street
Spokane 2, Washington

May 18, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer, Bureau of Mines

Subject: Interim report, Golconda Lead Mines, Shoshone County, Idaho, Contract Idm-E475, Docket No. DMEA 2637 (lead-zinc)

The exploration project site was inspected May 14, 1953, accompanied by Mr. Wray Featherstone, superintendent for the Operator.

Work had started on the 1800 level footwall lateral authorized by Amendment No. 1. Ground was being excavated for long cap to start off from old drift. The old drift is caved tight 8 sets ahead of lateral start. The distance the lateral will have to be away from old drift will be determined by the ground conditions found in footwall, and Mr. Featherstone was cautioned about running so close that the old drift would cause trouble.

A brass survey tag stamped USBM 58 was set on east side of cap designating measure point at minus 5 feet for start of lateral (see sketch).

The following work outlined in the contract will be performed at the agreed upon unit price:

1500 feet of drifting at $41.00 per foot, including ordinary timbering (The cost per foot for drifting, where no ordinary timbering is necessary, is $33.50 per foot).	$61,500.00
200 feet of extra timbering at $5.00 per foot	1,000.00
2000 feet of diamond drill hole at $3.00 per foot	6,000.00
400 feet of timbered raises at $53.75 per foot	21,500.00

The project is being operated on a one shift per day basis at the present time with conventional mechanized equipment excluding a 'jumbo' which is not considered necessary for this operation.

The present contract time period is 16 months of which 4 months have elapsed. It will be impossible to finish the outlined project in the remaining time unless there is a multiple shift and concurrent operations. This was discussed with Mr. Featherstone and he plans on a 2-shift operation in the near future.

It is unlikely that all the diamond drilling and raising will be run concurrently with the drifting, therefore, it is believed that an extension of time will be necessary. The additional time that may be necessary can be more accurately determined at a later date.

Mr. Featherstone informed me that he is having up-to-date geologic and engineering maps prepared and will furnish the Government with copies as soon as completed.

E. G. Erickson

Orig. & 3 - Wash.
USGS - 2
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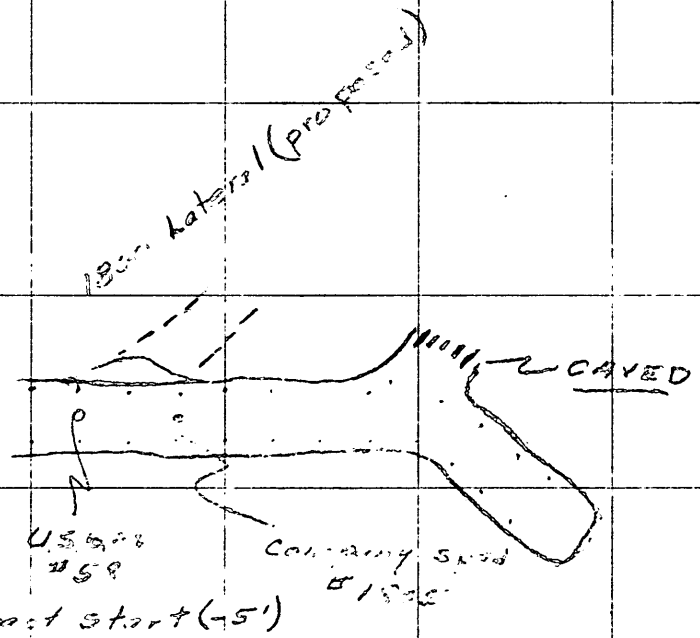
M/D
EGE/vf



DRIFT EAST

GOLCONDA MINE

MEASURED SKETCH

Scale 1" = 20'

Contract No. 475

"ALBANENE" REG. U.S. PAT. OFF. NO. 192-A KEUFFEL & ESSER CO. N.Y.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
1201 North Division St.
Spokane 2, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 24 1953

February 6, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: E. G. Erickson, Mining Engineer

Subject: Interim report, Golconda Lead Mines, Shoshone County, Idaho, Exploration Project Contract No. Idm-E-475, Docket No. DMEA 2637X (Pb-Zn)

I contacted Mr. R. H. Featherstone, Operator under the contract, January 26, 1953 at his office in Wallace, Idaho.

Terms of the contract were discussed with Mr. Featherstone and his son who is in charge of the operations at the mine and mill.

The 1800 foot level is being rehabilitated for the exploration project. The 1500 feet of drifting set forth in the contract to be done on an agreed upon unit cost per foot will start as soon as the level has been rehabilitated to the present face. Mr. Featherstone will notify this office prior to starting the drift under the contract.

The Operator has 6 men on 2 shifts preparing for the exploration project. He estimated that they would be ready to start drifting on or before April 14, 1953.

E. G. Erickson
E. G. Erickson

Orig. & 3 - Wash.
USGS - 2
DMEA
M/D
EGE/vf

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

June 7, 1954

Memorandum

To: DMEA Field Team, Region II

From: J. J. Quinlan, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA 2637 (lead-zinc), Routine inspection, Golconda Lead Mines, Golconda mine, Shoshone County, Idaho, Contract No. Idm-E475.

The Golconda exploration project site was inspected May 10, 1954, in company with Mr. Wray Featherstone, superintendent for the company.

A heavy flow of water was encountered in the face of the DMEA 1800 level east drift heading on April 30, 1954. The face on that date is reported to have been approximately 25 feet northeast of survey station No. 1823 (see attached map). Although the ground was heavy and required timbering before the water was encountered, the water added to the problem in that it caused the ground to swell. As the area back of the face became saturated it also started to swell and, as a result, most of the drift posts (8" to 10" round pealed timber) back to survey station No. 1823 broke. An attempt was made to repair this section of the drift, but it proved impracticable as the timber would give way almost as fast as it could be replaced. On May 3, therefore, the operator backed off and started a run-around drift in the hanging wall of the vein about 35 feet back of the face. This drift was advanced about 10 feet when the increased flow of water from it started to tax the pump capacity on the 1800 level. The operator decided on May 5, 1954, to temporarily suspend work in the drift heading until the heavy flow of water abated.

At the time of the inspection, the flow of water had decreased somewhat and the operator expects to be able to resume work in the heading within a week or two. As a precaution against loosing more ground back of the face, spreaders have been placed at waist height between the drift posts for a distance of 50 feet back of survey station No. 1823.

A strong vein structure was encountered in the 1800 level east drift heading approximately 200 feet northeast of the point where the drift was turned northeast to test the area in the vicinity of the downward projection of the ore body mined in the eastern part of the mine on the 1000 and 1150 levels (see attached map). The vein had been

followed for approximately 90 feet east when the heavy flow of water was encountered. The principal vein shear is about 7 feet wide and contains appreciable amounts of gouge and quartz. Stringers and irregular lenses of sphalerite with subordinate amounts of galena occur throughout the vein shear; however, they appear to be more numerous in the footwall portion.

The operator has stockpiled 242 cars of material (approximately 450 tons) from this section of the drift, which he expects to mill at a future date. The average grade of the stockpile, as indicated by car samples, is 0.26 ounces of silver per ton, 0.40 percent lead, and 3.01 percent zinc.

Although most of the back of the drift is now lagged, it was possible at the time of the examination to obtain a representative sample across the width of the vein 18 feet east of survey station No. 1822, where the back lagging was out. The vein where sampled was 7.3 feet wide and the sample assayed 0.2 ounces of silver per ton, 0.3 percent lead, and 8.4 percent zinc.

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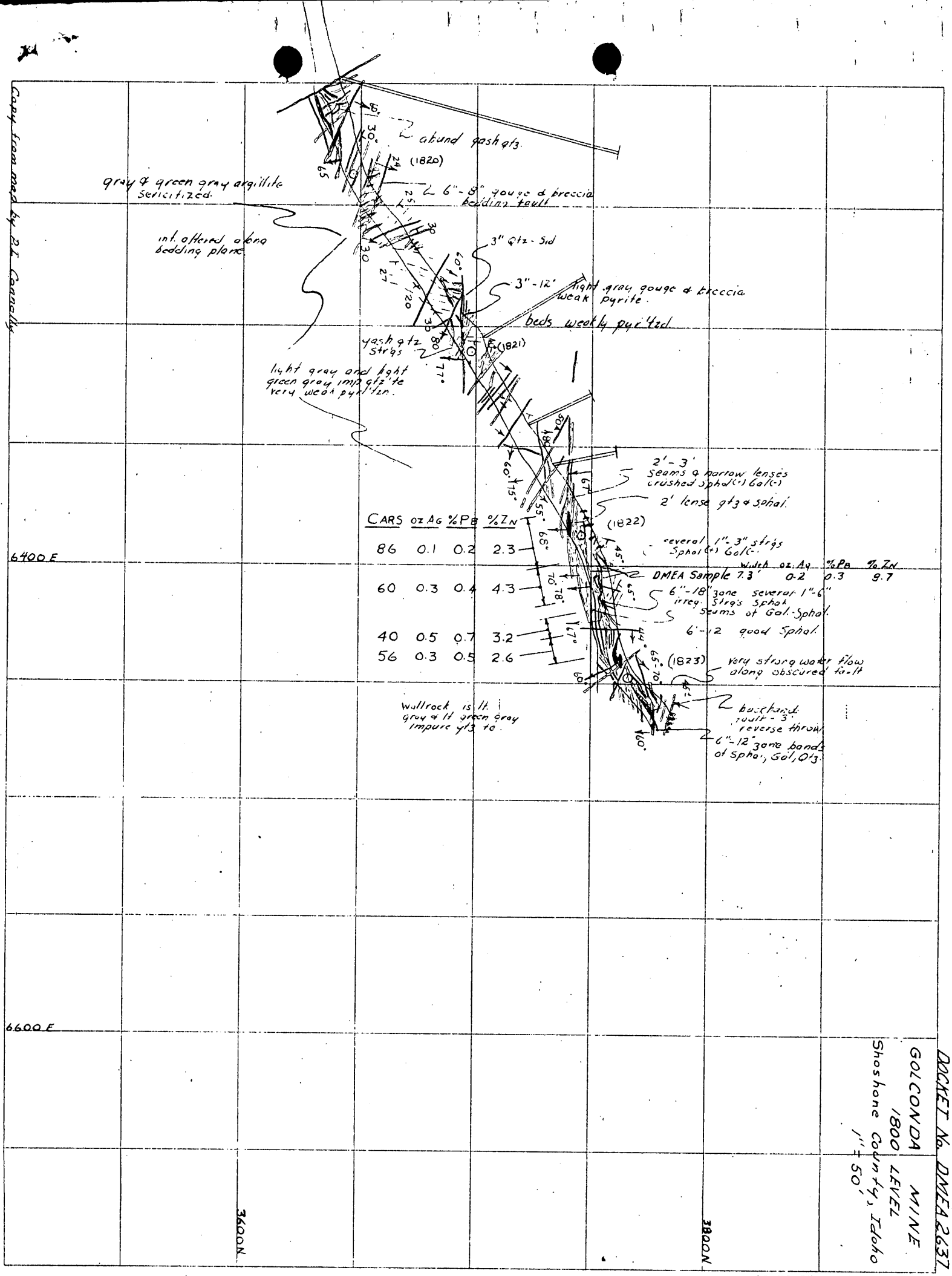

CARS	oz Ag	%Pb	%Zn
86	0.1	0.2	2.3
60	0.3	0.4	4.3
40	0.5	0.7	3.2
56	0.3	0.5	2.6

Width	oz. Ag	%Pb	%Zn
7.3'	0.2	0.3	9.7

DOCKET No. DMEA 2637

GOLCONDA MINE
1800 LEVEL
Shoshone County, Idaho
1" = 50'

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913

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 16 1953

November 4, 1953

Memorandum

To: DMEA Field Team, Region II

From: J. J. Quinlan, Geologist, U. S. Geological Survey

Subject: Routine inspection, Docket No. DMEA-2637 (lead-zinc)
Golconda Lead Mines, Golconda Mine, Shoshone County, Idaho
Contract No. Idm-E475

The Golconda exploration project site was inspected October 14, 1953, in company with Mr. Wray Featherstone, superintendent for the company. The project was discussed with Mr. Phil Connolly, consulting geologist for the company, the evening of October 14, 1953.

Work completed under the contract at the time of the inspection totaled 662 feet of drifting and crosscutting and is shown on the attached geologic sketch map. This sketch map is a copy of Mr. Connolly's map and is attached to this memorandum for illustrative purposes.

The northeast crosscut to explore for the possible faulted segment of the vein in the vicinity of its projected position to the 1800 level failed to disclose the vein structure. This is regrettable, but is one of the hazards of exploration. However, this crosscut did provide much useful geologic information and adequately tested the footwall area, which needed to be done.

As the northeast crosscut failed to disclose the vein structure, it was deemed advisable to try and pick up the vein in the south wall of the drift. It will be recalled (see Quinlan's memorandum of August 18, 1953) that the indicated movement on the fault that first offset the vein was to the right or to the south. However, it was believed that this fault was part of a fault zone having a total left throw of about 100 feet. In order to pick up the indicated faulted segment of the vein in the south drift wall, the operator started an oblique angle crosscut on bearing S. 80° E., 20 feet ahead of station 1809. This work proved successful. The vein was encountered in the crosscut approximately 35 feet from its start. The crosscut was then turned to follow the vein. At the time of the inspection the operator had completed 180 feet of drift on or near the vein from the point

where it was intersected in the crosscut.

The first 50 feet of this drift showed the vein to be narrow, 1 to 2.5 feet wide; however, it also showed it to be strong and persistent. The operator took three channel samples of the vein in this section. These samples are shown on the attached sketch map and are also tabulated below:

Location	Width	Ozs. Ag	Percent Pb	Percent Zn
Sta 1811A + 13	2.5'	-	4.2	12.2
Sta 1811A + 30	1.0'	4.0	5.3	23.4
Sta 1811A + 49	2.0'	-	1.9	34.8

The operator stockpiled 300 tons of material from this section of drift. Samples of this material showed it to average 0.6 ounces silver, 0.6 percent lead and 4.7 percent zinc. Within the next 40-foot section of drift from survey station 1811A + 67 feet to 1811A + 107 feet the vein is in the south wall of the drift. Where it entered the wall the vein appeared to be weak. A small doghole-type raise was driven to prospect the south wall 107 feet beyond survey station 1811A. This raise intersected a small discontinuous stringer of galena. The drift was then continued on an east bearing. This work showed several discontinuous sphalerite, quartz and galena stringers which the company followed. At a point 130 feet beyond station 1811A the vein again became definite and easy to follow. At the time of the inspection the company had followed the vein to a point 180 feet beyond station 1811A. The vein exposed in this last 50 feet of drift is quite similar to the vein exposed in the first 50-foot section. A 2.8-foot channel sample cut at the face assayed 2.0 ounces silver, 4.2 percent lead, and 8.3 percent zinc. The operator reported that 300 tons of material from this section of drift has also been stockpiled. The grade of this material is estimated to be about the same as that from the first section of drift; i.e., 0.6 ounces silver, 0.6 percent lead, and 4.7 percent zinc.

It is believed that the doghole raise which was driven to prospect the south wall of the drift is a much more satisfactory way to test the immediate wall of the drift than diamond drilling, which is allowed in the contract. Company experience has shown that core recovery in this type of ground amounts to approximately 20 percent. Mr. Featherstone reports that the hanging wall doghole raise was driven for about $5.00 per foot. He estimated that a flatter footwall raise or crosscut in which muck would have to be slushed would cost about $7.50 per foot. Considering that the contract allows 2,000 feet of diamond drilling at $3.00 per foot for the purpose of testing the walls, it would appear advisable to convert some of the diamond drilling funds to doghole raises and crosscuts for the purpose of testing the immediate drift walls. The additional cost of a doghole raise or crosscut over diamond drilling is more than offset by the information obtained. Mr. Erickson of the Bureau of Mines is

going to discuss the costs of this type of raise and crosscut in more detail with the operator, and if warranted, a contract amendment will be recommended to convert about half of the diamond drilling funds to funds for doghole type raises and crosscuts.

Enclosure

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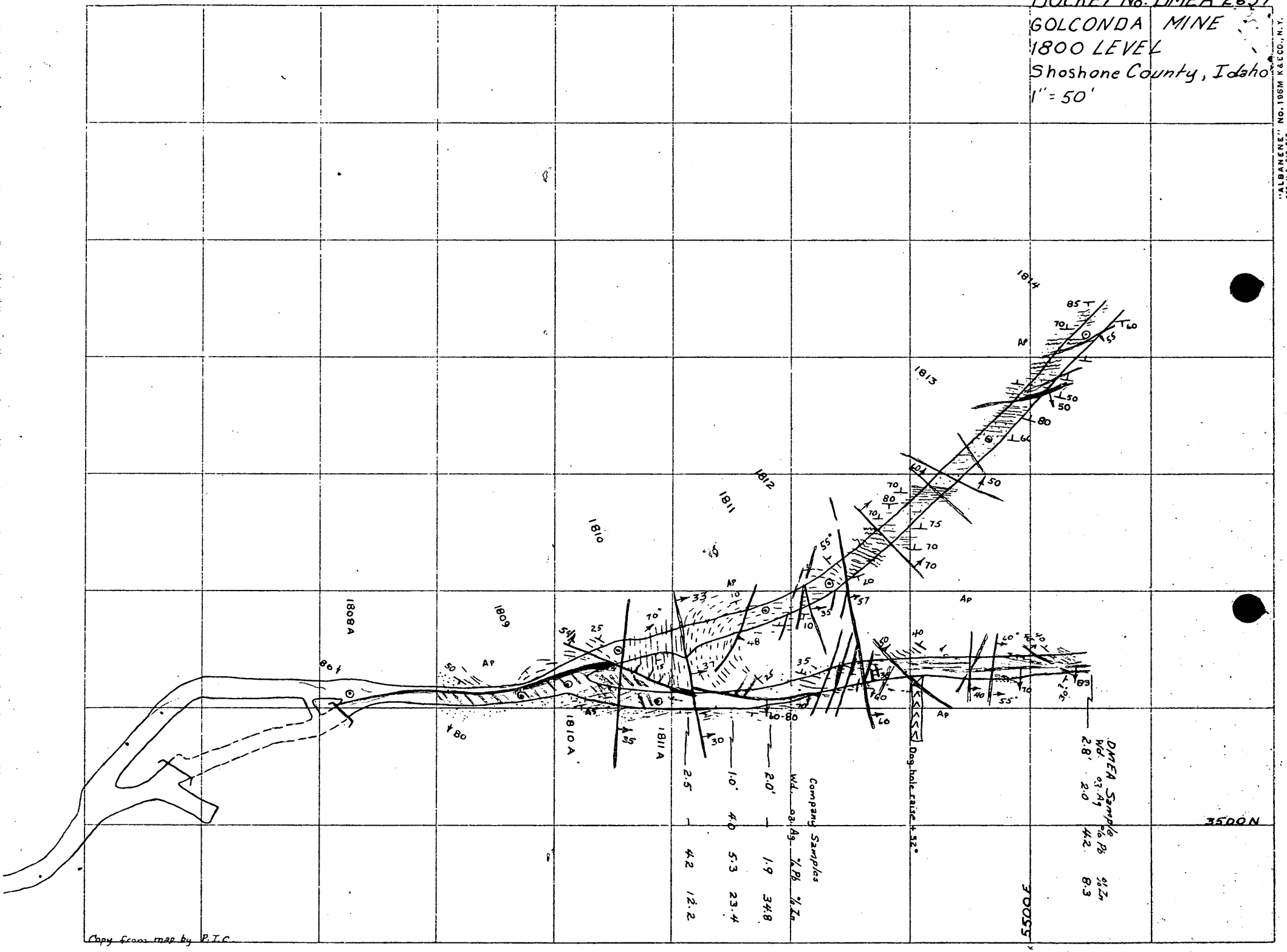
DOCKET No. DMEA 2637
GOLCONDA MINE
1800 LEVEL
Shoshone County, Idaho
1" = 50'



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UNITED STATES
DEPARTMENT OF THE INTERIOR
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August 18, 1953

Memorandum

To: DMEA Field Team, Region II

From: J. J. Quinlan, Geologist, U. S. Geological Survey

Subject: Routine inspection, Docket No. DMEA-2637 (lead-zinc), Golconda Lead Mines, Golconda Mine, Shoshone County, Idaho, Contract No. Idm-E475.

The project was inspected August 10, 1953, accompanied by Mr. Wray Featherstone, superintendent for the company, and Mr. Phil Connolly, consulting geologist for the company.

Mr. Connolly is employed as a geologist for the American Smelting and Refining Company. In this capacity he has followed exploration at the Golconda Mine for approximately three years and is intimately acquainted with the mine geology. Mr. Connolly has now been retained by the company on a consulting basis to direct their exploration work. At the present time Mr. Connolly inspects and maps the DMEA 1800 East drift exploration heading about once every two or three days. The geology is mapped on 20 scale and posted on 50 scale. Copies of the 50 scale geologic map are submitted with the company's monthly reports. At the time of the inspection the 1800 level workings were examined as well as the 1000 level East drift workings under which the 1800 level East drift is being advanced. Work completed under the contract at the time of the examination totaled 307 feet of drifting. Of this total, 137 feet of drift is represented by the run-around lateral, and 170 feet is represented by advance of the East drift heading. Attached is a geologic sketch map showing the geology of the 1800 level East drift advance. This map is a copy of Mr. Connolly's map and is attached to this memorandum in order to illustrate the discussion that follows.

The wall rock of the East drift consists of interbedded, thin-bedded black argillite and gray argillaceous quartzite. These rocks are a part of the upper Prichard formation and are representative of the transition zone between the Prichard formation and overlying Burke formation.

It will be noted on the attached sketch map that the vein is faulted approximately 40 feet east of the old East drift face where actual drifting on the structure under the contract started. Drag along the fault indicates that the vein has been thrown to the right. The vein has not been picked up in the East drift beyond this fault; however, this additional work has shown numerous other cross faults.

Company maps indicate that this same faulted condition exists on the upper mine level. Some of the faults in the area appear to have a right throw but most have a left throw. It is difficult to predict the exact amount of vein offset by this faulted zone because of incomplete geologic information on some of the upper levels. However, the throw appears to be about 100 feet to the left. In the past it has been fruitless to try and follow each little offset segment of the vein through this zone. Projection of the vein to the 1800 level from upper level workings indicates that the vein is to the north of the present drift (see attached sketch map). Present plans call for extending the drift on bearing N. 50° E. an additional 55 feet to the projected position of the vein. If this work fails to disclose the vein it will probably be necessary to use funds allocated for diamond drilling in order to attempt to pick up the vein.

The vein exposed in the first 40 feet of drift consists of quartz, sphalerite, galena, and pyrite. The vein ranges in width from several inches to 5 feet. Numerous gash fractures of quartz have been noted going out into the hanging wall. The richest and widest portion of the vein exposed to date appears to be at the intersection of the vein with the fault approximately 40 feet ahead of the face at the start of the new drifting. Seventy-five tons of vein material from the vein-fault intersection were sent to the company mill. This ore assayed 0.5 percent lead and 2.15 percent zinc.

Enclosure 1

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Quinlan

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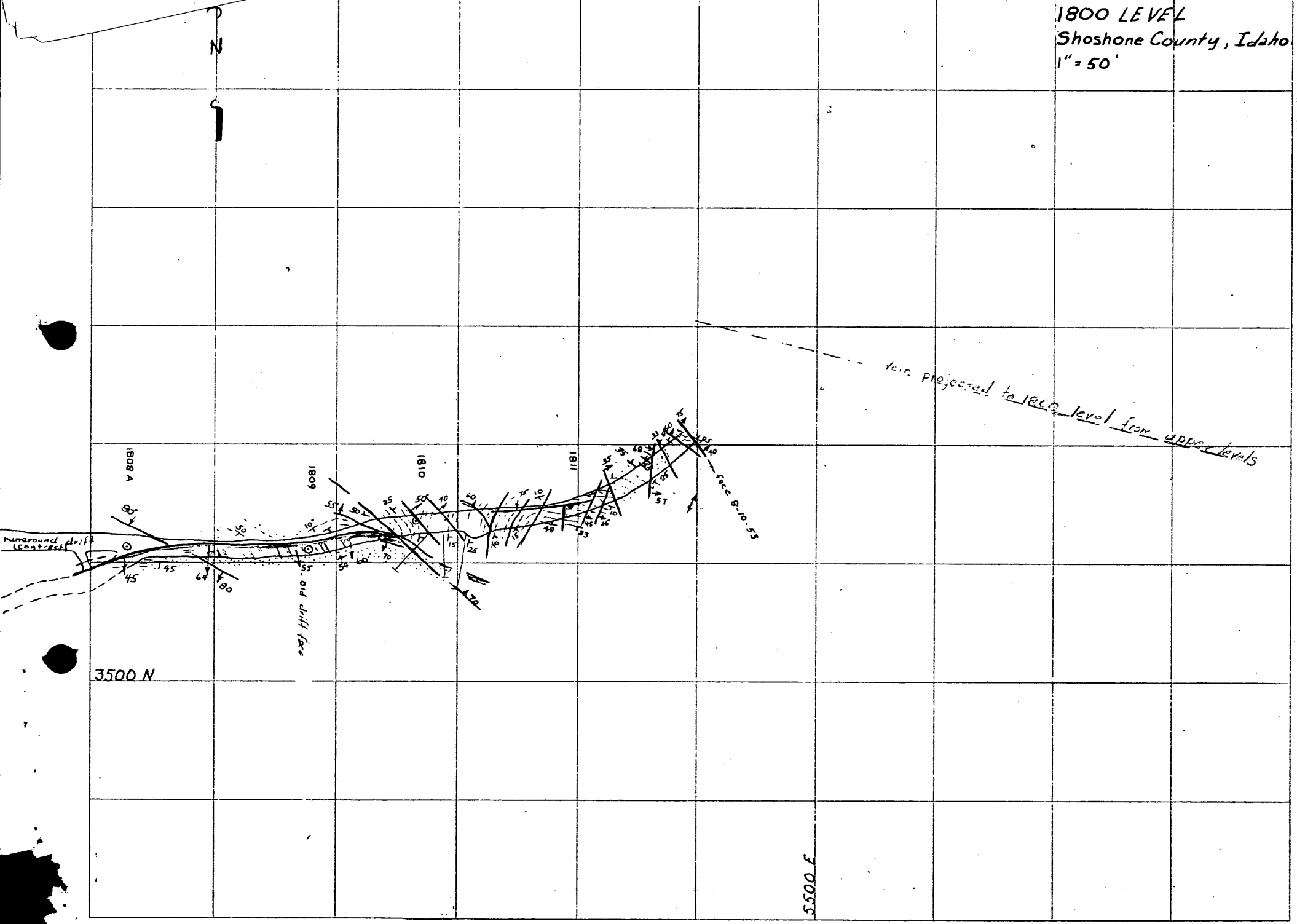

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