DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Idm-E NO. 574

DMEA NO. 2868

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

**Left Side**

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [x] Closing Letter-6-6-58
- [x] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

**Right Side**

- [x] Project summary (final)
- [x] Work Completed analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab) 10-31-58
- [x] Operator's Final Report (Tab) - 10-9-57
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

**Left Side**

Folders No. 2 : Reports
- [x] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

**Right Side**

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

Folders No. 4 : Maps (Use pocket folder or envelope)

Folders No. 3 : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty material

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DMEA Form 7
(12-56)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 6/4 | Klugescheid | 500 |
| | [illegible] | 500 |
| 6/5 | [illegible] | 120 |
| " | Johnson | 800 |
| " | Chambers | 800 |
| " | Mittendorf | 100 |
| 6/6 | [illegible] | 220 |
| | | 500 |
| | | |

JUN 6 1958

Mr. Roger V. Pierce
806 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. idm-E574

Dear Mr. Pierce:

Reference is made to your letter dated May 20, 1958, and to your exploration contract with the Government.

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

Your interest in the Defense Minerals Exploration Administration exploration program and participation therein are fully appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

WPKlugescheid/er 6/4/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region I (2)
Mr. Chambers
Mr. Roger V. Pierce, Pres. United Idaho Mng. Co.
Mr. Earl D. Smith, Pres. Del-Idaho Mng. Co.
Mr. E.J. Tucker, Receiver, Gilmore, Idaho
Chron.

8623

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

| DATE | | CO |
|---|---|---|
| 10-25 | JPC | 800 |
| 25 | [illegible] | 100 |
| 10/25 | [illegible] | 110 |
| 10/28 | Jwa | 120 |
| | | 500 |

I have reviewed the Monthly Reports of:

Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

pertaining to Exploration Project Contract No. Idm-E574, Docket No. DMEA-2868, dated July 27, 1953, including Amendments Nos. 1 to 9, inclusive, for the period of July 27, 1953 to July 27, 1957, covering a project for the exploration of lead and zinc on property known as the Gilmore Mine, located in Lemhi County, State of Idaho.

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

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

> All of the costs ($69,676.00) incurred were under a contract provision for payment by the Government on the basis of agreed unit costs of units of work actually performed.

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

| | | |
|---|---|---|
| Total cost as billed by Contractor | | $69,683.00 |
| Exceptions (Schedule attached) | | |
| By DMEA Finance Officer | $ -0- | |
| Herewith | 7.00 | 7.00 |
| Total Accepted Cost | | $69,676.00 |

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Thirty four thousand eight hundred thirty eight and 00/100 Dollars

--$34,838.00--

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

C. A. Turner, Auditor

October 21, 1957

Schedule of Exceptions

Roger V. Pierce | DMEA-2868 | Idm-3574

## Agreed Unit Costs

### Claimed on Forms MF-104

| | | | | | |
|---|---|---|---|---|---|
| **Stage I** | | | | | |
| Rehabilitation Transportation Tunnel | | | | | |
| a. Cleaning ditch, replacing ties, bringing track to grade and enlarging tunnel | 3935 ft. | @ | $ 1.60 | $ 6,296.00 | |
| b. Retimbering | 475 ft. | @ | 8.80 | 4,180.00 | |
| c. Cribbing | 500 cu. ft. | @ | .17 | 85.00 | |
| Drifting, crosscutting & raise | 1300 ft. | @ | 37.00 | 48,100.00 | |
| Assays | 6 | @ | 2.50 | 15.00 | |
| Total Stage I | | | | | $58,676.00 ✓ |
| **Stage II** | | | | | |
| Erect Timber Headframe | | | | 270.00 | |
| Sinking shaft | 60 ft. | @ | $78.50 | 4,710.00 | |
| Drift and crosscut | 200 ft. | @ | 30.00 | 6,000.00 | |
| Assays | 9 | @ | 3.00 | 27.00 | |
| Total Stage II | | | | | 11,007.00 ✓ |
| **Total Claimed** | | | | | $69,683.00 |

### Accepted Costs

| | | | | | |
|---|---|---|---|---|---|
| **Stage I** | | | | | |
| Rehabilitation Transportation Tunnel | | | | | |
| a. Cleaning ditch, replacing ties, bringing track to grade and enlarging tunnel | 3935 ft. | @ | $ 1.60 | $ 6,296.00 | |
| b. Retimbering | 475 ft. | @ | 8.80 | 4,180.00 | |
| c. Cribbing | 500 cu. ft. | @ | .17 | 85.00 ✓ | |
| Drifting, crosscutting & raise | 1300 ft. | @ | 37.00 | 48,100.00 ✓ | |
| Assays | 2 | @ | 4.00 | 8.00 ✓ | |
| Total Stage I | | | | | 58,669.00 ✓ |
| **Stage II** | | | | | |
| Erect Headframe | | | | 270.00 ✓ | |
| Sinking shaft | 60 ft. | @ | 78.50 | 4,710.00 ✓ | |
| Drift and crosscut | 200 ft. | @ | 30.00 | 6,000.00 ✓ | |
| Assays | 9 | @ | 3.00 | 27.00 ✓ | |
| Total Stage II | | | | | 11,007.00 ✓ |
| **Total Accepted Costs** | | | | | 69,676.00 ✓ |
| **Disallowed by Report of Review** | | | | | |
| Stage I Assays | | | | | ✓ $7.00 |

The Operator claimed on his Form MF-104, Stage I, six assays but supported only two with Assay Reports which gave the values of the metals in each sample. The four assays which were not supported by Assay Reports were disallowed.

C. A. Turner, Auditor

October 21, 1957

Government's copy

Long
Thurgood
"Appd. Sol. Off."
Franzel
Chambers
Martin
Johnson

EXPLORATION PROJECT CONTRACT
ROGER V. PIERCE
DOCKET NO. DMEA-2868

AMENDMENT NO. 9

It is agreed this 24th day of July, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Roger V. Pierce, that Exploration Project Contract No. Idm-E574 (Docket No. DMEA-2868), dated July 27, 1953, as amended, is further amended as follows:

The period for completion of the work is further extended from "May 27, 1957," to "July 27, 1957."

This amendment shall not be construed to increase the estimated total cost of the contract, the aggregate amount of the Government's contribution, the amount of any item designated "allowable maximum," or the agreed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. F. Mittenzwey
Administrator, Defense Minerals
Exploration Administration

ROGER V. PIERCE
Roger V. Pierce

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DMEA
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DATE | INITIALS | CODE

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RECEIVED APR 1 1957

| DATE | INITIALS | CODE |
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Burkin
Sawyer
Alt
Chambers
Selfridge

EXPLORATION PROJECT CONTRACT
ROGER V. PIERCE
DOCKET NO. DMEA-2868

AMENDMENT NO. 8

It is agreed this 20th day of February, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Roger V. Pierce, that Exploration Project Contract No. Idm-E574 (Docket No. DMEA-2868), dated July 27, 1953, as amended, is further amended as follows:

The time for completion of the work, specified in item 3 of Amendment No. 6, is extended from "March 1, 1957," to "May 27, 1957."

This amendment shall not be construed to increase the estimated total cost of the contract, the aggregate amount of the Government's contribution, the amount of any item designated "allowable maximum," or the agreed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
ACTING Administrator, Defense Minerals
Exploration Administration

ROGER V. PIERCE

Roger V Pierce

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Hoffman
"Appr. Sol. OIA"
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Selfridge

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EXPLORATION PROJECT CONTRACT
ROGER V. PIERCE
DOCKET NO. DMEA-2068

Amendment No. 7

It is agreed this 31st day of August, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Roger V. Pierce, that Exploration Project Contract No. Idm-2574 (Docket No. DMEA-2068), dated July 27, 1953, as amended, is further amended, effective April 27, 1956, as follows:

1. In Amendment No. 6:

(a) Under Stage II of the Description of the Work, item 3 is revised to read as follows:

"Sink a shaft 60 feet on the Silver Dollar claim. The size of the shaft shall be not less than 5 feet by 7 feet in cross section in the clear of timber. The shaft shall be timbered as necessary, but the Government shall not contribute to more than 60 feet of timbering."

(b) Under Stage II of Agreed Unit Costs of New Work, item 3 is revised to read as follows:

"3. Sink shaft (item 3), 60 feet
@ $78.50/ft. $4,710.00

Timber shaft (item 3) 60 feet
@ $15.50/ft. 930.00 $5,640.00"

This amendment shall not be construed to increase the estimated total cost, the aggregate of the Government's contribution, the amount of any item designated "allowable maximum," or the agreed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
ACTING Administrator, Defense Minerals Exploration Administration

ROGER V. PIERCE
Roger V. Pierce

Docket copy

"Appd. Sol. Off."

EXPLORATION PROJECT CONTRACT
ROGER V. PIERCE
DOCKET NO. DMEA-2868

AMENDMENT NO. 6

It is agreed this 29th day of June, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Roger V. Pierce, that Exploration Project Contract No. Idm-E574 (Docket No. DMEA-2868), dated July 27, 1953, as amended, is further amended, effective April 27, 1956, as follows:

1. In Article 8 of the contract, as amended by Amendment No. 1, the figures "64,145.00" and "32,072.50" are deleted, and the figures "82,366.00" and "41,183.00" are substituted, respectively.

2. In Annex III to Amendment No. 5, the period for payment of the Government's royalty in paragraph b. is changed from "eleven years" to "twelve years."

3. In Article 3, the period for completion is extended from "April 27, 1956," to "March 1, 1957."

4. The work described in Exhibit "A" attached to the contract is designated Stage I, and the following new work, designated Stages II and III, is added to Exhibit "A": 1/

Stage II

The work under this stage consists of:

1. Bulldoze a shaft site on the Silver Dollar claim, with a D6 or equivalent size unit. Not exceeding 15 hours of bulldozing work shall be performed.

2. Erect a timber headframe.

3. Sink a two-compartment timbered shaft 60 feet on the Silver Dollar claim. The size of the shaft shall not be less than 5 feet by 7 feet in cross section in the clear of timber.

1/ The Operator shall perform the work set forth under Stage II, and shall perform as much of the work under Stage III as is approved in advance by the Government.

4. From the bottom of the shaft, crosscut and drift an aggregate of 200 feet to determine the strike, dip, and character of ore-bearing structure. The size of the drifts and crosscut shall be approximately 5 feet by 7 feet in cross section in the clear of timber.

5. The drifts and crosscut shall be timbered as necessary but it is expected that not exceeding 50 feet of said timbering will be required.

6. Assay 15 samples for lead, gold, and silver.

The location of the shaft, and the location, direction, and extent of the drifts and crosscut are subject to prior approval of the Government.

Stage III

1. Rehabilitate not to exceed 320 feet of the Silver Dollar Tunnel Adit by timbering and cleaning out the first 20 feet, and cleaning out but not timbering the balance.

2. In the Silver Dollar Tunnel Adit, excavate for two diamond drill stations, not to exceed 500 cubic feet.

3. From the tunnel adit drill six diamond drill holes to determine the continuation of ore-bearing structure below the shaft bottom (Stage II). The total amount of drilling shall not exceed 1500 feet and the size of the holes shall not be less than AX.

4. Assay 10 samples for lead, gold, and silver.

The location, inclination, direction, and extent of the diamond drill holes are subject to prior approval of the Government.

The locations of the new work are tentatively shown on the attached maps entitled: "Part of the Gilmore Mine Showing Silver Dollar Tunnel Adit, Lemhi County, Idaho" and "Index Map, Gilmore Mining District, Lemhi County, Idaho," made a part hereof.

* * * * *

5. In Exhibit "A" the project total costs as amended by Amendment No. 1 are deleted, and the following agreed unit costs of new work are added under Agreed Unit Costs:

## Agreed Unit Costs of New Work

### Stage II

| | | | |
|---|---|---|---|
| 1. | Bulldozing (item 1), 15 hours @ $12.00/hr. | $ 180.00 | |
| | (The unit cost includes the costs of an operator, fuel, oil, maintenance, repairs, etc. and is allowable only for time bulldozer is actually operated.) | | |
| 2. | Erect timber headframe (item 2) | 270.00 | |
| 3. | Sink shaft (item 3), 60 feet @ $94.00/ft. | 5,640.00 | |
| 4. | Drift and crosscut (item 4) 200 feet @ $30.00/ft. | 6,000.00 | |
| 5. | Timber drifts and crosscut (item 5) 50 feet @ $5.00/ft. | 250.00 | |
| 6. | Assay 15 samples (item 6) @ $3.00/sample | 45.00 | |
| | Estimated Total Cost, Stage II | | $12,385.00 |

### Stage III

| | | | |
|---|---|---|---|
| 1. | Timber and clean out first 20 feet of Silver Dollar Tunnel Adit (item 1) @ $5.00/ft. | 100.00 | |
| | Clean out next 300 feet of Silver Dollar Tunnel Adit (item 1) @ $1.00/ft. | 300.00 | |
| 2. | Two diamond drill stations (item 2) 500 cubic feet of excavation @ $0.75/cu. ft. | 375.00 | |
| 3. | Diamond drill (item 3) 1500 feet @ $7.00/ft. | 10,500.00 | |
| 4. | Assay 10 samples (item 4) @ $3.00/sample | 30.00 | |
| | Estimated Total Cost, Stage III | | 11,305.00 |
| | Estimated Total Agreed Unit Costs of Stages II and III | | $23,690.00 |

## S U M M A R Y

| | |
|---|---|
| Work performed under Exhibit "A" attached to Contract, as amended by Amendment No. 1, (subject to audit) | $58,676.00 |
| Estimated Total Agreed Unit Costs of Stages II and III | $23,690.00 |
| Estimated Total Cost of Project | $82,366.00 |
| Government's Participation @ 50% | $41,183.00 |

* * * * * * *

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O P Mettendorf
Administrator, Defense Minerals
Exploration Administration

ROGER V. PIERCE

Roger V Pierce

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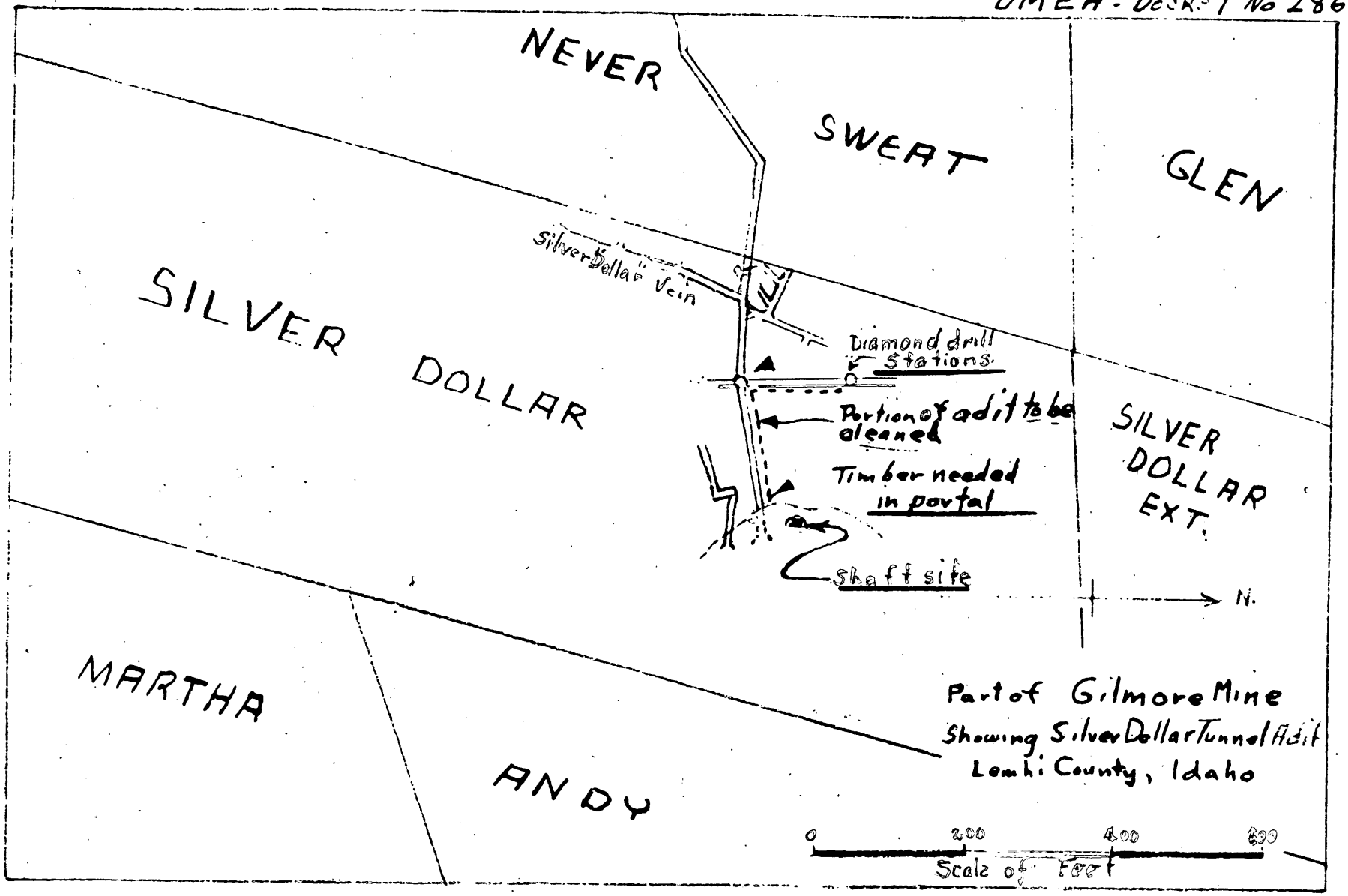
DMEA - Docket No 2868




Part of Gilmore Mine
Showing Silver Dollar Tunnel Adit
Lemhi County, Idaho

Docket copy

Putin
dragon
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J. AO
Finance
Chambers
Selfridge
Johnston

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MAY 21 1956

EXPLORATION PROJECT CONTRACT
ROGER V. PIERCE
DOCKET NO. DMEA-2048

AMENDMENT NO. 3

It is agreed this 2nd day of March, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Roger V. Pierce, that Exploration Project Contract No. Idm-2574 (Docket No. DMEA-2048), dated July 27, 1953, is further amended effective December 27, 1955, as follows:

1. In Article 3 of the Contract, the period for completion of the work is further extended from December 27, 1955, to April 27, 1956.

2. Article 9 of the Contract form, as amended by Annex II to the Contract is deleted, and Annex III, attached hereto and made a part hereof, is substituted therefor.

3. In Article 10 of the Contract, that part of the second sentence beginning with the word "Provided," is deleted.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, the amount of any item designated as "allowable maximum," or the agreed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C O Mattendorf
Administrator, Defense Minerals
Exploration Administration

ROGER V. PIERCE

Roger V Pierce

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MAY 21 1956

ANNEX III

The following provisions are in lieu of Article 9 :

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

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

c. Basis for computation.--The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight paid by the buyer to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the

1/ The "land" refers to the land described in Article 2 of the contract.

2/ The period "eleven years" is substituted for the period "ten years."

Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the raw ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

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

e. Percentages of royalty.--The percentages of the Government's royalty shall be as follows:

> One and one-half ($1\frac{1}{2}$) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half ($\frac{1}{2}$) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.
>
> (For instance: the royalty on an amount of five dollars ($5.00) per ton, would be one and one-half ($1\frac{1}{2}$) percent; on an amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) percent.)

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

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

h. No obligation to produce.--Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

i. Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

58694

MF-203
Revised March 24, 1955

Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator [redacted]
Docket No. DMEA-[redacted]
Contract No. Idm-E [redacted]
Contract Date [redacted]

RECEIVED
MAY 21 1956

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of [redacted], State of [redacted], described as follows:1/

[redacted]

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

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

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of a percentage royalty on production as may be provided for by the contract;2/ and represents and undertakes that there are no claims, liens, or encumbrances upon the undersigned's right, title, or interest in the land prior to that hereby granted to the Government other than the following:3/

[redacted]

3. Undertakes and agrees neither to commit any act nor assert any claim in conflict with the provisions of this Consent to Lien; and to give advance notice of the Government's rights under this Consent to Lien to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, or interest in the land; and

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

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

3/ Write "none" if that is the case. Do not leave lines blank.

4. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Consent to Lien shall extend and apply thereto.

5. Added provision: _____

Dated this 27th day of February, 1956.

United Idaho Mining Company [redacted]

By Roger V Pierce [redacted]

Pres [redacted]

I, Catherine E. Pierce certify that I am the Treasurer (Secretary, etc.) of the corporation named herein; that Roger V. Pierce who signed this agreement was then President (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

Catherine E. Pierce

[Corporate Seal]

MF-203
Revised March 24, 1955

Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator [redacted]
Docket No. DMEA-[redacted]
Contract No. Idm-E [redacted]
Contract Date [redacted]

CONSENT TO LIEN

RECEIVED
MAY 21 1956

To the United States of America:

Referring to that certain land in the County of [redacted], State of [redacted], described as follows:1/

[redacted]

[redacted],

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

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

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of a percentage royalty on production as may be provided for by the contract;2/ and represents and undertakes that there are no claims, liens, or encumbrances upon the undersigned's right, title, or interest in the land prior to that hereby granted to the Government other than the following:3/

[redacted]

3. Undertakes and agrees neither to commit any act nor assert any claim in conflict with the provisions of this Consent to Lien; and to give advance notice of the Government's rights under this Consent to Lien to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, or interest in the land; and

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

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

3/ Write "none" if that is the case. Do not leave lines blank.

4. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Consent to Lien shall extend and apply thereto.

5. Added provision: _____

Dated this [redacted] day of [redacted], 195[redacted].

[redacted] LIMITED [redacted]

[redacted] E. J. Tucker [redacted]

[redacted]

I, E. J. Tucker certify that I am the Receiver (Secretary, etc.) of the corporation named herein; that Earl D. Smith who signed this agreement was then President (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

[Corporate Seal]

MF-203
Revised March 24, 1955

Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator Roger V. Fin.
Docket No. DMEA- 2868
Contract No. Idm-E 574
Contract Date July 27, 1953

RECEIVED
MAY 21 1956

CONSENT TO LIEN

To the United States of America:

Referring to that certain land in the County of Lemhi, State of Idaho, described as follows:1/

The patented lode mining claims: Andy, Gilmore, W. H. Cannon, Glenn, Edie, Hatton (Survey No. 2040), in sec. 18, T. 13 N., R. 27 E., B.M., Gilmore (Texas) Mining District.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby Amendment No.5 of

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

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of a percentage royalty on production as may be provided for by the contract;2/ and represents and undertakes that there are no claims, liens, or encumbrances upon the undersigned's right, title, or interest in the land prior to that hereby granted to the Government other than the following:3/

None

3. Undertakes and agrees neither to commit any act nor assert any claim in conflict with the provisions of this Consent to Lien; and to give advance notice of the Government's rights under this Consent to Lien to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, or interest in the land; and

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

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

3/ Write "none" if that is the case. Do not leave lines blank.

4. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Consent to Lien shall extend and apply thereto.

5. Added provision: _____

Dated this 29th day of March, 1951.

DELAWARE-IDAHO GOLD MINING COMPANY [Seal]

By Earl D. Smith [Seal]
President

[Seal]

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

O. R. Smith

[Corporate Seal]

Docket copy

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DEC 16 1955

AMENDMENT NO. 4
to
EXPLORATION PROJECT CONTRACT Idm-2574
(DOCKET NO. DMEA-2868)
between
UNITED STATES OF AMERICA
and
ROGER V. PIERCE

It is agreed this 25th day of November, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Roger V. Pierce, that Exploration Project Contract No. Idm-2574 (Docket No. DMEA-2868), dated July 27, 1953, is further amended, effective October 27, 1955, as follows:

The period for completion of the work prescribed in Article 3 of the contract, as amended by Amendment No. 3, is further extended to December 27, 1955.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, the amount of any item designated as allowable maximum, or the agreed unit cost of any item of work.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
ACTING Administrator, Defense Minerals Exploration Administration

Dwyer
"Appd. Sol. Off."
J. All
Tackett
Nelson
Martin

ROGER V. PIERCE

Roger V Pierce

Docket Copy

Cy B.

EXPLORATION PROJECT CONTRACT
ROGER V. PIERCE
DOCKET NO. DMEA-2868

AMENDMENT NO. 3

It is agreed this 14th day of September, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Roger V. Pierce, that Exploration Project Contract Idm-E574 (Docket No. DMEA-2868), dated July 27, 1953, is further amended effective July 27, 1953, as follows:

In Article 3 of the contract form, the period for completion is extended to 27 months from the date of the contract.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, the amount of any item designated as allowable maximum, or the agreed unit cost of any item of work.

THE UNITED STATES OF AMERICA

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

ROGER V. PIERCE
Roger V. Pierce

Rubri
"Appr. Sol. OIL"
J. ACO
Arnold
Talbot
Selbridge
Johnson

RECEIVED
SEP 19 1955
U. S. G.
SPOKANE

Rutui 5/24/5

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AMENDMENT NO. 2

It is agreed this 15th day of April 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and

Roger V. Pierce, 808 Newhouse Building, Salt Lake City, Utah

(Docket No. DMEA 2868, lead-zinc)

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E 574 of July 27 1953 between the parties hereto be modified and amended as described in Exhibit "F" attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be July 27 1953.

This amendment is made by authority granted the Executive Officer, DMEA Field Team, Region II, in Order No. 2684 by the Acting Secretary of the Interior.

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

Executed in sextuplicate the day and year first above written.

ROGER V. PIERCE
(Operator)

By Roger V Pierce

THE UNITED STATES OF AMERICA

By A E Weissenborn
A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region II

ROGER V. PIERCE
Exploration Project Contract Idm-E574
Docket No. DMEA 2868 (lead-zinc)

AMENDMENT NO. 2

Exhibit "y"

Changes and Modifications

1. In Exhibit "A" of the contract under Description of the Work, Item 3,

| | |
|---|---|
| delete | From the northerly and southerly drifts described in Item 2 above, crosscut a total of approximately 400 feet. |
| substitute | From the northerly and southerly drifts described in Item 2 above, crosscut and raise a total of approximately 400 feet. |

2. In Exhibit "A" of the contract under Estimated Costs of the Project, Agreed Unit Costs, Item 3,

| | | |
|---|---|---|
| delete | Crosscutting, 400 feet @ $37.00/ft. | 14,800.00 |
| substitute | Crosscutting and raising, 400 feet @ $37.00/ft. | 14,800.00 |

ROGER V. PIERCE
Gilmore Mine
Exploration Project Contract Idm-E574
Docket No. DMEA 2868 (leadzinc)

Justification of Amendment No. 2

The Neversweat Flat Vein is a flat dipping vein and cannot be properly explored for by drifting at the present elevation. It will be necessary to provide for some raising in order to probe for the vein.

This amendment will not increase the unit costs allowed in the contract.

A. L. Service

DMEA FORM 6 REFERENCE SLIP

REV. 12-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

| TO: | INITIALS | DATE |
|---|---|---|
| 1. | | |
| 2. | | |
| 3. | | |
| 4. | | |
| 5. | | |
| FROM: | | |

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

Docket Copy

EXPLORATION PROJECT CONTRACT
ROGER V. PIERCE
DOCKET NO. DMEA-2863

AMENDMENT NO. 1

It is agreed this 13th day of August, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Roger V. Pierce, each acting in consideration of the agreement of the other to the terms hereinafter set forth, that Exploration Project Contract Idm-E574, Docket No. 2863, dated July 27, 1953, between the parties hereto, be modified and amended as follows:

1. In Article 8 of the contract form, in lieu of the figures "$31,850.00" and "$63,700.00," the figures "$32,072.50" and "$64,145.00" are substituted.

2. On page 2 of Exhibit "A" of the contract, what follows after the heading "Estimated Costs of the Project" is hereby deleted and the following is substituted:

Agreed Unit Costs

The Government will contribute to the cost of the work specified below as it accrues for units of work actually performed on the basis of the agreed unit costs per foot in lieu of actual costs. These costs include all costs of the work. Work to the costs of which the Government will contribute on the basis of agreed estimated unit costs may be performed by independent contractor without reference to the provisions relating to independent contracts and contractors in Articles 4(a) and (b) and 6(a)(1) of the contract form.

(1) Item 1 - Rehabilitation Transportation Tunnel

a. Cleaning drain ditch, replacing ties and bringing track to grade and enlarging tunnel 4,000 feet @ $1.60/ft. $6,400.00

b. Retimbering - 500 feet @ $8.80/ft. 5,280.00

c. Cribbing - 4,500 cu. ft. @ $.17/cu. ft. 765.00

d. Enlarging and repairing tunnel, removing timber from shaft, repairing station, making drift safe, and providing room for compressor and equipment, 100 feet @ $25.00/ft. $ 2,500.00

e. Installing compressor and equipment 1/ 500.00

(2) Item 2 - Drifting - 600 feet @ $37.00/ft. 22,200.00

(3) Item 3 - Crosscutting - 400 feet @ $37.00/ft. 14,800.00

(4) Item 4 - Drifting and crosscutting - 300 feet @ $37.00/ft. 11,100.00

(5) All items - Assays, 150 @ $4.00/ea. 600.00

Total Agreed Unit Costs $64,145.00

Government Participation @ 50% $32,072.50

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O. Mitteudorf
Administrator, Defense Minerals Exploration Administration

O.K. as to form
Robin Chandler

Roger V. Pierce
Roger V. Pierce (Operator)

1/ The completed installation is the unit.

MF-2[illegible]
(June 1951)
(Revised Feb. 1952)

DOCKET NO. I[illegible]A 2[illegible]

COMMODITY Lead-Zinc

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

Docket Copy

IDW-E574

# EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this 27th day of July, 195[illegible], between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Roger V. Pierce
[illegible] Newhouse Building
Salt Lake City, Utah

and as set forth in Annexes I and II attached hereto and made a part hereof:

hereinafter called the "Operator," as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of the mineral rights in Idaho, County of Lemhi, described as ~~follows:~~ set forth in Annex I,

the Operator represents and undertakes:[4]

(*a*) ~~[illegible]~~

Owners' Consents to Lien are attached.

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the O~~[illegible]~~

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

ARTICLE 3. *Exploration project.*—The Operator, within 90 days from the date of this contract shall commence work on a project of exploration for[5] Lead-Zinc

in or upon the described land; and shall bring the project to completion within a period of Two (2) years from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related ~~initial~~ allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

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

(*b*) The Government's payments in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

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

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

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 50 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $1,850.00, which is 50 percent of $3,700.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows: **See Annex II, substituted for that part of 9(a) preceding the colon:**

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

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

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

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

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

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

ARTICLE 10. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* ____________________

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. O. Mittendorf

**Administrator, Defense Minerals Exploration Administration**

____________________ (Operator)

By Roger V. Pierce

**Roger V. Pierce**

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

____________________

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

EXPLORATION PROJECT CONTRACT
ROGER V. PIERCE
DOCKET NO. DMEA-2868

## ANNEX I

The property referred to in Article 2 of the contract form consists of the following 27 patented lode-mining claims in Sec. 18, T. 13 N., R. 27 E., B. M., Gilmore (Texas) Mining District, Lemhi County, Idaho, leased to Operator by the companies listed below:

Leased from Delaware-Idaho Gold Mining Company:

| Claim | U. S. Survey No. |
|---|---|
| Andy | 2040 |
| Gilmore | 2040 |
| W. H. Cannon | 2040 |
| Glenn | 2040 |
| Edie | 2040 |
| Hatton | 2040 |

Leased from Gilmore Mercantile Company Limited:

| Claim | U. S. Survey No. |
|---|---|
| Olive | 2040 |
| Ruth | 2040 |
| Vick | 2040 |
| LaPorte | 2040 |
| G.A.P. | 2040 |
| Dorothy | 2040 |
| Martha | 2040 |
| Roy Lauer | 2040 |
| Cook | 2040 |
| Ernest | 2040 |
| Mixer | 2040 |
| Anex | 2040 |

Leased from United Idaho Mining Company:

| Claim | U. S. Survey No. |
|---|---|
| Never Sweat | 1938 |
| Silver Dollar | 1938 |
| Silver Dollar Extension | 1938 |
| 16-1 | 1938 |
| Texas | 1938 |

EXPLORATION PROJECT CONTRACT
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DOCKET NO DMEA-2868

ANNEX II

The following provisions are in lieu of all of paragraph (a) of Article 9 which precedes the colon:

If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account required by the exploration project contract, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development. The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land which is the subject of the exploration project contract, as follows: (1) Regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, as follows:

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EXHIBIT "A"

Description of the Work

As indicated on the attached map, entitled "Fig. I, Plan Map of Proposed Rehabilitation, Drifting, and Cross-cutting," the work consists of the following four items:

Item 1. Rehabilitate the Transportation tunnel (on the 400-foot level of the United Idaho Main incline shaft), to the extent necessary, to a point west of the Silver Dollar vein, a distance of approximately 4000 feet, as follows:

(a) Clean drain ditch, replace ties, and do occasional enlarging to provide clearance for trammer—estimated 4000 linear feet.

(b) Retimber caved sections and other timbered sections as required—estimated 600 linear feet.

(c) Install cribbing over timber in caved sections where required. "Cribbing" here refers to bridging or extra blocking necessary to support openings in excess of 1½ feet outside regular (7 by 5 feet in the clear) drift timber.

(d) Enlarge and repair 100-foot section of Transportation tunnel in vicinity of United Idaho 400-level shaft station. Remove fallen timber from shaft and repair station to the extent necessary to provide adequate ventilation, make the drift safe, and provide room for installation of a 315 CFM compressor. Install compressor and accessory equipment.

Item 2. From the Transportation tunnel at the intersection with the Silver Dollar vein, drift southerly along the vein a total of approximately 400 feet and northerly a total of approximately 200 feet.

Item 3. From the northerly and southerly drifts described in Item 2 above, crosscut a total of approximately 400 feet.

Item 4. On favorable vein showings disclosed by drifting and crosscutting in Items 2 and 3, drift a total of approximately 300 feet.

The location, direction, and extent of all drifting and crosscutting shall be subject to the prior approval of the Government, and all drifts shall be at least 5 feet by 7 feet in the clear.

**Estimated Costs of the Project**
**(*Indicates allowable maximum)**

**Actual Costs**

| | | |
|---|---|---|
| Item 1 - Rehabilitation of Transportation tunnel. 1/ | $15,000.00* | |
| All Items - Assays, 150 @ $4.00/assay | 600.00* | $15,600.00* |

**Agreed Unit Costs**

The Government will contribute to the cost of the below-specified drifting and crosscutting of Items 2, 3, and 4 as they accrue for units of work actually performed on the basis of the agreed unit costs per foot in lieu of actual costs. These costs include all costs of the work, except assays. Work to the costs of which the Government will contribute on the basis of agreed estimated unit costs may be performed by independent contractor without reference to the provisions relating to independent contracts and contractors in Articles 4(a) and (b) and 6(a)(1) of the contract form.

| | | |
|---|---|---|
| Item 2 - Drifting, 600 feet @ $37.00/ft. | $22,200.00 | |
| Item 3 - Crosscutting, 400 feet @ $37.00/ft. | 14,800.00 | |
| Item 4 - Drifting and crosscutting, 300 feet @ $37.00/ft. | 11,100.00 | |
| Total Agreed Unit Costs | | $48,100.00 |

1/ All schedules are waived. This includes all necessary costs of labor, supervision, material, supplies and equipment (or depreciation allowance therefor), workmen's compensation and employers' liability insurance and payroll taxes. Any other costs are for the sole account of Operator.

## SUMMARY

| | | |
|---|---|---|
| Actual Cost, Item 1; and assays | $15,600.00* | |
| Agreed Unit Costs, Items 2, 3, 4 | 48,100.00 | |
| Total Estimated Project Cost | | $63,700.00* |
| Government Participation at 50% | | $31,850.00* |

Wash

MF-200
(June 1951)
(Revised Feb. 1952)

DOCKET NO. DMEA _____

COMMODITY Lead-zinc-silver

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 8 1952

# EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2]

Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

hereinafter called the "Operator," as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Idaho, County of Lemhi, described as follows:[3]

(SEE ANNEX I, attached)

the Operator represents and undertakes:[4]

~~(a) That the Operator is the owner in possession and entitled to possession and that the property is subject only to the following claims, liens or encumbrances as to each of which the subordination agreement of the holder is attached.~~

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

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

ARTICLE 3. *Exploration project.*—The Operator, within 90 days from the date of this contract shall commence work on a project of exploration for[5]

in or upon the described land; and shall bring the project to completion within a period of two years from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(b) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(c) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(a) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related initial allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

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

(*b*) The Government's payments [illegible]ll cases will be based on actual, necessary [illegible]ts (including contract unit prices) incurred not in excess of any "allowable [illegible]aximum," and not in excess of the fixed percent[illegible] of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

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

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

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 50 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $47,037.50, which is 50 percent of $94,075.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

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

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

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

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

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

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

ARTICLE 10. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* _____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

_____
(Operator)

By _____

By _____

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

_____

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Exploration Project Contract

ANNEX I

The property consists of 23 patented mining claims in sec. 18, T. 13 N., R. 27 E., B.M., Gilmore (Texas) mining district, Lemhi County, Idaho, as follows:

| Claim | Survey No. |
|---|---|
| Never Sweat | U. S. Survey No. 1938 |
| Silver Dollar | " |
| Silver Dollar Extension | " |
| 16-1 | " |
| Texas | " |
| Surface rights of terminal tract part of Ruth and Olive claims | U. S. Survey No. 2040 |

Roger V. Pierce
Proposed Exploration Contract
Gilmore Mining District
Lemhi County, Idaho

EXHIBIT "A"

Exploration Project

The exploration project shall consist of the following:

1. 2800 lin. ft. of bulldozer trenching. Attached maps Nos. 1 and 2 show approximate locations of trenches 1, 2, and 3; locations may be adapted to local topography.

2. 500 lin. ft. of BX size diamond drill holes located from the results of the above named trenching and/or as approved by the Government.

3. 200 lin. ft. of shafts (4'x8' in the clear) located from the results of Steps 1 and 2 above and/or as approved by the Government.

4. 300 lin. ft. of drifts and/or crosscuts from these shafts, located as approved by the Government.

5. Deepen Ferguson-Shields shaft 50 feet and drive 500 lin. ft. of drift and/or crosscuts from near the bottom. A drift north and one south shall be started; either one or both may be discontinued on the approval of the Government. (See attached maps Nos. 1 and 2.)

6. Concurrent with or subsequent to above items, rehabilitate 650 lin. ft. of the Silver Dollar adit to the south heading on the Silver Dollar vein. (See attached maps Nos. 1 and 2.)

7. 600 lin. ft. of drift south from the above named heading on the Silver Dollar vein. Crosscutting or drilling to nearby structures may be substituted for drifting at the approval of the Government. (See attached maps Nos. 1 and 2.)

## Allowable Costs of the Project

### Unit Costs

| | |
|---|---|
| 250 feet of 2-compartment shaft at $92.50/ft., including all costs except supervision and assaying | $23,125. |
| 1400 feet of drifts and/or crosscuts at $35/ft., including all costs except supervision and assaying | 49,000. |
| 650 lin. ft. of rehabilitation at $9/ft., including all costs except supervision and assaying | 5,850. |

The Government will contribute to the cost of the above items on the basis of these agreed estimated unit costs in lieu of actual costs. The cost of the rest of the described work and of those items excluded from the costs of shaft sinking, drifting, crosscutting and rehabilitation will be contributed to by the Government on the basis of the actual costs specified in Article 6 (a) of the contract form, schedules of which are set forth below:

(1) Independent contracts

| | |
|---|---|
| Bulldozer trenching with 20 - 24 ton tractor equipped with angle dozer and heavy rooter, fully operated including all fuel, repairs, and supplies, estimated 300 hours @ $20/hr. | $ 6,000. |
| Diamond drilling, contracted to the lowest responsible bidder, 500 lin. feet BX hole @ estimated $11/ft., including moving, cementing, reaming and casing | 5,500. |

(2) Labor, supervision, consultants

| | |
|---|---|
| 1 engineer-supervisor, 1/2 time, 12 months @ $600/mo. | 3,600. |

(3) Operating materials and supplies

Schedule waived. Included in the unit costs.

(4) Operating equipment

To be rented
None

To be purchased
None

To be furnished by Operator
Schedule waived. Included in the unit costs.

(5) Rehabilitation and repairs

Schedule waived. Included in the unit costs.

(6) New buildings, improvements, installation

None

(7) Miscellaneous

| | |
|---|---|
| Assaying | $1,000. |

(8) Contingencies

Schedule waived. Included in the unit costs.

Summary

| | |
|---|---|
| Trenching | $ 6,000. |
| Diamond drilling | 5,500. |
| Shafts | 23,125. |
| Drifts and crosscuts | 49,000. |
| Rehabilitation | 5,850. |
| Supervision | 3,600. |
| Assaying | 1,000. |
| Total | $94,075. |

MF-200
(June 1951)
(Revised Feb. 1952)

DOCKET NO. DMEA _____

COMMODITY Lead-zinc-silver

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
1950

# EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2]

Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

hereinafter called the "Operator," as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Idaho, County of Lemhi, described as follows:[3]

(SEE ANNEX I, attached)

the Operator represents and undertakes:[4]

~~(a) That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:~~

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

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

ARTICLE 3. *Exploration project.*—The Operator, within 90 days from the date of this contract shall commence work on a project of exploration for[5]

in or upon the described land; and shall bring the project to completion within a period of two years from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related initial allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

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

(*b*) The Government's payments in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

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

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

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 50 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $ 34,150.00, which is 50 percent of $ 68,300.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

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

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

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

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

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

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

ARTICLE 10. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* _____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

_____
(Operator)

By _____

By _____

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

_____

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Exploration Project Contract

ANNEX I

The property consists of 23 patented mining claims in sec. 18, T. 13 N., R. 27 E., B.M., Gilmore (Texas mining district, Lemhi County, Idaho, as follows:

| Claim | Survey No. |
|---|---|
| Andy | U. S. Survey No. 2040 |
| Gilmore | " |
| W. H. Cannon | " |
| Glen | " |
| Edie | " |
| Hatton | " |
| Olive | " |
| Ruth | " |
| Vick | " |
| LaPorte | " |
| G.A.P. | " |
| Dorothy | " |
| Martha | " |
| Roy Lauer | " |
| Cook | " |
| Ernest | " |
| Mixer | " |
| Anex | " |

Roger V. Pierce
Proposed Exploration Contract
Gilmore Mining District
Lemhi County, Idaho

EXHIBIT "A"

Exploration Project

The exploration project shall consist of the following:

1. 3400 lin. ft. of bulldozer trenching. Attached maps Nos. 1 and 2 show approximate locations of trenches 1 - 6 inclusive; exact locations may be adapted to local topography. 70, hr

2. 500 lin. ft. of BX size diamond drill holes located from the results of the above named trenching and/or as approved by the Government.

3. 400 lin. ft. of shafts (4'x8' in the clear), no one shaft to exceed 200 feet in depth, located from the results of Steps 1 and 2 above and/or as approved by the Government.

4. 400 lin. ft. of drifts and/or crosscuts from these shafts, located as approved by the Government.

Allowable costs of the Project

Unit Costs

| | |
|---|---|
| 400 feet of 2-compartment shaft at $92.50/ft., including all costs except supervision and assaying | $37,000. |
| 400 feet of drifts and/or crosscuts at $35/ft., including all costs except supervision and assaying | 14,000. |

The Government will contribute to the cost of the above items on the basis of these agreed estimated unit costs in lieu of actual costs. The cost of the rest of the described work and of those items excluded from the costs of shaft sinking, drifting, crosscutting and rehabilitation will be contributed to by the Government on the basis of the actual costs specified in Article 6 (a) of the contract form, schedules of which are set forth below:

(1) Independent contracts

| | |
|---|---|
| Bulldozer trenching with 20 - 24 ton tractor equipped with angle dozer and heavy rooter, fully operated including all fuel, repairs, and supplies, estimated 360 hours @ $20/hr. | $ 7,200. |
| Diamond drilling, contracted to the lowest responsible bidder, 500 lin. feet BX hole @ estimated $11/ft., including moving, cementing, reaming and casing | 5,500. |

(2) Labor, supervision, consultants

| | |
|---|---|
| 1 engineer-supervsior, 1/2 time, 12 months @ $600/mo. | 3,600. |

(3) Operating materials and supplies

Schedule waived. Included in the unit costs.

(4) Operating equipment

To be rented
None

To be purchased
None

To be furnished by Operator
Schedule waived. Included in the unit costs.

(5) Rehabilitation and repairs

Schedule waived. Included in the unit costs.

(6) New buildings, improvements, installation

None

(7) Miscellaneous

| | |
|---|---|
| Assaying | 1,000. |

(8) Contingencies

Schedule waived. Included in the unit costs.

Summary

| | |
|---|---|
| Trenching | $ 7,200. |
| Diamond drilling | 5,500. |
| Shafts | 37,000. |
| Drifts and crosscuts | 14,000. |
| Supervision | 3,600. |
| Assaying | 1,000. |
| Total | $68,300. |

dmea 2868

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Spokane, Washington
January 30, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 2 1953

VIA AIR MAIL

MEMORANDUM

To: Chairman, Operating Committee, DMEA, Washington, D. C.

From: DMEA Field Team, Region II

Subject: Application by Roger V. Pierce for DMEA project on mining properties at Gilmore, Lemhi County, Idaho

Three copies of the subject application, Form MF-103, are submitted herewith. This application is supported by:

A letter from the applicant to M. E. Volin, Bureau of Mines, describing the proposed exploration.
Lease between United Idaho Mining Company and Roger V. Pierce.
Supplement to lease between United Idaho Mining Company and Roger V. Pierce.
Lease and Option Agreement between Delaware-Idaho Gold Mining Company and Roger V. Pierce.
Lease and Option Agreement between Gilmore Mercantile Company, Limited, and Roger V. Pierce.
Amendment and Modification of Lease and Option Agreement between Gilmore Mercantile Company, Limited, and Roger V. Pierce.
Claim map.
Owner's Consent to Lien, Form MF-203, from Delaware-Idaho Gold Mining Company.
Owner's Consent to Lien, Form MF-203, from Gilmore Mercantile Company.

One copy of the application is being retained for Field Team use.

An application for a production loan on the Gilmore mines was originally submitted by Mr. Pierce and assigned Docket No. DMA 463. Later, this application was modified to a proposal for rehabilitation of the Gilmore mines and deep level exploration at a cost of $500,000.00. The Field Team recommended this program in principal by memorandum dated May 15, 1951, but the recommendation was not acted upon because of Mr. Pierce's inability to arrange the financing of such a large program, and eventually the application went into the inactive file. When Mr. Pierce inquired about the DMEA program last October, he was advised to submit a new application because his new proposal varied in its entirety with the old one.

In connection with recommendation of the first application the Field Team submitted a preliminary report on the Gilmore mining district, Idaho, by Ralph H. Thurston, U. S. Geological Survey. The Bureau of Mines made at least one examination of the Gilmore mines, and the resulting information is given in a report, on file in Washington, D.C., under the title "Preliminary Examination of the Silver Dollar Prospect and Adjoining Mines, Gilmore (Texas) District, Lemhi County, Idaho, by John W. Taber.

The Bureau of Mines did some reconnaissance bulldozer trenching in the Gilmore district during the 1951 field season. One of the trenches on the north end of the Silver Dollar Extension, Claim No. 1938, uncovered a small mineral showing which Mr. Pierce had two lessees, Ferguson and Shields, sink on to a depth of about 100 feet. These developments are described in Bureau of Mines monthly reports available to the Field Team.

The Field Team still believes that the most favorable area for exploration is at depth in the United Idaho and Neversweat mines, but Mr. Pierce is unable to undertake his share of the great expense necessary for rehabilitation of the workings preliminary to such exploration.

The new proposal submitted by Mr. Pierce is divided into two concurrent subprojects. One subproject includes an initial stage of trenching with heavy bulldozer and ripper, a second stage of diamond drilling with the approval of the Field Team, and a third stage of sinking to shallow levels and drifting, with the approval of the Field Team. This subproject is of a prospecting nature and cannot be too well defined concerning the locations of the work and the amounts to be done, but these things can be controlled by allowable maximums. The other subproject includes drifting from the bottom of the Ferguson-Shields shaft and rehabilitation and extension of the Silver drift. Mr. Pierce wishes to conduct all of this work on the unit cost form of contract.

Mr. Pierce's new application, dated November 10, 1952, has not been forwarded sooner because we have been awaiting the Owner's Consent to Lien by the United Idaho Mining Co., a subsidiary of U. S. Smelting, Refining and Mining Company. Just recently Mr. Pierce informed the Field Team that the latter company would not agree to obligations for royalty repayments in case a discovery and/or development is certified except to the extent of the Government's share of the cost of exploration performed on the claims owned by the company. To meet this condition the Field Team agreed to break up the proposal into two separate contracts. To date, however, the Owner's Consent to Lien by United Idaho Mining Company has not been received.

The Field Team considers that exploration in the Gilmore district has reasonable chances for success and that the proposal by Mr. Pierce has sufficient merit as a prospecting venture to be recommended for DMEA contracts.

A brief report summarizing the information on the Gilmore district and discussing the applicant's proposals, along with two suggested contracts, will be submitted in the near future.

By Field Team, Region II

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
U. S. Geological Survey
157 South Howard Street

M. E. Volin

M. E. Volin, Member
U. S. Bureau of Mines
1201 North Division St.

Enclosures

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Form Approved.
Budget Bureau No. 42-R1035.2

FEB 2 1953

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

*Not to be filled in by applicant*

Docket No. dmea 2868
Metal or Mineral
Date Received 2-2-53
Estimated Cost
Participation (Government %)

## INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract United Idaho Mining Co:
Leased Claims, ~~U. S. Smelting Co.~~: Texas-Never Sweat-16 to 1-Silver Dollar-Silver Dollar Extn.
" " Delaware Idaho: Hatton-Edie-Glen-W. H. Cannon- Andy-Gilmore
" " Gilmore Mercantile: Mixer-Annex-Ernest-Cook-Roy Lauer-Martha-Dorothy-LaPorte-G.A.P-Ruth-Olive-Vick

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

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise
Leases and bond and lease

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

(*e*) If you own the land, describe any liens or encumbrances on it
No. All leased

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

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

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

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

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

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

5. *The exploration project.*—(*a*) S[illegible] mineral or minerals for which you wish[illegible]ore Lead, zinc and silver

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

(*c*) The work will start within 10 days and be completed within 12 months from the date of an exploration project contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

☐ Money ☐ Use of equipment owned by you ☒ Other

Explain in detail on acompanying paper.

## CERTIFICATION

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

Dated November 10, 1952

Roger V. Pierce
(Applicant)

By Roger V Pierce

808 Newhouse Building

Salt Lake City, Utah

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

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

ROGER V. PIERCE
CONSULTING ENGINEER
MINING MECHANIZATION SPECIALIST
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

U. S. BUREAU OF MINES
RECEIVED
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SPOKANE, WASHINGTON

November 13, 1952

Air Mail - Special Delivery

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

Attention: Mr. M. E. Volin

Subject: Docket No. DMA 463
Gilmore Lead-Zinc Mine
Lemhi County, Idaho

Dear Earl:

In connection with the above project, I would like to make formal application for help in carrying out a development program in this well-known but dormant lead-zinc mining area in Idaho. I am attaching four copies of Form MF-103. This is substantiated by claim maps showing location of work to be done.

The U. S. Smelting ground, five claims: namely, the Texas, 16 to 1, Never Sweat, Silver Dollar and Silver Dollar Extension, is covered under a lease that I hold with them, copy attached.

Delaware Idaho Gold Mining Company owning the Andy, Gilmore, W. H. Cannon, Glen, Edie and Hatton claims, is covered by Lease and Option Agreement copy of which is attached.

The Gilmore Mercantile claims include the Cook, Roy Lauer, Mixer, Annex, Ernest, Martha, Dorothy, Vick, Ruth, Olive, G.A.P. and La Porte and are covered by a Lease and Option Agreement also attached.

Further in connection with Items 1, 2, 3, 4 and 5 of MF-103, the following is submitted:

4 (a).

In general this is an area with a fairly high production record of high grade lead, zinc and silver ore, and no work of any consequence has been done since 1929. Therefore, few workings are open now or could be used without doing considerable costly rehabilitating.

One short shaft down 100' on an iron vein structure is open and, once equipped, could handle development rock from the proposed drifting project.

All drifts, tunnels, adits, shafts, etc. on any of the three groups of claims are available to use as the project develops. The greater part of the old mine workings are not accessible.

4 (b).

U.S.G.S. report by Ralph Thurston estimates production of $18,000,000 to $22,000,000 in oxidized lead-silver ores of average tenor of 23% lead, 11 oz. silver per ton. There are no developed ore reserves at present.

4 (c).

Production came from a series of vertical to flat dipping veins in limestone. These veins have not been tested for additional strike length to the north or south of the production area, and they have not been tested below the oxide zone. It is planned to surface trench these areas with a very heavy bulldozer and ripper to get down into the hard rock. The veins, once located, can be further explored by diamond drilling, sinking, drifting and cross cutting.

4 (d).

The area is well traversed with roads. A black top highway is within seven miles of the mining area. Snow during winter months will have to be removed on access roads, and this can be done with dozer.

4 (e).

Manpower, supplies, etc. are ample for the projects outlined.

5 (b)

Subproject "A"

It is proposed to operate two subprojects concurrently with work to be done described as follows:

6,000' Surface Trenching

A maximum of 6,000 linear feet of bulldozer trenches to be excavated with heaviest possible dozer tractor, i.e. Allis Chalmers HD-20 weighing 20 tons and with a heavy rooter, so that once through the thin overburden it will be possible to break on down through the weathered, fairly hard rock at the six locations shown on the accompanying claim map.

This work will locate the possible north and south extension of the veins that were so highly productive and will also check two veins that have had little or no work done on them.

Trenching will be in fairly rough, irregular and steep terrain with access roads necessary in each case to allow service trucks to reach tractor service point for trenches marked 1, 2, 3 and 5. The standard rate for an Allis Chalmers HD-20 with angle dozer and with operator and that I paid on work done here a month ago was $20.00 per hour.

For yardage all requiring this 20-ton bulldozer and for ripper required to break through and loosen the hard rock in place and tear into the hard outcrop, it will cost 80¢ a cubic yard total.

This will be a winter job and weather conditions are not mild.

For the completed trenching, my billing after measurement by the Field Team will be 40¢ a cubic yard moved.

1,000' Diamond Drilling - (1,000' Ax Holes)

At favorable locations designated by the Field Team on mineralized structures uncovered by the trenching, a maximum of 1,000' of diamond drilling will be necessary to probe the structures at levels approximately 100' below the surface. These holes should be Ax size.

To move in and set up for these individual short holes, which would probably be jobs of short duration, with weather on the rougher side, a total figure of $10.50 per foot of completed hole would cover the normal $8.00 price quoted for this work, and the balance of $2.50 would be for supervision, keeping the road open, and in general supervising the job. On this basis, the Government would be billed at a rate of $5.25 per foot of finished Ax hole, all directed and measured by the Field Team in charge.

600' Shaft Sinking from Surface

Contingent upon results of bulldozing or diamond drilling development, at the discretion of the Field Team, a maximum of 600' of shaft sinking to explore the structures to depth not to exceed 200' will be necessary. These shafts would be two-compartment, 5' x 7' in the clear, and be arranged each with a hoisting and ladder-way compartment.

In sinking these shafts a gasoline single drum hoist, jackhammer, 105 portable gas driven air compressor would be used. Auxiliary equipment would include surface transfer car, rail, pipe, water supply tank, drill steel, hoses, etc.

These shafts would be hand-mucked. Labor at present is at $13.50 per man shift. Drilling water will have to be hauled three miles.

In each case there will be a building to erect to protect the hoist and compressor and give men a place for a small change room.

For a 5' x 7' shaft down to a depth of 100' cost will run $80.00 a foot completed. This will include supervision. On this and other projects the equipment will be rented. Rental prices on the various items that will be used are covered under a separate heading. On these shafts operating supplies will include powder, fuses, caps, gasoline, bits, steel, hoses, oil, carbide, tools, ladders, stulls, etc. In case timber is needed, this would cost $10.00 additional per running foot installed.

For shafts zero to 100' in depth, measuring 5' x 7' in the clear, a total cost of $80.00 untimbered and $90.00 timbered is estimated. In case a shaft

is sunk over 100', each additional foot up to 150' will be increased $15.00.

For completed footage on the above basis the Government, via the Field Team, will be billed at $40.00 and $45.00 a foot, respectively, up to 100' and at $7.50 additional over 100' mark.

700' Sublevel Drifting and Cross Cutting

For mineralized structures which warrant further investigation, at the discretion of the Field Team, a maximum of 700' of drifting from the shafts would be necessary. These drifts would be 4½' x 7' in the clear. In most cases these would be driven from the bottom of the shaft to drift on structure or to cross cut for other parallel veins. These exploratory openings would be 4½' x 7' in the clear. Estimated cost of completed opening would be $35.00 a foot. This would cover the cost of drilling and blasting, mucking, transportation to shaft, hoisting and handling the broken muck on surface. For the completed opening 4½' x 7' payment by the Government would be at $17.50 per linear foot.

Subproject "B"

500' Drift from Bottom of Ferguson-Shields Shaft

It is proposed to drift on structure from Ferguson-Shields Shaft a distance of 250' north and 250' south from the present shaft at a depth of 100' or at a point meeting with the approval of the Field Team. These two drifts would be 4½' x 7' in the clear and, up to 100' in length, would cost $35.00 a foot; from 100 to 150', $40.00 per foot; 150' to 200', $45.00 per foot; 200' to 250', $50.00 a foot. This completed footage would be invoiced at one-half of the above figures.

Silver Dollar Drifting

This area has been prospected only on a minor scale. An excellent vein was cut 300' from the portal and a drift to the south extended 280'. Another drift to the north was carried 100', plus or minus. This structure and prominent vein should be explored an additional 300' both to the north and south, and, if development warrants after these faces are extended, cross cutting should be done to check present blind areas.

For the present, approximately 700' of caved cross cut and drift should be cleaned out and repaired. Air and water pipe will have to be installed as well as track. Cars, mucking machine, drills, compressor, motor, diesel generator set and incidental smaller items would represent between $25,000 to $30,000 in equipment. Truck service, water haulage, road snow clearance, supervision, operating costs representing labor, gas, oil, powder, steel, bits, hoses, pipe and rail would total $50.00 per foot for completed 5' x 7' drift or cross cut. To clean and rehabilitate this area and install pipe line and track to allow the work to be done would cost $8.00 per foot untimbered and $10.00 per foot timbered. Labor cost in the area, exclusive of social security, taxes, etc., is $13.50 per day.

Rental prices for equipment used is as follows:

| | | |
|---|---|---|
| Air driven mucking machine | | $250.00 per month |
| Haulage locomotive | | $350.00 per month |
| Diesel driven generator | | $300.00 per month |
| 350 cu. ft. compressor | | $450.00 per month |
| Cars | each | $ 15.00 per month |
| Drills | | $100.00 per month |
| Gas driven hoist | | $ 80.00 per month |
| Skip | | $ 10.00 per month |
| 105 portable gas driven compressor | | $160.00 per month |
| Truck | | $100.00 per month |
| Snow removal dozer | | $ 12.00 per hour |

I hope that the above covers all information required for the project and that clearance can be made at an early date so that work can be started immediately.

I am working in the area now, and the costs are such that I am not going to be able to continue without help.

Thanking you for your kind consideration.

Yours very truly,

Roger Pierce

Roger V. Pierce

RVP eb
Enc.

# LEASE AND OPTION AGREEMENT

THIS LEASE AND OPTION AGREEMENT, made and entered into as of the 15th Day of August, 1950, by and between ELMER TUCKER, as the duly appointed qualified and acting receiver and trustee of the property and assets of the GILMORE MERCANTILE COMPANY, LIMITED, A defunct Idaho corporation, for the benefit of the creditors and stockholders of said defunct corporation, residing at Gilmore, Idaho, hereinafter called "Lessor", and ROGER V. PIERCE, an individual, with offices at 808 Newhouse Building, Salt Lake City, Utah hereinafter called "Lessee",

WITNESSETH:

IN CONSIDERATION of the sum of Ten Dollars ($10.00) in hand paid by Lessee to Lessor, receipt whereof said Lessor does hereby acknowledge, and in consideration of the covenants and agreements of Lessee hereinafter set forth, and by the said Lessee to be kept and performed, said Lessor has demised, leased and let, and by these presents does demise, lease and let unto said Lessee, all of the following described patented lode mining claims and mining properties or fractions thereof (hereinafter referred to as "Demised Premises") situate in the Texas Mining District, Lemhi County, State Of Idaho, to-wit:

| | |
|---|---|
| Olive | Roy Lauer |
| Ruth | Cook |
| Vick | Ernest |
| LaPorte | Mixer |
| G. A. P. | and |
| Dorothy | Anex (sometimes known as Annex or Auex) |
| Martha | All U.S. Survey No. 2040 |

including all tracks, cars houses, buildings, structures, machinery and equipment located upon or below the surface of said mining claims and necessarily incident to mining and development of said mining claims, together with any and all right, title and interest of said Lessor in and to any and all veins, lodes, or mineral deposits extending into or contained in said mining

claims and mining properties; together with all mining dumps, rights-of-way, easements, water, water rights, tenements, hereditaments, privileges, appurtenances and appropriations of every kind and nature belong to Lessor and located at or in the vicinity of said mining claims and properties, or in anywise appertaining to said mining claims and properties, or either of them, excepting only such property or interest therein as Lessor's predecessors in interest have sold, conveyed or alienated of record.

TO HAVE AND TO HOLD, unto the said Lessee, his heirs, executors, administrator and assigns, for the term of Six (6) years, beginning with the date hereof and expiring at noon on the 15th day of August, 1956, unless sooner forfeited or terminated as herein provided.

AND IN CONSIDERATION of such demise and of said royalties, covenants and agreements to be paid, kept and performed by Lessee, it is hereby mutually covenanted and agreed by the parties hereto, and each of them, as follows, to-wit:

1. Lessee shall enter into and upon the demised premises and take possession thereof forthwith and all the work performed by Lessee in or on the mining claims and mining properties hereby demised shall be done in good and minerlike fashion. Lessee, in the conduct of all operations hereunder, shall be an independent contractor.

2. Lessee covenants and agrees that during each contract year that this Lease and Option Agreement is in force and effect, that the following number of shifts of labor, or their equivalent, will be performed or expended upon, in, or for the benefit of the demised premises as a minimum work requirement, to-wit: 500 shifts of labor during the first and second contract years, 2,000 shifts of labor during the third contract year, and 2,000 shifts of labor during the fourth contract year and during each contract year thereafter remaining in said term.

A shift of labor is defined as, and shall be deemed to mean, eight (8) hours' work for one man or the expenditure of the money equivalent of one shift of labor in drilling or other work on, in, or for the benefit of the demised premises.

3. All ores mined and any concentrates thereof shall be shipped to and treated by a mill or smelter designated by Lessee pursuant to a contract or schedule for disposal thereof. On any ore or concentrates disposed of as herein contemplated, Lessee agrees to pay to the Walker Bank and Trust Company, Trust Department, at Salt Lake City, Utah, to Lessor's account, the following: On all ores disposed of by Lessee from the demised premises a royalty of Ten Per Cent (10%) of the net smelter return per dry ton, or in lieu of such percentage royalty payments, the minimum installment royalty payments set forth in such schedule below, whichever amount is the greater:

SCHEDULE OF MINIMUM INSTALLMENT ROYALTY PAYMENTS

On or before July 15, 1952, the sum of .....$ 5,000.00
On or before January 15, 1953, the sum of .....$ 5,000.00
On or before January 15, 1954, the sum of .....$10,000.00
On or before January 15, 1955, the sum of .....$10,000.00
On or before August 15, 1956, the balance of said purchase price then unpaid.

"NET SMELTER RETURN" wherever used herein, is hereby defined and shall for all purposes be construed as the amount remaining after deducting from the value per dry ton of ore or concentrates as determined pursuant to the contract or schedule with the smelter or mill treating said ore or concentrates, all smelter and mill treatment charges, sampling, assaying and railroad charges and truck or other haulage charges.

Lessee agrees to pay the above percentage royalty payments on or before the fifteenth day of the month next following the receipt by Lessee of payment from the smelter or mill for ores or concentrates bought or purchased, and to accompany such payments with a statement of the amount of royalty due on each lot shipped and a duplicate smelter or mill treatment sheet on each such lot and shall furnish to Lessor, or his designated agent, a copy of such royalty statement and a duplicate smelter or mill settlement sheet.

Each and every percentage royalty payment paid hereunder shall be applied against and be a credit upon the total minimum installment royalty payment, or payments, if any, and each and every minimum installment royalty payment made hereunder shall be applied against and be a credit upon any and all percentage royalty payments due and payable hereunder.

Any and all payments herein specified to be made by the Lessee to Lessor, including any and all percentage royalty payments or minimum installment royalty payments, shall be made by depositing the amount thereof to the credit of Lessor at said Walker Bank and Trust Company, Trust Department, Salt Lake City, Utah, all of which payments and amounts shall be a credit upon the purchase price of said property. It is expressly understood and agreed that Lessee shall be in no manner responsible for any disposition or distribution of monies so deposited.

4. Lessee agrees to pay all taxes levied and assessed upon the demised premises, or any part thereof, including taxes measured on production, and also including taxes levied and assessed on improvements placed on said demised premises by Lessee, during the life of this Lease and Option Agreement, or any extension thereof, commencing with the taxes for the year 1950, and to make payment thereof as required by the statutes of the State of Idaho so that no default in taxes upon the demised premises shall occur, and to deliver to Lessor the original or duplicate tax receipts for payments made; but said Lessee shall not be liable in any way for any other tax, excise, levy or assessment of or against said Lessor.

5. Lessee agrees to assume all responsibility for personal injuries to or the death of any person upon or within the demised premises or on any adjacent premises used as ingress to or exit from the demised premises, occasioned by the negligence or actionable fault of the Lessee, his agents or employees, and to indemnify and save the Lessor harmless from any and all claims or judgments for such damage, injury or death. Lessee agrees to carry such insurance covering all persons working in or on said demised premises for Lessee as will fully comply with the provisions of the statutes of the State of Idaho governing Workmen's Compensation and Occupational Disease, as they are now in force or as they may hereafter be changed or amended. Further, Lessee agrees to comply with all the terms and provisions of all the laws of the State of Idaho and of the United States of America, as now existing or hereafter amended, pertaining to Social Security, Unemployment Compensation, wages, hours, conditions of labor, and to indemnify and hold the

Lessor harmless from the payment of any and all damages, costs or expenses incurred by reason of Lessee's operation of said demised premises during and throughout the term and existence of this Lease and Option Agreement.

6. Lessee may at any time during the currency of this Lease and Option Agreement install upon or remove from said demised premises any tools, machinery, equipment or facilities owned or furnished by him. It is mutually understood and agreed that if, by forfeiture or otherwise, the rights of Lessee hereunder are terminated and Lessee quits possession of said mining claims and mining properties hereby demised, Lessee, or his agents, may remove any tools, machinery, equipment and supplies theretofore by him placed upon said demised premises, or any of them; said removal to be at Lessee's own cost and expense and may be accomplished within one hundred twenty (120) days following surrender of possession of said demised premises, except that in such event, all installed timbers, tracks, piping, wiring and surface buildings shall thereupon be and become the property of Lessor. Further, Lessee agrees to surrender possession of and deliver up said demised premises to Lessor without demand or notice at the expiration of the term hereof or at any time previous upon forfeiture of this Lease and Option Agreement by the terms hereof. Lessee also agrees to save and protect Lessor and the demised premises harmless from any and all liens or lien claims on account of labor done upon or material furnished to such demised premises at the instance of the Lessee.

7. It is further understood and agreed that if, during the life of this Lease and Option Agreement, the Lessor shall acquire in any manner or has acquired any mining ground or interest in mining ground located within a radius of two miles from the outside boundaries of the demised premises in Lemhi County, State of Idaho, which is not included in the description of the demised premises herein, such mining ground or interest therein acquired by said Lessor or owned by him, shall be included in and made a part of the property dr demised premises herein leased and optioned, precisely as if expressly designated and included herein as a part of the property herein leased and optioned and without further consideration than is payable pursuant

to the express terms hereof. Lessor shall execute and deliver, or cause to be executed and delivered, such instruments as may be necessary in order to vest in Lessee any and every right to possess, lease, operate and obtain title to such mining ground or interest in mining ground hereafter acquired or owned by Lessor, as aforesaid, in the same manner as if said mining ground or interest therein had been expressly included and described herein and without further consideration than that payable as herein provided for the mining claims and mining property herein described.

8. For any breach of any covenant or agreement herein specified to be kept and performed by Lessee, Lessor may, following sixty (60)ddys' written notice, terminate this Lease and Option Agreement by delivering to Lessee at 808 Newhouse Building, Salt Lake City, Utah, a written notice of his intention to terminate the same, which written notice shall set forth the breach of covenant or agreement being complained of; provided, however, that if Lessee is thus in default as claimed by Lessor, it is agreed that Lessee may, within sixty (60) days following the receipt of such notice, avoid said termination and cure said default by performing the covenant or agreement breached. If such default has not been thus cured within said sixty-days period, said termination shall thereupon become effective, and all Lessee's rights hereunder shall be forfeited, except only the right of Lessee, or his assigns, to remove his property and equipment from said demised premises as hereinabove provided.

9. It is further agreed that upon termination of Lessee's rights hereunder by forfeiture or otherwise, all money theretofore paid to Lessor shall be by him kept and retained as liquidated damages for any and every breach hereof by Lessee.

10. Lessee agrees to keep books and accounts covering Lessee's operations hereunder and particularly the mining and milling of ores and the selling of ores or concentrates, and shall permit Lessor, through his duly accredited agents, at all reasonable hours to examine said books and accounts bearing on royalties due said Lessor. Lessee shall keep up-to-date maps showing any new workings in the demised premises, which maps may be inspected by Lessor at any reasonable time.

11. Should mining operations by the Lessee hereunder be interrupted or prevented by acts of God, insurrection, labor troubles or other causes beyond the reasonable ability of Lessee to cure, then and in that event, Lessee shall not be required to perform the minimum work requirement herein provided while such cause, or causes, shall exist; provided, however, that immediately upon the existence of such contingency, Lessee shall notify Lessor thereof in writing; and , provided, further, that should Lessee be prevented from operating hereunder as aforesaid, then and in that event, the term of this Lease and Option Agreement shall be extended accordingly.

12: Lessee agrees to post and at all times during the life of this Lease and Option Agreement to continuously maintain at all points of ingress to the underground workings on the demised premises a written notice to all employees and other persons informing them of the fact that said demised premises are being operated by said Lessee, and that Lessor is not in any manner responsible for the wages of any person employed upon the demised premises or for any work, supplies or materials furnished to said Lessee, his agents or assigns, or for any labor, supplies or materials furnished upon or employeed in or about the demised premises.

13. It is expressly agreed that Lessee may at any time hereafter terminate this Lease and Option Agreement and be freed from any and every obligation and liability hereunder, or in any manner arising out of any term, covenant or condition hereof, excepting only those obligations which, by the expressprovisions hereof, have then accrued and become fixed and unconditional, to-wit: (a) Lessee's obligation to pay percentage royalty on ore or concentrates theretofore shipped to a mill, reduction plant or smelter, and (b) Lessee's obligation to keep said property free from any liens or encumbranced occasioned by Lessee's act of defaalt.

Said termination by Lessee in this paragraph contemplated, may be effected by written notice served upon Lessor setting forth the intention of Lessee to discontinue performance hereunder; said written notice to be signed by or on behalf of Lessee and to be enclosed in a sealed envelope addressed to said Lessor at Gilmore, Idaho, and deposited in a United States post office, postage prepaid.

14. Lessee shall, at his cost and expense, have brought up to date the abstract, or abstracts, of title to the demised property showing title to said demised premises. Lessee shall have said abstracts of title examined by his counsel or attorneys and shall furnish a copy of said counsel's or attorneys' opinion to Lessor. Should said abstracts and opinion show that title to the demised premises is not vested in Lessor, free and clear of all liens or encumbrances and defects in title, Lessor agrees, at Lessor's cost and expense, to cooperate with and assist Lessee as may be required to cure or correct said defects in said title, or titles. Further, Lessor agrees forthwith to take such steps as may be required to obtain court approval and ratification of this agreement and to authorize Lessor to enter into this contract.

15. And in consideration of the covenants herein specified to be kept and performed by Lessee, said Lessee shall have and is hereby granted the exclusive right, option and privilege to purchase the said demised premises described herein for a purchase price of Seventy-six Thousand Five Hundred Dollars ($76,500.00), without interest thereon and payable at any time during the existence and life of this Lease and Option Agreement. Each percentage royalty payment and each installment royalty payment as provided herein to be paid by Lessee to Lessor, shall be applied against and be a credit upon said purchase price.

16. Lessor shall forthwith place in escrow with the Walker Bank and Trust Company, Trust Department, at Salt Lake City, Utah, a good and sufficient deed conveying all of siad demised premises to Lessee free and clear of defects in title, liens or encumbrances, said deed shall be accompanied by an Escrow Agreement signed by the parties hereto, instructing said Bank to deliver said deed to Lessee if and when certain terms and conditions therein stated have been kept and performed by Lessee, including payment of the purchase price of Seventy-six Thousand Five Hundred Dollars ($76,500.00), as aforesaid. If any payment herein specified to be made by Lessee is not made as and within the time herein provided, said Bank shall, upon request

of Lessor, return said Deed to Lessor at Gilmore, Idaho.

17. Any notice or other instrument in writing herein authorized to be given or delivered to Lessor, may be served upon Lessor, or sent to Lessor by registered mail, postage prepaid, addressed to Lessor at Gilmore, Idaho, or to such other address as Lessor may from time to time designate in writing and any notice or other instrument authorized to be given or delivered to Lessee, may be served upon Lessee or sent to Lessee by registered mail, postage prepaid, addressed to Lessee at 808 Newhouse Building, Salt Lake City, Utah, or such other address as Lessee may designate from time to time in writing.

18. Lessee agrees to provide, and maintain during the currency of this Lease, a fire insurance policy in an amount not to exceed Five Thousand Dollars ($5,000) covering the housing facilities on the Andy Mining Claim against loss by fire. Further, Lessee agrees not to cut any of the timber on the demised premises and use the same until and unless Lessee exercises the option, herein provided, to purchase said demised premises.

19. The provisions hereof and all the premises, covenants and agreements of any of the parties hereto shall be binding upon the parties, their heirs, administrators, executors, successors and assigns respectively; provided, also, that this Lease and Option Agreement shall be freely assignable by Lessee without the prior written consent of Lessor, except that a copy of any such assignment shall be promptly served upon Lessor.

IN WITNESS WHEREOF, the parties hereto have executed this Lease and Option Agreement as of the day and year first above written.

LESSOR:

Witness:

(W.F. Pierce)

(Elmer Tucker)
ELMER TUCKER, As the duly appointed, qualified and acting receiver and trustee of the property and assets of the Gilmore Mercantile Company, limited, a defunct Idaho corporation.

LESSEE:

Witness:

(C.Jay Parkinson)

ROGER V. PIERCE

STATE OF IDAHO )
: ss
COUNTY OF LEMHI)

On this 2nd day of December, 1950, before me, May V. Stone, a Notary Public, personally appeared ELMER TUCKER, known to me to be duly appointed, qualified and acting receiver and trustee of the property and assets of the Gilmore Mercantile Company, Limited, a defunct Idaho corporation, and whose name is subscribed to the within instrument, and said ELMER TUCKER duly acknowledged to me that he executed the same as said receiver and trustee.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(May V. Stone)
Notary Public
Residing at: (Leadon)

My Commission expires:
Apr. 23, 1953

STATE OF UTAH )
: ss
COUNTY OF SALT LAKE )

On this 20th day of November, 1950, before me, (C. Jay Parkingon), a Notary Public, personally appeared ROGER V. PIERCE, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(C. JAY PARKINSON)
Notary Public
Residing at Salt Lake City, Utah

My Commission Expires:
3/7/54

AMENDMENT AND MODIFICATION

OF

LEASE AND OPTION AGREEMENT

THIS AMENDMENT AND MODIFICATION AGREEMENT, made and entered into as of the 1st day of SEPTEMBER, 1951, by and between ELMER TUCKER, as the duly appointed, qualified and acting receiver and trustee of the property and assets of the GILMORE MERCANTILE COMPANY, LIMITED, a defunct Idaho corporation, for the benefit of the creditors and stockholders of said defunct corporation, residing at Gilmore, Idaho, hereinafter called "Lessor," and ROGER V. PIERCE, of Salt Lake City, Utah, hereinafter called "Lessee,"

WITNESSETH:

WHEREAS, the parties hereto have heretofore made and entered into a Lease and Option Agreement, dated as of the 15th day of August, 1950, by which certain mining claims and properties in the Texas Mining District, Lemhi County, State of Idaho, are leased and optioned to Lessee; and

WHEREAS, the parties hereto have mutually agreed to certain modifications and amendments of the terms and conditions of said Lease and Option Agreement in order to facilitate the milling of certain mine dumps and tailings deposits produced from operations in the leased premises and which are situated on the surface of the leased premises and adjoining properties, thus necessitating a change in the royalty payment provisions of said Agreement, all as hereinafter more specifically set forth.

NOW, THEREFORE, in consideration of the premises the parties hereto do mutually agree to modify and amend said Lease and Option Agreement above identified, effective as of the date hereof, as follows, to-wit:

1. That those certain tailings and mine dumps which are now situated on the surface of said leased and optioned premises and adjoining properties produced from operations heretofore conducted in the leased and

optioned premises are all hereby specifically included in and made a part of the premises and property leased and optioned to Lessee under said Lease and Option Agreement, the same as if specifically included in said Lease and Option Agreement.

2. That Article 3 of said Lease and Option Agreement shall be and is hereby deleted and stricken from said Lease and Option Agreement and the following amended Article 3 substituted in lieu and in place thereof:

3. All ores mined and any concentrates therof shall be shipped to and treated by a mill or smelter designated by Lessee pursuant to a contract or schedule for disposal thereof. On any ore or concentrates disposed of as herein contemplated, Lessee agrees to pay to the Walker Bank and Trust Company, Trust Department, at Salt Lake City, Utah, to Lessor's account, the following: On all ores mined by Lessee from underground operations conducted by Lessee and sold or disposed of by Lessee from the demised premises, a royalty of Ten Per Cent (10%) of the net smelter return per dry ton, and on all ores produced from the treatment of tailings and mine dumps now situated on the surface of the demised premises or adjoining property and produced from operations heretofore conducted in the leased and optioned premises, a royalty of Seven Per Cent (7%) of the net smelter return per dry ton, or in lieu of such percentage royalty payments, as specifically set forth above, the minimum installment royalty payments as set forth in such schedule below, whichever amount is the greater:

| | | |
|---|---|---|
| On or before July 15, 1953, | the sum of ..... | $ 5,000.00 |
| On or before January 15, 1954, | the sum of ..... | $ 5,000.00 |
| On or before January 15, 1955, | the sum of ..... | $10,000.00 |
| On or before January 15, 1956, | the sum of ..... | $10,000.00 |
| On or before August 15, 1957, | the balance of said purchase price then unpaid. | |

"NET SMELTER RETURNS", wherever used herein is hereby defined and shall for all purposes be construed as the amount remaining after deducting from the value per dry ton of ore or concentrates as determined pursuant to the contract or schedule with the smelter or mill treating said ore or concentrates, all smelter and mill treatment charges, sampling, assaying and railroad charges and truck or other haulage charges.

Lessee agrees to pay the above percentage royalty payments on or before the fifteenth day of the month next following the receipt by Lessee of pay-

ment from the smelter or mill for ores or concentrates bought or purchased, and to accompany such payments with a statement of the amount of royalty due on each lot shipped and a duplicate smelter or mill treatment sheet on each such lot and shall furnish to Lessor, or to its designated agent, a copy of such royalty statement and a duplicate smelter or mill settlement sheet.

Each and every percentage royalty payment paid hereunder shall be applied against and be a credit upon tht total minimum installment royalty payment made hereunder shall be applied against and be a credit upon any and all percentage royalty payments due and payable hereunder.

Any and all payments herein specified to be made by the Lessee to Lessor, including any and all percentage royalty payments or minimum installment royalty payments, shall be made by depositing the amount thereof to the credit of Lessor at said Walker Bank and Trust Company, Trust Department, Salt Lake City, Utah, all of which payments and amounts shall be a credit upon the purchase price of said property. It is expressly understood and agreed that Lessee shall be in no manner responsible for any disposition or distribution of monies so deposited.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment and Modification of Lease and Option Agreement as of the day and year first above written.

LESSOR:

Witness:

_____

ELMER TUCKER, as the duly appointed, qualified and acting receiver and trustee of the property and assets of the Gilmore Mercantile Company, Limited, a defunct Idaho corporation.

LESSEE:

Witness:

_____

ROGER V. PIERCE

_____

STATE OF IDAHO )
: SS
COUNTY OF LEMHI )

On this _____ day of _____, 1951, before me _____ _____, a Notary Public, personally appeared ELMER TUCKER, known to me to be the duly appointed, qualified and acting receiver and trustee of the property and assets of the Gilmore Mercantile Company, Limited, a defunct Idaho corporation, and whose name is subscribed to the within instrument, and said ELMER TUCKER duly acknowledged to me that he executed the same as said receiver and trustee.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

_____
Notary Public
Residing at: _____

My Commission Expires:

_____

STATE OF UTAH )
: SS
COUNTY OF SALT LAKE )

On this _____ day of _____, 1951, before me C. JAY PARKINSON, a Notary Public, personally appeared ROGER V. PIERCE, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

_____
Notary Public
Residing at Salt Lake City, Utah

My Commission Expires

3/7/54

# LEASE AND OPTION AGREEMENT

THIS LEASE AND OPTION AGREEMENT, made and entered into as of the 15th day of August, 1950, by and between DELAWARE-IDAHO GOLD MINING COMPANY, A Deleware Corporation, duly qualified to do business under the laws of the State of Idaho, hereinafter called "Lessor", and ROGER V. PIERCE, an individual, residing at Salt Lake City, Utah, hereinafter called "Lessee."

WITNESSETH:

IN CONSIDERATION, of the sum of Ten Dollars ($10.00) in hand paid by Lessee to Lessor, receipt whereof said Lessor does hereby acknowledge, and in consideration of the convenants and agreements of Lessee hereinafter set forth, and by the said Lessee to be kept and performed, said Lessor has demised, leased and let, and by these presents does demise, lease and let into said Lessee, all of the following described patented lode mining claims and mining properties or fractions thereof (hereinafter referred to as "Demised Premises") situate in the Texas Mining District, Lemhi County, State of Idaho, to-wit:

| | |
|---|---|
| Andy | Glenn |
| Gilmore | Edie |
| W. H. Cannon | Hatton |
| All in U. S. Survey No. 2040 | |

including all tracks, cars, structures, machinery and equipment located upon or below the surface of said mining claims and necessarily incident to mining and development of said mining claims, together with any and all right, title and interest of said Lessor in and to any and all veins, lodes or mineral deposits extending into or contained in said mining claims and mining properties; together with all mining dumps, rights-of-way, easements, water, water rights, tenements, hereditaments, privileges, appurtenances and appropriations of every kind and nature belonging to Lessor and located at or in the vicinity of said mining claims and properties or in anywise appertaining to said mining claims and properties, or either of them.

TO HAVE AND TO HOLD, unto the said Lessee, his heirs, executors, administrator and assigns, for the term of Six (6) years beginning with the date hereof and expiring at noon on the 15th day of August, 1956, unless sooner forfeited or terminated as herein provided.

AND IN CONSIDERATION, of such demise and of said royalties, comenants and agreements to be paid, kept and performed by Lessee, it is hereby mutually

covenanted and agreed by the parties hereto, and each of them, as follows, to-wit:

1: Lessee shall enter into and upon the demised premises and take possession thereof forthwith and all the work performed by Lessee in or on the mining claims and mining properties hereby demised shall be done in good and minerlike fashion. Lessee, in the conduct of all operations hereunder, shall be an independent contractor.

2: Lessee covenants and agrees that during each contract year that this Lease and Option Agreement is in force and effect, that the following number of shifts of labor, or their equivalent, will be performed or expended upon, in, or for the benefit of the demised premises as a minimum work requirement, to-wit: 500 shifts of labor during the first and second contract years, 2,000 shifts of labor during the third contract year, and 2,000 shifts of labor during the fourth contract year and during each contract year thereafter remaining in said term.

A shift of labor is defined as, and shall be deemed to mean, eight (8) hour's work for one man or the expenditure of the money equivalent of one shift of labor in drilling or other work on, in or for the benefit of the demised premises.

3: All ores mined and any concentrates thereof shall be shipped to and treated by a mill or smelter designated by Lessee pursuant to a contract or schedule for disposal thereof. On any ore or concentrates disposed of as herein contemplated, Lessee agrees to pay to the Walker Bank and Trust Company, Trust Department, at Salt Lake City, Utah, to Lessor's account, the following: On all ores disposed of by Lessee from the demised premises a royalty of Ten Per Cent (10%) of the net smelter return per dry ton, or in lieu of such percentage royalty payments, the minimum installment royalty payments set forth in such schedule below, whichever amount is the greater:

SCHEDULE OF MINIMUM INSTALLMENT ROYALTY PAYMENTS

On or before July 15, 1952, the sum of ..... $5,000.00
On or before January 15, 1953, the sum of ..... $5,000.00
On or before January 15, 1954, the sum of .....$10,000.00
On or before January 15, 1955, the sum of .....$10,000.00
On or before August 15, 1956, the balance of said purchase price then unpaid.

"NET SMELTER RETURN", wherever used herein is hereby defined and shall for all purposes be construed as the amount remaining after deducting from the value per dry ton of ore or concentrates as determined pursuant to the

contract or schedule with the smelter or mill treating said ore or concentrates, all smelter and mill treatment charges, sampling, assaying and railroad charges and truck or other haulage charges.

Lessee agrees to pay the above percentage royalty payments on or before the fifteenth day of the month next following the receipt by Lessee of payment from the smelter or mill for ores or concentrates bought or purchased, and to accompany such payments with a statement of the amount of royalty due on each lot shipped and duplicate smelter or mill treatment sheet on each such lot and shall furnish to Lessor, or its designated agent, a copy of such royalty statemen t and a duplicate smelter or mill settlement sheet.

Each and every percentage royalty payment paid hereunder shall be applied against and be a credit upon the total minimum installment royalty payment, or payments, if any, and each and every minimum installment royalty payment made hereunder shall be applied against and be a credit upon any and all percentage royalty payments due and payable hereunder.

Any and all payments herein specified to be made by the Lessee to Lessor, including any and all percentage royalty payments or minimum installment royalty payments, shall be made by depositing the amount thereof to the credit of Lessor at said Walker Bank and Trust Company, Trust Department, Salt Lake City, Utah, all of which payments and amounts shall be a credit upon the purchase price of said property. It is expressly understood and agreed that Lessee shall be in no manner responsible for any disposition or distribution of monies so deposited.

4: Lessee agrees to pay all taxes levied and assessed upon the demised premises, or any part thereof, including taxes measured on production, and also including taxes levied and assessed on improvements placed on said demised premises by Lessee, during the life of this Leas and Option Agreement or any extension thereof, commencing with the taxes for the year 1951, and to make payment thereof as required by the statutes of the State of Idaho so that no default in taxes upon the demised premises shall occur, and to delivery to Lessor the original or duplicate tax receipts for payments made; but said Lessee shall not be liable in any way for any other tax, excise, levy or assessment of or against said Lessor.

5: Lessee agrees to assume all responsibilty for personal injuries

to or the death of any person upon or within the demised premises or any adjacent premises used as ingress to or exit from the demised premises, occasioned by the negligence or actionable fault of the Lessee, his agents or employees, and to indemnify and save the Lessor harmless from any and all claims or judgements for such damage, injury or death. Lessee agrees to carry such insurance covering all persons working in or on said demised premised for Lessee as will fully comply with the provisions of the statutes of the State of Idaho governing Workmen's Compensation and Occupational Disease, as they are now in force or as they may hereafter be changed or amended. Further, Lessee agrees to comply with all the terms and provisions of all the laws of the State of Idaho and of the United States of America, as now existing or hereafter amended, pertaining to Social Security, Unemployment Compensation, wages, hours, conditions of labor, and to indemnify and hold the Lessor harmless from the payment of any and all damages, costs or expenses incurred by reason of Lessee's operation of said demised premises during the term and existence of this Lease and Option Agreement.

6: Lessee may at any time during the cureency of this lease and Option Agreement install upon or remove from said demised premises any tooks, machinery, equipment or facilities owned of furnished by him. It is mutually understood and agreed that if, by forfeiture or otherwise, the rights of Lessee hereunder are terminated and Lessee quits possession of said mining claims and mining properties hereby demised, Lessee, or his agents, may remove any tools, machinery, equipment and supplies theretofore by him placed upon said demised premises, or any of them; said removal to be at Lessee's own cost and expense and may be accomplished within one hundred twenty (120) days following surrender of possession of said demised premises, expept that in such event, all installed timbers, tracks, piping, wiring and surface buildings shall thereupon be and become the property of Lessor. Further, Lessee agrees to surrender possession of and delivery up said demised premises to Lessor without demand or notice at the expiration of the term hereof or at any time previous upon forfeiture of this Lease and Option Agreement by the terms hereof. Lessee also agrees to save and protect Lessor and the demised premises harmless from any and all liens or lien claims on account of labor done upon or material furnished to such demised premises at the instance of the Lessee.

7: It is further understood and agreed that if, during the life of the Lease and Option Agreement, the Lessor shall acquire in any manner of has asquired any mining ground or interest in mining ground located within a radius of two miles from the outside boundaries of the demised premises in Lemhi County, State of Idaho, which is not included in the description of the demised premises herein, such mining ground or interest therin acquired by said Lessor or owned by it, shall be included in and made a part of the property or demised premises herein leased and optioned, precisely as if leased and optioned and without further consideration than is payable pursuant to the express terms hereof. Lessor shall execute and deliver, or cause to be executed and delivered, such instruments as may be necessary in order to vest in Lessee any and every right to possess, lease, operate and obtain title to such mining ground or interest in mining ground hereafter acquired or owned by Lessor, as aforesaid, in the same manner as if said mining ground or interest therin had been expressly included and described herein and without further consideration than that payable as herein proveded for the mining claims and mining property herein described.

8: For any breach of any covenant or agreement herein specified to be kept and performed by Lessee, Lessor may, following sixty (60) days' written notice, terminate this Lease and Option Agreement by delivering th Lessee at 808 Newhouse Building, Salt Lake City, Utah, a written notice of its intention to terminate the same, which written notice shall set forth the breach of covenant or agreement being complained of; provided, however, that if Lessee is thus in default as claimed by Lessor, it is agreed that Lessee may, within sixty (60) days following the receipt of such notice, avoid said termination and cure said default be performing the covenant or agreement breached. If such default has not been thus cured within said sixty-day period, said termination shall thereupon become effective, and all Lessee's rights herunder shall be forfeited, except only the right of Lessee, or his assigns, to remove his property and equipment from said demised premises as hereinabove provided.

9: It is further agreed that upon termination of Lessee's rights hereunder by forfeiture or otherwise, all money theretofore paid to Lessor shall be by it kept and retained as liquidated damages for any and every

breach hereof by Lessee.

10: Lessee agrees to keep books and accounts covering Lessee's operations hereunder and particularly the mining andmilling of ores and the selling of ores or concentrates, and shall permit Lessor, through its duly accredited agents, at all reasonable hours to examine said books and accounts bearing on royalties due said Lessor. Lessee shall kepp up-to-date maps showing any new workings in the demised premises, which maps may be inspected by Lessor at any reasonable time.

11: Should mining operations by the Lessee hereunder be interrupted or prevented by acts of God, insurrection, labor troubles or other causes beyond the reasonable ability of Lessee to cure, then and in that event, Lessee shall not be required to perform the minimum work requirement herein provided while such cause, or causes, shall exist; provided, however, that immediately upon the existence of such contingency, Lessee shall notify Lessor thereof in writing; and, provided, further, that should Lessee be prevented from operating hereunder as aforesaid, then and in that event, the term of this Lease and Option Agreement shall be extended accordingly.

12: Lessee agrees to post and at all times during the life of this Lease and Option Agreement to continuously maintain at all points of ingress to underground workings of the demised premises a written notice to all employees and other persons informing them of the fact that said demised premises are being operated by said Lessee, and that Lessor is not in any manner responsible for the wages of any person employed upon the demised premises or for any work, supplies or materials furnished to said lessee, his agents or assigns, or for any labor, supplies or materials furnished upon or employed in or about the demised premises.

13: It is expressly agreed that Lessee may at any time hereafter terminate this Lease and Option Agreement and be freed from any and every obligation and liability hereunder, or in any manner arising out of any term, covenant, or condition hereof, excepting only those obligations which, by the express provisions hereof, have then accrued and become fixed and unconditional, to-wit: (a) Lessee's obligation to pay perdentage royalty on ore or concentrates theretofore shipped to a mill, reduction plant or smelter, and (b) Lessee's obligation to keep said property free from any liens or encumbrances

occasioned by Lessee's act or default.

Said termination by Lessee in this paragraph contemplated, may be effected by written notice served upon Lessor setting forth the intention of Lessee to discontinue performance hereunder; said written notice to be signed by or on behalf of Lessee and to be enclosed in a sealed envelope addressed to said Lessor c/o Earl D. Smith (Smith Brothers Co.) Ridgway, Pennsylvania, and deposited in a United States post office, postage prepaid.

14: Lessee shall, at his cost and expense, have brought up to date the abstract, or abstracts, of title to the demised property showing title to said demised premises. Lessee shall have said abstracts of title examined by his counsel or attorneys and shall furnish a copy of said counsel's or attorneys' opinion to Lessor. Should said abstracts and opinion show that title to the demised premises is not vested in Lessor, free and clear of all liens or encumbrances and defects in title, Lessor agrees at Lessee's cost and expense, to cooperate with and assist Lessee as may be required to cure or correct said defects in said title, or titles.

15: And in consideration of the covenants herein specified to be kept and performed by Lessee, said Lessee shall have and is hereby granted the exclusive right, option and privilege to purchase the said demised premises described herein for a purchase price of Sixty Seven Thousand Five Hundred Dollars ($67,500.00), without interest thereon and payable at any time during the existence and life of this Lease and Option Agreement. Each percentage royalty payment and each installment royalty payment as provided herein to be paid by Lessee to Lessor, shall be applied against and be a credit upon said purchase price.

16: Lessor shall forthwith place in escrow with the Walker Bank and Trust Company, Trust Department, at Salt Lake City, Utah, a good and sufficient deed conveying all of siad demised premises to Lessee free and clear of defects in title, liens or encumbrances; said deed shall be accompanied by an Escrown Agreement signed by the parties hereto instructing said Bank to deliver said deed to Lessee if and when certain terms and conditions therein stated have been kept and performed by Lessee, including payment of the purchase price of Sixty Seven Thousand Five Hundred Dollars ($67,500.00), as aforesaid. If any payment herein specified to be made by Lessee is not made as and within the time

herein provided, said Bank shall, upon the request of Lessor, return said Deed to Lessor c/o Earl D. Smith (Smith Brothers Co.,) Ridgway, Pennsylvania.

17: Any notice or other instrument in writing herein authorized to be given or delivered to Lessor, may be served upon Lessor, or sent to Lessor by registered mail, postage prepaid, addressed to Lessor c/o Earl D. Smith (Smith Brothers Co.) Ridgway, Pennsylvania, or to such other address as Lessor may from time to time designate in writing and any notice or other instrument authorized to be given or delivered to Lessee, may be served upon Lessee or sent to Lessee by registered mail, postage prepaid, addressed to Lessee at 808 Newhouse Building, Salt Lake City, Utah, or at such other address as Lessee may designate from time to time in writing.

18: Lessee agrees to provide, and maintain during the currency of this lease, a fire insurance policy in an amount not to exceed Five Thousand Dollars ($5,000) covering the housing facilities on the Andy Mining Claim against loss by fire. Further, Lessee agrees not to cut any of the timber on the demised premises and use the same until and unless Lesse exercises the option, herein provided, to purchase said demised premises.

19: The provisions hereof and all the promises, covenants and agreements of any of the parties hereto shall be binding upon the parties, their heirs, administrators, executors, successors and assigns respectively; provided, also, that this Lease and Option Agreement shall be freely assignable by Lessee without the prior written consent of Lessor, except that a copy of any such assignment shall be promptly served upon Lessor.

IN WITNESS WHEREOF, the parties hereto have executed this Lease and Option Agreement as of the day and year first above written.

LESSOR:

DELAWARE-IDAHO GOLD MINING COMPANY, a corporation

ATTEST:

(D.R. Smith)
Its Secretary

By (Earl D. Smith)
Its President

LESSEE:

Witness:

(C. Jay Parkinson)

ROGER V. PIERCE

# L E A S E

THIS LEASE, made as of the 13th day of July, 1950 by and between UNITED IDAHO MINING COMPANY, a corporation of the State of Maine duly qualified to own property and do business within the State of Idaho, lessor, herein referred to as "United", and ROGER V. PIERCE of Salt Lake City, Utah, lessee, herein referred to as "Pierce";

W I T N E S S E T H :

That for and in consideration of the sum of Ten Dollars ($10.00) paid by Pierce to United, receipt whereof is acknowledged, and in consideration of the covenants and agreements of Pierce hereinafter set forth, and subject to the limitations and conditions herein stated, United does hereby lease and let unto Pierce the mining premises and property situate in Section 18, Township 13 North, Range 27 East, Boise Base and Meridian in Texas Mining District, Lemhi County, State of Idaho, described as follows:

Patented lode mining claims designated as U. S. Survey No. 1938:
Never Sweat
Silver Dollar
Silver Dollar Extension
16 to 1, and
Texas

with all and singular the minerals, lodes and veins within the lines of said claims extended downward vertically, but subject, however, to all extralateral rights, if any, of mining claims owned by others.

Also the surface only of a tract known as the Terminal Tract, being a part of the Ruth and Olive patented lode mining claims, U. S. Survey No. 2040, particularly described as follows:

Beginning at Corner No. 4 of the said Olive claim, identical with Corner No. 3 of the said Ruth claim and running thence North 70° 37' East 70.40 feet; thence South 0° 53' West 968.19 feet; thence North 89° 07' West 350.0 feet; thence North 0° 53' East 849.8 feet to a point on line 4-3 of said Ruth lode mining claim, whence the Southwest corner of Section 18, Township 13 North, Range 27 East, Boise Base and Meridian bears South 38° 17' 10" West 6263.22 feet; thence North 70° 37' East 300.63 feet to Corner No. 4 of said Olive claim, the place of beginning, containing 7.250 acres.

Also the right to use in common with others the tunnel portalling on said Ruth claim known as the Transportation Tunnel.

together with all the water and water rights, dumps, buildings, appurtenances, hereditaments, rights, privileges and appurtenances unto the leased premises in anywise belonging.

TO HAVE AND TO HOLD the said leased premises and property unto Pierce for the purpose of exploring for, developing and mining of ores and minerals of all kinds with the right to extract and remove them, and for no other purpose, for a term of ten (10) years commencing on the date hereof and expiring at midnight on the 12th day of July, 1960, unless extended or sooner terminated, as hereinafter provided.

And UNITED COVENANTS AND AGREES to make available to Pierce any maps of and any geological information it may have relating to the leased premises that may be of value to him in his operations under this lease.

In consideration of this lease and the covenants and agreements of United, PIERCE DOES HEREBY COVENANT AND AGREE as follows:

1. To take possession of the leased premises on or before the 1st day of August, 1950, and to do or cause to be done in or upon the leased premises minimum work as follows:

> During each of the first two (2) years of the lease at least five hundred (500) man shifts of work, and during the third and each successive year of the lease at least two thousand five hundred (2,500) man shifts of work;

and to report to United on or before the 10th day of each month the number of man shifts of work performed during the preceding calendar month. By "man shifts of work" as used herein is meant the work of one man for such number of hours in one day as is customary in the district where the work is performed.

2. To perform all work in the leased premises in a good and miner-like fashion, with due regard to the safety, development and preservation of said and adjacent premises and the workings therein; and in order to protect all shafts and inclines in the leased premises, not to do or to permit to be done any stoping within a radius of thirty (30) feet of the same.

3. To remove, insofar as is practicable and consistent with good mining practice, all commercial ores encountered in exploration, development

and mining operations in the leased premises. Waste rock which may accumulate in the progress of the exploration, development or mining operations shall not be deposited in drifts or crosscuts, or other workings of the leased premises, except in abandoned stopes from which the ores shall have been removed, and when deposited in such stopes, it shall be deposited in a manner which will support underground workings.

4. To well and sufficiently timber the openings, passages and workings in the leased premises at all points where proper, and to repair all old timbering therein whenever it may become necessary so to do, and to at all times keep all shafts, tunnels, drifts, levels and other workings therein that are being used by Pierce thoroughly drained, clear of loose rocks, waste and rubbish of all kinds, accidents not arising from negligence alone excepted.

5. To carry at his expense Workmen's Compensation Insurance and Occupational Disease Compensation Insurance covering Pierce's employees and sublessees; and to pay before delinquent any taxes and/or make any deductions under the Federal Insurance Contributions Act, Federal Unemployment Tax Act and/or Idaho Employment Security Law for which Pierce may become obligated, and to comply with the Fair Labor Standards Act of 1938, as amended, and any other laws, rules and regulations of any duly constituted governmental authority affecting Pierce's operations in said leased premises; before commencing any work in the leased premises, to furnish United with a certificate of the insurance carrier that Pierce's employees and sublessees are covered with Workmen's Compensation and Occupational Disease Compensation Insurance and an agreement of the insurance carrier that the policy or policies for such insurance will not be cancelled without first giving United at least ten (10) days' written notice of intention to cancel the same; and on request of United, to furnish it supporting evidence of compliance with the other requirements of this section.

6. To keep all buildings and other permanent structures now on the leased premises or that may be placed thereon during the term of this lease constantly insured for their full insurable value against loss by fire in a good responsible insurance company or companies, and to assign and trans-

fer all such policies of insurance or make them payable in case of loss to United, as its interest may appear, and to deliver such policies to United.

7. To permit the representatives of United at all reasonable times to enter upon the leased premises and into any workings therein, for the purpose of examining and inspecting the same and for surveying, sampling and ascertaining whether the terms and conditions of this lease are being carried out and performed by Pierce, and Pierce or his representatives may accompany said representatives of United, but said representatives of United shall enter upon said leased premises at United's own risk; and the representatives of United shall at all reasonable times have access for examinations of drill cores and to records of production from the leased premises and such other records as will show compliance on the part of Pierce with the provisions of this lease.

8. To furnish at his expense to United copies of any surveys, maps, plans, sections, assay plans, assay records and drill logs made during or incident to operations under this lease, and to make available all drill cores from the leased premises, upon request of United or expiration or termination of this lease.

9. To furnish at his expense all equipment, tools, materials, supplies, power, labor and supervision required in his operations under this lease.

10. To keep all bills and accounts for labor, supplies, materials and services done, performed, or furnished to, for or on the leased premises, promptly paid, and not to permit or suffer any mechanics' or materialmen's liens to be filed against said premises, or any part thereof.

11. To forthwith post and thereafter keep posted in conspicuous places on the leased premises, as many written notices as may be necessary to adequately notify all persons who may come within or upon the leased premises, that the same are held by Pierce under lease from United, and that Pierce, and not United, is liable for all labor performed and supplies, materials and services furnished and used by Pierce in and upon the leased premises, and that Pierce, and not United, shall be responsible for all debts and expenses incurred in mining operations in or upon the leased premises.

12. To hold United harmless and fully indemnify it against all claims and demands of any kind or nature which may be made upon it or against the leased premises for or on account of any debt or expense contracted or incurred by Pierce, as well as from and against any and all acts, transactions or omissions by Pierce, his agents or servants; and to defend and save United harmless and fully indemnify it against any liability or asserted liability for or on account of the death of or injury to any person or damage to any property suffered or sustained during the continuance of this lease alleged to have resulted from the unsafe condition of the leased premises or due to any act or omission of Pierce, except when United has assumed the risk as provided in section 7 above.

13. To keep all ores removed from the leased premises separate from ores from any other property. Unless and until Pierce shall operate a mill or smelter for concentrating or treating ores from said premises, to ship in the name of United all commercial ores removed therefrom to the Midvale Plant of United States Smelting Refining and Mining Company at Midvale, Utah, unless and until a more favorable price can be obtained for them from some other purchaser, after making due allowance for any differential in the charges for freight, haulage or any other item that may affect the amount received for the ores. If and when Pierce shall operate a mill for concentrating ores removed from the leased premises, to ship in the name of United all concentrates produced from ores removed from the leased premises to said Midvale Plant unless and until he shall operate a smelter at which the ores can be treated on terms not less favorable then those offered at said Midvale Plant, or unless and until a more favorable price can be obtained for the concentrates from some other purchaser, after making due allowance for any differential in the charges for freight, haulage, or any other item that may affect the amount that may be realized from the concentrates.

From the net mill and/or smelter return on ores and/or concentrates shipped to the Midvale Plant as above provided, United shall make all deductions for taxes, royalties, deficiencies for freight and treatment charges, if any, and all other proper charges, and shall pay over to Pierce any remaining balance.

14. To pay before they become delinquent the amount of all general property taxes assessed upon personal property used in operations on the leased premises; to pay to United, before they become delinquent, the amount of all general property taxes assessed upon the leased premises and property, except that for the first and last years this lease is in effect, Pierce shall be obligated to pay only that proportion of such taxes which his possession bears to the full tax year; to pay to United the amount of the ad valorem tax on net profits, the amount of the mine license tax and the amount of any other tax chargeable against the leased premises that may accrue for or on account of or be applicable to the operations conducted by Pierce in the leased premises; and to promptly furnish United with such information as may be required in preparing and making returns for such taxes. The amount of such taxes attributable to ores produced as estimated by United, shall be payable when the net smelter returns thereon are available, and on determination of the actual amount of such taxes, the settlement so made shall be recomputed and an appropriate adjustment for such taxes made between United and Pierce.

United is authorized to deduct from the net mill and/or smelter return on ores and/or concentrates shipped to the Midvale Plant as herein provided, the amount of settlement for said taxes.

15. To pay or cause to be paid to United on all ores and minerals removed from the leased premises royalty as follows:

I. On ores sold to a custom mill or smelter not operated by Pierce ten per cent (10%) of the net mill or smelter return, as hereinafter defined; provided, however, a minimum royalty of fifty cents (50¢) per dry ton shall be paid on all ores subject to royalty under this subsection I.

The term "net mill or smelter return", as used in this subsection, shall mean the net return received from the mill or smelter for each lot of ore (after deducting the cost of railroad freight, treatment, assaying or special sampling charges incident to mill or smelter settlement) less the cost of truck haulage from mine to railroad siding at rates approved by United, plus the subsidy, if any, payable to Pierce by the United States Government, or any agency thereof, on the metal content of the ores, if and to the extent Government regulations permit.

II. On all ores treated at a mill or smelter operated by Pierce or treated for him on a toll basis - five per cent (5%) of the gross value of the ores, as hereinafter defined.

GROSS VALUE shall be determined by first computing the weight of the gold, silver, lead, zinc and copper, respectively, in the lot and then multiplying the weight of each metal by the corresponding applicable metal price, all determined as provided below under "Lot of Ore", "Weighing and Sampling", "Pulp Samples and Assays" and "Metal Prices."

A. Lot of Ore

A lot of ore shall be the quantity of ore represented by a single assay sample.

B. Weighing and Sampling

(1) Except as prvided in (2) below, the dry weight of any quantity of ore shall be determined by weighing and sampling such ore automatically at the sampling plant of Pierce, or at a public sampler, or by some other method generally accepted by the industry, and correcting such weight to allow for contained moisture as determined from a sample taken in the usual manner at the time of weighing; and United, at its expense, may have a representative present when the ore is weighed, sampled and the contained moisture determined.

(2) The dry weight of any quantity of ore which cannot be practicably or conveniently kept separate from other ores mined shall be ascertained by keeping a record of the number of mine cars of like capacity, applying to the total number of such mine cars a factor representing the average wet weight of ore per car of like capacity and correcting the total weight so determined for contained moisture to determine the dry weight, or by some other method satisfactory to both parties; and the ore shall be sampled by taking grab samples from each mine car of ore and combining such grab samples into a composite sample to represent said ore.

C. Pulp Samples and Assays

(1) A representative part of the sample obtained by Pierce, as provided in B (1) or B (2) above shall be used for assay determination. Triplicate pulps of such sample shall be prepared for assay, one for Pierce, one for United and one to be held for possible umpire assay, Pierce not being obligated to hold any pulp for more than sixty (60) days. All samples shall be prepared and assays made according to generally accepted practice. The factors so determined shall be shown on the settlement sheets. The assay per dry ton shall represent the total gold, silver, lead, zinc and copper and any other metal of commercial value.

(2) If United elects to assay or to have assayed independently its pulp sample from any lot of ore, United's assay and Pierce's assay shall be exchanged in the usual manner. Should United fail to exchange assays, on or before the 10th day of each calendar month for any lot sampled during the preceding calendar month, Pierce's assay shall be used for settlement. If United exchanges assays within the stipulated time limit, the exact mena of the assays foreach metal shall be used, provided the difference in the assays of Pierce and those made by or for United do not exceed the following splitting limits:

| | |
|---|---|
| Gold | 0.02 oz. |
| Silver | 0.5 oz. |

| | |
|---|---|
| Lead | 0.50% |
| Zinc | 0.50% |
| Copper | 0.25% |

In case the difference in assay for any metal is greater than the aforesaid splitting limits, the third pulp sample shall be submitted to a competent public assayer, satisfactory to both parties, for umpire assay of the metal or metals in question, in which case the middle assay of the three shall be used, and the cost of umpire shall be borne by the party whose result is further from the umpire's.

D. Metal Prices

Metal prices shall be determined as follows:

(a) The prices for copper, lead and zinc shall be the average Engineering and Mining Journal prices (or those of its recognized successor in the publication of metal quotations) for the calendar week previous to the date of delivery of the ore to the mill or smelter; for New York domestic refinery electrolytic cathode copper, New York common lead, and St. Louis Prime Western zinc.

(b) The price for gold shall be the average of the daily quotations, for the calendar week previous to the date of delivery of the ore to the mill or smelter of the United States Treasury or Mint price, currently listed at $34.9125 per ounce, or the open market price, whichever weekly average is higher.

(b)-1. The price for silver shall be the average of the daily quotations, for the calendar week previous to the date of delivery of the ore to the mill or smelter of (i) United States Treasury or Mint price for newly mined domestic silver, as posted by Handy and Harman and published in the Engineering and Mining Journal (or those of its recognized successor in the posting and/or publication of silver quotations), or (ii) the New York official quotations as then currently posted by Handy and Harman and published in the Engineering and Mining Journal (or those of its recognized successor in the posting and/or publication of silver quotations), whichever weekly average is higher.

(b)-2. Provided, however, that no price for gold or silver shall be used as a basis as above provided except those prevailing in a market available to Pierce with reasonable effort; and provided further that in the event any direct governmental tax or levy of whatever nature shall be imposed on gold and/or silver reducing the net amount available to Pierce the prices used as a basis shall be reduced accordingly.

(c) If, for any cause, there shall be a temporary suspension over a period of five (5) days or more of quotations for any of the metals, the quotations to be used for settlement of lots delivered to the mill or smelter during such suspension shall be the average quotation for each metal, calculated by combining the daily quotations for the calendar week following the resumption of quotations.

provided, however, that should Pierce receive under Government contract, or otherwise, a higher price for any such metal or metal substituted for it than the price determined as provided above, the higher price shall be used in determining the gross value of such metal.

In the event any subsidy shall be payable to Pierce by the United States Government, or any agency thereof, on the metal content of ores subject to royalty under this subsection II or for metal tendered to the Government in lieu of any such metal, Pierce will, if and to the extent the Government regulations permit, cause to be paid to United, in addition to the royalty payable hereunder an amount equal to ten per cent (10%) of the subsidy payable to Pierce for the metal content of each lot of such ore.

Settlement for royalties other than those deducted from the net mill or smelter returns as provided in section 13 above, shall be made on or before the 20th day of each calendar month or as soon thereafter as necessary data are available, for all lots of ore removed, weighed and sampled during the preceding calendar month by paying the same to United in care of United States Smelting Refining and Mining Company, 1019 Newhouse Building, Salt Lake City, Utah, accompanied by a statement showing the net mill or smelter return, the gross value and subsidy received, if any, dry weight, assay and metal prices and any other factors used in determining the amount of royalties.

In the event Pierce shall recover in his operations under this lease any metal or mineral of commercial value in addition to gold, silver, copper, lead and zinc, he will negotiate with United for a supplement to this lease providing for an equitable royalty on such metal or mineral.

16. Not to assign this lease or sublet the same without United's written consent, provided that Pierce may sublease portions of the leased premises for not to exceed a six-months' period to individual sublessees, such sublessees to conform to the terms of this lease.

AND THE PARTIES HERETO MUTUALLY AGREE:

(1) That Pierce is an independent contractor and there shall be no privity of contract between United and Pierce or Pierce's employees or sublessees, but all such employees or sublessees, whether on a wage of profit-sharing basis, shall be selected by Pierce, directed by Pierce, paid by Pierce and discharged only by Pierce.

(2) That United does not in any manner warrant title to the leased premises or property, or any part thereof, or to any ore bodies in the leased premises, but by executing this lease United intends to and does grant only such right and possession as it may grant under such title and

interest as it holds in the leased premises and property, and Pierce acknowledges that he is familiar with the right and title of United and takes this lease with such knowledge.

(3) That if Pierce shall at any time be in default in the performance of any of the terms and conditions hereof upon him made incumbent, including payment of royalties or other sums due hereunder, such default shall not operate to or give United the right to cancel, forfeit or terminate this lease, unless United shall notify Pierce in writing specifying the exact nature of such default and unless Pierce shall, within thirty (30) days from the date such notification is given, fail to make any payment due hereunder or to proceed diligently to cure any other default. Failure of United to exercise for any length of time any right of forfeiture for any cause shall in no event operate as a waiver of any right of forfeiture or prejudice its right to enforce the same.

(4) That upon expiration of the term hereof, or any extended term, or earlier termination for default, or upon surrender, Pierce shall immediately surrender and deliver the leased premises and property to United with all shafts, tunnels, drifts, levels, and other workings therein that are being used by Pierce at the time of termination, thoroughly drained, clear of loose rocks, waste and rubbish of all kinds and ready for immediate working, accidents not arising from negligence alone excepted; provided, however, that Pierce shall have the right, at any time within ninety (90) days from termination of this lease to remove from the leased premises the machinery, equipment, tools, and other property owned by Pierce, except buildings and permanent structures, power and telephone lines, and ties, rails, pipe and timbers in place below the surface; and that any such removable property which is not removed within the time limit shall remain with the leased premises and shall be deemed abandoned by Pierce and all his right, title and interest in and to said property shall immediately vest in United and it shall become the owner thereof.

(5) That if Pierce is delayed or interrupted in or prevented from performing his obligations as herein provided, by acts of God, fires, flood, strikes or labor troubles, breakage of machinery, inability to obtain necessary equipment, supplies or labor, interruptions in delivery or transportation, insurrection or mob violence, injunction, regulations, orders or requirements of government, or other disabling cause beyond the reasonable control of Pierce, then and in all such cases Pierce shall, for the time

being, and without liability, be excused from performance of all his obligations as herein provided, for the period of such prevention, delay or disability, and this lease and all the provisions thereof shall again come into full force and effect immediately upon the termination of the period of prevention, delay or disability resulting from any of the causes aforesaid, but the term of the lease shall not be extended thereby.

(6) That Pierce may terminate this lease and surrender possession of the leased premises and property upon giving to United at least thirty (30) days' notice in writing of his intention so to do, and upon such termination, Pierce shall be released from all obligations hereunder except those incurred and owing at the time of such termination.

(7) That upon giving to United at least ninety (90) days' written notice prior to the end of the term of this lease of his desire to extend the term for an additional ten-year period on the same terms and conditions, the term of this lease shall be extended for such additional ten-year period upon the same terms and conditions as are herein set forth.

(8) That all notices required to be given under any provision of this lease, if given by United, shall be sent to Roger V. Pierce at 1596 Wasatch Drive, Salt Lake City, Utah, and if given by Pierce, shall be sent to United Idaho Mining Company in care of United States Smelting Refining and Mining Company, 1019 Newhouse Building, Salt Lake City, Utah.

(9) That this lease shall be binding upon and inure to the benefit of the successors and assigns of United and of the heirs, personal representatives and consent assigns of Pierce.

IN WITNESS WHEREOF, United has caused this lease to be executed by its proper officer thereunto duly authorized, and Pierce has hereunto set his hand as of the day and year first above written.

UNITED IDAHO MINING COMPANY

By /s/ F. S. Mulock
F. S. Mulock, President

(LESSOR)

ATTEST:

/s/ A. A. Duclos
Assistant Secretary

/s/ Roger V. Pierce
Roger V. Pierce

(LESSEE)

COMMONWEALTH OF MASSACHUSETTS )
) ss.
COUNTY OF SUFFOLK )

On the 28th day of July, 1950, before me appeared F. S. Mulock to me personally known, who being by me duly sworn, did say that he is the President of United Idaho Mining Company, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors and said F. S. Mulock acknowledged said instrument to be the free act and deed of said corporation.

/s/ Francis Fisk (?)
Notary Public

STATE OF UTAH )
: ss
COUNTY OF SALE LAKE)

On this 29th day of July, 1950, before me C. JAY PARKINSON, a Notary Public, personally appeared ROGER V. PIERCE, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

/s/ C. Jay Parkinson
Notary Public residing at Salt Lake City, Utah

My Commission Expires:

3/7/54

SUPPLEMENT TO LEASE

THIS SUPPLEMENT TO LEASE made and entered into as of the 15th day of August, 1951, by and between UNITED IDAHO MINING COMPANY, a corporation of the State of Maine, duly qualified to own property and do business within the State of Idaho, Lessor, herein referred to as "United," and ROGER V. PIERCE of Salt Lake City, Utah, Lessee herein referred to as "Pierce;"

W I T N E S S E T H :

Under date of July 13, 1950, United leased to Pierce certain mining premises and property situate in Section 18, Township 13 North, Range 27 East, Boise Base and Meridian, in Texas Mining District, Lemhi County, State of Idaho.

Situated on the surface of the leased premises and adjoining properties are certain tailings and mine dumps produced from operations in the leased premises. At the time said Lease was entered into it was not contemplated that said tailings and mine dumps would be worked, consequently the royalty specified in said lease is not applicable to them. Pierce is interested in milling said tailings and shipping the concentrates and he is also interested in either shipping the mine dumps or in milling them and shipping the concentrates.

NOW THEREFORE, THE PARTIES MUTUALLY AGREE that said lease shall be and it hereby is supplemented and amended as follows:

1. That a new paragraph be added following the particular description of the Terminal Tract on page 1 of the lease, reading as follows:

"Also any tailings and mine dumps now on the surface of the leased premises and adjoining premises which were produced from operations in the leased premises and which are now owned or are acquired by United during the period this lease is in effect."

2. That section 15 commencing on page 6 of said lease shall be amended and supplemented by substituting for that part of said section on page 6, the following:

"15. To pay or cause to be paid to United on all ores and minerals removed from the leased premised royalty as follows:

I. (a) On concentrates produced from the tailings treated at a mill operated by Pierce, ten per cent (10%)

of the net smelter return, as hereinafter defined; provided, however, when Pierce shall have paid the aggregate sum of Five Thousand Dollars ($5,000.00) in royalty on said concentrates, he shall be relieved from paying any additional royalty thereon.

(b) On concentrates produced from mine dumps treated at a mill operated by Pierce, ten per cent (10%) of the net smelter return, as hereinafter defined.

(c) On ores from mine dumps shipped direct to a smelter, ten per cent (10%) of the net smelter return, as hereinafter defined.

The term "net smelter return" as used in this subsection shall mean the net return received from the smelter for each lot of concentrates or of ore (after deducting the cost of treatment, assaying or special sampling charges incident to smelter settlement) less the cost of transporting the concentrates from the mill where the concentrates are produced to the smelter, and the cost of transporting the ores (where the ores are shipped direct to the smelter) from the mine dumps to the smelter, at rates approved by United, plus the subsidy, if any, payable to Pierce by the United States Government or any agency therof on the metal content of the concentrates or ores if and to the extent Government regulations permit.

II. On all ores, except ores in mine dumps referred to in subsection I above, sold to a custom mill or smelter not operated by Pierce, ten per cent (10%) of the net mill or smelter return, as hereinafter defined; provided, however, a minimum royalty of fifty cents (50¢) per dry ton shall be paid on all ores subject to royalty under this subsection II.

The term "net mill or smelter return," as used in this subsection, shall mean the net return received from the mill or smelter for each lot of ore (after deducting the cost of railroad freight, treatment, assaying or special sampling charges incident to mill or smelter settlement) less the cost of truck haulage from mine to railroad siding at rates approved by United, plus the subsidy, if any, payable to Pierce by the United States Government, or any agency thereof, on the metal content of the ores, if and to the extent Government regulations permit.

III. On all ores except ores in mine dumps referred to in subsection I above treated at a mill or smelter operated by Pierce or treated for him on a toll basis, five per cent (5%) of the gross value of the ores, as hereinafter defined."

3. That the concentrates produced from the treatment of said tailings and from the treatment of said mine dumps, and the ores from the mine dumps shipped direct to smelter, shall be subject to the provisions of section 13 of said lease, relating to the shipment and treatment of ores and concentrates and settlement therefore; and shall also be subject to the provisions of section 15, relating to settlement for royalties.

Except as supplemented and amended by this Supplement to Lease, the aforesaid lease dated July 13, 1950, between the parties hereto, and all its provisions shall continue in full force and effect.

IN WITNESS WHEREOF United has caused this Supplement to Lease to be executed by its proper officers thereunto duly authorized, and Pierce has hereunto set his hand as of the day and year first above written.

UNITED IDAHO MINING COMPANY

By _____
F. S. Mulock, President

(LESSOR)

Attest:

_____
Secretary

_____
Roger V. Pierce

(LESSEE)

MF-203

# OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Idaho, County of Lemhi, described as follows 1/

Mining Claims of the Gilmore Mercantile Company located in the Texas Mining District, Gilmore, Lemhi County, Idaho, to wit: Mixer-Annex-Ernest-Cook-Roy Lauer-Martha-Dorothy-LaPort-G.A.P.-Ruth-Olive-Vick

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Roger V. Pierce - lessee of said property,

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production 3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ _____, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 10th day of July, 195 2.

Gilmore Mercantile Company [Seal]

E. G. Cooke, President [Seal]

_____ [Seal]

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

2/ Insert the name of the Operator as it will appear in the exploration project contract.

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

4/ Insert the maximum amount of the Government's contribution.

MF-203

# OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Idaho, County of Lemhi, described as follows:1/

Mining Claims of the Delaware-Idaho Gold Mining Co. a Delaware Corporation located in the Texas Mining District, Gilmore, Lemhi County, Idaho, to Wit:

Andy-Gilmore-W. H. Cannon- Glenn-Eddie-Hatten

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Roger V. Pierce - lessee of said property,

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ _____, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 28th day of June, 1952.

Delaware-Idaho Gold Mining Co. [Seal]

Earl D. Smith [Seal]
Earl D. Smith, President

O. R. Smith [Seal]
O. R. Smith, Secretary

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

2/ Insert the name of the Operator as it will appear in the exploration project contract.

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

4/ Insert the maximum amount of the Government's contribution.

MF-203

# OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, [redacted] has an interest in certain property in the State of Idaho, County of Lemhi, described as follows:1/

Never Sweat, Silver Dollar, Silver Dollar Extension, 16 to 1, and Texas, all 5 claims under U. S. Survey No. 1938, situated in the Texas Mining District, in Section 18, Township 13 North, Range 27 East, Boise base and meridian,

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Roger V. Pierce - lessee of said property,

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows;

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 41,625.00, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 10th day of February, 1953.

UNITED IDAHO MINING COMPANY [Seal]

By [signature] [Seal]
Vice President

ATTEST:- [signature] [Seal]
Secretary

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

2/ Insert the name of the Operator as it will appear in the exploration project contract.

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

4/ Insert the maximum amount of the Government's contribution.

# INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Show to whom, date, and address where delivered ☐ Deliver ONLY to addressee

(*Additional charges required for these services*)

## RECEIPT

***Received the numbered article described below.***

REGISTERED NO.

CERTIFIED NO. 133183

INSURED NO.

DATE DELIVERED JUN 12 1979

1 SIGNATURE OR NAME OF ADDRESSEE (*Must always be filled in*)

Cooper Trent

2 SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

James A. Moton

3 SHOW WHERE DELIVERED (*only if requested*)

c55—16—71548-10 GPO

**POST OFFICE DEPARTMENT**
OFFICIAL BUSINESS

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

POSTMARK OF DELIVERING OFFICE

JUN 12 1970

INSTRUCTIONS: Show name and address below and complete instructions on other side, where applicable. Moisten gummed ends, attach and hold firmly to back of article. Print on front of article *RETURN RECEIPT REQUESTED.*

**RETURN TO**

NAME OF SENDER U. S. Geological Survey
Office of Minerals Exploration

STREET AND NO. OR P.O. BOX
Department of Interior Building

POST OFFICE, STATE, AND ZIP CODE
Washington, D. C. 20011

POD Form 3811 Apr. 1967 c55—16—71848-10

DMEA-2868-Mundy

File
DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Amended Contract Idm-E574

MME Form 7
(2/63)

OFFICIAL FILE COPY

| Date | Surname | Code |
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| | | 220 |
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AIRMAIL

Mr. Stanford R. Mahoney
Geologist
Gilmore Properties, Inc.
823 Phillips Petroleum Building
Salt Lake City, Utah 84101

JUN 10 1970

Re: DMKA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Amended Contract Idm-8574

Dear Mr. Mahoney:

This is in reply to your letters of May 22 and June 5, 1970, in which you requested any material available on the United Idaho mine, and enclosed a photocopy of the court approval and copies of the purchase contract as evidence of your ownership. The following material is available:

1. Operator's final report, by Mercer F. Thompson, October 4, 1957

   8 pages, including cover sheet, and 4 maps:

   "400 level or Transportation Tunnel" (East Sheet)
   Scale 1" = 50'
   42" x 34"

   "Cross Section on Coordinate N. 2800" Scale 1" = 50'
   42" x 34"

   One sheet of Longitudinal Sections Through Various Ore Bodies Scale 1" = 200'
   18" x 13"

   "Cross section on 3800 Coordinate" Scale 1" = 100'
   32" x 15"

One or more copies of this material may be ordered by contacting:

Cooper-Trent, Inc.
1521 North Danville Street
Arlington, Virginia 22201
Attention: Mr. Marvin Mundy

Material and copy letter to Mr. Bundy, Cooper-Trent, Inc. by Certified Mail, Return Receipt Requested.

Please send the enclosed copy of this letter to Cooper-Trent, Inc., with your letter of instructions when ordering copies. Cooper-Trent, Inc., will contact you regarding cost of reproductions.

All further correspondence relating to the procurement of copies of this material will be with the above company rather than with this office.

We are enclosing a copy of a cross section entitled, "Cross Section 2800 Coordinate Looking North, United Idaho Mining Co., Gilmore District, Lemhi County, Idaho," Scale 1" = 50', and a copy of "Composite Map of Workings," Scale 1" = 200'.

In the present situation, we would suggest that if you decide to submit an application for exploration assistance that you design one for the more limited budget. The outlook for additional funds is not favorable and as some of the material you would have to furnish is of a timely nature, the application would be out of date should additional funds become available.

We wish you success in your project to reopen and develop the United Idaho mine.

Sincerely yours,

Harold Kirkemo/gla

Harold Kirkemo
Chief, Office of
Minerals Exploration

Enclosures

For the attention of Mr. Mundy:

Please return the enclosed material to:

Mr. Harold Kirkemo
Office of Minerals Exploration
U. S. Geological Survey
Room 4460, Interior Department
Washington, D. C. 20242

cc: Director's Reading file
Mineral Resources
OME docket
OME Reading file
OME Region I
Mr. Kirkemo
130

HKirkemo/gla 6-10-70

GILMORE PROPERTIES, INC.
823 PHILLIPS PETROLEUM BUILDING
SALT LAKE CITY, UTAH 84101
322-2071

OFFICIAL
COPY
O. M. E.
RECEIVED
JUN 9 1970
INITIALS | CODE
120
220

June 5, 1970

Mr. Harold Kirkemo, Chief
Office of Minerals Exploration
Room 4461, Interior Building
Washington, D. C. 20242

Re: United Idaho and Latest Out Mines,
Texas Mining District, Lemhi Co.,
Idaho.

Dear Mr. Kirkemo:

I certainly appreciated your call, and your action in my request for information on the D.M.E.A. project executed in the 1950's.

Enclosed is a photocopy of the court approval, and copies of the purchase contract on the properties, as evidence of our ownership.

I was happy to hear that you had located some reports and maps on the project. As soon as we receive your letter, as you indicated the procedure in our telephone conversation, I shall write Cooper-Trent Printing Company and arrange for the duplication of the report and maps.

I am sorry to hear that you expect a very low budget for your OME projects this next year. We plan to submit an application in the near future. On the assumption that a larger project might not be funded, would it be possible to submit two programs, one designed for the more limited budget, and the other for a time when more funds would be available?

Thank you for your help.

Yours very truly,

Stanford R. Mahoney

Stanford R. Mahoney, Geologist

Copy to OME Region I
without copies of Purchase Agreement,
dated May 5, 1970, and Order Confirming
The Sale as a Unit of Certain Mining
Lease and Option Agreement and
Corporation Stock of Gilmore Properties, Inc.
Probate No. 54839

mf
Enclosures

Ralph H. Miller
FABIAN & CLENDENIN
Attorneys for Executor
800 Continental Bank Building
Salt Lake City, Utah 84101
Telephone: 328-8601

FILED IN CLERK'S OFFICE
Salt Lake County Utah
MAY 20 1970
W. Sterling Evans, Clerk 3rd Dist. Court
By [signature]
Deputy Clerk

IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT IN AND FOR SALT LAKE COUNTY, STATE OF UTAH

PROBATE DIVISION

| | |
|---|---|
| In the Matter of the Estate of ROGER VERN PIERCE, also known as ROGER V. PIERCE and R. V. PIERCE, Deceased. | ORDER CONFIRMING THE SALE AS A UNIT OF CERTAIN MINING LEASE AND OPTION AGREEMENT AND CORPORATION STOCK OF GILMORE PROPERTIES, INC. Probate No. 54839 |

The petition of The Continental Bank and Trust Company, Executor of this estate, praying for the confirmation of the sale as a unit of a certain mining lease and option agreement and of corporation stock of Gilmore Properties, Inc. came on regularly for hearing this 20th day of May, 1970, and the Court finds:

1. Notice has been given of the hearing of said petition in the manner and for the period of time required by law.

2. The Executor has filed with this Court an inventory of all of the property of said decedent. The following are assets of the estate:

(a) 2,400 shares of capital stock of Gilmore Properties, Inc. (being all of the outstanding stock), which was acquired from United Idaho Mining Company when it retired 240 shares of the Estate's 7,267 shares of United Idaho Mining Company preferred stock. The preferred stock had been valued by the appraisers

as being worthless. Gilmore Properties, Inc., owns the following mining properties in Idaho which were acquired from United Idaho Mining Co., Inc.:

Certain patented mining claims and mining properties situate in Texas Mining District, Lemhi County, State of Idaho, described as NEVER SWEAT, SILVER DOLLAR, SILVER DOLLAR EXTENSION, 16 to 1, and TEXAS (all designated as U. S. Survey No. 1938), and also the surface only of a tract known as the "Terminal Tract" being a part of the RUTH and OLIVE patented Lode Mining Claims (U.S. Survey No. 2040), and

(b) Lease and Option Agreement dated September 1, 1967, between Edwina Y. Nichols and Ralph Nichols, Lessors,and Roger V. Pierce, Lessee, a copy of which is hereto attached and marked as Exhibit "A." It was appraised at no market value.

Said Lease and Option Agreement covers certain patented and unpatented mining claims in Lemhi County, Idaho.

3. It is necessary to sell assets of the estate in order to pay debts, taxes and the expenses of administration.

In addition by the terms of decedent's Will the Executor is granted broad discretion with respect to the power to sell estate assets and with respect to the types of investments it considers to be to the estate's best interests.

At private sale, the Executor sold the estate's 2,400 shares of Gilmore Properties Inc. stock and the said Nichols Lease and Option to Ralph Hafer, Lewis F. Wells and Stanford R. Mahoney, subject to confirmation by the Court. The total purchase price is $50,000.00, $5,000.00 of which will be paid as a down payment upon closing, with the Buyers giving a note for $45,000.00 which is payable within five months of the closing. Said note will be secured by $45,000.00 in value of negotiable securities,

the Gilmore Properties, Inc., stock, the Lease and Option Agreement, and a Mortgage on the Mining properties owned by Gilmore Properties Inc. Attached hereto, and marked as Exhibit "B," is a copy of the purchase agreement containing the terms of the proposed sale. The stock and lease were offered in open court for any higher or better bids, and none were received. The sales price is a fair one, the down payment is equal to ten per cent of the purchase price, and under the terms of the agreement the property sold is adequately secured. It is necessary to sell assets of the estate to pay debts, taxes, and expenses of administration, and it is to the estate's best interest to sell said assets upon the terms described in said Purchase Agreement. The sale was legally made and fairly conducted, the sum bid is not disproportionate to the value of the property sold, and a greater sum cannot be obtained. Said sale should be confirmed.

THEREFORE, upon motion of Fabian & Clendenin, attorneys for the Executor,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

1. The sale of the 2,400 shares of capital stock of Gilmore Properties, Inc. and the Lease and Option Agreement described in paragraph 2, above, to Ralph Hafer, Lewis F. Wells and Stanford R. Mahoney for $50,000.00, $5,000.00 of which will be paid down on closing and the balance of which will be paid within five months of closing, be, and it is hereby confirmed, upon the terms and conditions contained in the Purchase Agreement, a copy of which is attached hereto and marked as Exhibit "B."

DATED this 20th day of May, 1970.

ATTEST:
W. STERLING EVANS
CLERK
BY [signature]
Deputy Clerk

BY THE COURT:
[signature]
JUDGE

FABIAN & CLENDENIN
Attorneys for Executor
800 Continental Bank Building
Salt Lake City, Utah

STATE OF UTAH } SS
COUNTY OF SALT LAKE }

I, THE UNDERSIGNED, CLERK OF THE DISTRICT COURT OF SALT LAKE COUNTY, UTAH, DO HEREBY CERTIFY THAT THE ANNEXED AND FOREGOING IS A TRUE AND FULL COPY OF AN ORIGINAL DOCUMENT ON FILE IN MY OFFICE AS SUCH CLERK.
WITNESS MY HAND AND SEAL OF SAID COURT
THIS 20th DAY OF May 19 70
W. STERLING EVANS, CLERK
BY [signature]

Joint Legal File

Trust Department
The Continental Bank and Trust Company
200 South Main Street
Salt Lake City, Utah 84101

Re: Gilmore Properties, Inc.

Gentlemen:

This letter is an offer to purchase, by the undersigned Buyers, all the issued and outstanding shares of Gilmore Properties, Inc., an Idaho corporation, and the interest in a Lease and Option Agreement, which properties are now held by you as Executor of the Estate of Roger V. Pierce, deceased, and not individually.

We offer to purchase these properties pursuant to the terms of the attached purchase agreement, which we have signed. Time is of the essence in this offer, which is made subject to the acceptance of the Bank within three days hereof. The bank may accept this offer by signing and dating the attached purchase agreement, and thereafter said purchase agreement shall be binding on all parties thereto.

Yours very truly,

Ralph K. Hafer

Lewis E. Hall

Stanford R. Mahoney

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT made and entered into as of the 5th day of MAY, 1970, by and between THE CONTINENTAL BANK AND TRUST COMPANY, as Executor of the Estate of Roger V. Pierce, Deceased, and not individually, hereinafter referred to as the "BANK", and RALPH HAFER, LEWIS F. WELLS and STANFORD R. MAHONEY, all residents of Salt Lake County, State of Utah, hereinafter referred to as "BUYERS".

WHEREAS, the BANK is the sole stockholder of all the authorized stock of Gilmore Properties, Inc., an Idaho Corporation, which corporation is hereinafter referred to as "GILMORE", and GILMORE is the owner of certain patented mining claims and mining properties situate in Texas Mining District, Lemhi County, State of Idaho, described as: NEVER SWEAT, SILVER DOLLAR, SILVER DOLLAR EXTENSION, 16 TO 1 and TEXAS (all designated as U. S. Survey No. 1938), and also the surface only of a tract known as the "Terminal Tract", being a part of the RUTH and OLIVE patented lode mining claims (U. S. Survey No. 2040); and

WHEREAS, the BANK is the holder of a Lease and Option Agreement granted to Roger V. Pierce by Edwina Y. Nichols and Ralph Nichols and dated September 1, 1967; and

WHEREAS, the BUYERS are desirous of purchasing said stock and properties from the BANK, and the BANK desires to sell said stock and properties to BUYERS;

NOW, THEREFORE, the parties hereto, in consideration of the covenants and obligations herein contained, hereby agree as follows:

1. Stock. The BUYERS will purchase and the BANK will sell to BUYERS all the authorized and issued stock of GILMORE for a total consideration of $ 33,334.00. There being 2400 shares outstanding, the BUYERS have agreed that Ralph Hafer will purchase and receive 1200 shares, that Stanford R. Mahoney will purchase and receive 840 shares, and that Lewis F. Wells will purchase and receive 360 shares.

2. Lease and Option Agreement. The BUYERS will purchase and the BANK will sell, assign, transfer and set over to BUYERS all rights and interests of the BANK in, to and under that Lease and Option Agreement granted to Roger V. Pierce, for a consideration of $ 16,666.00. Said Lease and Option Agreement is described as follows:

> Lease and Option Agreement between Edwina Y. Nichols, Salmon, Idaho, and Ralph Nichols, Wisdom, Montana, as Lessors, and Roger V. Pierce as Lessee, dated September 1, 1967, covering the following-described patented and unpatented mining claims situated in Lemhi County, State of Idaho, to-wit:
>
> Patented Claim - LATEST OUT
>
> Unpatented Claim - BIG FRACTION

The Assignment shall transfer an undivided fifty (50%) percent interest to Ralph Hafer, an undivided thirty-five (35%) percent interest to Stanford R. Mahoney, and an undivided fifteen (15%) percent interest to Lewis F. Wells, all as tenants in common.

3. Escrow. Upon signing this Agreement, BUYERS shall deposit in escrow with The Continental Bank and Trust Company as escrow agent, properly endorsed negotiable securities acceptable to the bank, with a total current market value as determined on a recognized stock exchange of $45,000.00, and cash in the amount of $5,000.00. The BANK shall deposit in escrow the properly endorsed certificate representing all the issued and outstanding shares of Gilmore Properties, Inc., and the Nichols Lease and Option Agreement and an assignment thereof. All escrow fees shall be paid one-half by the BANK and one-half by the BUYERS.

4. Conditions of Purchase and Time of Sale.

(a) This Agreement is subject to the BANK furnishing an Abstract of Title to the five (5) patented mining claims, NEVER SWEAT, SILVER DOLLAR, SILVER DOLLAR EXTENSION, 16 TO 1, and TEXAS, showing good and marketable title to said claims in Gilmore Properties, Inc. BUYERS shall have a period of two weeks after receipt of such abstract or abstracts in which to notify the BANK and the escrow agent of objection to such title or titles, time being of the essence. Unless BUYERS object to said title or titles within said time, this Agreement shall be binding upon BUYERS. In the event BUYERS object in writing to title within said two-week period, the BANK shall have the option to perfect any defects, provided it can do so within a period of ninety (90) days or such additional time as the BUYERS shall allow. In the event the BANK is either unable to or does not desire to perfect title, the BANK shall notify BUYERS in writing of its intent to terminate the Agreement. The BUYERS shall thereafter have five days in which to give written notice of their acceptance of title "as is" with all defects and without dimunition in purchase price. If the BUYERS do not elect to accept title as is within said five days, this Agreement shall be automatically terminated without liability or obligation of either party to the other and all escrowed properties shall be returned to the parties. The BANK shall also furnish an abstract brought to date covering the "Terminal Tract", but this Agreement is not conditioned upon the status of the title to the "Terminal Tract."

(b) This Agreement is also subject to the BANK obtaining approval and confirmation thereof from the Probate Court for the Third Judicial District, State of Utah, having jurisdiction over the Estate of Roger V. Pierce, Deceased. It is understood that the Court will offer the stock or assets of GILMORE and the lease interest for sale to any higher bidders. If this sale is not confirmed, this Agreement shall be terminated without liability or obligation to either party, and all escrowed properties shall be returned to the parties. The BANK shall promptly petition the Probate Court for approval of this Agreement. Upon receipt of the Court Order approving and confirming this Agreement, the BANK shall deposit a copy thereof with the escrow agent and the BUYERS.

(c) The BUYERS shall have the right to purchase said Lease and Option Agreement, and the BANK shall have the duty to assign said Lease and Option Agreement, only if the BUYERS, within thirty (30) days of delivery of the abstracts to BUYERS in accordance with the provisions of subparagraph (a) of this paragraph 4, obtain from the Lessors a full release of obligation and liability of the BANK to said Lessors, in form satisfactory to the BANK. In the event said release is not obtained, the BUYERS shall pay the full purchase price of $50,000.00 for only the stock, it being understood that the portion of the purchase price allocated to the Lease and Option Agreement is for the right of BUYERS to negotiate with Lessors for said release with the resultant right of assignment of said Lease and Option Agreement if the release is obtained. If

the release is not obtained, the Lease and Option Agreement and assignment thereof shall be returned by the escrow agent to the BANK.

(d) As soon as the escrow agent receives the copy of the Court Order referred to in the condition of subparagraph (b), and provided the escrow agent does not receive notice of objection to title within the time specified in subparagraph (a), or defects to which notice has been given have been corrected or waived to the written satisfaction of both parties, the escrow agent shall immediately pay the $5,000.00 cash to the BANK as down payment and notify the parties that the transaction is ready to close. At the closing which shall occur within five days of such notice, the GILMORE stock and (providing the condition of subparagraph (c) has been met) the Lease and Option Agreement and assignment thereof shall be delivered to the BUYERS, who shall immediately thereafter at the closing deliver said stock of GILMORE to the BANK as a pledge for payment of the remaining balance of $45,000.00, which shall be evidenced by a negotiable promissory note in the form attached hereto as Exhibit "B", which note shall also be secured by a pledge of the negotiable securities placed in escrow pursuant to the terms of paragraph 3. The note shall also be secured by a first mortgage from GILMORE of the five (5) patented mining claims and the "Terminal Tract" and an assignment of the Lease and Option Agreement as security, both executed in form acceptable to the BANK. The note shall provide for joint and several liability without regard to the particular contribution of each buyer.

The terms of the pledge of the shares of GILMORE and the other negotiable securities are incorporated in this Agreement in paragraph 5. The note shall be signed by the BUYERS at the closing. The mortgage shall be signed at the closing by the duly authorized officers of GILMORE, pursuant to a special shareholders' meeting held by the BUYERS as the sole shareholders, at which time they shall elect new directors, and a directors' meeting held immediately thereafter, at which the directors will appoint the corporate officers and authorize giving the mortgage referred to above. Both meetings shall be held at the closing.

Upon delivery of the signed note, corporate mortgage, assignment of lease as security and pledged stock to the BANK, the escrow shall be closed.

(e) BUYERS shall take physical possession of all real and personal properties sold herein as of the time of the close of escrow. All risk of loss and liability for injury on said premises shall be borne by BUYERS as of such time.

5. Pledge of Stock Certificates. As consideration for the $45,000 to be loaned by the BANK to the BUYERS at the closing when said loan is made, BUYERS agree to pledge certain stock with the BANK as security for the repayment of such loan, pursuant to the following terms and conditions which are now agreed to by the parties and which shall act as the security agreement for such pledge.

(a) In consideration of $45,000 loaned to the BUYERS by the BANK, the BUYERS hereby grant a security interest to the BANK in 2,400 shares of the common stock of Gilmore Properties, Inc., and 33,317 shares of the common stock of South Standard Mining Company, duly endorsed in blank and herewith delivered to the BANK. The BUYERS hereby appoint the BANK their attorney to arrange for the transfer of the pledged stock on the books of the companies to the name of the BANK. The BANK shall hold the pledged stock as security for the repayment of the loan made at the time of this pledge and shall not encumber or dispose of such stock, except in accordance with the provisions of this paragraph.

(b) During the term of this pledge, so long as the BUYERS are not in default in performance of any of the terms of this Agreement, or in the payment of the loan, the BANK shall pay any dividends received to the BUYERS and the BUYERS shall have the right to vote the pledged stock and the BANK shall execute due and timely proxies in favor of the BUYERS to this end.

(c) The BUYERS warrant and represent that there are no restrictions upon the transfer of any of the pledged stock and that the BUYERS have the right to transfer such stock free and clear of any encumbrances and without obtaining the consents of the other stockholders.

(d) Upon payment at maturity of the loan, the BANK shall transfer to the BUYERS all the pledged stock and all rights received by the BUYERS as the result of their record ownership thereof.

(e) In the event that the BUYERS default in the performance of any of the terms of this Agreement or in the payment at maturity of the loan, the BANK shall have the rights and remedies provided in the Uniform Commercial Code in force in the State of Utah at the date of this Agreement, and in this connection, the BANK may upon five days' notice to the BUYERS, sent by certified mail, return receipt requested, and without liability for any dimunition in price which may have occurred, sell all the pledged stock in such manner and for such price as the BANK may determine. At any bona fide public sale, the BANK shall be free to purchase all or any part of the pledged stock. Out of the proceeds of any sale, the BANK may retain an amount equal to the amount then due on the loan, plus the amount of the expenses of the sale, and shall pay any balance of such proceeds to the BUYERS. In the event that the proceeds of any sale are insufficient to cover the amount then due on the loan, plus expenses of the sale, the BUYERS shall remain personally liable to the BANK for any deficiency, and the BANK may elect to sue any or all of the BUYERS for such deficiency, or at its option, to foreclose the mortgage of the mining property.

6. Lease and Option Agreement. BUYERS agree to accept the Nichols Lease and Option Agreement of September 1, 1967, a copy of which has been inspected by BUYERS, and the assignment of said Agreement from the BANK to BUYERS shall be expressly subject to all the terms and conditions of said Agreement. The BANK affirms that the assessment work and proof of labor has been performed and filed for the past year on the unpatented claim, and that the rights and privileges of the BANK under said Lease and Option Agreement have not been diminished by the BANK or its agents. During the existence of the escrow and until the BANK is released from obligation and liability on said Agreement, the BUYERS covenant and agree to assume, perform and pay, as the case may be, all obligations of the Lessee under said Lease and Option Agreement, including the minimum work requirements on the unpatented mining claim for the year 1970 and thereafter and all minimum monthly royalty payments as therein stipulated.

7. Condition of Premises. BUYERS covenant and represent that BUYERS have examined and know the condition of all the properties and that no representation as to the condition or repair of the demised premises or value thereof has been made by the BANK or their agents prior to or at the execution of the Purchase Agreement.

8. No Warranties. The BANK makes no warranties of its title or Gilmore's title to said mining claims, property or that such claims, property and rights therein are free from any liens or adverse claims of any kind or character.

9. Equipment. BUYERS acknowledge that certain equipment located on said premises is not being sold by this Purchase Agreement, said equipment being owned by Machinery Center, Inc. and

described in Exhibit A attached hereto. BUYERS agree to allow Machinery Center, Inc., or its agents, to enter said properties on or before September 1, 1970, to remove said equipment. All other equipment and personal property on the premises is sold with the property without warranty of title.

10. Taxes. All taxes and assessments shall be prorated to the date of close of escrow, except that all unpaid corporation license or franchise fees, if any, shall be paid by BUYERS.

11. No Competition. It is understood that the BANK formerly was a party to agreements with Gilmore Merchantile Co., Ltd., and Delaware-Idaho Gold Mining Company; that said agreements have been relinquished and terminated; that the BANK and GILMORE, or their agents, shall not enter into any agreement or arrangement with said companies.

12. Default. It is mutually agreed that should either party default in the terms of this Agreement, that defaulting party shall pay all costs and expenses, including a reasonable attorney's fee, which may arise from enforcing this Agreement, or in pursuing any other remedy provided under law, whether by filing suit or otherwise. In the event BUYERS shall be in default, the $5,000.00 placed in escrow shall at the option of the BANK, be retained by the BANK as liquidated damages.

13. Notices. Any notice contemplated herein to be served upon the escrow agent, BUYERS or BANK, shall be in writing and shall be sufficiently given if deposited in the United States mail, postage prepaid, and registered or certified as follows:

ESCROW AGENT: THE CONTINENTAL BANK AND TRUST COMPANY
P. O. Box 1770
Salt Lake City, Utah 84101

BUYERS: Stanford R. Mahoney
823 Phillips Petroleum Building
68 South Main Street
Salt Lake City, Utah

BANK: THE CONTINENTAL BANK AND TRUST COMPANY
P. O. Box 1770
Salt Lake City, Utah 84101

Service of notice by mail shall be deemed effective and complete upon the date of posting and mailing in accordance herewith.

Personal service of notice upon any party shall be deemed sufficient service of notice and no mailing of notice in the case of personal service shall be necessary.

14. Assignment and Binding Effect. This Purchase Agreement and all of its terms and conditions shall not be assignable by BUYERS without the written consent of the BANK first obtained, and this Agreement shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns, respectively.

IN WITNESS WHEREOF, this Purchase Agreement is executed as of the day and year first above written.

THE CONTINENTAL BANK AND TRUST COMPANY, as Executor of the Estate of Roger V. Pierce, Deceased, and not individually

By G. M. Leazier

BANK

RALPH HAFER

LEWIS F. WELLS

STANFORD R. MAHONEY

BUYERS

STATE OF UTAH

ss.

COUNTY OF SALT LAKE

On this 5th day of May, 1970, personally appeared before me G. M. Cozzens, who being by me first duly sworn upon oath did say that he is Trust Officer of THE CONTINENTAL BANK AND TRUST COMPANY, Executor of the Estate of Roger V. Pierce, Deceased, and that as such, he signed the within instrument for and on behalf of said estate, and not individually.

Marguerite Shelton

Notary Public

My Commission expires: 11/13/71

STATE OF UTAH

ss.

COUNTY OF SALT LAKE

On this 5th day of May, 1970, personally appeared before me RALPH HAFER, one of the signers of the foregoing instrument, who duly acknowledged that he executed the same.

Marguerite Shelton

Notary Public

My Commission expires: 11/13/71

STATE OF UTAH

ss.

COUNTY OF SALT LAKE

On this 5th day of May, 1970, personally appeared before me LEWIS F. WELLS, one of the signers of the foregoing instrument, who duly acknowledged that he executed the same.

Marguerite Shelton

Notary Public

My Commission expires: 11/13/71

STATE OF UTAH

ss.

COUNTY OF SALT LAKE

On this 5th day of May, 1970, personally appeared before me STANFORD R. MAHONEY, one of the signers of the foregoing instrument, who duly acknowledged that he executed the same.

Marguerite Shelton

Notary Public

My Commission expires: 11/13/71

EXHIBIT A

Gilmore Yard

1 - Allis Chalmers Tractor SN HD7W463 with Dozer angle
1 - DA34 I.R. Drifter SN 574978
1 - 125 CFM Joy Compressor SN 51910
1 - 9.2 HP Wisconsin Gas Engine SN 3982349
1 - G112 Sullivan Tugger with above

Silver Dollar

1 - Universal Tramaire Loco. SN 7377
3.73 Ton Rail, 16 pcs, 20' long straight (on dump)
Rail, 400' Track in portal (800 lineal feet)
1 - JR 38 I.R. Jackhammer with leg
2 - 12" x 48" Drill Water Tanks
1 - Timber Truck, 18" ga.

Transportation Tunnel

1 - JR 38 I.R. Jackhammer with leg
3 - Mine Cars, 1-16 cu., 1-1300, 1-18 cu. SS box
1 - 4' x 5' Diesel Storage Tank

Hospital Drift

1 - 42" x 8' Rivet Air Compressor
12 Tons - prox. Asst. Mine Rail Mostly 30#
1200' - 12" Vent Tube

Little Gilmore

8 Ton - prox. Mine Rail 20#

Misc. Items

Sheave Blocks
Line Oilers
Drill Steel
Sump Pump

Trade Items

Wheat Lamps
Blasting Supplies
S.C. Tractors (2)
Gas Engine on Welder
Air Tanks
Hand Tools

EXHIBIT B

PROMISSORY NOTE

$45,000.00 Salt Lake City, Utah

_____, 1970

On (Five Months After Date), 1970, for value received, each of the undersigned, jointly and severally, promise to pay to the order of The Continental Bank and Trust Company, as Executor of the Estate of Roger V. Pierce, deceased, and not individually, FORTY-FIVE THOUSAND DOLLARS ($45,000.00) at the Main Office of The Continental Bank and Trust Company at 200 South Main Street, Salt Lake City, Utah, in lawful money of the United States for the payment of public and private debts, without interest. If this Note is not paid at maturity, it shall thereafter bear interest at the rate of ten percent (10%) per annum until paid, both before and after judgment, and each of the undersigned, jointly and severally, agree to pay all costs and expenses of collection, including a reasonable amount as attorney's fees.

In the event of the receivership, insolvency, the filing of voluntary or involuntary petition in bankruptcy, or assignment for the benefit of creditors of any of the undersigned, or any of the endorsers or guarantors of this note, the holder may at its option declare this note immediately due and payable.

This note is given for an actual loan of the above amount and is secured by a pledge of stock pursuant to the terms of the purchase agreement dated_____, 1970, and a mortgage from Gilmore Properties, Inc. of five mining claims and a terminal tract located in Lemhi County, Idaho.

Each of the makers and endorsers of this note severally waives presentment for payment, demand, notice of nonpayment and protest and agrees that this note may be extended in whole or in part without his or its consent.

_____

_____

_____

GILMORE PROPERTIES, INC.

By_____

OFFICIAL
COPY
O. & E.
ARCHIVED
MAY 27 1970
INITIALS | CODE
120

2868.
file ordered
C.C.

GILMORE PROPERTIES, INC.
823 PHILLIPS PETROLEUM BUILDING
SALT LAKE CITY, UTAH 84101
322-2071

May 22, 1970

Office of Minerals Exploration
U. S. Geological Survey
Washington, D. C. 20242

Gentlemen:

As suggested by Mr. Willard P. Puffett, Field Officer, Region 1, I am writing you to obtain copies of the preliminary and final reports on a project involving a property which two other individuals and I recently purchased outright.

This project is the former property of United Idaho Mining Company, Texas Mining District, Lemhi County, Idaho. Preliminary reports were prepared by John W. Taber, under the direction of M. R. Volin, in 1950; by Ralph H. Thurston, U. S. G. S., for DMA, dated May 2, 1951, and later reports of Bureau and Survey personnel in connection with a DMA project during the 1950's, which project involved only a part of the recommended project as set out in Thurston's report. The DMA project was with Mr. Roger V. Pierce, of Salt Lake City, Utah, who is deceased. We have purchased the entire interest in the properties from Mr. Pierce's estate.

This part of Idaho badly needs some industry. Mining has been dead in the Texas District and over a wide part of southern Idaho for many years. We believe that this property has great potential, and plan to attempt to aggressively develop it. We would very much like to activate the proposed major project, involving exploration on and from the 950 level of the United Idaho mine, as set out by Mr. Thurston in his report. This mine was operated until 1929, when shut down for the depression, by U. S. Smelting Refining and Mining Company, and has a production record of approximately $20,000,000 at the old prices, which would be substantially higher at current prices. The mine average grade was approximately 15 ounces silver, 23% lead, and some gold and zinc. We believe that it should qualify under your current OME program under silver, and should be eligible for the 75% government participation.

The importance of this project to this depressed part of Idaho should be a considerable incentive for government participation. We realize that there are only limited

Copy to OME Region I

funds available in your program, but believe the merit of this project and the important employment and economic benefit to the area should make this a desireable project. The geologic merit of the project is well documented. I am a mining geologist with 30 years experience. My associate has had similar experience. We believe we can offer, as the government's partner, a group of individuals that should be attractive to the government in the planning, execution and financing of the project.

I formerly worked for the Bureau of Mines, so am quite familiar with procedures in affect in the early DMA program, but would appreciate any further information you can supply. Mr. Puffett sent me the booklet on the OME program and a set of application forms. We plan to execute these, and attempt to initiate the program.

Thank you.

Yours very truly,
Gilmore Properties, Inc.

Stanford R. Mahoney, Geologist

DMEA Form 17
Feb. 58

# DEFENSE MINERALS EXPLORATION ADMINISTRATION

## WORK COMPLETED ANALYSIS

After final audit or review report is received, prepare original only and file in official docket

| | | | |
|---|---|---|---|
| Operator ROGER V. PIERCE | | Actual Cost | |
| State IDAHO | | Agreed Unit Cost | X |
| Final Report of Audit | | Commodity LEAD-ZINC | Docket No. DMEA-2,868 |
| Final Report of Review | X | | Contract No. Idm-E574 |

| Operation | Authorized by Contract and Amendments | | Completed | | Net cost after sale of Government Property |
|---|---|---|---|---|---|
| | Units | Cost | Units | Cost | |
| Drifting & Crosscutting (5' x 7') and Raising | 1,300' @ $37/ft. | $48,100.00 | 1,300' | $48,100.00 | $54,100.00 |
| Drifting and Crosscutting | 200' @ $30/ft. | 6,000.00 | 200' | 6,000.00 | |
| Shafts (5' x 7') | 60' @ $78.5/ft. | 4,710.00 | 60' | 4,710.00 | 4,710.00 |
| Shaft Timbering | 60' @ $15.5/ft. | 930.00 | | | |
| Drilling (Specify) D. D. Stations | 500 Cu.Ft. @ $0.75/c.f. | 375.00 | | | |
| Drilling (Specify) Diamond | 1,500' @ $7.00/ft. | 10,500.00 | | | |
| Bulldozing--15 hours @ $12/hr. Surface Excavation | | 180.00 | | | |
| Underground Excavation | | | | | |
| Timbering Drifts and Crosscuts--50' @ $5.00/ft. | | 250.00 | | | |
| Operating Equipment Purchased | | | | | |
| Surface Rehabilitation & Repairs | | | | | |
| Underground Rehabilitation | | 10,961.00 | | 10,561.00 | 10,561.00 |
| New Building, Improvements, etc. Erect Headframe | | 270.00 | | 270.00 | 270.00 |
| Other (Specify) Assaying 25 @ $3.00 each | | 75.00 | 9 @ $3 ea. | 27.00 | 35.00 |
| Other (Specify) 6 @ $2.50 each | | 15.00 | 2 @ $4 ea. | 8.00 | |
| Totals | | $82,366.00 | | $69,676.00 | * $69,676.00 |

* Net cost total must agree with final report of audit or review.

Prepared by W. P. Klugescheid Date 1/2/59.

31390

☐ Audited

☐ Certified

Name ROGER V. PIERCE

State IDAHO

# WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of ~~September 1956 to date~~ Audit

Incl. Voucher for

Commodity LEAD-ZINC

☐ Actual Cost

☒ Agreed Unit Costs

Docket No. 2,868

Idm-E No. 574

**AMENDMENT NO. 6 INCORPORATED**

| OPERATION | AUTHORIZED Units | AUTHORIZED Cost | COMPLETED Units | COMPLETED Cost | NET COST |
|---|---|---|---|---|---|
| (5'x7') Stage II Drifting & Crosscutting | 200' @ $30.00 | $6,000.00 | 200' | 6,000.00 | ✓ |
| ~~Raising~~ Stage II Timber Drifts and Crosscuts | 50' @ 5.00 | 250.00 | | | |
| Shaft Timbering | 60 @ 15.50 | 930.00 | | | |
| Shafts (5'x7') Stage II | 60' @ 78.50 | 4,710.00 | 60' | 4,710.00 | ✓ |
| ~~Winzes~~ Stage III | R.D.D. Stations 500 cu. ft. @ $0.75 | 375.00 | | | |
| Drilling Diamond (AX) (Specify) | 1,500' @ $7.00 | 10,500.00 | | | |
| Surface Excavation Stage II Bulldozing 15 hrs @ 12.00 | | 180.00 | | | |
| ~~Underground Excavation~~ Timber & clean first 20' of adit @ $5.00 | | 100.00 | | | |
| ~~Roads and Trails~~ clean next 300' of adit @ $1.00 | | 300.00 | | | |
| Operating Equipment Purchased | | | | | |
| ~~Surface Rehabilitation & Repairs~~ Stage II Erect Headframe | | 270.00 | | 270.00 | ✓ |
| Underground Rehabilitation | | | | | |
| New Building, Improvements, etc. | | | | | |
| Other (Specify) Assaying Stage II - 15 @ 3.00 | | 45.00 | 9 | 27.00 | ✓ |
| Stage III - 10 @ 3.00 | | 30.00 | | | |
| Totals | | $23,690.00 | | 11,007.00 | ✓ |

Checks Audit

Period for repayment of Government royalty is changed totwelve years.
Completion date extended to March 1,1957.
See previous sheets for Stage I.
Total Royalty Payments to June 18,1956 $ 538.80
Amendment No. 7--Incorporated.
Amendment No. 8- Extends completion time to May 27, 1957
Amendment No. 9--Completion time changed to July 27, 1957.

Prepared by W. P. Klugescheid.

71626

Stage II — Agreed Unit Costs.

| | | |
|---|---|---|
| Bulldozing 15 hrs @ $12.00/hr. | ✓ | $ 180.00 |
| Erect Headframe | ✓ | 270.00 |
| Drift & crosscut 200' @ $30.00 (5'x7') | ✓ | 6,000.00 |
| Timber Drifts & crosscuts 50' @ 5.00 | ✓ | 250.00 |
| Assaying 15 samples @ 3.00 (Pb, Au, Ag) | ✓ | 45.00 |
| Sink Shaft 60' @ ~~$94.00~~ 78.50 (5'x7') | ✓ | ~~5,640.00~~ 4,710.00 |
| Timber Shaft 60' @ 15.50 | | 930.00 |
| Total Stage II | | $12,385.00 |

Corrected for Amend. No. 7.

Stage III

| | | |
|---|---|---|
| Timber + Clean out first 20' of adit @ $5.00 | ✓ | $ 100.00 |
| Clean out next 300' of adit @ $1.00 | ✓ | 300.00 |
| 2 D.D. Stations 500 cu. ft. excavation @ $0.75 | ✓ | 375.00 |
| D.D. 1,500' @ $7.00 | ✓ | 10,500.00 |
| Assaying 10 samples @ $3.00 | ✓ | 30.00 |
| Total Stage III | | 11,305.00 |

| | |
|---|---|
| Total Cost Stages II and III. | $23,690.00 |
| Estimated Actual Cost of Stage I | 58,676.00 |
| Total. | $82,366.00 |

☐ Audited

☐ Certified

Name ROGER V. PIERCE

State IDAHO

# WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of 4/13/56.
Incl. Voucher for ~~Dec. & Jan. 1956~~ Audit.

Commodity LEAD-ZINC

☐ Actual Cost

☒ Agreed Unit Costs

Docket No. 2,868

Idm-E No. 574

| OPERATION | AUTHORIZED Units | AUTHORIZED Cost | COMPLETED Units | COMPLETED Cost | NET COST |
|---|---|---|---|---|---|
| Drifting & Crosscutting 5'x7' | 900' @ 37.00 | $33,300.00 | 1,300' | $48,100.00 | ✓ |
| Raising + Crosscutting | 400' @ 37.00 | 14,800.00 | | | |
| Shafts | | | | | |
| Winzes | | | | | |
| Drilling (Specify) | | | | | |
| Surface Excavation | | | | | |
| Underground Excavation | | | | | |
| Roads and Trails | | | | | |
| Operating Equipment Purchased | | | | | |
| Surface Rehabilitation & Repairs | | | | | |
| Underground Rehabilitation | | 14,995.00 | | 10,561.00 | |
| New Building, Improvements, etc. | | | | | |
| Other (Specify) Surface Equip + Bunkhouse | | 1,100.00 | 3 assays @ 2.67 | 8.00 | |
| Totals | | $64,145.00 | | $58,669.00 | |

Checks audit.

See Preparation Sheet for Details of Rehabilitation.

Amendment #2 incorporated.
Amend 3 + 4 Extend Completion time to Dec. 27, 1955.
Prepared by [signature]

Extension of 13' level adit [illegible] 1954

Amendment #5. Completion date changed to April 27, 1956.
Annex III Royalty repayment period increased to 11 years.

Consents to Lien

71626

E-574

Roger H. Peico — Idaho — 2868

Agreed Units

| | | |
|---|---|---|
| 1a) Clearing Ditch, grading Tr. etc @ 4000 @ 1.60 | | $ 6,400.00 |
| b) 600' Retimbering @ 8.80 | $14,945.00 | 5,280.00 |
| c) 4500 Cu. Ft. Cribbing @ $0.17 | | 765.00 |
| d) Enlarge & Repair Tunnel 100' @ 25.00 | | 2,500.00 |
| 150 assays @ 4.00 | | 600.00 |
| Agreed Unit Cost | Amend 2. | 33,300.00 |
| (5847) ~~7,300~~ 900' Drifting & Crosscutting @ 37.00 | | ~~48,100.00~~ |
| 400' Crosscutting & Raising @ 37.00 Amend 2. | | 14,800.00 |
| Equip. Installation (Rehab.) | | 500.00 |

Stage I

| | | |
|---|---|---|
| ~~Oct 1955~~ ~~June~~ ~~July & Aug~~ ~~Oct 1955~~ Dec & Jan 1956 | | $ 64,145.00 |
| ~~April~~ ~~1955~~ ~~June~~ ~~July & Aug~~ ~~Sept~~ ~~1455'~~ ~~1207'~~ 1300' | | ~~48,100.00~~ ~~39,798.00~~ |
| ~~1955~~ ~~882'~~ ~~992'~~ ~~1074'~~ Spent | | ~~35,016.00~~ ~~32,654.00~~ |
| | | ~~44,651.00~~ ~~41,121.00~~ ~~30,266.00~~ |
| ~~6491~~ Drifting & Crosscutting @ 37.00 | | ~~$ 25,086.00~~ |
| 500 Cu. Ft. Cribbing @ 0.17 | | 85.00 |
| ~~475'~~ ~~447'~~ Retimbering @ 8.80 | | 4,180.00 ~~3,933.60~~ |
| ~~3935'~~ ~~3700'~~ Clearing Ditch etc @ 1.60 | | 6,296.00 ~~6,240.00~~ |
| ~~Corr~~ ~~40~~ assays @ ~~2.50~~ 4.00 | | Corr. 8.00 ~~15.00~~ ~~25.00~~ |
| | | ~~35,344.60~~ |
| Corr 58,669 | | ~~58,676.00~~ ~~35,266~~ ~~40,524.60~~ |
| | | ~~50,524.00~~ ~~42,893.60~~ |
| | | ~~50,334.00~~ ~~45,359.60~~ |

## Stage II

Spent To Date 1956, ~~(July 16, 1956)~~ ~~August~~, Sept to date.

| | |
|---|---|
| Sinking @ 78.50 34' 60' | 4,710.00 ~~2,667.00~~ |
| Erect Headframe | 270.00 |
| Assay Samples @ 3.00 ~~19~~ | ~~57.00~~ ~~6.00~~ |
| Drifting + XCS. @ 30.00 ~~84~~ 200' | 6,000.00 ~~2,520.00~~ |
| | ~~2,945.00~~ ~~1,506.00~~ 11,007.00 |

PROJECT SUMMARY REPORT

By: J. W. Alt

November 12, 1958

1. Docket No. DMEA-2868 (Lead-Zinc)
Contract No. Idm-E574
Property: Gilmore Mine
Lemhi County, Idaho

Operator: Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Operator's Property Rights: Lessee

| | |
|---|---|
| Lease and Option Agreement | - Gilmore Mercantile Company, Limited - Dated August 15, 1950. |
| Amendment and Modification of Lease and Option Agreement | - Gilmore Mercantile Company, Limited - dated September 1, 1951. |
| Lease and Option Agreement | - Delaware - Idaho Gold Mining Company, dated August 15, 1950. |
| Lease | - United Idaho Mining Company, dated July 13, 1950. |
| Owner's Consent to Lien for above Companies | - Dated June 28, 1952, July 10, 1952 and February 10, 1953, respectively. |

2. Contract dated July 27, 1953. To complete July 27, 1955.

Work Authorized

1. Rehabilitate the Transportation tunnel (on the 400-foot level of the United Idaho main incline shaft), to a point west of the Silver Dollar vein, a distance of approximately 4,000 feet.

2. From the Transporation tunnel at the intersection with the Silver Dollar vein, drift southerly along the vein a total of approximately 400 feet and northerly a total of approximately 200 feet.

3. From the northerly and southerly drifts described in Item 2 above, crosscut a total of approximately 400 feet.

4. On favorable vein showings disclosed by drifting and crosscutting in Items 2 and 3, drift a total of approximately 300 feet.

Estimated Costs of the Project
(*Indicates allowable maximum)

| | | | |
|---|---|---|---|
| **Actual Costs** | | | |
| Item 1 | Rehabilitation of Transportation tunnel | $15,000.00* | |
| | All Items - Assays, 150 @ $4.00/assay | 600.00* | $15,600.00* |
| **Agreed Unit Costs** | | | |
| Item 2 | Drilling 600 feet, @ $37.00/ft. | $22,200.00 | |
| Item 3 | Crosscutting, 400 feet, @ $37.00/ft. | 14,800.00 | |
| Item 4 | Drifting and crosscutting, @ $37.00/ft. | 11,100.00 | $48,100.00 |
| | Total Estimated Project Cost | | $63,700.00* |
| | Government's Participation, 50% | | $31,850.00* |

Amendments

No. 1 Dated August 13, 1953.

In Article 8 of the contract form, in lieu of figures $31,850.00 and $63,700.00, the figures $32,072.50 and $64.145.00 are substituted.

All work under Item 1 of Exhibit "A" of the contract is changed to agreed unit cost.

No. 2 Agreed April 15, 1955, effective July 27, 1953.

Change in the description of work in Item 3 of Exhibit "A" of the contract.

No. 3 Agreed September 14, 1955, effective July 27, 1953.

Extends completion time to 27 months.

No. 4 Agreed November 25, 1955, effective October 27, 1955.

Extends completion time to December 27, 1955.

No. 5 Agreed March 2, 1956, effective December 27, 1955.

Extends completion time to April 27, 1956.

Increases royalty payment period from 10 years to 11 years.

3 Consents To Lien, dated February 27, 1956, February 27, 1956 and March 29, 1956.

No. 6 Agreed June 29, 1956, effective April 27, 1956.

In Article 8 of the contract, as amended by Amendment No. 1 the figures "$64,145.00" and $32,072.50" are deleted, and the figures "$82,366.00 and $41,183.00"" are substituted.

Extends completion time from April 27, 1956 to March 1, 1957. Increases royalty payment period from 11 years to 12 years.

The work of Exhibit "A" of contract is designated Stage I, and the new work designated Stages II and III.

## Stage II

1. Bulldoze a shaft site on the Silver Dollar claim.

2. Erect a timber headframe.

3. Sink a 2-compartment timbered shaft 60 feet on the Silver Dollar Claim.

4. From the bottom of the shaft, crosscut and drift an aggregate of 200 feet.

## Stage III

1. Rehabilititate 320 feet of the Silver Dollar Tunnel Adit.

2. In the Silver Dollar Tunnel Adit, excavate for two diamond drill stations, not to exceed 500 cubic feet.

3. From the tunnel adit drill six diamond drill holes to determine the continuation of ore-bearing structure below the shaft bottom (Stage II). The total amount of drilling shall not exceed 1,500 feet.

## Agreed Unit Costs of the New Work

### Stage II

| | | |
|---|---|---|
| 1. | Bulldozing, 15 hours @ $12.00/hr. | $ 180.00 |
| 2. | Erect timber headframe | 270.00 |
| 3. | Sink shaft, 60 feet @ $94.00/ft. | 5,640.00 |
| 4. | Drift and crosscut 200 feet @ $30.00/ft. | 6,000.00 |
| 5. | Timber drifts and crosscut 50 feet @ $5.00/ft. | 250.00 |
| 6. | Assay 15 samples @ $3.00/sample | 45.00 |
| | Estimated Total Cost, Stage II | $12,385.00 |

Stage III

| | |
|---|---|
| 1. Timber and clean out first 20 feet of Silver Dollar Tunnel Adit, @ $5.00/ft. | $ 100.00 |
| 2. Clean out next 300 feet of Silver Dollar Tunnel Adit, @ $1.00/ft. | 300.00 |
| 3. Two diamond drill stations, 500 cubic feet of excavation @ $0.75/cu. ft. | 375.00 |
| 4. Diamond drill, 1500 feet @ $7.00/ft. | 10,500.00 |
| 5. Assay 10 samples, @ $3.00/sample | 30.00 |
| Estimated Total Cost of Stage III | $11,305.00 |
| Estimated Total Agreed Unit Costs, Stage II & III | $23,690.00 |
| Work performed under Exhibit "A" attached to Contract as amended by Amendment No. 1 (subject to Audit) | $58,676.00 |
| Estimated total cost of the Project | $82,366.00 |
| Government's participation, 50% | $41,183.00 |

No. 7 Agreed August 31, 1956, effective April 27, 1956.

In Amendment No. 6, Change Description of the Work, Item 3, and revise Agreed Unit Costs of New Work, Item 3.

No. 8 Agreed February 20, 1957.

Extends the completion time from March 1, 1957 to May 27, 1957.

No. 9 Agreed July 24, 1957.

Extends completion time from May 27, 1957 to July 27, 1957.

Work Completed

Stage I

| | |
|---|---|
| Cleaning drainage ditch, replacing ties, bringing track to grade, enlarging tunnel 3,935 feet, @ $1.60/ft. | $ 6,296.00 |
| Retimbering, 475 feet @ $8.80/ft. | 4,180.00 |
| Cribbing, 500 cu. ft. @ $0.17/cu.ft. | 85.00 |
| Drifting, crosscutting, raising, 1,300 feet @ $37.00/ft. | 48,100.00 |
| Assays, 2 @ $4.00/each | 8.00 |
| Total Cost - Stage I | $58,669.00 |

Stage II

| | |
|---|---|
| Erect timber headframe | $ 270.00 |
| Shaft sinking, 60 feet @ $78.50/ft. | 4,710.00 |
| Drift and crosscut, 200 feet @ $30.00/ft. | 6,000.00 |
| Assays, 9 @ $3.00/each | 27.00 |
| Total cost - Stage II | $11,007.00 |
| Total Cost of Stages I and II | $69,676.00 |

Stage III work was not authorized and no work was done under this stage.

Work under Stage I was started in August 1953 and was completed in March 1956.

The contract work under Stage II was begun in July 1956 and completed on July 27, 1957, the termination date of the contract.

3. Audit - Report of Review, dated October 21, 1957.

| | |
|---|---|
| Total Cost as billed by Contractor | $69,683.00 |
| Exceptions | 7.00 |
| Total Accepted Cost | $69,676.00 |
| Government Participation @ 50% | $34,838.00 |

Operator's Final Report - not dated, received by Field Team September 16, 1957.

Field Team Final Report - dated October 1958

4. Certification Date. None issued as no ore was discovered.

5. Comments

The work was performed satisfactorily. No unusual operating difficulties were encountered during the exploration project. Dissatisfaction among the miners adversely affected the progress of the exploration program for only two men were working at the mine during most of the life of the project. Closer supervision by the Operator and the use of better mining equipment would have helped progress on the exploration program appreciably.

No lead-zinc ore was found by any of the contract work in Stages I and II. A certification of discovery or development is not recommended by the Field Team.

Upon completion of the work, authorized in the contract the Operator requested an amendment to provide for 1,100 feet of drifting north from the Transportation tunnel on the "west vertical" vein and 500 feet of crosscutting from this drift to explore the East flat and East vertical veins and other veins at an estimated total cost of $68,200.00. This request was denied.

Further exploration with Government assistance is not justified unless new target areas are discovered.

J. W. Alt

J. W. Alt

JWA/er
Copy to: Docket
Dir Head File
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
So. 157 Howard Street
Spokane 4, Washington
October 17, 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 27 1958

| DATE | INITIALS | CODE |
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| 10/27 | C | 230 |
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| " | | 110 |
| 10/31 | | 130 |
| 10/31 | C | 228 |
| 11/5 | all | 500 |

Mr. George C. Selfridge, Chairman
Operating Committee, OME
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (~~Lead-Zinc~~)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Amended Contract No. Idm-E574

Dear Mr. Selfridge:

Enclosed are three copies of a Field Team final report on this project.

The contract became effective July 27, 1953, and was terminated July 27, 1957. Under the program, 3,935 feet of drift rehabilitation, 1,500 feet of drifts, crosscuts and raises, and 60 feet of shaft sinking were completed at a total cost of $69,676, to which the Government contributed 50 percent or $34,838. During the life of the contract 187.414 tons of ore worth $10,775.95 was shipped and $538.80 in royalty was paid to the Government. This was ore produced by leasers from a vein that was not explored by contract work.

No lead-zinc ore was found by any of the contract work and no Certification of Discovery or Development is recommended. No further exploration is justified unless new target areas are discovered.

By Field Team, Region I

A. E. Weissenborn

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

Wing G. Agnew

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

Enclosures
cc: USBM(2)
USGS(SRO)

Reviewed by
OME OPERATING COMMITTEE
10-31-58
(date)

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O. M. E.
RECEIVED OCT 27 1958

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|---|---|---|
| 10/31 | [illegible] | 130 |
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FILE WITH FINAL RP REPORT

DEPARTMENT OF THE INTERIOR

OFFICE OF MINERALS EXPLORATION

FIELD TEAM, REGION I

# FINAL REPORT

Amended Contract Idm-E574

by

William M. Romischer
Mining Engineer
U. S. Bureau of Mines

Donald C. Alvord
Geologist
U. S. Geological Survey

ROGER V. PIERCE
808 Newhouse Building
Salt Lake City, Utah

| | |
|---|---|
| Docket No.: | DMEA-2868 |
| Commodity: | Lead-Zinc |
| Contract date: | July 27, 1953 |
| Termination date: | July 27, 1957 |

Reviewed by
OME OPERATING COMMITTEE
10-31-58
(date)

GILMORE MINE
Gilmore (Texas) Mining District
Lemhi County, Idaho

Spokane, Washington

October 1958

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## ILLUSTRATIONS


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Plate

| | | |
|---|---|---|
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| 2 | Plan Map | |

FINAL REPORT

ROGER V. PIERCE
Gilmore Mine
Gilmore (Texas) Mining District
Lemhi County, Idaho

Amended Contract IMn-5374

✡ ✡ ✡ ✡ ✡ ✡

## INTRODUCTION

This report describes a project conducted jointly by the Defense Minerals Exploration Administration and Roger V. Pierce to explore for lead-zinc ore at the Gilmore mine, Lemhi County, Idaho.

### Summary

The work done at the Gilmore mine under the exploration project contract was to search for lead-zinc ore in two areas in the oxidized zone of the mineral deposits.

The exploration program consisted of the rehabilitation of 3,935 feet of the Transportation tunnel adit (400 level) of the United Idaho mine to the Silver Dollar vein and 1,300 feet of drifts, crosscuts, and raise to explore the Silver Dollar and probe for extension of the Never Sweat flat veins. The remainder of the exploration work was done on the Silver Dollar claim; it consisted of the erection of a timber headframe, 60 feet of sinking an inclined untimbered shaft, and 200 feet of drifts and crosscuts from the bottom of the shaft.

The total cost of the work completed under the exploration project contract was $69,676, of which the Government's participation was 50 percent or $34,838. The Government received $538.80 in royalties from lessees' ore during the period of the contract.

The project was unsuccessful in finding significant lead-zinc mineralization.

## Recommendations

A Certification of Discovery or Development is not recommended. No other exploration with Government participation is justified unless new geologic targets are discovered.

## LOCATION AND ACCESSIBILITY

The Gilmore mine is in the Gilmore (Terms) Mining District, Lemhi County, Idaho, in sec. 18, T. 13 N., R. 27 E. Boise meridian. The mine workings are about 1½ miles north of the old Gilmore townsite or about 3½ miles westerly by access road from Idaho State Highway 28 (Fig. 1). The town of Gilmore is near the headwaters of the Lemhi River on the eastern slope of the rugged, northwesterly-trending Lemhi Mountain range, at an altitude of approximately 7,200 feet. The mine workings at the property are at altitudes ranging from 6,800 to 7,800 feet. The MMA exploration work was done at workings that range from altitudes of approximately 7,400 to 7,700 feet.

Salmon, Idaho, the nearest large town and supply center, is about 70 miles northwest of Gilmore on State Highway 28. Idaho Falls, one of the larger cities in Idaho, is about 160 miles southerly by way of State Highway 28 and U. S. Highway 91.

The region is semiarid and the snowfall is not heavy; however, strong winds cause the snow to drift in the winter, and roads are frequently blocked for short periods of time. The summers are hot and the winters are severe.

Sufficient water for mining and milling needs is available at the property. Timber can be obtained from a heavy growth of lodgepole pine and spruce on nearby slopes; several sawmills in the vicinity provide a source of cut timber and lumber.

The nearest powerline is approximately 50 miles from Gilmore. The cost for obtaining power from this source for the operation of a small and temporary project at the Gilmore mine would be prohibitive; thus, gasoline- or diesel-driven equipment had to be used.

The nearest railroad loading point is 82 miles from Gilmore at Roberts, Idaho. Ore produced at the mine is trucked to Roberts at a cost of about $5 per ton, and the base railroad freight rate from there to the smelters in the Salt Lake Valley is about $4.50 per ton. The total cost of transportation for ore from the mine to the smelter is approximately $9.50 per ton and depends upon the grade of the ore shipped.

## PROPERTY

The property connected with the exploration project contract consisted of the following three groups of patented lode claims:

Leased from Bolivar-Idaho Gold Mining Company

| Claim | U. S. Survey No. |
|---|---|
| Andy | 2040 |
| Gilmore | 2040 |
| W. H. Connor | 2040 |
| Glenn | 2040 |
| Edie | 2040 |
| Hatton | 2040 |

Leased from Gilmore Mercantile Company, Ltd.

| Claim | U. S. Survey No. |
|---|---|
| Olive | 2040 |
| Ruth | 2040 |
| Vick | 2040 |
| LaPorte | 2040 |
| G.A.P. | 2040 |
| Dorothy | 2040 |
| Martha | 2040 |
| Roy Lauer | 2040 |
| Cook | 2040 |
| Ernest | 2040 |
| Minor | 2040 |
| Anox | 2040 |

Leased from United Idaho Mining Company

| Claim | U. S. Survey No. |
|---|---|
| Never Sweat | 1938 |
| Silver Dollar | 1938 |
| Silver Dollar Extension | 1938 |
| 16-1 | 1938 |
| Texas | 1938 |

The Operator obtained signed Consent to Lien agreements from the three property owners, but the principal owner, the United Idaho Mining Company, limited their Consent to Lien to the amount of $41,625. This financial limit necessitated a complete recheck of the property to determine a worth-while exploration program that would stay within these cost limits.

## History

The discovery of the Gilmore (Keane) District in the early 1880's was prompted by the large lead-silver ore deposits at the nearby Viola mine situated on the east side of the Lemhi Valley, and the ready market provided by the Nicholia (Viola) smelter. Prospecting and mining was carried on in a desultory manner for a number of years, with some ore being hauled to this smelter; however, when the Viola mine was abandoned about 1899 and the smelter dismantled, activity in the district ceased for 10 or 12 years.

In 1902, F. G. Lewis, Du Bois, Pennsylvania, and associates purchased a group of claims, the most important of which was the Pittsburgh-Idaho property. The ore mined was hauled by wagon to Dubois, Idaho, during the open season. The roads were so rough and damage to the wagons so great that haulage was discontinued in the autumn of 1906.

From the fall of 1907 until the spring of 1910, the Pittsburgh-Idaho mine was idle, awaiting the completion of the Gilmore and Pittsburg Railroad which was being built from Armstead, a station on the Montana branch of the Oregon Short Line, 90 miles south of Butte. During this period the Latest Out mine became active, the ore being hauled to Dubois. In the spring of 1909 several of the smaller properties supplied small amounts of ore to a smelter which was opened at Hahn, in the Spring Mountain District.

In 1910 the railroad was within 1½ miles of the producing mines of the district. The camp became active again and production continued until the late 1920's. The major producers during the period were: the Pittsburgh-Idaho Gold Mining Company, mining the Never Sweat, Silver Dollar, and intervening veins; Latest Out Mining Company, mining the Latest Out and Roy Lower veins; and the Allie and Gilmore mines.

About 1928 production started to decline and since then only small sporadic shipments have been made. Mining has been mostly limited to the efforts of lessees working when metal prices warranted.

Milo Zook of Leadore leased the Latest Out property in 1935 and operated it until 1947. He was probably the largest recent producer in the district. Production during this period is not known.

In recent years, Roger V. Pierce, Salt Lake City, Utah, obtained control of the principal properties and in 1931 leased part of the Gilmore claims. This is the first time the camp has ever been under unified control, and it probably ended the various property squabbles that have plagued the development of the camp.

Mr. Pierce has tried without success to induce larger mining companies into undertaking exploration of the various properties but has arranged with local men to purchase some of the ores from him. Small shipments of ores are been made from time to time. This recent production has been from stopes above the United Idaho 400 or Transportation Tunnel level.

## Production

J. B. Umpleby (Geology and ore deposits of Lemhi County, Idaho, U. S. Geol. Survey Bull. 528, 1913) made an estimate of the value of production for the Gilmore District up to August 3, 1911, to be between $2,000,000 and $2,500,000. This estimate was based on a known tonnage and an assumed metal content of 35 percent lead and 16 ounces silver per ton of ore.

Production for the district for the period 1912 through 1935, taken from the Mineral Resources of the United States and the Minerals Yearbook, indicate 265,416 tons of ore were mined containing gold, silver, copper, lead and zinc, and having an aggregate value of $9,363,560.

The above record indicates the total value of ore mined from the Texas (Gilmore) District to be between eleven and twelve million dollars.

The following table is a record of the production and value of ore mined containing gold, silver, copper, lead and zinc:

| Period | Tons | Value | Remarks |
|---|---|---|---|
| Prior to 1912 | | $ 2,000,000 to 2,500,000 | Estimate by J. B. Umpleby, USGS |
| 1912 thru 1935 | 265,416 | 9,363,560 | Year 1927 not reported for district. The production was probably considerable. Tons of ore mined and value for years 1932, 1933 and 1935 reported for county only. The production was probably small from the district. |
| Total | | $11,363,560 to $11,863,560 | |

Most of the production has come from three different properties, with the largest coming from veins within the United Idaho claims. A complete record of mining at the United Idaho (Gilmore) mine is not available. None of the three properties has been active since 1929 and production from the district after 1929 has been much smaller. This inactivity is reported to have resulted from litigation between the various property owners, low metal prices, and the high cost of rehabilitation of the mines to make the primary ore zone accessible.

## Mine Workings and Plant

Altitudes in the vicinity of the Gilmore District vary from approximately 7,000 feet at the floor of the main valley to 10,500 feet at the higher peaks. The mine workings at the United Idaho (Gilmore) mine range in altitude between about 6,800 and 7,800 feet. All the lower workings below the 400 level are flooded. The mine drainage is through the 400 level or Transportation tunnel adit to the surface at an altitude of approximately 7,400 feet.

There are 15 levels and sublevels between the Zero level at altitude 7,800 feet and the 930 (bottom) level at 6,890 feet. It has been reported that the 930 level was the only level in the primary sulfide zone of the ore deposits at the United Idaho mine.

Many of the levels in the mine are inaccessible because of water and caves. The Transportation tunnel adit (400 level) had to be rehabilitated to the intersection of the Silver Dollar vein before the DMEA work on this vein could begin. Caves and water on the 400 level make access beyond this point almost impossible. Levels immediately above the 400 level have been kept partly open by lessees.

There are numerous shafts and other interlevel openings that enable adequate natural ventilation in most of the accessible workings.

The vein is composed of soft ferruginous material between walls of dolomite and limestone which stand well. Ground support is required only when mine openings penetrate vein material, porphyry, or fault zones.

Mine surface plant facilities and buildings at the townsite appear to have deteriorated to the extent that they have very little value. The mill building is dilapidated and beyond repair and the mill equipment has been removed.

GEOLOGY

The geology in the vicinity of the Gilmore mine has been described by J. B. Umpleby in "Geology and ore deposits of Lemhi County, Idaho," U. S. Geological Survey Bulletin 526, 1913. In addition, detailed descriptions of the mine workings are contained in several memorandum reports in the docket. In Umpleby (1913), the deposits are described on pages 99 to 103, and 107 to 109, under the headings of the Pittsburgh-Idaho mine and Allie Mining Company's property, respectively. The claims comprising these two properties are essentially equivalent to the three claim groups now leased by Roger V. Pierce of Salt Lake City, Utah, and are now known as the Gilmore mine.

The Gilmore area is principally underlain by a thick series of Precambrian and Paleozoic rocks consisting of about 3,400 feet of shaly and dolomitic limestones overlying quartzite. These beds are a part of an east limb of a large anticline which strikes slightly east of north and plunges northward. Excepting local variations, the beds strike northeastward and dip moderately to the southeast. In the Gilmore area, the Paleozoic rocks have been subdivided into groups of similar composition and given names by the engineers and geologists of the area. The rocks are cut by a large number of fissures which apparently provided access for the mineralizing solutions in the district. These fissures have a northerly strike, approximately paralleling that of the bedding, and dip westerly so that in cross section the veins and beds appear approximately normal to one another. Diorite porphyry and andesite have intruded the rocks along the northerly trending fissures. Apparently the dikes in the district are younger than the veins which they cut and displace.

There are two types of veins: those following the north-trending faults and those following bedding plane slips. The fissure veins strike north and dip to the west in two distinct sets consisting of (1) flat veins dipping moderately, and (2) steep veins dipping steeply to vertical. The faults and fissures offset the beds from a few to tens of feet, whereas the bedding plane slips, at most, offset the veins only a few feet. Breccia zones are well developed along certain beds and locally contain ore deposits. In many places, however, the breccia zones are barren. The better deposits are localized along the intersections of the flat and the steep veins and also in certain bedding flexures close to the faulted veins.

Oxidation is deep and only the lowermost level of the United Idaho shaft is reported to be in unoxidized ore. The oxidized ores are characterized by cerussite with lesser amounts of calamine, smithsonite, and anglesite, accompanied by a gangue of iron and manganese oxides, quartz, and country rock. Small remnant lenses of galena, pyrite, and sphalerite are found within the oxidized zones. The tenor of the

ore that might be expected off in the district to be affected by information taken from Ingley (1947) as follows:

Average analysis of Gilmore ores

| Locality | Au oz/ton | Ag oz/ton | % Pb | % Cu | % Sb | % Fe | % Zn | % S |
|---|---|---|---|---|---|---|---|---|
| Pittsburg-Idaho | 0.031 | 15.29 | 37.04 | NA | 20.0 | 8.4 | 9.03 | 0.59 |
| Latest Out | 0.0283 | 18.09 | 34.23 | 0.34 | 23.3 | 9.23 | 5.48 | 0.86 |
| Martha gold vein | 0.515 | 0.70 | none | NA | 11.7 | 47.7 | NA | NA |

NA - No assay

Certain geologic discussions pertaining to the Gilmore area state or suggest that some of the locally named stratigraphic zones are more favorable for ore deposition than others; the "fourth blue dolomite" has in particular been singled out as a favorable ore zone. However, the consensus is that structural conditions primarily govern the position of the ore deposits and no single one rock unit, or group of rock units, appears more favorable than any other. Only two workings of the Gilmore mine are directly pertinent to the contract work; these are the Silver Dollar tunnel and the 400 level or Transportation tunnel (pl. 1). Several veins were intersected by these tunnels and drifting was done on many of them. Only one small stope was made in the Silver Dollar tunnel and that was on the Silver Dollar vein. On the Transportation level, however, numerous veins have been stoped above and below the level, and much of the ore in the district has come from these stopes. An examination of the available maps shows that most of the ore mined in the area shown on plate 1 has come from the zone explored by the Transportation level and its related workings above and below, whereas the exploration to the north typified by the Silver Dollar tunnel workings and the crosscut west from the Martha drift off the Transportation level has been relatively unsuccessful. If Government exploration in the Gilmore mine is again considered, it is apparent that the ground below the area explored by the Transportation level should receive the greatest attention. Much of the country above the Transportation level is mined more or less to the surface. The workings below the Transportation level are presently under water, but the maps available indicate that both lateral and down-dip or plunge exploration of the veins on the levels or extensions of the levels below the Transportation tunnel would stand a better than fair chance of discovering ore.

## EXPLORATION

When the application for Government aid to explore the Gilmore mine was submitted in November 1972, it was evident that the best chance to find significant reserves of ore lay in the block of ground below the Transportation tunnel, which intersects most of the known productive veins in the district. The workings below the Transportation level were under water and the cost of exploring from there would have been very high. Although most of the better veins intersected by the Transportation tunnel had been explored by drifting and in many cases had been mined, one of the strongest, the Silver Dollar, had not been explored by drifting. Since this vein was in a known productive zone, it constituted an attractive target. The cost of exploration by rehabilitation of the Transportation tunnel to the Silver Dollar intersection and a reasonable amount of drifting upon the vein was commensurate with the size of ore body that might be discovered and with the funds available to the Operator. The initial work of the contract, later referred to as Stage I, prescribed just such an approach.

The proposed work originally submitted by the Operator was divided into two projects, as follows:

Project A -- bulldozer trenching, 1,000 feet of diamond drilling, 600 feet of shaft sinking, and 700 feet of sublevel drifting and crosscutting.

Project B -- 500 feet of drifting from the Ferguson-Shields shaft, 300 feet of drifting and crosscutting in the Silver Dollar area, and rehabilitation and repair of the Transportation (400 level) tunnel. No overall cost of this proposed exploration was given.

The property was examined by EMA representatives and from their recommendations, together with those of the Washington office, a modified project was approved.

The purpose of the original project was to explore the Silver Dollar vein on the Transportation tunnel level. A contract, dated July 27, 1973, was approved and signed by the Operator. Work was to begin within 90 days and to be completed within a period of 2 years from the date of the contract. The work to be done was as follows:

Stage I

1. Rehabilitate the transportation tunnel (on the 400-foot level of the United King mine shaft), to a point west of the Silver Dollar vein, a distance of approximately 4,000 feet.

2. From the transportation tunnel at the intersection with the Silver Dollar vein, drift southerly along the vein a total of approximately 400 feet and northerly a total of approximately 200 feet.

3. From the northerly and southerly drifts described in Item 2 above, crosscut a total of approximately 400 feet.

4. On favorable vein showings disclosed by drifting and crosscutting in Item 2 and 3, drift a total of approximately 300 feet.

In the latter months of 1955, the Operator on his own account exposed a structure containing lead minerals along a zone about 80 feet long near the portal of the Silver Dollar adit. The exploration of this mineralization offered a fair chance of discovering significant quantities of ore. Amendment No. 6 designated the work from the transportation tunnel as Stage I and added Stages II and III to the contract to provide for this additional exploration.

Stage II

1. Bulldoze a shaft site on the Silver Dollar claim. Not exceeding 15 hours of bulldozing work shall be performed.

2. Erect a timber headframe.

3. Sink a shaft 60 feet on the Silver Dollar claim.

4. From the bottom of the shaft, crosscut and drift an aggregate of 200 feet.

5. Fifty feet of timbering for drifts and crosscuts.

6. Assay 15 samples for lead, gold, and silver.

Stage III

1. Rehabilitate 320 feet of the Silver Dollar tunnel adit.

2. In the Silver Dollar tunnel adit, excavate for two diamond drill stations, not to exceed 500 cubic feet.

3. Drill off [illegible] holes extending 1,500 feet from the tunnel adit to delineate the continuation of ore-bearing structure below the short bottom (Stage II).

4. Assay 10 samples for lead, gold, and silver.

The estimated costs of the project in the original contract and subsequent increases by Amendments No. 1 and 6 were $82,366, with Government participation at 50 percent or $41,183.

Work under Stage I was started in August 1933 and completed in March 1936. No receipts were granted, but several time extensions had to be authorized so that the allotted footage could be completed.

By mid-March 1934, 3,933 feet of rehabilitation of the Transportation tunnel had been completed, including drainage ditch, track repair, and 475 feet of timbering.

Project drifting on the Silver Dollar vein started in May 1934, with the north and south drifts being driven simultaneously. However, progress was slow, and it was difficult to retain miners. Later only a single heading was driven at a time.

The north drift was driven 303 feet on the Silver Dollar vein, which throughout varied from 2 to 3½ feet. The vein material consisted of iron and manganese oxides, iron-stained gouge, and stained dolomite with included limestone. Any lead mineralization encountered was sparse and not of ore grade.

A crosscut collared about 200 feet north of the Transportation tunnel adit from the north drift was advanced 155 feet. This was done to explore for an extension of the Never Sweat flat vein. Several small structures and faults were intersected with all of them striking in a northerly direction. The last 15-20 feet of the crosscut penetrated a dike and explored the hanging-wall side. When nothing was found, 44 feet of raise on an incline of 35°-40° was driven to see whether the Never Sweat flat vein was above the crosscut. No evidence of this vein was found in the raise, and work north of the Transportation tunnel was stopped.

While work in the north section was being completed, the south drift was advanced whenever the miners were available. The drift followed the vein for nearly 400 feet south and then swung easterly through a large dike. This crosscut heading was continued for approximately 180 feet toward the east where it was stopped. At about 50 feet easterly from the turn, a strong structure containing iron and manganese oxides, iron-stained gouge, and limestone was intersected. Since the structure had a northerly-southerly strike and characteristics similar to productive zones in other parts of

the mine, it was considered to be a split from the Silver Dollar vein, and drifts were driven north and south on this structure for an aggregate of 136 feet. A crosscut was driven westerly from the south drift at a point 160 feet south of the Transportation tunnel. The crosscut penetrated a dark-gray, fine-grained dolomite or limestone for its entire distance of about 65 feet. A little south a stub crosscut was driven easterly from the south drift to crosscut the dike and see if there was any significant mineralization on the footwall side.

No lead-zinc mineralization of ore grade was encountered south of the Transportation tunnel.

The contract work under Stage II, on the Silver Dollar claim, was begun in July 1956 and completed July 27, 1957, the termination date of the contract. No recesses were granted, but two time extensions had to be authorized so the allotted footage could be completed.

No evidence was ever given by the Operator of having bulldozed a shaft site so this item was deleted from the contract.

An A-type timber headframe with enough clearance to allow a truck to drive beneath the chute lip was constructed.

By August 1956 an inclined shaft had been sunk 76 feet on a slope of -46° and on a bearing of N. 88° W. The shaft is 6 by 8 feet in cross section. It is untimbered except for approximately 18 feet below the collar where rough hewn timber sets support loose ground. A skipway and ladderway is in the shaft.

A relatively flat vein, containing soft iron and manganese oxides with blebs of galena and lead carbonate in the harder material, was encountered a short distance below the collar of the shaft. The shaft below the vein is in limestone, which is stained by iron and manganese.

An adjustment had to be made in the agreed unit cost of the shaft sinking because the shaft as sunk did not meet the contract stipulations of a two-compartment timbered shaft and not less than 5 by 7 feet in cross section in the clear of timber.

A crosscut silled about 5 feet above the bottom of the inclined shaft was started in August 1956. It was driven westerly for about 10 feet from the shaft on a bearing of N. 83° W. for slusher operation. The Operator later drove the west crosscut further at his own expense; it was barren of mineralization. The crosscut east was driven for 94 feet on a bearing of S. 83° E. The Operator later drove this crosscut to a point about 130 feet east of the shaft at his own expense. A very narrow vein containing galena and lead carbonate was found near the face of this crosscut and about 12 feet of drifting was done on this mineralization by the Operator, with discouraging results.

At a point about 50 feet east a well-defined vein, striking northward, was encountered in the east crosscut. This structure, containing iron and manganese oxides, was drifted on for a distance of 96 feet on a bearing of about N. 30° E. with an average dip of 60° N., but no lead minerals were observed.

All the crosscuts and drifts are untimbered and the contract work was completed by July 27, 1957, the date for the termination of the contract. No lead mineralization of commercial grade was encountered by Stage II work.

Due to the discouraging results obtained from Stages I and II, work under Stage III was not authorized by the Government.

The contract was amended nine times.

Amendment No. 1, dated August 13, 1953, changed the component items for the rehabilitation of the Transportation tunnel of the United Idaho mine and assays from actual costs to unit costs, and the total cost of the contract was increased from $63,700 to $64,145.

Amendment No. 2, dated April 15, 1955, authorized a small amount of raising north of the Transportation tunnel, in lieu of crosscutting, for the purpose of probing for the Never Sweat Flat vein.

Amendment No. 3, dated September 14, 1955, allowed the period for completion of the contract work to be extended to 27 months (to October 27, 1955) from the date of the contract.

Amendment No. 4, dated November 25, 1955, further extended the period for completion of the contract work to December 27, 1955.

Amendment No. 5, dated March 2, 1956, further extended the period for completion of the contract work to April 27, 1956. Before this amendment was executed the Operator was requested to obtain Consents to Lien on the new form. The amendment substituted Annex III for Annex II and increased the repayment period from 10 to 11 years.

Amendment No. 6, dated June 29, 1956, allowed for additional work on the contract. The work completed under the original contract and Amendments No. 1 through 5 was designated Stage I, and the new work was designated Stages II and III. The contract amount was raised from $64,145 to $82,366. The period for completion of the contract work was extended from April 27, 1956, to March 1, 1957.

Amendment No. 7, dated August 31, 1956, provided an adjustment in the agreed unit cost for shaft sinking and made shaft timbering a separate item.

Amendment No. 8, dated February 20, 1957, further extended the period for completion of the contract work from March 1, 1957, to May 27, 1957.

Amendment No. 9, dated July 24, 1957, further extended the time for completion of the contract work from May 27, 1957, to July 27, 1957.

## Summary of Factual Data

The contract, dated July 27, 1953, was for the amount of $63,700 in which the Government participation was 50 percent. Amendment No. 1, dated August 13, 1953, increased the total amount for the contract to $64,145. Later, Amendment No. 6, dated June 29, 1956, designated the work completed to that date as Stage I and added Stages II and III, increasing the total amount of the contract to $82,366.

Under the original contract the component items for the rehabilitation of the Transportation tunnel of the United Idaho mine, and assays were on an actual cost basis. Under Amendment No. 1 the above items were changed so every item of work under the contract was on an agreed unit cost basis.

The allowable costs of the project were:

Stage I

| | Authorized | Completed | Unit cost | Total cost |
|---|---|---|---|---|
| Cleaning drainage ditch, replacing ties, bringing track to grade, and enlarging tunnel | 4,000 ft. | 3,935 ft. | $ 1.60 | $ 6,296.00 |
| Retimbering | 600 ft. | 475 ft. | 8.80 | 4,180.00 |
| Cribbing | 500 cu.ft. | 500 cu.ft. | 0.17 | 85.00 |
| Drifting, crosscutting, and raising | 1,300 ft. | 1,300 ft. | 37.00 | 48,100.00 |
| Assays | 150 ea. | 2 ea. | 4.00 | 8.00 |
| Total cost - Stage I | | | | $58,669.00 |

Stage II

| | | | | |
|---|---|---|---|---|
| Bulldozing shaft site | 15 hrs. | none | $ 12.00 | none |
| Erect timber headframe | Job | Job | 270.00 | $ 270.00 |
| Shaft sinking (untimbered) | 60 ft. | 60 ft. | 78.50 | 4,710.00 |
| Timber shaft | 60 ft. | none | 15.50 | none |
| Drift and crosscut | 200 ft. | 200 ft. | 30.00 | 6,000.00 |
| Timber drifts and crosscuts | 50 ft. | none | 5.00 | none |
| Assays | 15 ea. | 9 ea. | 3.00 | 27.00 |
| Total cost - Stage II | | | | $11,007.00 |
| Total cost - Stages I and II | | | | $69,676.00 |

Stage III work was not authorized, and no work was done under this stage.

| | |
|---|---|
| Total amount of contract | $82,366.00 |
| Government participation at 50 percent | 41,183.00 |
| Total amount expended | $69,676.00 |
| Government's participation | 34,838.00 |
| Total amount unexpended | $12,690.00 |
| Government's share unexpended | 6,345.00 |
| Net value of production during contract period | $10,773.95 |
| Royalty payments received | $ 538.80 |

Mine production subject to Government royalty within the time period for the contract was 187.414 tons. The ore was shipped to the U. S. Smelting, Refining and Mining Company smelter at Salt Lake City.

The Government retained no equity in operating materials, supplies, or equipment used at the project. The Operator furnished the above items.

## Discussion of Conclusions

The work was performed satisfactorily. No unusual operating difficulties were encountered during the exploration project. Drifts and crosscuts were driven with very little support and needed no drainage or ventilation other than the air that flowed naturally through the workings.

Dissatisfaction among the miners adversely affected the progress of the exploration program for only two men were working at the mine during most of the life of the project. Closer supervision by the Operator and the use of better mining equipment would have helped progress on the exploration program appreciably.

No lead-zinc mineralization of ore grade was encountered in any of the exploration headings. No Certification of Discovery or Development is recommended.

## Future Exploration

Upon completion of the work authorized in the contract the Operator requested an amendment to provide for 1,100 feet of drifting north from the Transportation tunnel on the "west vertical" vein and 500 feet of crosscutting from this drift to explore the East flat and East vertical veins and other veins at an estimated total cost of $68,200.

These named veins have been among the most productive in the camp, but most of the production came from the area south of the Transportation tunnel. Although the area north of the tunnel has not been extensively explored, the project just completed did test the Silver Dollar vein north of the Transportation tunnel. More important, a lateral from the Martha 300 level, at the same altitude as the Transportation tunnel,crosscut the very area it is proposed to explore. Moreover, the Silver Dollar tunnel also crosscuts the area it is proposed to explore although at an elevation about 300 feet above the Transportation tunnel level. Several veins were cut in the Silver Dollar tunnel but only in one place is there a small stope. The Martha level is inaccessible, but as the mine maps show no stoping it is reasonable to presume that no ore was found and that none of the veins were worth drifting on. Therefore, approval of this proposal could not be recommended.

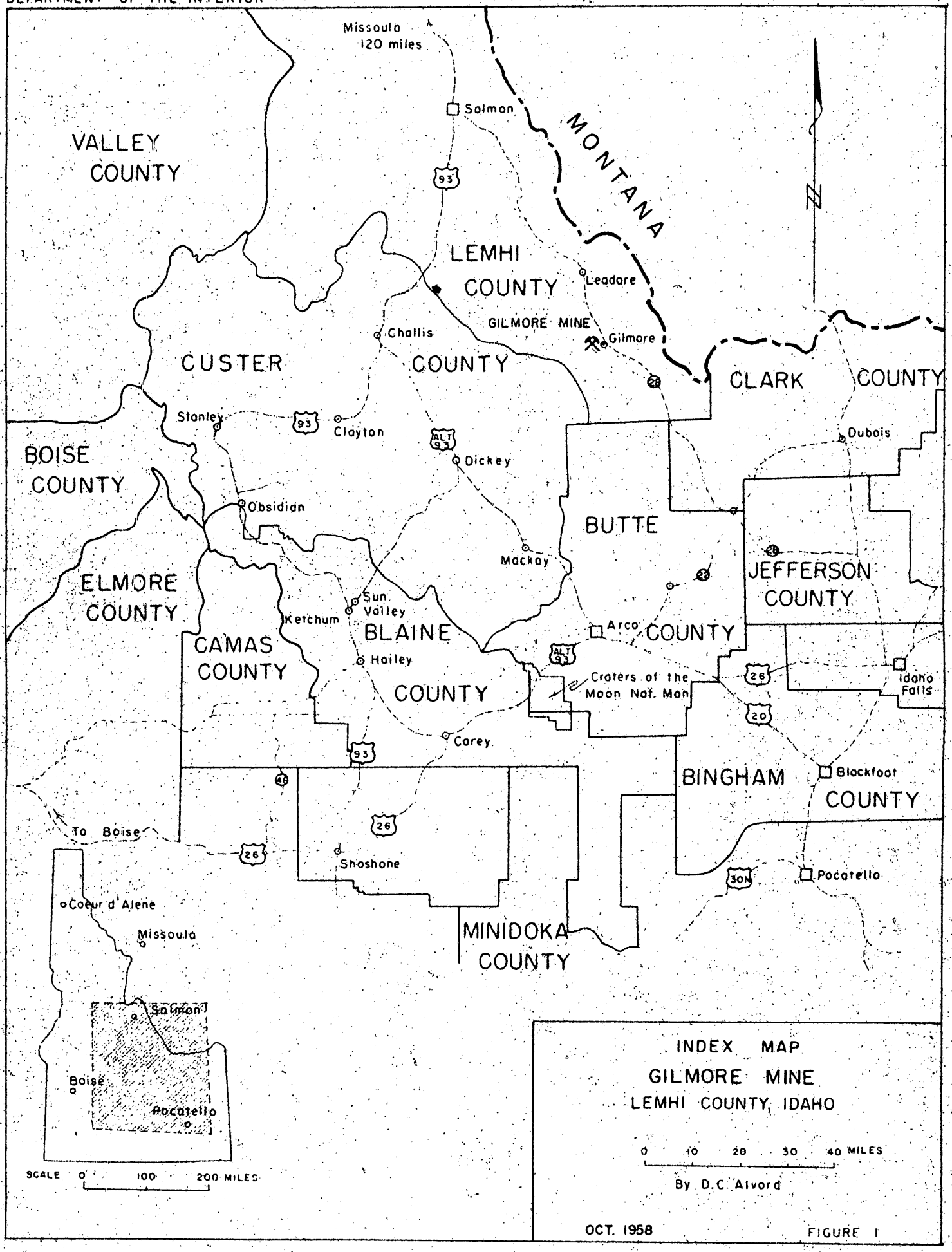
Production from the area south of the Transportation tunnel has come almost entirely from the oxidized zone. The block below the level, particularly in the primary zone, is an excellent area for future exploration. Preliminary rehabilitation and other work necessary to reach this target area will be very costly. However, should an operator with sufficient funds to meet his share of the cost present a well-thought-out proposal to explore in this area, his application would be worthy of serious consideration.

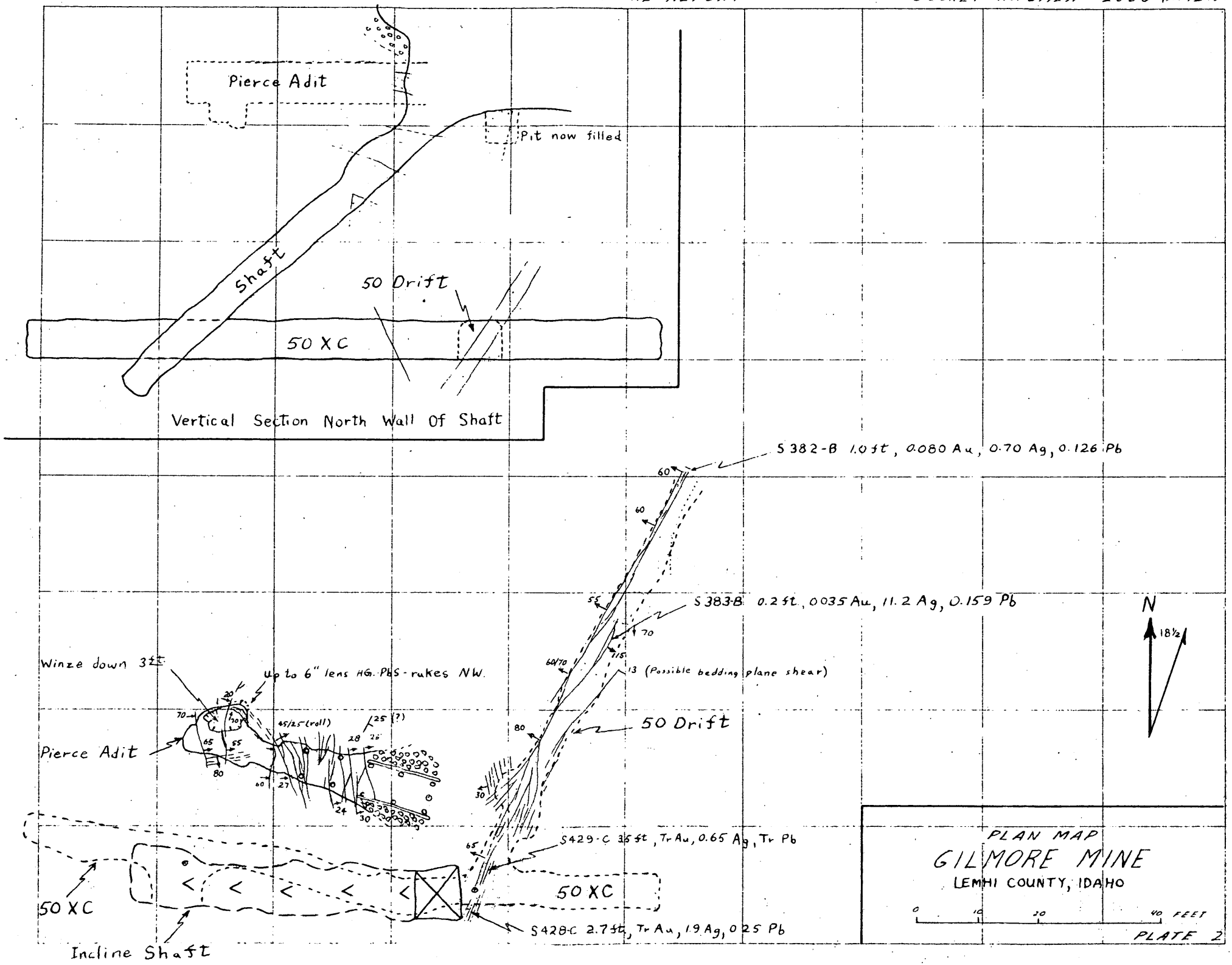
Enclosures
Distribution:
DMEA(3)
USBM(5)
USGS(SRO)
Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
FINAL REPORT

Docket No. DMEA 2868






"ALBANENE" NO. 1988M KAECO., N.Y. REG. U.S. PAT. OFF.

J. A. Gendron Co., Spokane

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Maps for
Field Team
Final Report
September 1958 —

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

October 30, 1958

Re: DMEA 2868; Contract Idm E574
Roger V. Pierce
Gilmore Mine, Lemhi County, Idaho
Lead-Zinc

Memorandum

To: W. R. Griswold, OME

From: O. M. Bishop, USBM

Subject: Review of final report by Wm. M. Romischer (USBM) and D. C. Alvord (USGS), dated October 1958

The project was designed to test the Silver Dollar vein and extension of the Never Sweat vein on the 400-foot level. Work done consisted of rehabilitating 3,935 feet of the Transportation tunnel, and driving of 1,300 feet of crosscuts, drifts, and raise. No evidence was found of the Never Sweat vein and development on the Silver Dollar vein revealed it to be both narrow and essentially barren. The second stage work consisted of sinking an inclined shaft 76 feet with 200 feet of crosscutting and drifting from the bottom. Two narrow veins were explored from the shaft, but results were disappointing and the project was terminated.

The examining team recommends that no certification of discovery be made, and states that additional work is not justified unless new targets are outlined.

I concur in their conclusion and recommendation on the basis of the evidence presented.

O. M. Bishop

O. M. Bishop

Copy to Division of Minerals
Branch of Base Metals (2)
Thor Kiilsgaard
F. D. Lamb
FILES

DMEA Form 7
(12-56)

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| Date | Surname | Code |
|---|---|---|
| 6/4 | Klugescheid | 500 |
| | Johnson | 500 |
| 6-5 | Chambers | 800 |
| 6/5 | Schwabe | 120 |
| " | Johnson | 110 |
| " | Mittendorf | 100 |
| | | 220 |
| | | 500 |
| | | |

JUN 6 1958

Mr. Roger V. Pierce, President
United Idaho Mining Company
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

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

This correspondence relates to the Consent to Lien signed by you on February 27, 1956.

Sincerely yours,

C. O. Mittendorf

Administrator

WPKlugescheid/er 6/4/58

Enclosure

Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Nilsgaard, USGS
Mr. Chambers
Region 1 (2)
Chron.

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DMEA Form 7
(12-56)

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| " | Mittendorf | 100 |
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JUN 6 1958

Mr. Earl D. Smith, President
Delaware-Idaho Gold Mining Company
Smith Brothers Company
Ridgway, Pennsylvania

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Smith:

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

This correspondence relates to the Consent to Lien signed by you on March 29, 1956.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

WPKlugescheid/er 6/4/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region I (2)
Mr. Chambers
Chron.

8623

DMEA Form 7
(12-56)

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JUN 5 1958

Mr. E. J. Tucker, Receiver
Gilmore Mercantile Company, Limited
Gilmore, Idaho

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Tucker:

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

This correspondence relates to the Consent to Lien signed by you on February 27, 1956.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

WPKlugescheid/er 6/4/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region I (2)
Mr. Chambers
Chron.

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ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

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RECEIVED MAY 24 1958

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May 20, 1958

Mr. C. Mittendorf, Administrator
U. S. Department of the Interior
Defense Minerals Exploration Adm.
Washington 25, D.C.

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Mittendorf:

I am in receipt of your letter of May 12 advising that further work in Gilmore is not justified under the present interpretation of DMEA.

With the decision to do no further work in the district, does this mean, then, inasmuch as no discovery was made, that all liens or royalties are cancelled?

Thanking you for your advice and with kindest regards,

Yours very truly,

Roger Pierce

Roger V. Pierce

RVP eb
cc: Mr. A. E. Weissenborn

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MAY 12 1958

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

Your application for additional work with Government assistance for the cited project and other data available to us in Washington relating to the above-named property have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of all our information, (including the data recently submitted) indicates to us that the probability of disclosing significant ore reserves by your proposed program is not sufficiently promising to justify further Government participation. We regret to advise you, under these circumstances, that your application for additional work is denied.

We wish to thank you for your interest in the Defense Mineral Program.

Sincerely yours,

C. O. Mittendorf

Administrator

WPKlugescheid/er 5/9/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region I (2)
Chron.

8623

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

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May 6, 1958

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

Our letter of May 1, 1957 on the subject application for more work passed your letter of referral dated April 28, 1958.

We note that the two members of the commodity group reached conclusions essentially the same as ours.

Sincerely yours,

A. E. Weissenborn

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

cc: USBM (2)
USBM (AD)
Alvord

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 5 1958
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May 1, 1958

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Application for more work
Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

We have received from Mr. Pierce, with a copy of his March 25 letter to Mr. Griswold, various plans and sections of the Gilmore mine. This gives us a much better basis for appraising the application proposal although it does not give us as much detail on certain aspects of the geology and ore occurrence as we might wish. This is, however, all the information we are likely to obtain from the applicant. Further field study would add very little to what we already know of the property.

The total production of the Gilmore district, chiefly from the United Idaho and the Latest Out mines, is probably somewhere between 11 and 12 million dollars. These mines apparently were quite profitable and the discovery of ore bodies similar to those that have been mined in the past would unquestionably be worth-while. The veins that it is intended to explore are veins that have been among the most productive in the camp. On the other hand, two DMEA projects at the Gilmore mine have been completely unsuccessful. One of these explored the Silver Dollar vein north of the Transportation tunnel almost in the very area it is now proposed to explore. The other tested at shallow depth a surface showing near the portal of the Silver Dollar tunnel. The proposed exploration would test the area between the Transportation tunnel and the Silver Dollar tunnel. The work would be done from the Transportation tunnel about 300 feet below the Silver Dollar tunnel.

Examination of the mine maps show that the Silver Dollar tunnel and a working from the Martha 300 level, at the same level as the Transportation tunnel, both crosscut the area to be tested. Several veins were cut in the Silver Dollar tunnel but only in one place is there one small stope. The Martha 300 level is inaccessible and there is no record of what was found. The presumption is probably correct that if any ore were found there would have to be some stoping but apparently none of the veins cut were even worth drifting on.

Apart from these two workings the area north of the Transportation tunnel is very little explored except along the Martha vein where there is one stope. The stoping in United Idaho ground has been essentially south of the Transportation tunnel. None of the veins in this area is productive where intercepted by the Transportation tunnel. The composite stope map shows this clearly and suggests that there were several centers of mineralization, of which the United Idaho was the most important. The various centers of mineralization are separated by essentially nonproductive ground.

It cannot be denied that the area between the Transportation tunnel and the Silver Dollar tunnel has been but little explored and that there is room for undiscovered ore bodies. However, neither the Silver Dollar tunnel, the Martha 300 level crosscut, nor the work done in either of the two previous DMEA projects has given any indication of their presence. The chance of making an important discovery in the area it is proposed to explore, therefore, seems remote, although certainly not hopeless. In view of these circumstances, the Field Team is unwilling to recommend further work at this time.

By Field Team, Region I

A. E. Weissenborn

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

Wing G. Agnew

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

cc: USBM (2)
USBM (AD)
Alvord

DMEA Form 7
(12-56)

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APR 28 1958

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Weissenborn:

The cited application for additional exploration assistance is being referred to your office for consideration, and recommendations.

The data furnished with the application was very sparse and the additional information which you suggested was requested and, after some delay, received. The reasons advanced for further exploration are merely reiterations of those given for the original DMEA work. The previous work certainly has not borne fruit, and we fail to see where there is any merit in the present proposal.

We would particularly like to call your attention to copies of the memoranda, dated November 29, 1957, and April 11, 1958, by N. E. Nelson, Geological Survey, and the memoranda, dated December 20, 1957, and April 16, 1958, by J. M. Bishop, Bureau of Mines, respectively, relating to the project, which are enclosed for your information.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Enclosures
APPROVED:

JAMES PAONE (JP)
Member, Bureau of Mines

Thor H. Kiilsgaard (THK)
Member, Geological Survey

WPKlugescheid/er 4/25/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
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APR 28 1958

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

We have your letter of March 25, 1958 and have received the information mentioned therein. Your application is now being referred to:

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

If the Field Team should require any further information concerning your application, they will contact you at an early date.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

WPKlugescheid/er 4/28/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region I (2)
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Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

Your application for additional work with Government assistance on the cited property has been reviewed by the Division of Base Metals of the Defense Minerals Exploration Administration and has been referred to:

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

If the Field Team requires additional information concerning your application, they will contact you at an early date.

Sincerely yours,

Administrator

WPKLugescheid/er 4/25/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region I (2)
Chron.

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

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April 16, 1958

Re: Docket DMEA 2868; Lead-Zinc
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract # Idm-E574

Memorandum

To: W. R. Griswold, DMEA

From: O. M. Bishop, USBM

Subject: Review of additional maps and sections submitted by applicant in support of his request for extension of authorized work under reference contract.

The applicant has proposed an additional project to locate and explore the extension of the vein system south of the Silver Dollar adit and north of the Transportation tunnel.

Though review of the newly submitted maps increases the sharpness of the presentation it adds little to support further work in the area.

I reaffirm the statements made in my memorandum to you dated December 20, 1957 and recommend the extension be denied:

(1) Though the area has not been fully explored, all information to date supports the belief that it has been explored to an economic limit.

(2) Even optimum assumptions of grade, width, and persistance leave doubt as to the economic advisability of the project.

O. M. Bishop

O. M. Bishop

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IN REPLY REFER TO:

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

April 11, 1958
Re: DMEA 2868 Idm-E574
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
$68,200 - Lead-Zinc

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Comment on supplementary information requested by Division Chief

The information consisting essentially of longitudinal and cross sections is very helpful in that they show the habits of the ore shoots, and the relative vertical positions of the many workings, points not too readily noted from plans and occasional blurred cross sections.

The information is furnished in support of an application for assistance in searching for the Silver Dollar and other veins north of the Transportation crosscut. The crosscut is probably the only opening giving access to the innards of the 16 to 1, Texas and Never Sweat sections of the mine, it having been rehabilitated early in the DMEA assisted work on which, as of September 1, 1957, $66,182.00 had been expended with quite unfavorable results.

As the plans and sections show the productive ore shoots of the Gilmore mine occur on two sides of a 1000 x 1000 square. The main mine, with the 16 to 1 Texas and Never Sweat ore shoots, and the small Martha mine occupy the south side of the somewhat lopsided square, the Roy Lauer and Latest/Out mines the western side. No ore of consequence has been found in the hollow of the square and the proposed work would further prospect that area.

The only workings in the "hollow" are those of the Silver Dollar and Never Sweat mines and a long crosscut on the 300 level of the Martha mine. The crosscut is about the same level as the Transportation Tunnel if one of the longitudinal sections is correct and the proposed drift on the West Vertical vein would pass or possibly intersect the crosscut.

If the Crossection on 3800 Coordinate is correct, the 300 level of the Martha mine is 160 feet above the Transportation Tunnel level. The sections do not agree. The proposed crosscuts from the drift at the 500 foot point would parallel the Martha crosscut at a distance of 50 to 75 feet, thus duplicating the old work which, by inference, gave no encouragement.

The probable reason for the localization of the known ore shoots on the 2 sides of the square is not apparent and curiosity concerning the interior of the square is natural. Numerous dead end drifts on the veins of the main mine on all levels from the near the surface to the 950 indicates there is a distinct cutoff of the ore bearing portions of the veins. The veins make in several carbonate rock strata as, from bottom to top, Third Dolomite, Upper White Dolomite, Shaly Thin Bedded Series, Fourth Blue Dolomite, Variegated Series, Fifth Blue Dolomite, Zero White Limestone and Sixth Blue Dolomite.

The proposed drift would start in the Variegated Series and pass into and continue in the Fourth Blue Dolomite, perhaps in general a less favorable rock than the strata above it. Several of what appear to have been good ore shoots in the Main mine are in the Fourth Blue Dolomite, but the Latest Out, Roy Lauer and Never Sweat ore shoots appear to have contracted as that rock is entered. The Silver Dollar vein where followed for 680 feet north and south of the Transportation Tunnel is in the Fourth Blue Dolomite. No ore was found in that distance.

All told, the outlook is not promising. What were, I presume, preferred bets turned out to be duds. I recommend that the application be denied.

N. E. Nelson

N. E. Nelson

DMEA
28 1958
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ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

March 25, 1958

United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D.C.

Attention: Mr. W. R. Griswold, Director, Division of Base Metals

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Gentlemen:

In your letter of January 13, 1958, you requested as follows:

> "We will require 4 copies of longitudinal sections and cross sections of the productive areas of the various veins that would show what beds are the favorable hosts for ore deposition and the limits of the stoped areas, as given by stope maps. A geologic plan and sections of the area to be explored in order to show that the proposed work will be at a favorable horizon. If possible, supply production figures for the mine."

We, today, are mailing to you under separate insured mail three sets of the following:

1. Projections of ore bodies to a vertical plane - 1"-200'
2. Composite plan of workings - 1"-200'
3. Cross section on 3800 N. coordinate - 1"-100'
4. Plan 400 Level (East sheet) 1"-50'
5. Cross section 2800 N. coordinate - 1"-50'

Are in envelope with the application for extension of work.

We are also mailing one set of the above attention of Mr. Weissenborn in Spokane.

Your one other question concerns production of the camp, and this figure is somewhere in the vicinity of 13 or 14 million dollars.

The high percentage of this came from the five productive veins of the United Idaho mine, and it is our feeling that the project calling for drifts anywhere in this area could possibly locate additional ore occurrences.

Thank you for your consideration.

Yours very truly,

Roger V. Pierce

Roger V. Pierce

RVP eb
cc: Mr. A. E. Weissenborn

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

January 29, 1958

United States Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D.C.

Attention: Mr. W. R. Griswold, Director, Division of Base Metals

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Gentlemen:

Thank you for your letter of January 13 concerning additional information required on my application.

The Geological Engineer who has handled all of this work for me is out on a field job for about two weeks. As soon as he returns, the information will be prepared and forwarded to you.

Yours very truly,

Roger Pierce

Roger V. Pierce

RVP eb
cc: Mr. A. E. Weissenborn

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JAN 13 1958

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (~~Lead-Zinc~~)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

We have received your application for additional work with Government assistance on the cited property. Before we can proceed with your application, you should provide us with certain additional information.

We will require 4 copies of longitudinal sections and cross sections of the productive areas of the various veins that would show what beds are the favorable hosts for ore deposition and the limits of the stoped areas, as given by stope maps. A geologic plan and sections of the area to be explored in order to show that the proposed work will be at a favorable horizon. If possible, supply production figures for the mine.

Kindly forward one set of the information to:

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

The remaining three copies of the data should be forwarded directly to us in Washington.

We will hold your application for additional work in abeyance until we hear from you.

WPKlugesdeid/er 1/13/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region I (2)
Chron.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Director
Division of Base Metals

8623

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

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January 8, 1958

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Application for more work
Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

On November 22, 1957, we forwarded three copies of an application for additional work at the Gilmore mine, Lemhi County, Idaho, together with three copies of a letter dated November 19, 1957 from Roger V. Pierce, the Operator.

Mr. Pierce called us on the telephone to ask what progress was being made on his application. We told him that we had sent it in but had not yet received a referral.

Before this application is referred to the field, we recommend that Mr. Pierce should be asked to furnish additional information such as longitudinal and cross sections of the productive areas of various veins that would show what beds are the favorable hosts for ore deposition and limits of stoped areas; a geologic plan and sections of the area to be explored in order to show that the proposed work will be at a favorable horizon as well as in a favorable zone; and production figures for the mine.

By Field Team, Region I

A. E. Weissenborn by [illegible]
A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

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

cc: USBM (2)
USBM (AD)
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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

December 20, 1957

Re: DMEA 2868; Lead-Zinc;
Roger V. Pierce
Gilmore County, Idaho
Contract No. Idm-E574

Memorandum

To: W. R. Griswold, DMEA

From: O. M. Bishop, USBM

Subject: Review of request by Roger V. Pierce dated November 19, 1957 to extend authorized work on above referred contract; request received November 25 by DMEA, Washington.

The applicant requests DMEA assistance to continue exploration work. The proposal consists of 1100 feet of drifting northward on the West Vertical vein to the latitude of the Silver Dollar adit and crosscutting a total of 500 feet to intersect the northward projection of several veins supposedly sub-parallel to the West Vertical vein. Total estimated cost is $68,200.

There is insufficient information submitted with the application to properly evaluate the project. Comments which may be of value to the field team follow:

(1) The supporting premise for the project is that the productive zone of the United Idaho mine has never been fully explored north of the Transportation tunnel. Yet, maps indicate the Silver Dollar adit and the Martha Gulch adit were driven westward across the entire zone. Because no drifting was done north or south into the adits' walls it is assumed the results were discouraging. The recently completed drifting and crosscutting on the Silver Dollar vein does not encourage further northward-directed exploration. The vein at the breast where drifting is to begin is extremely narrow and contains some manganese and iron oxides as its only mineralizers. Though the area has not been fully explored, the above information suggests that it may have been explored to its economic limit.

(2) The only included map is a plan of the Transportation tunnel level. Maps and sections of other levels and stopes are needed to show the spatial relations inferred in the report but not demonstrated.

(3) Even optimum assumptions of grade, width, and persistance leave doubt as to the economic advisability of the project.

(4) The results of work completed recently under DMEA contract can possibly be used as a yardstick for judging the productivity of the Gilmore mine vein system.

(5) The data submitted do not appear to justify the exploration proposed.

I recommend a critical examination by the field team.

O. M. Bishop

O. M. Bishop

cc: Division of Minerals
Mr. Kiilsgaard
Mr. Lamb
Mr. Callaway
Mr. Bishop
F I L E S

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IN REPLY REFER TO:

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

November 29, 1957
Re: DMEA 2868, Idm-E574
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
$68,200 - Lead-zinc

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application for an amendment.

The operator now requests assistance in searching for the Silver Dollar vein far to the north of the main crosscut on the 400 (Transportation) level of the mine.

Besides considerable old work on the vein in the Silver Dollar and Martha adits, the applicant explored the supposed projection of the Silver Dollar vein for about 300 feet north and 400 feet south of the Transportation crosscut. No ore was found and the structure does not invite further work to the north or to the south of the crosscut. The operator, therefore, proposes to drift northward on the West Vertical vein and from it crosscut to the possible downward extension of the Silver Dollar vein and the northerly extensions of other veins. Presumedly the drift would start where the West Vertical vein is cut in the Transportation crosscut. It is shown as 2 to 8 inches wide and consists of iron and manganese oxide.

About August of this year, the operator completed work under an amendment on a so-called vein found while bulldozing near the portal of the Silver Dollar adit. As first exposed, it appeared to have promise and a 50-foot incline shaft was sunk in the vicinity of the original exposure. Nothing comparable was found in the shaft or 256 feet of crosscutting and drifting at the 50-foot level. Further approved work on the structure, Stage III, is not recommended by the examiners.

As of September 1, 1957, $66,182.00 had been spent on the 400 level and shaft projects. For causes not apparent, the veins of the United Idaho mine seem to have been noticably unproductive at the elevation of and north of the Transportation crosscut. In their examination report of May 4, 1956, the examiners recommend: "If the results of the exploration permitted (indicate?) developing the occurrence from the Transportation level, it is recommended the

applicant do this work without the aid of a DMEA project." 'The occurrence' referred to is the vein at the portal of the Silver Dollar adit. The results of the work there and on the Silver Dollar vein on the 400 (Transportation) level do not indicate the work proposed is warranted.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

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

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November 22, 1957

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Application for more work
Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

APPLICATION FOR ADDITIONAL WORK

Dear Mr. Selfridge:

Enclosed are three copies of an application for additional work at the Gilmore mine, Lemhi County, Idaho, together with three copies of a letter dated November 19, 1957 from Roger V. Pierce, the Operator.

We feel that the Operator should furnish additional information such as longitudinal and cross sections of the productive areas of various veins that would show what beds are the favorable hosts for ore deposition and limits of stoped areas; a geologic plan and sections of the area to be explored in order to show that the proposed work will be at a favorable horizon as well as in a favorable zone; and production figures for the mine.

By Field Team, Region I

A. E. Weissenborn

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

Thomas E Howard
for Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosures

cc: USBM (2)
USBM (AD)
Alvord

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ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

November 19, 1957

U. S. Department of the Interior
Defense Minerals Exploration Adm.
No. 157 Howard Street
Spokane 4, Washington

Attention: Mr. A. L. Weissenborn, Exec. Officer, U. S. Geological Survey

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-5574

Gentlemen:

We have made additional appraisals of the work carried out through the exploration program in which you participated at Gilmore and believe that the main productive vein area in the United Idaho claims should be explored to the north of the transportation tunnel.

This project, as outlined by Mr. Mercer Thompson, geologist for Anaconda Company, meets with the approval of our group, and we apply to your organization for assistance in carrying this project forward.

We wish to drive 1100 feet north from the transportation tunnel on the west vertical vein.

At a distance of 500 feet and again at 1100 feet from the transportation tunnel, we propose to crosscut the East flat and East vertical veins. This will require 1100 feet of 5' x 7' drifting and approximately 550' of 5' x 7' crosscutting.

We estimate our costs now for driving this drift and the crosscuts at $41.00 per foot untimbered and $45.00 per foot timbered. On this basis:

| | | |
|---|---|---|
| 1100' @ $41.00 | | $45,100.00 |
| 550' @ 41.00 | | 22,550.00 |
| the project would cost | | 67,650.00 |
| plus assays | | 150.00 |
| | | 67,800.00 |
| timbering | | 400.00 |
| | Total | $68,200.00 |

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Our request is for 50% assistance on this on the unit basis simple type contract that would amount to Government participation of either $20.50 per foot untimbered or $22.50 per foot timbered.

We are ready to commence work on a project that we feel warrants this expenditure and are most hopeful you will give us the clearance on the needed assistance.

Thanking you for your understanding consideration, I am

Yours very truly,

Roger V. Pierce

RVP eb
Enc.

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Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Note

Map accompanying this report will be found in envelope, containing maps of the Operator's Final Report.

RECEIVED NOV 25 1957
DATE

Recommendations for Additional
Development Work in the United Idaho Mine
Gilmore, Idaho
November, 1957

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U. S. G. S.
SPOKANE, WASH.

LOCATION

The Gilmore district is in eastern Idaho, approximately 100 miles northwest of Idaho Falls. It is in Sections 17 and 18, T 13 N, R 27 E, and is reached by driving northwesterly from Idaho Falls over paved highways No. 91 and No. 28, 100 miles; thence westerly 1.7 miles over a graveled road to the old townsite of Gilmore. The portal of the Silver Dollar tunnel is located 800 feet northeast of the collar of the United Idaho inclined shaft.

GENERAL

The total production from the Gilmore district is not known to the writer, but incomplete records indicate that the value of the ore produced lies between $11,000,000 and $12,000,000. By far, the largest part of this has come from the workings of the United Idaho mine. The Latest Out mine is the second largest producer with only a very small production from the remaining properties.

Gilmore is located on the eastern flank of the rugged, northwesterly trending Lemhi range of mountains at an elevation of approximately 7,250 feet. The region is semi-arid and the snowfall is not heavy.

Plenty of water for milling and mining purposes is available at the portal of the transportation tunnel.

Timber is available on the property, or may be purchased from one of several saw mills in the area.

The nearest railhead is at Roberts, Idaho, a distance of approximately 82 miles. Total trucking and freight costs to Salt Lake City smelters is about $9.50 per ton, varying somewhat with the value of the ore.

GEOLOGY

The area is underlain by a thick series of Paleozoic dolomites and limestones which in turn overlie massive Cambrian quartzite. The sedimentary beds strike northerly and dip easterly at an angle of approximately 35 degrees. In parts of the transportation tunnel, the beds are flat or dip slightly westward.

The sediments have been cut by a large number of fissures which have a northerly strike parallel to that of the limestone and dip westerly so that in cross section the veins are nearly at right angles to the beds.

Several diorite porphyry and andesite dikes have intruded the sediments. The dikes parallel the veins both in strike and in dip, and they probably occupy fractures formed by the same forces which created the fractures that are now the veins of the district.

According to the geologic mapping of the mines done by R. T. Walker when the mines were open and operating, the dikes are later than the ore since they cut and displace the veins.

A series of flat faults, which are roughly parallel to the strike and dip of the beds, displace the beds, veins and porphyry dikes.

The veins, where now exposed in the transportation tunnel, consist of limonite, hematite, specularite and residual kernels of galena. Silver is present in a proportion of one ounce to 2% of lead. No silver minerals were recognized.

Stope maps prepared by engineers and geologists of the United States Smelting, Refining and Mining Company during former operations show

continuous stoping for a distance of 350 feet along the strike of the West Vertical vein between the 600 and 700 levels. Other maps indicate that the vein has been stoped from just above the 800 level to the surface. The West Vertical has been one of the most productive veins in the United Idaho mine, and an inspection of the accompanying map shows that if projected northward and upward to the elevation of the Silver Dollar tunnel, the vein lies near the portal of the tunnel.

An inspection of the cross sections and old stope maps indicates that the East Flat vein was also one of the principal producers in the United Idaho mine. If this vein is projected northward it also will lie east of, and near the portal of the Silver Dollar tunnel.

A third vein of less importance from a production standpoint is the East Vertical vein. Its projected position also falls close to the portal of the Silver Dollar tunnel.

RECENT DEVELOPMENT WORK

Recent work near the portal of the Silver Dollar adit has exposed a highly mineralized zone. The zone has been partly explored by an open cut and a shallow shaft with a crosscut and drift from the bottom of the shaft. Although only small quantities of shipping ore have been found, the extensive mineralization justifies further exploration work. This could be done by any one of three methods: 1) continued shaft sinking; 2) by driving a new adit from a point lower in elevation and east of the present workings; or 3) by drifting northward on one of the productive veins in the United Idaho mine.

It is proposed that the exploration work be done by drifting northward on the West Vertical vein and crosscutting the entire mineralized zone of the United Idaho mine at suitable intervals.

The purpose is two-fold in that the work would explore the productive zone of the United Idaho mine north of the Transportation tunnel as well as the downward extension of the mineralized zone exposed near the portal of the Silver Dollar adit. The Transportation tunnel is about 300 feet lower in elevation than the Silver Dollar adit.

It is also suggested that "long hole" drilling be used to further explore the areas between crosscuts while driving northward on the West Vertical vein.

At a point approximately 1000 feet north of the Transportation tunnel, or nearly under the Silver Dollar adit, a crosscut eastward 300 feet long would cut the projection of the mineralization exposed by the work done recently near the portal of the Silver Dollar adit.

The only exploration work north of the Transportation tunnel on the 400 level is a crosscut driven from the Martha 300 level. The crosscut is inaccessible and appears to have been driven many years ago before the U. S. Smelting and Refining Company operated the property. No information is available on this crosscut, but assuming negative results this one opening across the strike of the United Idaho zone does not eliminate the area as an exploration objective, particularly that portion of the area beneath the strongly mineralized zone east of the portal of the Silver Dollar adit.

CONCLUSION

The productive zone of the United Idaho mine has never been fully explored on the 400 level north of the Transportation tunnel. This can be done by drifting northward on the West Vertical vein and driving crosscuts across the zone at suitable intervals. With some additional work the strongly mineralized zone exposed near the portal of the Silver Dollar adit can also be explored at this elevation.

The detail of the work can best be planned as additional information is gained by the exploration work.

Respectfully submitted,

Mercer F. Thompson

Mercer F. Thompson

No. 157 Howard Street
Spokane 4, Washington

November 8, 1957

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| 11/15 11/12 | [illegible] | 500 |

Mr. Roger V. Pierce
1003 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

Enclosed is a copy of Report of Review dated October 21, 1957, for the period of July 27, 1953, to July 27, 1957, by C. A. Turner, DMEA Auditor, covering this contract.

This is for your information and files.

Sincerely yours,

E. R. MacLaren
For: Wing G. Agnew
Acting Executive Officer, DMEA
Field Team, Region I

Enclosure

cc: DMEA(3)
[illegible](2)
[illegible](A[illegible])
Turner

11/4 gb 220
11/4 dw 800
11/5 alb 500

1201 N. Division St.
Spokane 2, Washington

October 30, 1957

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

Re: Docket No. DMEA-2868 (lead-zinc)
Roger V. Pierce
Lemhi County, Idaho
Contract No. Idu-E574 (Amended)

Dear Mrs. Long:

The work completed under the contract was done to the satisfaction of the Government. A final report evaluating the results of the exploration program has been presented by the Operator and accepted by the Executive Officer.

The Government has no interest in supplies or equipment purchased for use on the project.

Certification of Discovery will not be recommended.

A final Report of Review dated October 21, 1957 by DMEA Auditor C. A. Turner has been received.

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

Sincerely yours,

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

cc: DMEA (2)
USGS (2)

Form 7
-56)

OFFICIAL FILE COPY

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| 10/25 | gb | 220 |
| 10/28 10/28 | Jva | 500 |
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OCT 25 1957

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

Re: Report of Review
Roger V. Pierce
Contract Idm-E574
Docket No. DMFA-2868

Dear Mr. Turner:

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

The report is accepted and normal distribution is authorized.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

EDTalbert/wb
October 25, 1957

Copy to: Docket
Admr. Reading File
Mr. Chambers

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1201 N. Division St.
Spokane 2, Washington

October 21, 1957

Mr. C. A. Turner
DMEA Auditor, Region I
1201 N. Division Street
Spokane 2, Washington

Re: Docket No. DMEA-2868 (lead-zinc)
Roger V. Pierce
Lemhi County, Idaho
Contract No. Idm-E574 (Amended)

Dear Mr. Turner:

The project work under Stage II of the referenced contract was completed as of July 27, 1957, the termination date of the contract. Stage III work was not authorized. All work performed was completed to the satisfaction of the Government.

A final inspection report on the work completed under Stage I was submitted by A. L. Service on April 24, 1956. The work completed under Stage II was reported on by William M. Romischer on August 14, 1957.

Work units completed within the terms of the contract are:

Stage I

| | Authorized | Completed |
|---|---|---|
| Cribbing | 4,500 ft. | 500 ft. |
| Retimbering | 600 ft. | 475 ft. |
| Ditch, etc. | 4,000 ft. | 3,935 ft. |
| Drift, crosscut & raise | 1,300 ft. | 1,300 ft. |
| Assays | 150 | 2 1/ |

Stage II

| | | |
|---|---|---|
| Bulldoze shaft site | 15 hrs. | 2/ |
| Erect timber headframe | $270.00 | $270.00 |
| Shaft sinking (untimbered) | 60 ft. | 60 ft. |
| Crosscuts and drifts | 200 ft. | 200 ft. |
| Timbering | 50 ft. | none |
| Assays | 15 | 9 |

1/ The assay certificate submitted under date of September 8, 1955 constitutes 2 assays. Each assay consists of 3 determinations as follows: gold, silver and lead.

2/ The inspecting geologist doubted that any dozing had been done under the terms of the contract and this item was deleted from the Operator's voucher. See Field Team letter of August 13, 1956 to the Operator and the Operator's reply of August 15, 1956. The Operator's reply did not furnish the requested information and the dozing was not reinstated.

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

The Operator's final engineering and geological report was received on October 9, 1957. It is considered as having met the requirements of Article 7(b) of the contract.

Certification of Discovery will not be recommended by the Field Team.

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

By Field Team, Region I

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

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

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

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

October 10, 1957

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Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Lemhi County, Idaho
Contract No. Idm-E574 (Amended)

Dear Mr. Selfridge:

Enclosed are the original and one copy of the Operator's final report received from Roger V. Pierce on work carried out at the Gilmore mine, Lemhi County, Idaho. This report is acceptable to the Field Team.

The report is acceptable as of October 9, 1957, the date we received the map requested of Mr. Pierce in our letter of September 20; the narrative portion of the report was received September 16.

A certification of discovery is not recommended.

By Field Team, Region I

D. R. MacLaren, Alternate Acting
Executive Officer
U. S. Geological Survey

Stephen E. Zoldok, Acting Member
U. S. Bureau of Mines

Enclosures

cc: USBM (2)
USBM (AD)
Alvord

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

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USBM map only

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~~Rpt~~ 149

October 4, 1957

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U. S. Department of the Interior
Defense Minerals Exploration Adm.
[illegible] 15[illegible] Howard Street
Spokane 4, Washington

Attention: Mr. A[illegible]

Re: Docket No. D[illegible] (Mine)
[illegible], Idaho
Contract No. [illegible] Accepted

Gentlemen:

Under separate cover, I am sending [illegible] the maps prepared by Mr. [illegible] showing the work completed at Gilmore and which you [illegible] would be necessary before [illegible] be made.

[illegible]

Roger [illegible]

OPE Rates's Final Rept.

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REPORT ON THE WORK COMPLETED IN THE GILMORE MINE UNDER D.M.E.A. CONTRACT NO. Idm-E574 (AMENDED) DOCKET NO. D.M.E.A. 2868

Mercer F. Thompson

AREA CODE (703) 524-9000

MARVIN MUNDY
Technical Representative

COOPER-TRENT DIVISION | KEUFFEL & ESSER CO.
WILSON BOULEVARD AT DANVILLE STREET, ARLINGTON, VA. 22201

I checked this with my copy of letter, & everything is returned.

Grace

Great!

RECEIVED
SEP 16 1957
U. S. G. S.
SPOKANE, WASH.

REPORT ON THE WORK COMPLETED IN THE GILMORE MINE
UNDER D.M.E.A. CONTRACT NO. Idm-E574 (AMENDED)
DOCKET NO. D.M.E.A. 2868

## INTRODUCTION

The following is intended to describe the purposes of and the work completed under the above contract and the various amendments thereto.

## LOCATION

The Gilmore mine is located in the Texas Mining District, Lemhi County, Idaho. It is located in Sections 17 and 18, T 13 N, R 27 E, B.M. and is approximately 100 miles by road northerly from the city of Idaho Falls, Idaho. The nearest railroad loading point is at Roberts, which is 82 miles from Gilmore.

## GENERAL

Gilmore is located on the eastern flank of the rugged, northwesterly trending Lemhi range of mountains at an elevation of approximately 7250 feet. The region is semi-arid and the snowfall is not heavy.

Sufficient water for all mining and milling needs is available on the property and timber can be had from nearby sources.

Trucking to Roberts, Idaho costs about $5.00 per ton, and freight to the smelters in the Salt Lake Valley is about $4.50 per ton, making a total transportation charge of approximately $9.50 per ton.

The nearest power line is approximately 50 miles from Gilmore, making the use of gasoline or diesel driven equipment necessary.

Lead and silver have been the metals of principal value produced and the district has had a total recorded production of between $11,000,000.00 and $12,000,000.00. The average grade of the ore mined is approximately 23% lead, 11 ounces of silver per ton and 2% to 4% zinc. Most of the production has come from veins within the United Idaho claims.

PROPERTY

The property referred to consists of three groups, with a total of 23 claims, as follows:

Delaware-Idaho Gold Mining Company

| Claim | U. S. Survey No. |
|---|---|
| Andy | 2040 |
| Gilmore | 2040 |
| W. H. Cannon | 2040 |
| Glenn | 2040 |
| Edie | 2040 |
| Hatton | 2040 |

Gilmore Mercantile Company Ltd.

| Claim | U. S. Survey No. |
|---|---|
| Olive | 2040 |
| Ruth | 2040 |
| Vick | 2040 |
| La Porte | 2040 |
| G.A.P. | 2040 |
| Dorothy | 2040 |
| Martha | 2040 |
| Roy Lauer | 2040 |
| Cook | 2040 |
| Ernest | 2040 |
| Mixer | 2040 |
| Anex | 2040 |

PROPERTY (cont.)

United Idaho Mining Company

| Claim | U. S. Survey No. |
|---|---|
| Never Sweat | 1938 |
| Silver Dollar | 1938 |
| Silver Dollar Ext. | 1938 |
| 16-1 | 1938 |
| Texas | 1938 |

GEOLOGY

The area is underlain by a thick series of Devonian, Mississippian and Pennsylvanian dolomites and limestones which in turn overlie massive Ordovician and Cambrian quartzite. The sedimentary beds strike northerly and dip easterly at approximately 35°. In parts of the Transportation tunnel the beds are flat or may dip slightly westward. Thus the veins may be on the west limb of a syncline although the flattening of the beds may be the result of a local roll.

The sediments have been cut by a large number of fissures which have a northerly strike parallel to that of the limestone and dip westerly, so that in cross section the veins are nearly at right angles to the beds.

Several diorite porphyry and andesite dikes have intruded the sediments. The dikes parallel the veins in both strike and dip, and they probably occupy fractures formed by the same forces which created the fractures that are now the veins of the district. It appears that the dikes are somewhat later than the fissures as they cut and displace the veins.

A series of flat faults which are roughly parallel to the strike and dip of the beds, displace the beds, veins, and porphyry dikes.

The veins, where now exposed in the Transportation tunnel, vary from one inch to three feet in width and consist of limonite, hematite,

specularite, cerussite, anglesite, and residual kernels of galena. Silver is present in a proportion of one ounce to 2% of lead. No silver minerals were recognized.

The vein material is soft and punky, but the walls of dolomite and limestone stand well and little timber was required except where mine openings were driven in the porphyry or where they penetrated fault zones.

The ore shoots within the fissures varied in length from a few feet to as much as 500 feet on the No. 1 West Footwall vein between the 600 and 700 levels. The old maps also indicate continuous stoping for 350 feet along the strike of the west vertical vein between the 600 and 700 levels. This vein was stoped from the 800 level to the surface.

## D.M.E.A. EXPLORATION WORK

### Stage I

The work designated as Stage I was designed to explore the Silver Dollar vein on the 400 level of the United Idaho Mine. The Silver Dollar vein where exposed in the Silver Dollar tunnel and also where cut by the Transportation tunnel is a strong and persistent vein. These two exposures of the vein (940 feet apart, measured in a horizontal plane, and 300 feet apart vertically) did not adequately explore the vein, particularly south of the Transportation tunnel, because much of the ore mined in the United Idaho mine was found south of the tunnel.

The original plan called for four items as follows:

Item 1 - Rehabilitation of the Transportation tunnel to the Silver Dollar vein.

Item 2 - From the Transportation tunnel at the intersection with the Silver Dollar vein, drift southerly along the vein a total of approximately 400 feet and northerly a total of approximately 200 feet.

Item 3 - From the northerly and southerly drifts described in Item 2 above, crosscut a total of approximately 400 feet.

Item 4 - On favorable vein showings disclosed by drifting and crosscutting in Items 2 and 3, drift a total of approximately 300 feet.

Stage I has been completed. The work consists of approximately 448 feet of drifting along the Silver Dollar vein in a southerly direction, approximately 300 feet of drifting along the vein in a northerly direction and a total of about 315 feet of crosscutting, 170 feet of which is located south of the Transportation tunnel and 145 feet of crosscutting from a point north of the Transportation tunnel.

In the north drift the Silver Dollar vein varied in width from a few inches to four feet and consisted of hematite, limonite, and oxides of manganese. The vein is well defined, fairly strong and persistent so that no trouble was experienced in drifting northward on the structure. In the present face the vein matter is about 4 feet wide and contains 0.01 ounces of gold per ton, 0.6 ounces of silver per ton, 0.70% lead and 1.1% zinc.

A crosscut toward the northwest was driven from the north drift starting at a point 208 feet north of the Transportation tunnel. The crosscut penetrated dolomites and limestones for 130 feet. From 130 feet to 145 feet it cut porphyry which is probably a continuation of the Middle dike.

In drifting southward the vein was followed for a distance of about 33 feet. At this point faulting and the intrusion of the Middle dike interrupted the continuity of the vein. From here southward the Middle dike followed the Silver Dollar vein, and it is probable that part of the vein lies on the east wall of the dike. The dike was penetrated in two places, but no ore was found on either side. A crosscut eastward from the end of the south drift penetrated the dike and disclosed a flat dipping vein

located about 55 feet east of the Silver Dollar vein. This vein does not correlate with other known veins in the area and is probably a split of the Silver Dollar vein. A drift about 30 feet long has been driven southerly on the vein which is about two feet wide in the face and consists of fairly hard hematite and limonite with some manganese oxide. A sample taken here contained 0.005 ounces of gold and 0.4 ounces of silver per ton, 1.0% lead and 1.3% zinc.

A crosscut was driven westerly from the south drift at a point 160 feet south of the Transportation tunnel. The crosscut penetrated a dark gray, fine grained dolomite for its entire distance of about 65 feet.

No commercial ore was discovered in completing Stage I of the contract.

Stage II

Stage II called for essentially the following items: (1) Prepare a shaft site; (2) erect a timber headframe; (3) sink a two-compartment shaft 60 feet on the Silver Dollar claim; (4) crosscut and drift an aggregate of 200 feet from the bottom of the shaft to determine the strike, dip and character of the ore bearing structure.

The contract has been fulfilled by sinking a 6' x 7' shaft for a distance of about 70 feet. The shaft is inclined 45° toward the west. At 64 feet in the shaft a level was established with crosscuts both east and west and a drift northward on a vein cut in the east crosscut. The crosscut westward is approximately 42 feet long and penetrated partly altered and iron stained dolomite and limestone. The alteration and iron oxides became less intense as the crosscut advanced westward.

The crosscut eastward was driven to a point approximately 132 feet east of the shaft. For the entire distance the crosscut penetrated a highly

altered limestone or dolomite which is intensely mineralized with iron and manganese oxides. At 52 feet in the crosscut a well defined vein striking northward was exposed and followed 95 feet by a drift.

The vein material consisted of the various oxides of iron with some of the oxidization products of manganese.

A small amount of galena with some cerussite was found near the east face of the crosscut and about 12 feet of drifting was done on this mineralization.

Although no commerical ore was found in the work of Stage II, the writer believes this area warrants further consideration because of the wide zone of alteration and oxidization in which a considerable amount of lead has been found as irregular lens and stringers of galena. The galena appears to be residual pods left in partly replaced limestone beds adjacent to one or more fissures which project into this area.

If the productive veins in the United Idaho mine are projected northward three or more pass close to, or east of, the portal of the Silver Dollar tunnel. This is the probable reason for the extensive altered and mineralized zone in the area. Therefore, although no ore has been found the results of the work are very encouraging and further investigation is warranted here.

Respectfully submitted,

Mercer F. Thompson

Mercer F. Thompson

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

OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE
PAYMENT OF POSTAGE
(PMGO)

OFFICIAL BUSINESS

Mr. Jay L. Chambers, Chief,
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

OFFICIAL FILE COPY
DMEA
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9/30

So. 157 Howard Street
Spokane 4, Washington

September 20, 1957

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574 (Amended)

Dear Roger:

Thank you for an excellent final report on work done at the Gilmore mine under DMEA Contract Idm-E574. Mr. Thompson did a very nice job for you. The only criticism is that no maps of any kind are included.

Although the form on which your contract is written does not specifically say that the final report is to be accompanied by maps (later revised contract forms do), we consider that an "adequate geological and engineering report" should include geological and engineering maps or sketches.

Therefore, we would appreciate receiving five copies of such a map so that your final report will be complete, and so that we can complete the settlement of the contract.

Sincerely yours,

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

cc: DMEA (2)
USBM (2)
USBM (AD)
Alvord

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

DMEA

September 13, 1957

U. S. Department of the Interior
Defense Minerals Exploration Adm.
No. 157 Howard Street
Spokane 4, Washington

Attention: Mr. A. E. Weissenborn

Re: Docket No. DMEA-[illegible]
Gilmore Mine, [illegible] Idaho
Contract No. [illegible]

Gentlemen:

Enclosed is a report [illegible] a registered professional [illegible] engineer, [illegible] the work conducted at Gilmore.

I hope this will give you the information needed to complete settlement of the contract.

Yours very truly,

Roger V. Pierce

RVP eb
Enc.

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 6 1957

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9/13 500

So. 157 Howard Street
Spokane 4, Washington

September 3, 1957

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574 (Amended)

Dear Mr. Pierce:

This will acknowledge your letter of August 27, 1957, in which you give a resume limited to the work completed under Stage II, Amendment No. 6 of the contract.

This is not acceptable as an engineering and geological report as required by Article 7 (b) of the contract. As we stated in our letter of August 16, 1957, this report should include all DMEA exploration completed under the contract and subsequent amendments thereof, not just the work done under Amendment No. 6.

Your compliance with this requirement will expedite final payment to you for work completed under the contract.

By Field Team, Region I

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

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

cc: DMEA (2) w/2 cc of incoming
USBM (2)
USBM (AD)
Alvord

OFFICIAL FILE COPY
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ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

August 28, 1957

U. S. Department of the Interior
Defense Minerals Exploration Adm.
1201 N. Division Street
Spokane 2, Washington

Attention: Messrs. Wing G. Agnew and Donald R. MacLaren

Re: Docket No. DMEA-2868 (lead-zinc)
Gilmore Mine, Lemhi County, Idaho
Contract No. Idm-E574 (Amended)

Gentlemen:

On returning from a trip into Montana and Idaho I find your letter of August 16 and am pleased to comply with your request.

I last visited the Silver Dollar project Sunday, August 25, 1957. At this property we have sunk a 6' x 7' shaft on a 45-degree incline a distance of more than 70 feet. Sixteen feet below the collar of the shaft 12 inches of high grade lead was encountered, and this dipped 25 degrees-plus to the east. At an elevation 64 feet below the collar of the shaft, measured on the incline, we offset six feet to the north and drove a crosscut to the west 41.5 feet and east from the shaft 51.5 feet to where an iron vein was encountered. We drifted 95 feet north on this iron vein. The east crosscut was further extended 80 feet, and this work disclosed a small lead showing on which we drifted a couple of feet north and ten feet south. The entire crosscut, both east and west, is driven in a highly oxidized heavily iron-stained zone.

In reviewing this project, attention is called to the fact that four main veins have given the camp 90 per cent of its production of $11,000,000 or $12,000,000. These veins cut northerly into the general area where the work under the D.M.E.A. contract was carried out. All four of these veins outcrop south of the main United Idaho incline, 900 feet to the south of the Silver Dollar tunnel, and they all surface within a 300-foot zone.

In the Silver Dollar area where the work was carried out, quite possibly we have missed the main area where all four of these veins cut north. Definitely we could not have cut through all four of these veins and we probably explored at too shallow a depth.

I am of the opinion that the next phase of this work should be carried at a lower elevation and in the heart of the zone containing the four veins.

Exploratory work on these veins, from the transportation tunnel level north and out under the area where we did the work at the Silver Dollar--and where some high grade mineralization was encountered--could disclose an entirely new ore zone.

The work completed has given more incentive to explore the area further and at depth.

Under this project we completed 278 feet of drifting and crosscutting, 70 feet of shaft sinking, and considerable surface prospecting with a bulldozer. D.M.E.A. participated in 200 feet of crosscutting and drifting and in 90 per cent of the shaft sinking.

The consulting geological engineer and I are of the opinion that the exploration work to date is one step and should be followed by additional exploration at a lower elevation.

Thank you for your assistance and cooperation.

Yours very truly,

Roger V. Pierce

Roger V. Pierce

RVP eb

OFFICIAL FILE COPY
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1201 N. Division St.
Spokane 2, Washington

August 19, 1957

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine
Contract No. Idm-E574
Monthly operating report for
September 1956 to date

Dear Mr. Pierce:

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

We are withholding an amount of $1,000, pending receipt of your final report and a final audit by a representative of the Contract Administration and Audit Division of Defense Minerals Exploration Administration. This is the customary procedure and is applicable to all contracts.

By Field Team, Region I

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

cc: DMEA (2)
USGS (2)

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

1201 N. Division St.
Spokane 2, Washington

August 16, 1957

OFFICIAL FILE COPY
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Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. ~~DMEA-2060 (lead-zinc)~~
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574 (Amended)

Dear Mr. Pierce:

Since you have completed the work under Stage II, Amendment No. 6 of the contract, and the Government will not authorize Stage III work, your attention is called to Article 7 (b) of the contract which requires the submission of an adequate engineering and geological report upon completion of the exploration work. This report should include all DMEA exploration completed under the contract and subsequent amendments thereof.

Your compliance with this requirement will expedite final payment to you for work completed under the contract.

By Field Team, Region I

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald R. Maclaren, Acting Member
U. S. Geological Survey

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

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

OFFICIAL FILE COPY
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RECEIVED AUG 12 1957

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August 7, 1957

8/15

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

Enclosed are the Government and Audit copies of Amendment No. 9 to the contract.

By copy of this letter, other copies of the amendment are being distributed.

Sincerely yours,

A. E. Weissenborn

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

Enclosures

cc: USBM (2)
Finance Office w/copy of encl.
Alvord

Amendment

OFFICIAL FILE COPY
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RECEIVED 1957
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So. 157 Howard Street
Spokane 4, Washington

July 31, 1957

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DME-2868 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

In your letter of June 28, 1957, you requested an extension of time in which to complete Stage II of your contract. Our Washington office has prepared Amendment No. 9 to the contract extending the completion date to July 27, 1957.

Enclosed are the original and four copies of Amendment No. 9. If this amendment meets with your approval, would you please sign all copies and return all but the copy marked for the Operator. If the amendment does not meet with your approval, please return all copies with your comments.

Sincerely yours,

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

Enclosures

cc: DMEA (2)
USBM (2)
USBM (AD)
Alvord

DMEA Form 7
(12-56)

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JUL 25 1957

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Weissenborn:

We are enclosing the original and four copies of a proposed Amendment No. 9, to the cited contract, signed by the Administrator, Defense Minerals Exploration Administration. Also, enclosed are two extra copies of the amendment for the use of the Field Team. This amendment has been prepared in conformance with your letter dated July 2, 1957.

If the proposed amendment meets with your approval, kindly present it to the Operator for approval and signature and, when completed, distribute the copies in the usual manner. In the event that this amendment is not satisfactory, and cannot be amended within your delegated authority, return all copies with your recommendation concerning any modification.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee (S/B)
JWAlt/er 7/24/57
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

Enclosures

APPROVED:

Horace T. Reno (S/B)
Member, Bureau of Mines

Thor H. Kiilsgaard (S/B)
Member, Geological Survey

8623

DMEA Form 7
(12-56)

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July 16, 1957

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: Director, Division of Base Metals

Subject: Preparation of Amendment No. 9 for Docket No. DMEA-2868, Roger V. Pierce, Gilmore Mine, Lemhi County, Idaho, Contract No. Idm-E574, Lead-Zinc.

Will you please prepare Amendment No. 9 for the cited contract.

This amendment will allow an extension of completion time to July 27, 1957.

Please refer to the letter, dated July 2, 1957, to Mr. George Selfridge from the Field Team, Region I.

W. R. Griswold

W. R. Griswold

JWAlt/er
Copy to: Docket
Chron.

8623

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

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July 2, 1957

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

Enclosed are two copies of a letter dated June 28, 1957, from Roger V. Pierce, Operator of the above-referenced contract, requesting an extension of the completion date from May 27, 1957 to July 5, 1957, in order to complete the drifting authorized under Stage II of the contract.

The results of the program to date have not been very encouraging, and it is doubtful that the remaining 26 feet of drift will prove to be anymore so. However, it will be the last chance of justifying the start of any work under Stage III and for that reason, we recommend that the request be approved.

By Field Team, Region I, NW Dist.

Donald R. MacLaren
Donald R. MacLaren
Alternate Acting Exec. Officer
U. S. Geological Survey

S. W. Zoldok
S. W. Zoldok, Acting Member
U. S. Bureau of Mines

Enclosures

cc: USBM (2)
USBM (AD)
Nickelson

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 5 1957
DATE LETTER CODE

June 28, 1957

U. S. Department of the Interior
Defense Minerals Exploration Adm.
Sec. 157 Howard Street
Spokane 4, Washington

Attention: Mr. Donald E. Maclaren and Mr. S. W. Zoldok

Re: Docket No. DMEA [illegible]
[illegible]
[illegible]
Contract No. [illegible]

DMEA

Gentlemen:

As per your letter of June [illegible] I [illegible] to complete the remaining 26 feet of work and ask that the contract be extended until July 5th to accomplish this.

Thanking you, I am

Yours very truly,

Roger V. Pierce

RVP eb

So. 157 Howard Street
Spokane 4, Washington

June 24, 1957

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

The time for completion of your DMEA contract lapsed May 27, 1957, as I advised you during our telephone conversation of that date. On June 4, 1957, our engineers made an inspection of the work completed. Their reports indicate that there remain 26 feet of crosscut and drift to be completed under Stage II.

The results of the program have not been very encouraging and we do not feel that the drilling set up under Stage III to explore this structure further is justified. However, if you wish to complete the remaining 26 feet of drifting and will so advise us, we will request an extension of the completion date. We will also be glad to consider any other proposal you care to make.

If we do not hear from you within two weeks, we will recommend that the present contract be terminated as of May 27, 1957, the present expiration date.

By Field Team, Region I, NW Dist.

Donald R. MacLaren
Alternate Acting Exec. Officer
U. S. Geological Survey

S. W. Zoldok, Acting Member
U. S. Bureau of Mines

cc: DMEA (2)
USBM (2)
USBM (AD)
Nickelson

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

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May 29, 1957

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574 (Amended)

Dear Mr. Selfridge:

This is in reference to your letter of May 20, 1957, regarding the status of the above-referenced contract.

Enclosed are an original and three copies of an interim inspection report by D. D. Walker, Mining Engineer, U. S. Bureau of Mines, describing an inspection he made on May 8. Walker has advised the Field Team that, in his opinion, the 38 feet of drifting remaining under Stage II should have been completed by May 27, 1957.

We telephoned Roger Pierce May 27, 1957 to ask the status of the work. He has not been to the Gilmore mine recently as he is involved in two other projects, one in Cuba and one in Alaska. He said he would be leaving for Cuba May 28, but hoped to visit Gilmore when he returns the latter part of next week. Our field men will inspect the property next Tuesday.

The results of the shaft sinking and the crosscutting east and west from the bottom of the shaft, do NOT at this time warrant approval by the Government for the work authorized under Stage III. However, if the examination scheduled for next week discloses encouraging results from the drift north under Stage II, it might be advisable to recommend that Stage III drilling be done to explore the downward extension of this vein. The Operator was unable to say as of May 27, whether or not such a proposal would be acceptable to him until he can visit the property after his return from Cuba.

As soon as the results of Stage II are available, a report will be prepared and recommendations made either to extend the life of the contract and do the proposed Stage III drilling, or to terminate the contract without completing Stage III.

By Field Team, Region I, NW District

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald R. MacLaren, Acting Member
U. S. Geological Survey

Enclosures
cc: USBM (2)
USBM (AD)
Nickelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
1201 N. Division St.
Spokane 2, Washington

OFFICIAL FILE COPY
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RECEIVED JUN 3 1957
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May 21, 1957

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: D. D. Walker, Mining Engineer, Bureau of Mines

Subject: Interim inspection, Docket No. DMEA-2868 (lead - zinc), Roger V. Pierce, Gilmore Mine, Lemhi County, Idaho, Contract No. Idm-E574 (amended)

The property was visited May 8. Mr. H. Stout, contract miner, was present.

Contract work consisted of drifting 63.0 feet ~~feet~~ on the iron-manganese vein encountered in the east crosscut. The strike of the vein is N. 30° E. and it dips 69° to the northwest. Sparsely disseminated sulfides are apparent in the face and a sample was cut across the vein which is 2.5 feet wide.

Mr. Warren Pierce has found a pocket of high grade galena in the operator's surface crosscut. About four tons of high grade galena ore are stockpiled. This ore was found during bulldozing operations.

The contract status is:

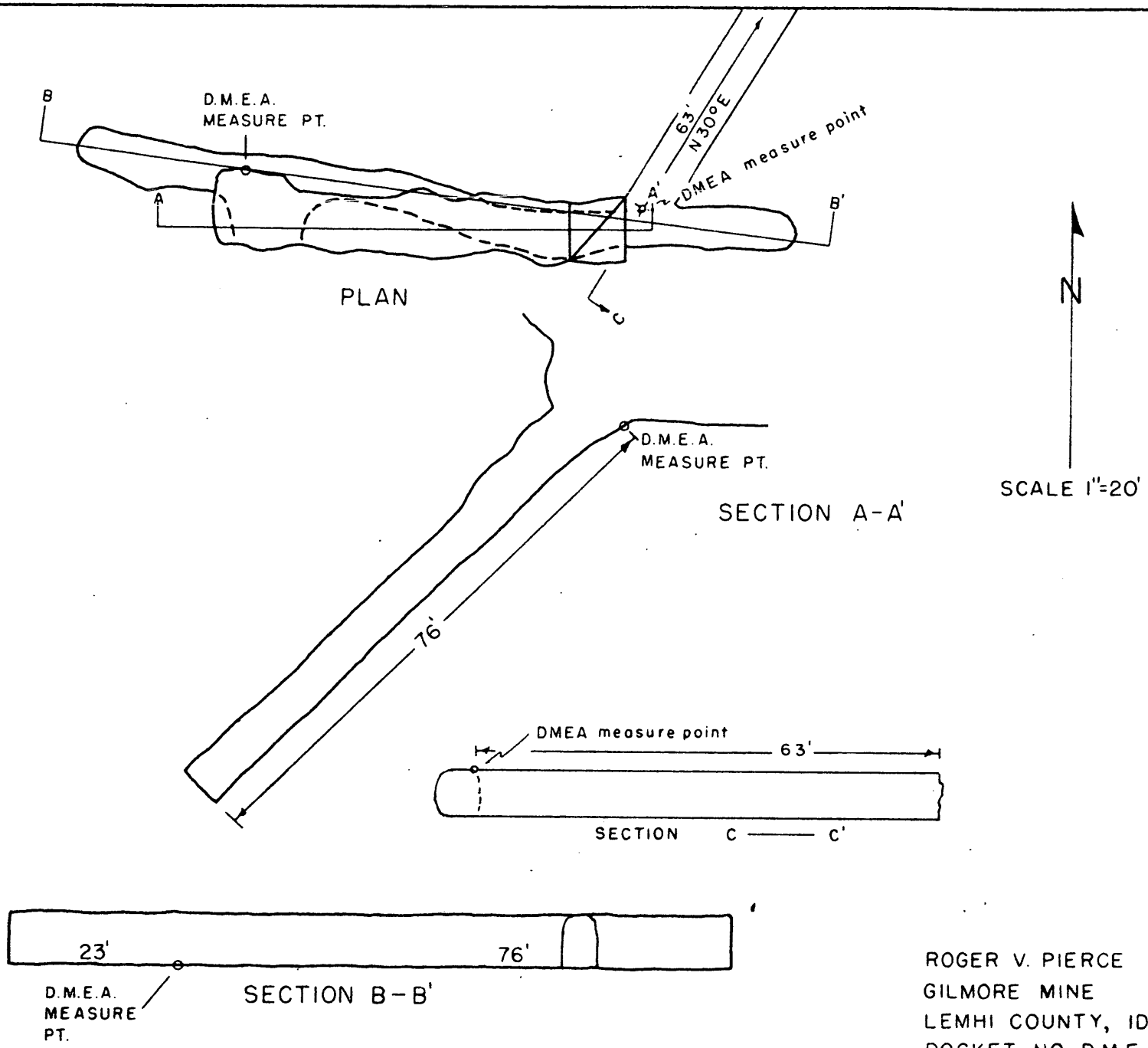
Date of contract: June 29, 1956
Termination date: May 27, 1957
Contract amount: $82,366.00
Amount spent: 66,182.00 (thru August, 1956)

| | | Authorized | Completed |
|---|---|---|---|
| Stage II | | | |
| | Bulldoze shaft site | 15 hrs. | yes |
| | Erect timber headframe | $270.00 | yes |
| | Sink shaft | 60 ft. | yes |
| | Crosscut and drift | 200 ft. | 162 ft. |
| | Timber | 50 ft. | |
| | Assays | 15 | 2 |

D. D. Walker

D. D. Walker

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
Docket
Walker




ROGER V. PIERCE
GILMORE MINE
LEMHI COUNTY, IDAHO
DOCKET NO. D.M.E.A. 2868
MEASURE SKETCH

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DMEA Form 7
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MAY 20 1957

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
Northwest District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-1574

Dear Mr. Weissenborn:

Will you please advise us regarding the status of the cited project. The last information that we have in our docket is the memorandum from D. D. Walker, Mining Engineer to DMEA Field Team, Region I, Northwest District, dated April 16, 1957, in which he states:

> "The property was visited April 11. Mr. Warren Pierce was present. No work was done during the reporting period. Preparations to resume work under the DMEA contract are completed and Mr. Warren Pierce stated that exploration will commence shortly."

The last MF-104 report is for the months of July-August 1956, and it appears from the information in our files that very little work was done on ths project under the terms of the contract since this last report. Amendment No. 8, extended the completion time of the work to May 27, 1957.

Certainly the Operator has had sufficient time to complete the work under the terms of the contract.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JWS)

JWAlt/er 5/17/57

Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

APPROVED:

P. F. Yopes (JWS)
Member, Bureau of Mines

Thor H. Kiilsgaard (JWS)
Member, Geological Survey

8623

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

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March 25, 1957

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

Enclosed are the Government, Docket, and Division copies of Amendment No. 8 to the contract.

Other copies of the amendment have already been distributed.

Sincerely yours,

A. E. Weissenborn

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

Enclosures

cc: USBM (2)
Finance Office
Nickelson

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 28 1957

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xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

February 25, 1957

Mr. Roger V. Pierce
Consulting Engineer
606 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2366 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

Enclosed are the original and five copies of a proposed amendment No. 8 for the above-referenced contract. If it meets with your approval, please sign all six copies, retain the one marked "Operator's copy" and return the other five to this office.

If the proposed amendment does not meet with your approval, please return all copies unsigned to this office with your comments.

Sincerely yours,

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

Enclosures

cc: DMEA (2)
USBM (2)
USBM (AD)
Nickelson

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

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| " | Johnson | 110 |
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FEB 20 1957

Mr. A. L. Weissenborn
Executive Officer
DMEA Field Team, Region I
Northwest District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Weissenborn:

Enclosed are the original and five copies of a proposed Amendment No. 8 for the cited contract, signed by the Administrator for the Government. There are also enclosed two extra copies of the proposed amendment for the Field Team use. This amendment has been prepared in conformance with your memorandum dated February 5, 1957.

If the proposed amendment meets with your approval, kindly present it to the Operator for approval and signature and, when completed, distribute the copies in the usual manner. In the event that the amendment is not satisfactory, and cannot be amended within your delegated authority, return all copies with your recommendation concerning any modification.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

JWAlt/er 2/20/57

Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

Enclosures

APPROVED:

Frank D. Lamb
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

8623

DMEA Form 7
(12-56)

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February 14, 1957

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: Chief, Base Metals Division

Subject: Preparation of Amendment No. 8 for Docket No. DMEA-2868, Roger V. Pierce, Gilmore Mine, Lemhi County, Idaho, Contract No. Idm-E574, Lead-Zinc.

Will you please prepare Amendment No. 8 for the cited contract. A draft of this amendment is attached to this memorandum.

W. R. Griswold

W. R. Griswold

JWAlt/er
Copy to: Docket
Base Metals
Chron.

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

February 5, 1957

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

Enclosed are two copies of a letter dated February 2, 1957, from Roger V. Pierce in which he requests that Contract Idm-E574 be amended to extend the life of the contract to June 1, 1957.

We recommend that this request be approved.

By Field Team, Region I, NW Dist.

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

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

Enclosures

cc: USBM (2)
USBM (AD)
Nickelson

OFFICIAL FILE COPY
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ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

CENTRAL FILE COPY
DMEA
RECEIVED FEB 11 1957
DATE | INITIALS | CODE

February 2, 1957

U. S. Department of the Interior
Defense Minerals Exploration Adm.
No. 157 Howard Street
Spokane 4, Washington

Attention: Mr. A. H. Meissenborn

Re: Docket No. DMEA-2868 (Lead Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Gentlemen:

Your letter of January 22 is very much appreciated, and, through this letter, I wish to request that the time on the contract be extended to June 1, 1957, which will give me time to carry out the remaining drifting. This will be carried out on the iron vein, northward from the cross-cut to the east, at the level of the bottom of the shaft.

Thank you, and with kindest regards.

Yours very truly,

Roger Pierce

Roger V. Pierce

RVP eb

RECEIVED
FEB 4 1957
U. S. D. S.
SPOKANE, WASH.

DMEA

| OFFICIAL FILE COPY DMEA RECEIVED JAN 28 1957 | | |
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| DATE | INITIALS | CODE |
| 1-28 | C | 220 |
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| January 22, 1957 | | |
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xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

This will acknowledge receipt of your letter of January 11, 1957, in which you request an amendment to extend the time for completion of the contract to June 30, 1957, and authorization to drift northeasterly along the iron-stained structure found near the east end of the crosscut from the bottom of the winze.

In the last paragraph of your letter you imply that you feel you are being forced to accept what you consider a poor project. This is emphatically not the case. Amendment No. 6 provides for sinking a shaft 60 feet and then crosscutting and drifting a combined total of 200 feet to determine the strike, dip, and character of the ore-bearing structure exposed in the surface cut. The shaft indicated that the surface mineralization is at least in part related to a flat, easterly-dipping structure, possibly a bedding replacement. From the bottom of the shaft the crosscut disclosed only one steep-dipping structure that could be connected in any way with the mineralization showing on the surface, and that is the iron-stained fracture near the east end of the crosscut.

The west side of the open cut in which the shaft is collared is heavily iron-stained and contains pieces of galena. This material may be traced on the surface for a short distance northerly from the shaft and may well represent the outcrop of a bedding deposit at or close to the present erosion surface. The crosscut you are now driving from the surface appears to lend some support to this concept. In our opinion, the most practicable way to explore this showing further is by surface drilling, and we therefore suggested, in our letters of September 28 and December 28, 1956, the possibility of DMEA amending the contract to do this in lieu of further underground work. The crosscut you propose would not accomplish this for the beds dip easterly - not westerly.

It is possible that the iron-stained fracture near the east end of the crosscut from the bottom of the shaft may be a

fissure from which replacing solutions might have entered the beds; if so, there is at least some chance -- although admittedly a long one -- that it might lead to ore if followed along its strike. Therefore, we suggested the possibility of exploring this structure by a drift to the northeast, using the balance of the footage remaining in Stage II of Amendment No. 6.

We regret that we are unable to agree with your proposal for a further extension westerly of the crosscut. As we pointed out in our letter of December 28, the ground to the west has already been explored by a long crosscut whose adit is a few tens of feet to the south of the shaft and only 40 feet above the present crosscut from the shaft. This working should have cut any of the veins that would intersect your proposed crosscut. For this reason we are unable to recommend DMEA participation in your proposed extension of the crosscut west, much as we would like to be helpful.

You are not, of course, obligated to accept either of our suggested proposals if you do not wish to, but they are the only positive recommendations which we feel are justified at this time. If neither is acceptable to you, we would be willing to recommend that the contract be terminated by mutual agreement. If you wish to continue, we call to your attention that the surface drilling requires an amendment to the contract which must be approved in Washington; the drifting is authorized in Amendment No. 6 and may be started if and when you wish. The question of drilling from the drift cannot be determined until we know more about the structure. If the drilling is then indicated, it will also require an amendment from Washington.

We would appreciate hearing of your decision at an early date.

By Field Team Region I, NW Dist.

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

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

cc: DMEA (2) w/2 cys ltr 1/11/57 from Pierce
USBM (2)
USBM(AD)
Hickelson

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 28 1957
DATE | INITIALS | CODE

January 11, 1957

U. S. Department of the Interior
Defense Minerals Exploration Adm.
Bo. 157 Howard Street
Spokane 4, Washington

Attention: Mr. Wing G. Agnew and Mr. Donald T. Maclaren

Re: Docket No. DMEA-2363 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-2574

Gentlemen:

Thanks kindly for your letter of December 20.

First, it will not be possible for me to complete the drifting before the expiration of the present contract date which is March 1, 1957. Would you please extend this time to June 30, 1957?

I am still not in agreement on using the surface diamond drilling in this irregular, in-and-out, fissure type of deposit. I still believe that the crosscut should be driven west from the bottom of the incline shaft. This, though, you have vetoed, but you do indicate that you would consider a drift northeasterly along the iron-stained structure found near the east end of the crosscut from the bottom of the winze, and you have suggested that a hole or two be driven upward to the west from the drift.

If you won't agree to let me crosscut west from the bottom of the shaft, then I have no alternative but to carry out the remaining footage under the terms of the contract in drifting north on the structure exposed in the east crosscut. This being the case, I request that you give me this permission.

Yours very truly,

Roger V. Pierce

RVP:eb

P.S. As you know, we are carrying a small crosscut westward into the hill, north of where the incline shaft was sunk. Last week, it was reported that

DMEA

in the loose muck which was mostly oxide material the operator encountered a chunk of high grade lead the size of a basketball: I quote from the report that was mailed from Gilmore January 6: "I now am finding a few chunks of very rich ore every time I blast. The ground is loose, wet and soft. There are hard red iron boulders in the face now and they are very, very hard. There are two kinds of ore showing up in the muck pile. It is red and gray. The red ore is very hard but high grade."

I still think we should crosscut in under this area from the bottom of the incline shaft.

Roger V. Pierce

RECEIVED
JAN 14 1957
U. S. G. S.
SPOKANE

RECEIVED
DEC 31 1956
D.M.E.A.

xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

December 28, 1956

Mr. Roger Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2863 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-5574

Dear Mr. Pierce:

This will acknowledge receipt of your letter of December 5, 1956, reiterating your desire to continue the crosscut west from the bottom of the winze. The existing workings just south of the winze have already explored the area to the west and have followed two structures that may be projected from the main production area a mile or so to the south. We regret that we cannot go along with you but cannot see any evidence to justify additional exploration of these structures at only 40 feet greater depth.

The flat-lying, iron-stained deposit exposed near the shaft collar and on which you have drifted 15 to 20 feet west, appears to be a bedding replacement deposit and dips 15° to 20° easterly. This iron-stained deposit cannot be traced south of the winze but does crop out for a short distance to the north. The extent of this deposit and its potential as an ore body, we believe, can be tested most economically by drilling from the surface as we suggested in our letter of September 28, 1956. Since your letter of December 5 does not mention this suggested exploration, we assume that you are not interested in it.

The only other project we could consider, although at present it appears less attractive, is to drift northeasterly along the iron-stained structure found near the east end of the crosscut from the bottom of the winze and to drill two or three holes upward and to the west from the drift.

DMEA w/ans. & [illegible]

If you should decide to do the drilling from the surface as suggested in our letter of September 28, an amendment must be prepared in Washington, D. C. to authorize this work. Should you wish to drift northeasterly on the structure near the east end of the crosscut, no amendment will be necessary. All that is required is that you notify the Field Team and you may start at any time during the life of the contract. However, the present date of expiration of the contract is March 1, 1957, and if the drifting cannot be completed by that date an amendment must be prepared to extend the time for completion. In the event you should decide to do the drilling from the surface, the time for completion will be extended in the amendment authorizing that change in work plan.

We regret that we are unable to justify recommending that the Government participate in crosscutting west. If either of the two alternate suggestions are acceptable to you, please let us know so we can make any necessary changes in the contract.

By Field Team, Region I, NW District

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald R. MacLaren, Acting Member
U. S. Geological Survey

cc: DMEA (2) w/encl.
USBM (2)
USBM (AD)
Nickelson

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

RECEIVED
DEC 31 1956
D.M.E.A.

December 5, 1956

U. S. Department of the Interior
Defense Minerals Exploration Adm.
So. 157 Howard Street
Spokane 4, Washington

Attention: Mr. A. E. Weissenborn

Re: Docket No. DMEA-2868, Gilmore Mine,
Lemhi County, Idaho, Cont. No. Idm-E574

Dear Al:

We now have drifted in 15 to 20 feet west, beyond the collar of the incline, on the Silver Dollar claim. We have crosscut almost steadily through vein material varying from black manganese to yellow limonite, and at the present time they report there is almost seven feet of red iron in the face.

I still believe we should extend the crosscut from the bottom of this incline westward a total of 100 feet. The three or four veins of the camp that have the big production record should cut through in this area. Please give me permission to extend this and then use whatever footage remains on the contract in drifting north on the vein we cut in the crosscut heading to the east.

I hope it will be possible for you to comply with my wishes.

Kind regards.

Yours very truly,

Roger Pierce

Roger V. Pierce

RVP eb

RECEIVED
DEC 7 1956
U. S. G. S.
SPOKANE, WASH.

DMEA

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

RECEIVED
NOV 5 1956
D.M.E.A.

October 22, 1956

U. S. Department of the Interior
Defense Minerals Exploration Adm.
So. 157 Howard Street
Spokane 4, Washington

Attention: Mr. A. E. Weissenborn

Re: Docket No. DMEA-2868
Gilmore Mine, Lemhi County, Idaho
Contract No. Idm-E574

Gentlemen:

In answer to your letters of September 28 and October 4 this is to advise that at the present time I am driving a couple of short cross cuts at the elevation of the shaft collar and north of the shaft collar into the iron vein outcrop. Sometime within the next couple of weeks this work will be completed and then I think we will be in a better position to decide where the additional work should be done.

I am still inclined to believe that we are dealing with a flat vein dipping to the west and that by extending the cross cut from the bottom of the shaft we should pick up this extension.

I will write you again after this surface cross cutting has been completed and will review the situation with you then.

Kindest regards.

Yours very truly,

Roger V. Pierce

RVP eb

RI
OCT

RECEIVED
OCT 8 1956

xxxxxxxxxxxxxxxxxx
1201 N. Division St.
Spokane 2, Washington
October 4, 1956

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA 2868 (Pb-Zn)
Contract No. Idm-E574
Monthly operating report for
balance of July and August 1956

Dear Mr. Pierce:

This is to inform you that payment in the full amount claimed in the subject voucher cannot be made. The attached copy of a memorandum to the Field Team from the Certifying Officer, Region I, explains the deletions.

The Executive Officer advised you by telephone on July 30, 1956 that the Government would not participate in crosscutting west from the bottom of the shaft; however, since the crosscut to the east was being mucked with a slusher the Field Team approved 10 feet of the crosscutting for slusher room. The other deletions are self-explanatory.

We are still withholding the $180.00 claimed for bulldozing withheld from your first voucher pending receipt of the information requested in our August 13, 1956 letter.

By Field Team, Region I, NW District

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Donald R. MacLaren, Acting Member
U. S. Geological Survey

cc: DMEA (2) ✓
USGS (2)

RECEIVED
OCT - 5 1956

DMEA Field Team, Region I, NW Dist. October 4, 1956

Certifying Officer, Region I

Docket No. DMEA 2668, Contract No. I4m-2574, Roger V. Pierce
Monthly operating report for Balance of July and August 1956.

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

The Operator claimed costs of $5,152.00. Costs of $4,680.00 have been approved. The deletions and suspensions making up the difference of $472.00 are as follows:

1. $390.00- Crosscutting. The actual measurement of the west crosscut as reported by the inspection engineer, is 23 feet. This deletion represents 13 feet claimed by the Operator in excess of the 10 feet approved by the Field Team for a slusher station.

2. $76.00 net- Shaft Sinking. Details of this adjustment are given below:

| | | |
|---|---|---|
| Claimed by Operator August 1956 MF-104 | | $2,236.00 |
| Approved June-July 1956 MF-104, 34 ft. @ $75.00 | $2,550.00 | |
| Amendment #7 calls for $78.50 per ft.- or 34 ft. @ $78.50 | 2,669.00 | |
| Balance due Operator on June-July MF-104 | $ 119.00 | |
| August 1956 MF-104, 26 ft. @ $78.50 | 2,041.00 | |
| Due Operator | | 2,160.00 |
| Disallowance - Shaft sinking | | $ 76.00 |
| Total approved shaft sinking cost - 60 ft. @ $78.50 | | $4,710.00 |

3. The Operator claimed $6.00 for two assays but sent in no assay certificates or results. This cost may be reclaimed if the assay results are included.

Myrtle Pardy

cc: Operator
DMEA (2)
USGS (2)

RECEIVED
OCT - 8 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

1201 N. Division St.
Spokane 2, Washington
October 3, 1956

Mrs. Myrtle Purdy
Certifying Officer, DMEA, Region I
1201 North Division Street
Spokane, Washington

Re: Docket No. DMEA-2868 (lead-zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-5574 (Amended)

Dear Mrs. Purdy:

Your attention is called to Howard B. Nickelson's interim inspection report of September 10, 1956, wherein he states that "Mr. Pierce was advised by telephone on July 30, 1956 that the Government would not participate in crosscutting west from the bottom of the shaft."

Mr. Nickelson's measurement on the west crosscut is 27 feet from the centerline of the shaft. The actual length of the crosscut is 23 feet (see B. D. Walker's inspection report dated September 26, 1956).

After considering this matter the Field Team has decided to authorize 10 feet of the west crosscut as a slusher station and disallow the balance of 13 feet. The 13 feet can be deleted from the Operator's August 1956 voucher.

Sincerely yours,

Wing G. Agnew, Acting Exec. Officer
DMEA Field Team, Region I, NW Dist.

cc: DMEA (2)
USGS (2)

RECEIVED
OCT - 4 1956

xxxxxxxxxxxxxxxx
P.O. 187 [illegible] Street
Spokane 4, Washington

September 28, 1956

Air Mail

Mr. Roger Pierce
[illegible] Newhouse Building
Salt Lake City, Utah

Re: Docket No. SMA-2860 (Lead-Zinc)
Roger Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-2574

Dear Roger:

This is in reply to your letter of September 25. Since Maclaren and Nicholson returned from the September 22 meeting at Gilmore we have discussed the Silver Dollar problem at some length. It is our present opinion that there is nothing wrong with the proposed drifting on the steep vein but at the same time we feel that the possibilities of the flat vein should not be overlooked. We would therefore like to suggest a program which we believe would give information about both veins, and which if done would enable the drifting to be directed to the best advantage. Essentially, this exploration consists of about five short diamond drill holes, drilled from the surface north and east of the shaft bulldozer trench. The proposed drill sites are shown on the attached sketch. Two of these holes would be drilled at an inclination of approximately 45° east and in addition to penetrating the flat vein would intersect the steep vein at about the level of the shaft crosscut. Two other holes would be located farther to the west to determine how far the flat vein extends away from its intersection with the steep vein. A fifth hole is suggested near the north bulldozer trench where high-grade galena float has been reported.

We also suggest a hole from the east end of the shaft crosscut to test for other veins in the footwall. This hole would be inclined downward. We have considered your proposal of a hole from the shaft crosscut into the hanging wall but cannot see that it would accomplish much as it would be almost directly under the Silver Dollar crosscut, and no veins are visible in this section of the crosscut. Also, holes 3, 4, and 5, which would be inclined 45° to the east, would further test this area. We realize that

diamond drilling will not give the complete answer, especially as regards the grade of the veins, but we believe enough information could be gained to determine whether exploration should be concentrated on the steep vein, the flat vein, or whether both should be explored, and thus the remaining drifting can be directed to the best advantage.

Please let us know as soon as possible how this proposal strikes you. It will require that the contract be amended in Washington rather than in the field but should not involve such delay. For this reason we would like your answer as soon as you have had time to consider this carefully.

By Field Team, Region 1, NW District

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

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

Enclosure

cc: DMEA (2) w/inc.
USBM (2)
USBM (AD)
Nickelson

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

RECEIVED
OCT - 4 1956

September 25, 1956

U. S. Department of the Interior
Defense Minerals Exploration Adm.
So. 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine, Lemhi County, Idaho
Contract No. Idm-E574

Attention: Mr. A. E. Weissenborn

Dear Al:

The meeting in Gilmore on Saturday morning, the 22nd, went off as per schedule, and it was nice getting a chance to discuss this project on the ground with Nick and Mac.

I was fortunate to be able to get Mercer Thompson of Anaconda Company to go up with me, and he, along with Sid Alderman, who spent a number of years with American Metal Company's exploration division, sat in on the round table discussion, and I think that the decisions reached are sound ones.

It was felt best that we drift on the vein disclosed in the crosscutting from the bottom of the incline shaft, and we will plan on drifting 100 feet north on this structure.

It was also felt that it would be a good idea to set up a diamond drill in both the east and west faces of the crosscut and that a hole 150 feet long be drilled from each of these headings in search of additional veins. Everyone concerned felt that the diamond drilling would not prove or disprove that any veins encountered would be alive. All that this work could disclose would be the approximate location of structures.

It was also our feeling that when the drifting to the north has been completed we will be in a position to diamond drill to the north 150 feet. I would like, therefore, to ask that you amend the contract so that we can drill these three holes. After you have discussed this with your field team, if the idea still is felt to be sound by them, I would appreciate being advised that it meets with the approval of all and that the project is cleared.

Thank you for your help - and kindest regards.

Air Mail

Yours very truly,

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

RECEIVED
SEP 24 1956

September 19, 1956

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

Enclosed are the Government, Docket, and Division copies of Amendment No. 7 to the contract.

By copy of this letter other copies of the amendment are being distributed.

Sincerely yours,

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

Attachments

cc: Finance Office w/encl.
USBM (2)
Nickelson

RECEIVED
SEP 13 1956

xxxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

September 13, 1956

Mr. Roger V. Pierce
808 Newhouse Bldg.
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

As requested in your August 13 letter our Washington office has prepared Amendment No. 7, the original and six copies of which are enclosed. If this amendment meets with your approval would you please sign all copies and return all but the copy marked for the Operator.

If the amendment does not meet with your approval please return all copies with your comments.

Sincerely yours,

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

Enclosures

cc: DMEA (2)
USBM (2)
USBM (AD)
Nickelson

500

SEP - 3 1956

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
Northwest District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Ida-2574

Dear Mr. Weissenborn:

We are enclosing the original and five copies of Amendment No. 7 to the cited contract, signed by the Administrator. Also enclosed are two extra copies of the amendment for the use of the Field Team. This amendment has been prepared in conformance with your letter of August 17, 1956.

If the amendment meets with your approval, kindly present it to the Operator for approval and signature and, when completed, distribute copies in the usual manner. In the event that the amendment is not satisfactory and cannot be amended within your delegated authority, return all copies with your recommendation concerning any modification.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

JWAlt/ar 8/30/56
Copy to: Docket
Adar R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

Enclosures

APPROVED:

Frank D. Lamb
Member, Bureau of Mines

N. E. Nelson
Member, Geological Survey

August 30, 1956

Memorandum

To: The Administrator

From: Chief, Base Metals Division

Subject: Justification for Amendment No. 7 for Contract No. Idm-8574, Docket No. DMA-2868 (Lead-Zinc), Roger V. Pierce, Gilmore Mine, Lemhi County, Idaho

Under the terms of Amendment No. 6 of the cited contract, the Operator was to sink a two-compartment timbered shaft 60 feet, the size of the shaft to be not less than 5 feet by 7 feet in cross section in the clear of timber.

The Operator sanken untimbered single-compartment shaft which is 6 feet by 8 feet in rock section. He placed two sets of timber near the collar of the shaft and sank the shaft 70 feet. Ten feet of this shaft sinking was at the Operator's cost.

The purpose of Amendment No. 7 is to establish a price for the work which was done and which is acceptable to the Government. This price is less than that provided for in the contract.

W. R. Griswold

W. R. Griswold

JWAlt/er

Copy to: Docket
Base Metals
Chron.

File Copy
Surname
J-Alt.

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

500

August 28, 1956

Memorandum

To: Associate Solictor, Division of Mineral Resources

From: Chief, Base Metals Division

Subject: Preparation of Amendment No. 7 for Contract No. Idm-E574, Docket No. DMEA-2868, Roger V. Pierce, Gilmore Mine (Lead-Zinc), Lemhi County, Idaho

Will you please prepare Amendment No. 7 for the cited contract. A draft of the amendment is attached to this memorandum.

W. R. Griswold

W. R. Griswold

JWAlt/er

Copy to: Docket
Base Metals
Chron.

C O P Y

C O P Y

Betty

ROGER V. PIERCE
Consulting Engineer
808 Newhouse Building
Salt Lake City, Utah

RECEIVED
SEP - 3 1956

August 27, 1956

U. S. Department of the Interior
Defense Minerals Exploration Adm.
So. 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine, Lemhi County, Idaho
Contract No. Idm-E574

Attention: Mr. A. E. Weissenborn

Gentlemen:

The check for $250 mentioned in your letter of August 21 and ours of August 24 was received today. Also received was the settlement in the amount of $1413.00.

Yours very truly,

/s/ EVELYN BURKE

Secretary to Roger Pierce

EB

xxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

RECEIVED
SEP - 3 1956

August 28, 1956

Mr. Roger V. Pierce
808 Newhouse Bldg.
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

Thank you for your letter of August 24, 1956. As you have received a voucher dated August 20 for the amount of $250 which had been withheld pending settlement of your contract, the check will doubtless be along shortly. As our disbursing office is in Portland, Oregon, there is sometimes an unavoidable delay in mailing.

Very truly yours,

D. R. MacLaren
for: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW District

cc: DMEA (2)
USBM (2)
USBM (AD)
Nickelson

P.S. Receipt is acknowledged of your letter of August 27 mentioning that you had received the check for $250 and the settlement in the amount of $1413.00.

ROGER V. PIERCE
CONSULTING ENGINEER
[illegible] NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

RECEIVED
SEP - 3 1956

August 24, 1956

U. S. Department of the Interior
Defense Minerals Exploration Adm.
So. 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Attention: Mr. A. E. Weissenborn

Gentlemen:

The check for $250 mentioned in your letter of August 21 on the above subject has not yet been received. However, voucher dated August 20 on this amount was received today and it may be that the check is still enroute.

The above is for your information as you said you would want to start a tracer if the check had not arrived here at the time your letter was received.

Yours very truly,

Secretary to Roger Pierce

EB

RECEIVED
AUG 27
U. S. D. I.
SPOKANE, WASH.

XXXXXXXXXXXXXXXXX
1201 N. Division St.
Spokane 2, Washington

August 21, 1956

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA 2068
Contract No. Ldm-2574
Monthly operating report
for Year to Date, 1956.

Dear Mr. Pierce:

It has been necessary to suspend payment of a portion of the costs claimed in the subject voucher. The attached copy of a memorandum to the Field Team from the Certifying Officer, Region I, explains the action we have taken in this matter.

By Field Team, Region I, NW Dist.

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

cc: DMEA (2)
USGS (2)
AD

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

DMEA Field Team, Region I, NW Dist. August 21, 1956

DMEA Certifying Officer, Region I

Contract I4m-2574, Roger V. Pierce. Monthly operating report for Year to Date, 1956.

The subject monthly operating report has been received and processed for payment.

The Operator has claimed costs of $3,652.00 for the period. It has been necessary to suspend payment of $826.00 pending an adjustment in price for shaft sinking and receipt of an invoice covering the bulldozing charges. We have made payment for the 34 feet of shaft sinking claimed by the operator at a price of $75.00 per foot instead of the $94.00 per foot called for by the contract for timbered shaft. This item is subject to adjustment when an amendment now being prepared is executed.

Myrtle Purdy

cc: Operator
DMEA (2)
USGS (2)

xxxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

August 21, 1956

Mr. Roger V. Pierce
Consulting Engineer
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

In reply to your letter of August 18, 1956, I have been advised by the audit section that a check for $250, withheld pending final audit of your contract, has been mailed. If it has not arrived by the time you receive this letter, please advise me so we can start a tracer.

Very truly yours,

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

cc: DMEA (2) w/inc.
USBM (2)
USBM (AD)
Nickelson

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

August 18, 1956

U. S. Department of the Interior
Defense Minerals Exploration Adm.
No. 157 Howard Street
Spokane 4, Washington

Attention: Mr. A. E. Weissenborn, Executive Officer DMEA

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine, Lemhi County, Idaho
Contract No. Idm-E574

Gentlemen:

From the settlement sheets and computation submitted to you March 5, 1956, you withheld $250.00 pending final audit of the above contract. However, since this contract has now been extended to cover the new project and inasmuch as additional work has now been done, I am wondering if payment can now be made of this balance.

Your early advices regarding the above will be appreciated.

Yours very truly,

Roger V. Pierce

RVP eb

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

1201 N. Division St.
Spokane 2, Washington
August 17, 1956

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574 (Amended)

Dear Mr. Pierce:

Thank you for your prompt reply to our August 13 letter.

We are writing Washington to request an amendment to the contract for an adjusted unit price for shaft sinking without timber and a price for timbering.

Pending the writing of such an amendment we are processing your last voucher for payment on the basis of $75.00 per foot for sinking. An adjustment in the cost of shaft sinking will be made as soon as the amendment is formalized. The headframe and sampling will be reimbursed according to the contract price; however, we will continue to withhold payment on the bulldozing pending receipt of the data requested in our August 13 letter.

By Field Team, Region I, NW District

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

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

cc: DMEA (2)
USGS (2)
USBM (AD)

RECEIVED
AUG 23 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

1201 N. Division St.
Spokane 2, Washington
August 17, 1956

Mr. George C. Selfridge
Chairman, DMEA Operating Committee
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (lead-zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574 (Amended)

Dear Mr. Selfridge:

Enclosed are three copies of a letter from the Operator in answer to our letter of August 13 regarding shaft timbering.

Since the specifications and costs of the shaft sinking in the contract differ from those recommended by the Field Team in our May 4 letter, we do not know what portion of the $94.00 per foot for shaft sinking authorized by Amendment No. 6 is for timbering. We recommend that an amendment to the contract be written, setting a price for shaft sinking without timber and a price for timbering.

Our estimate of shaft timbering costs is as follows:

| | |
|---|---|
| Timber: posts, caps, girths and lagging 6,000 bd. ft. @ $65/M | $390.00 |
| Blocks and wedges | 30.00 |
| Labor: 3 miners @ $16.00/day x 1.083 O.T. 48 x 1.083 x 6 days | 311.90 |
| Supervision: 1/4 mo. @ $600/mo. | 150.00 |
| Insurance, taxes | 48.00 |
| Total | $929.90 |
| Cost per foot | $ 15.50 |

By Field Team, Region I, NW District

A. E. Weissenborn

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

Enclosures

cc: USGS (2)
USBM (AD)

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

RECEIVED
AUG 22 1956

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

August 15, 1956

U. S. Department of the Interior
Defense Minerals Exploration Administration
1201 N. Division Street
Spokane 2, Washington

Attention: Messrs. A. B. Weissenborn and Wing A. Agnew

Re: Docket No. DMEA-2868 (lead-zinc) Gilmore Mine
Lemhi County, Idaho - Contract No. Idm-3574 (Amended)

Gentlemen:

I appreciate the advices contained in your letter of August 13 and am aware that timber was not used in the shaft where it was not necessary. We have carried the necessary sill timber for support of rail, track, etc., but, where the ground encountered is as rigid as is the case in this limestone, installing timber would be an added and unnecessary cost. It was felt that, if an area was encountered where timber would be necessary, then the shaft would be enlarged somewhat to make room for the area that would be consumed by placing timber. I, on my own, increased the size of the shaft up to 6' x 8' and, as you know, carried the shaft to a depth of 70' rather than 60' as called for in the contract.

As mentioned in the first paragraph of your letter, you feel that, if the shaft is to remain untimbered, then there should be an adjustment in the agreed unit cost of sinking. On this I am in full accord with you, as I mentioned over the phone, and would feel that somewhere between $6.00 and $8.00 a foot would be a fair allowance for the cost of timber.

On the above basis, with all items considered, I am satisfied that you will make a fair settlement.

As I am headed out of the country on a consulting assignment, I cannot obtain a certified copy of the bill for the bulldozer work, and due to the fact that I would like to make a partial settlement with my contractors, I ask that you clear settlement for at least 50' of the shaft, and the remainder can be cleared and an accounting made when the job has been completed.

The contractors have cut three rounds into the hanging wall to make room in which to work, and the crosscut to the east was in about 20 feet when I was there Sunday. Both faces and the intervening area are in black, discolored, heavily stained lime and bands of manganese material.

Thanking you for your fair consideration of the above and with best regards, I am

Yours very truly,

Roger V. Pierce

RVP:eb

RECEIVED
AUG 17 1956
U. S. G. S.
SPOKANE, WASH.

DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

1201 N. Division St.
Spokane 2, Washington
August 13, 1956

Mr. Roger Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574 (Amended)

Dear Mr. Pierce:

Our field men report that the inclined shaft on the Silver Dollar claim does not meet contract specifications. Amendment No. 6 to the contract states that the shaft shall be "two compartment timbered" and "shall not be less than 5 feet by 7 feet in cross section in the clear of timber." Your shaft is reported to be single compartment, about 6 feet by 8 feet in rock section, and untimbered except for two unsubstantial sets of timber near the collar. If the shaft is to remain untimbered, or if timbered and smaller than 5 feet by 7 feet in the clear of timber, then an adjustment in the agreed unit cost of shaft sinking will probably be necessary.

The contract specifies that the dozing shall be done with a D-6 or equivalent size bulldozer. Will you please inform us who did the dozing, the size or model dozer used, and the dates the dozing was done?

Your attention is called to the requirement for an adequate narrative report. Your report should describe the work performed during the reporting period and should include maps or sketches showing all pertinent geological features exposed by the work.

We will delay our recommendations to Washington pending receipt of your reply to this letter.

By Field Team, Region I, NW District

RECEIVED
AUG 20 1956

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

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

cc: DMEA (2)
USGS (2)
USBM (AD)

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

July 10, 1956

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine
Roger V. Pierce
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

Enclosed are the Government, Docket, and Division copies of Amendment No. 6 to the contract. Also enclosed are copies of a letter dated July 5, 1956, from Roger V. Pierce.

By copy of this letter other copies of the amendment have been distributed.

Sincerely yours,

Donald R. MacLaren

Donald R. MacLaren
for: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW District

Enclosures

cc: Finance Office w/encl.
USBM (2) w/incoming
Nickelson "

RECEIVED
JUL 13 1956

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

July 5, 1956

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team Region 1, MM Dist.
So. 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine, Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Weissenborn:

I am in receipt of the amended docket covering the exploration project at Gilmore, Idaho, and the signed copies are enclosed.

We are proceeding immediately with the work listed under Stage II, and it is our hope that this work can be completed in two or three months.

The bulldozer was in Saturday, and you will be interested to note that we have uncovered quite a lot of pockets of very high grade ore in preparing the site, moving the hoist equipment, etc.

I will keep you posted.

Kindest regards.

Yours very truly,

Roger V. Pierce

Roger V. Pierce

RVP eb
Enc.

JUL 9 1956
U. S. C. S.
SPOKANE, WASH.

RECEIVED
JUL 18 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

RECEIVED
JUL 5 - 1956

July 2, 1956

Mr. Roger V. Pierce
808 Newhouse Bldg.
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-2574

Dear Mr. Pierce:

Enclosed are the original and six copies of Amendment No. 6. If this amendment meets with your approval would you please sign all copies and return all but the copy marked for the Operator.

If the amendment does not meet with your approval please return all copies with your comments.

Sincerely yours,

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

Enclosures

cc: DMEA (2)
USBM (2)
USBM (AD)
Nickelson

File Copy
Surname
J. Alt.
Simmons
Chambers
Yopes
Selfridge
Johnson
Weissenborn

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

500

JUN 29 1956

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
Northwest District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-K574

Dear Mr. Weissenborn:

We are enclosing the original and five copies of Amendment No. 6, together with two maps, to the cited contract, signed by the Administrator. Also enclosed are two extra copies of the amendment for the use of the Field Team.

Please note that in this amendment we have increased the size of the shaft to 5 feet by 7 feet in the clear of timber, as a smaller shaft is impracticable. Also, we have increased the cost accordingly.

If the amendment meets with your approval, kindly present it to the Operator for approval and signature and, when completed, distribute the copies in the usual manner. In the event that the amendment is not satisfactory and cannot be amended within your delegated authority, return all copies with your recommendation concerning any modification.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GCS)

Enclosures

APPROVED:

P. F. Yopes (GCS)
Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

JWalt/er 6/25/56
Copy to: Docket
Admr File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

R. C. S.

File Copy
Surname
J. Ost

500

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

June 13, 1956

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: Chief, Base Metals Division

Subject: Preparation of Amendment No. 6 for Contract No. Idm-E574, Docket No. DMEA-2868, Roger V. Pierce, Gilmore Mine, Lemhi County, Idaho

Will you please prepare Amendment No. 6 for the cited contract. A draft of this amendment is attached to this memorandum. The necessary copies of the two maps will be forwarded to your office within a few days.

The royalty payment period should be increased from eleven to twelve years. Annex III of Amendment No. 5 increased the royalty payment period from ten to eleven years.

In a letter to Mr. A. K. Weissenborn, dated May 8, 1956, Mr. Pierce states that he has purchased all of the stock of the United Idaho Mining Company, but his leases with the Gilmore Mercantile and Delaware-Idaho claims expire in 1956 and that at this time it is doubtful that they will be renewed.

W. R. Griswold

W. R. GRISWOLD

JWAlt/bjl

Copy to: Dockete
Base Metals
Chron.

P. S. Amendment No. 5 increased the completion time to April 17, 1956. This amendment should extend the completion time to March 1, 1957.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

1201 N. Division St.
Spokane 2, Washington
June 5, 1956

RECEIVED
JUN - 8 1956

Mr. George C. Selfridge, Chairman
DMEA Operating Committee
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (lead-zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

In answer to your letter of May 18 we are enclosing four copies each of two maps showing the claim boundaries and site of the proposed exploration.

There are 180 feet of Silver Dollar crosscut and 140 feet of drift to be rehabilitated, totaling 320 feet of rehabilitation. The 20 feet of timbering needed near the portal can be authorized at $5.00 per foot and the balance of 300 feet of cleanup work at $1.00 per foot.

It is anticipated that pipe, rail, and miscellaneous fittings will be salvaged from the old workings and are thus given only a nominal value. Assuming a 50 percent salvage on pipe, rail, and ventube, shaft sinking costs would be reduced by $55.00 to $4,025.00 or $67.08 per foot. In drifting and crosscutting, salvage would reduce the cost of rail to $77.50 (1/2 of $155.00), pipe and fittings to $41.50, and ventube to $62.50, and deducting the $41.00 for timber the cost would then be $5,977.50 or $29.89 per foot for an untimbered drift or crosscut.

The $41.00 requested for timber is for a small shaft station as it is anticipated that the 4'x6' drift will not require timber. If the drift size is increased to 5'x7' in the clear, then at least 50 feet of timbering at $5.00 per foot should be provided for.

Although we feel that a 4'x6' drift would be adequate, we have no objection if the size is increased to 5'x7' in the clear of timber.

The assays at $3.00 each are for gold-silver-lead as there are only very minor amounts of zinc in the ores.

By Field Team, Region I, NW District

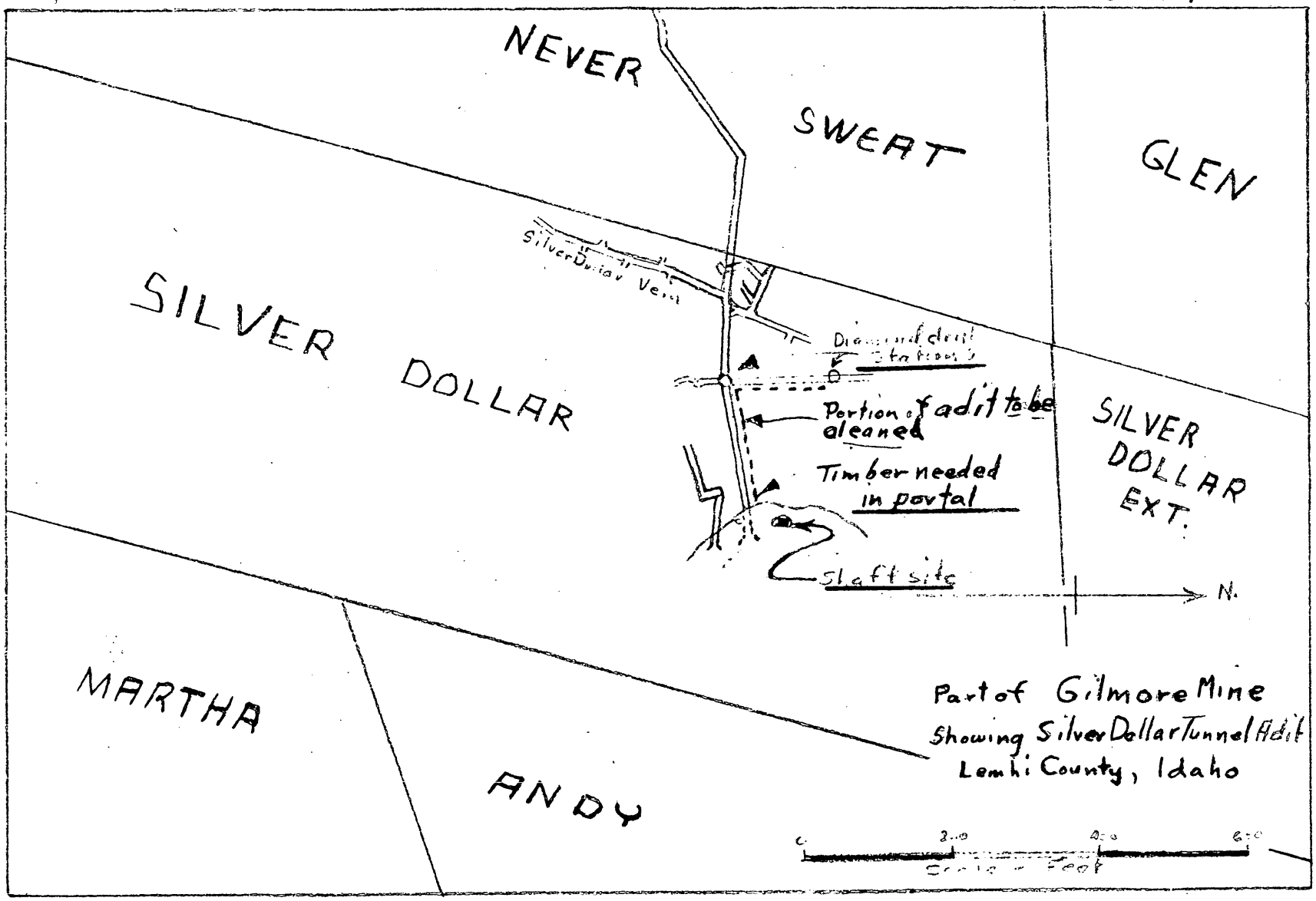
James J. Quinlan
James J. Quinlan, Acting Member
U. S. Geological Survey

Wing G. Agnew
Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Enclosures
cc: USGS (2)

RECEIVED
JUN - 8 1956

DMEA - Docket No 2868



File Copy
Surname
J. Alt
Selfridge
Hyman
Weissenborn

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION 500
WASHINGTON 25, D. C.

Air Mail

MAY 1 8 1956

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
Northwest District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Weissenborn:

This is to confirm your conversation with Mr. Alt, of the Base Metals Division, on May 17, 1956, regarding the cited property in which the following information was requested.

1. A property map showing where the proposed new exploration work is to be done. This map would only necessitate the showing of a few claims.

2. How much of the Silver Dollar adit is to be rehabilitated?

3. If pipe, fittings, rail and vent tube are to be purchased for the work of Stage I of the project, these items will have a salvage value and can be depreciated at 50 per cent which will reduce the cost of drifting and crosscutting.

4. Timbering of the drifts and crosscuts should be a separate item and should not be included in the cost per foot for this work. An allowance per foot of timbering should be made.

5. Do you think that the size of the drifts and crosscut should be increased to 5 feet by 7 feet in the clear of timber?

6. The estimate of costs states the number of assays at $3.00 each. Are the samples to be assayed for lead-zinc-silver?

R.C.G.

Please supply this information at your earliest convenience.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

APPROVED:

/s/ Robert W. Geeham (JHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

JWAlt/er 5/18/56

Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

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

RECEIVED
JUN 13 1956

May 16, 1956

Re: DMEA-2868; Idm-E574;
Lead-Zinc
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Field team estimate of
cost: $22,092

Memorandum

To: W. R. Griswold, Defense Minerals
Exploration Administration

From: O. M. Bishop, Branch of Base Metals

Subject: Review of Field Examination Report and Request for Amendment, dated May 4, 1956, and received May 7, 1956

Between July 27, 1953, and March 1, 1956, the applicant working under Contract Idm-E574 rehabilitated the Transportation Tunnel at the Gilmore mine and drove 1,300 feet of drift and crosscut on and from the Silver Dollar vein. The work failed to find ore, but surface bulldozing near the portal of the Silver Dollar drift uncovered a structure containing high grade lead-silver ores.

The present amendment provides for exploration of this structure by sinking a 60-foot prospect shaft on the vein and then driving 200 feet of drift and crosscuts at the 60-foot level. This work is estimated to cost $10,787. If this first stage is successful, a second stage consisting of 6 AX-sized diamond drill holes totaling 1,500 feet will be driven to test the ore structure. These holes will be driven from two stations cut in the Silver Dollar adit, and the second phase is estimated to cost $11,305.

The costs appear to be in good order, and the engineer and geologist examiners agree that the work is warranted.

I concur in the recommendation of the examiners and the field team.

O. M. Bishop

O. M. Bishop

Copy to: Division of Minerals
Branch of Base Metals (2)
Mr. Kiilsgaard, Rm. 5222
Mr. Geehan, Rm. 3608
Files

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

RECEIVED
MAY 21 1956

May 16, 1956

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

Enclosed are the Government, Docket, and Division copies of Amendment No. 5, with 3 Consents to Lien attached.

By copy of this letter other copies of the amendment and Consents to Lien are being distributed.

Sincerely yours,

Thomas E Howard
for Wing G. Agnew
Acting Executive Officer, DMEA
Field Team, Region I, NW District

Attachments

cc: Finance Office w/encl.
USBM (2)
Nickelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON, D.C.~~
No. 157 Howard Street
Spokane 4, Washington

RECEIVED
MAY 14 1956

May 11, 1956

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA 2068 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574
Contract No. Idm-E574

Dear Mr. Pierce:

Thank you for sending us the other two Consents to Lien which were required before we could send Amendment No. 5 to you for signature. Enclosed are the original and six copies of Amendment No. 5. If this amendment meets with your approval would you please sign all copies and return all but the copy marked for the Operator.

If the amendment does not meet with your approval please return all copies with your comments.

Sincerely yours,

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

Enclosures

cc: DMEA (2) w/incomings dtd 3/23/56 and two dtd 5/8/56
USBM (2)
USGM (AD)
Nickelson

RECEIV-

ROGER V. PIERCE
CONSULTING ENGINEER
MINING MECHANIZATION SPECIALIST
SALT LAKE CITY, UTAH

DMEA

RECEIVED
MAY 14 1956

March 23, 1956

Mr. Wing G. Agnew
Acting Executive Officer, DMEA
Field Team, Region I, NW Dist.
No. 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2668 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-2574

Dear Mr. Agnew:

Attached please find the signed copies of the Amendment Number 5 to the above exploration contract.

These forms cover the ground owned by United Idaho and, as you know, is the ground that I purchased from United States Smelting about a year ago. The forms for the signatures of the officers of the other two groups of claims, have been mailed, and as soon as they are received, they will be mailed to you.

Thanking you for your helpful advice on this project, and with kind regards, I am,

Yours very truly,

Roger V. Pierce

RVP:bm
Attachments

IN REPLY REFER TO:

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

RECEIVED
MAY 11 1956

May 10, 1956

Re: DMEA 2868 Idm-E574 - Lead-zinc-silver
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
App't. Est. $125,700.00
Field Team Est. $22,092.00

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team report on new discovery and request for an amendment.

The applicant has just completed a large contract on the Transportation adit level without success. While the work was in progress bulldozing at the portal of the Silver Dollar adit exposed a good looking lead-bearing structure. Depth of overburden discouraged conclusive exploration and the applicant requested an amendment to the contract which would provide for an extension of the contract term and extensive work on the newly found vein structure.

The examiners agree that work is warranted and recommend a 2-stage work program consisting of:

| | | | |
|---|---|---|---|
| Stage I | | | |
| | Bulldozing | $192.00 | |
| | Sinking (with accessories) 60 ft. | 4,080.00 | |
| | Headframe | 270.00 | |
| | Assays | 45.00 | |
| | | $4,587.00 | |
| | Drifting 200 ft. | 6,200.00 | |
| | Total Stage I | | $10,787.00 |
| Stage II | | | |
| | Rehabilitate portal Silver Dollar adit | $400.00 | |
| | Drill stations (2) | 375.00 | |
| | Drilling 1,500 feet AX core, | 10,500.00 | |
| | Assays | 30.00 | |
| | Total Stage II | | 11,305.00 |

| | |
|---|---|
| Total Stages I & II | $22,092 |
| Government share 50% | $11,046 |

I concur with the recommendations of the examiners and the Field Team.

N. E. Nelson

N. E. Nelson

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

RECEIVED
MAY 7 - 1956

May 4, 1956

Air Mail

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

Enclosed are four copies of a memorandum by H. B. Nickelson, Geological Survey, and E. W. Parsons, Bureau of Mines, recommending additional work at the Gilmore mine.

The exposures of this new vein are high grade and more exploration is warranted. Further exploration by trenching is apparently not feasible and the fieldmen have recommended sinking 60 feet of shaft and driving 200 feet of crosscut and drift on a first stage. If warranted, a second stage involving 1,500 feet of diamond drilling could be done. We concur with the recommendations of the fieldmen.

In a telephone conversation with Mr. Weissenborn, Roger Pierce stated that he had purchased from the U. S. Smelting and Refining Company 100 percent of the preferred and 97 percent of the common stock of the United Idaho Mining Company. He further stated that Delaware-Idaho and Gilmore Mercantile may renew his lease but that the exploration work will be done in United Idaho Mining Company ground.

By Field Team, Region I, NW Dist.

for: Thomas E Howard
Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Verne C. Fryklund
Verne C. Fryklund, Jr. Acting Member
U. S. Geological Survey

Enclosures

cc: USBM (2)
USBM (AD)
USGS(SRO)
Nickelson

RECEIVED
MAY 7 - 1956

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

May 4, 1956

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: Howard B. Nickelson, Geologist, U. S. Geological Survey, and E. W. Parsons, Mining Engineer, U. S. Bureau of Mines

Subject: Field examination report, application to perform additional exploration work, Docket No. DMEA-2868 (Lead-Zinc), Roger V. Pierce, Gilmore Mine, Lemhi County, Idaho, Contract No. Idm-E574

SUMMARY

On July 27, 1953, the Government entered into a contract with Roger Pierce to rehabilitate the Transportation tunnel at the Gilmore mine for the purpose of driving 1,300 feet of drift and crosscut on and from the Silver Dollar vein. This work was completed about the first of March 1956 but the project failed to discover any ore.

Surface bulldozing by the Operator during the later months of 1955 in the vicinity of the Silver Dollar portal uncovered a structure containing galena and carbonate lead minerals along a zone approximately 80 feet in length. On January 19, 1956, Roger Pierce, the Operator, applied for additional exploration aid to explore this discovery. The requested exploration estimated to cost $125,700 consists of sinking a 300-foot shaft and 2,500 feet of drifting and crosscutting from two levels.

The bulldozing has uncovered a strong structure, striking in a northerly direction, containing pods and stringers of high-grade lead and silver ore across a zone approximately 20 feet wide as measured horizontally across the best exposure. The prospecting to date has failed to determine the dip of the vein and the length of the ore zone. Further dozing is impractical for continued surface exploration because the overburden is 10 to 15 feet deep and is on a steep hillside. It is believed the most practical method for determining its extent is by sinking a 60-foot prospect shaft on the vein and drifting and crosscutting for a total of 200 feet. If a substantial ore body is proved by this work, it could be explored at depth by diamond drilling from the accessible workings of the Silver Dollar tunnel. If the ore continued at depth it would be feasible to mine it from the Transportation level by driving a crosscut northerly from a west crosscut off the Martha drift.

## RECOMMENDATION

It is recommended that an exploration project consisting of two stages be approved as an amendment to Contract Idm-E574. The first stage will consist of 60 feet of prospect shaft on the vein and 200 feet of drifting and crosscutting from the bottom of the shaft to explore the vein. If results warrant continuation, the second stage will consist of rehabilitating the Silver Dollar tunnel in order to drill 6 diamond drill holes to test the occurrence below the shaft to a depth of approximately 300 feet below the surface.

## EXAMINATION

Nickelson examined the property briefly in December 1955, but cold weather and snow precluded a detailed examination. The area in the vicinity of the bulldozer cut at the portal of the Silver Dollar tunnel was re-examined on March 26, 1956, by a party consisting of Roger V. Pierce, applicant; Mr. Pierce's father, a Gilmore resident; and the writers.

## LOCATION AND ACCESSIBILITY

The property, which is in the Texas Mining District, Lemhi County, Idaho, near the old town of Gilmore, consists of 27 patented mining claims in sec. 18, T. 13 N., R. 27 E., B.M. The names of the claims and their owners are described in Annex I of Contract Idm-E574. The proposed work will be on the United Idaho Mining Silver Dollar claim and possibly on the Silver Dollar Extension claim.

The road to the prospect is accessible throughout the year although some snow plowing is usually necessary during the winter months.

The applicant has had the work on Contract Idm-E574 done by an independent contractor; the workmanship has been good, but the rate of advance at times poor. The work proposed in this amendment will probably be done by independent contract. It is believed the applicant is financially able to assume his share of the cost for the proposed work.

## PROPERTY RIGHTS

The property as covered by contract Idm-E574 is adequate to cover the land to be benefited by the proposed exploration. It should be noted, however, that both of the lease agreements between the applicant and the Delaware-Idaho Gold Mining Company and Gilmore Mercantile Co. expire August 15, 1956 (see letter dated April 5, 1956, from Earl D. Smith, Delaware-Idaho Gold Mining Company). New consent to lien forms have been requested as part of proposed Amendment 5

extending the time to cover the date of work completion on Contract Idm-E574. Only new consent to lien from the United Idaho Mining Company has been received, signed by Roger Pierce as president of the company. Previous consent to lien from this company limited the money that could be spent to $41,625.00, of which approximately $29,300 has been spent on the completed work. The new consent to lien forms do not stipulate a certain amount of money in the lien. According to the application, Roger Pierce has applied for the work as an individual, and although he is president of the United Idaho Mining Company, it is believed the lease agreement from Contract Idm-E574 is still in effect.

## Description of the Property

The description of the property by previous authors is available in the docket of Contract Idm-E574; however, a brief description of the workings in the immediate vicinity of the proposed work is submitted.

The Silver Dollar tunnel is open to the Silver Dollar vein, but the portal of the tunnel needs rehabilitation. The adjoining tunnel immediately south is accessible, but the portal is partly caved. A west crosscut 400 feet south of the Silver Dollar tunnel off the drift on the Martha vein on the Transportation level is inaccessible and no record of the mining, such as drifts, stopes, etc., is available. The Silver Dollar tunnel and part of the Transportation level is shown on plate 2; the mapping done during the inspection is shown on this plate. Plate 1 shows the claims and location of Silver Dollar tunnel with respect to the other workings in the district.

## GEOLOGY

The description of the mine geology is available in the docket of Contract Idm-E574; only the geology concerning the immediate area of the proposed exploration will be discussed.

High-grade galena and lead carbonate ore is exposed in the bulldozer cut at the portal of the Silver Dollar tunnel. The cut removed nearly 50 feet of the Silver Dollar tunnel portal and extended more than 100 feet to the north. The ore was encountered in the cut about 20 feet north of the Silver Dollar tunnel at a depth of about 10 feet below the surface and is reported to extend intermittently for a distance of 80 feet north (pl. 2). Sloughing from the sides of the cut has covered the northern part of the exposure. A pit 8 by 15 feet, 5 feet deep, has been sunk on the ore in the center of the cut and possibly 10 tons of 25 percent lead ore has been hand sorted.

The Silver Dollar tunnel adit and a short adit a few feet to the south were examined for evidence of structure. The rock is highly fractured but there is little evidence of appreciable movement. There is no indication either in the adits or in the cut as to type of deposit or probable direction of strike and dip of the controlling structure, although it probably strikes to the north and dips westward as do the other veins of the area. The exposure could be part of an ore shoot or may be an isolated lens of high grade ore in shattered country rock, possibly a replacement along indistinct bedding planes.

In the application report Mercer Thompson, consulting geologist, has projected three producing veins (West Vertical vein, East Flat vein, and East Vertical vein) into the vicinity of the portal of the Silver Dollar tunnel. Some of these veins projected approximately 1,000 feet from the Transportation level may occur in this area, but there is a possibility the vein in the bulldozer trench is another structure.

Three samples were cut in the small pit sunk on the ore in the bottom of the trench. Sample No. 435B, cut vertically across 3 feet in the northeast corner of the pit outside of what appeared to be the footwall of the ore zone, assayed trace of gold, 0.2 ounce of silver, and 0.8 percent lead per ton. Sample No. 436B, cut vertically across part of the vein on the north side in about the center of the pit, assayed 0.03 ounce of gold, 10.8 ounces of silver, and 20.5 percent lead per ton across a width of 3 feet. Sample No. 438B, cut directly across from Sample 437B on the south wall of the pit vertically across 4 feet, assayed 0.030 ounce of gold, 0.7 ounce of silver and 1.5 percent lead. Samples No. 435B and 437B were cut in what appeared to be wall rock in the footwall of the vein to determine if this material contained any carbonate lead minerals. Material similar to Sample No. 437B extends horizontally across 8 feet at this sample location and trends under the slough and overburden of the North bank. Picked samples reported by the applicant are as follows:

| Sample No. | Gold | Silver | Lead | Remarks |
|---|---|---|---|---|
| Sample I | 0.05 | 8.1 | 9.4 | green-stained rock at Silver Dollar portal |
| Sample II | 0.03 | 19.5 | 46.8 | siliceous, some green stain, lead showing |
| Sample III | 0.06 | 29.2 | 47.8 | red iron stain, galena |
| Sample IV | 0.06 | 0.7 | 6.4 | dark red, very siliceous |
| Sample V | 0.05 | 23.6 | 70.0 | almost pure galena some limestone |

Water will have to be hauled to the site from the vicinity of the Transportation level.

## Proposed exploration program

A summary of the applicant's proposed exploration showing costs is given below:

| | |
|---|---|
| 300 feet of sinking new 5'x7', 2-compartment shaft from surface cut near Silver Dollar Tunnel adit @ $94/ft. | $28,200.00 |
| 2,500 feet of 5'x7' drifts and crosscuts on 300-foot level @ $39/ft. | 97,500.00 |
| Total cost | $125,700.00 |

The mineral exposure in the surface bulldozer trench constitutes a prospect and does not warrant a program on the scale proposed by the applicant.

The following exploration program is recommended by the examining team for consideration. Method of performing the work to be decided by the applicant.

### Stage I

Sink 60 feet on the exposure of high-grade galena and from the bottom, crosscut and drift 200 feet to determine strike, dip, and character of ore-bearing structure.

### Stage II

Rehabilitate the Silver Dollar Tunnel adit sufficient to prepare two diamond drill stations and drill six holes totaling 1,500 feet of AX hole to determine continuation of ore-bearing structure below shaft bottom.

## Competence of Applicant

Roger V. Pierce is a consulting mining engineer. He has completed DMEA Contract No. Idm-E574 on the same property and apparently is able to fulfill his part of the proposed contract.

## Operating Equipment

The applicant has all the necessary equipment to complete the project. Following is the equipment, with rate of depreciation, which will probably be used.

| Item | Value | Monthly depreciation |
|---|---|---|
| 1 air compressor | $6,000.00 | $100.00 |
| 1 air hoist and cable | 900.00 | 15.00 |
| 2 hoisting buckets | 195.00 | 3.25 |
| 1 sinker drill, peg lusher and hoses | 810.00 | 13.50 |
| 1 blower | 195.00 | 3.25 |
| | $8,100.00 | $135.00 |

These costs are included in estimated unit costs.

## Estimated Costs of Project

Stage I - 5 months

| | | |
|---|---|---|
| Shaft 60' deep - 4'x6' - @ $68/ft. | | |
| Preparatory - bulldozer, 16 hrs. @ $12/hr. | | $192.00 |
| Labor - 2 miners @ $16/day 2 mo. of 26 days | | $1,792.00 |
| 1 helper @ $14/day 2 mo. of 26 days | | 784.00 |
| Payroll taxes, insurance, etc. - 11.8% | | 303.00 |
| Steel and bits | | 150.00 |
| Explosives, caps and wire | | 225.00 |
| Timber for sets, ladders, skids | | 240.00 |
| Rail | | 60.00 |
| Diesel oil | | 156.00 |
| Hanging rods | | 50.00 |
| Vent tube | | 50.00 |
| Equipment depreciation | | 270.00 |
| 60' x $68 = | | $4,080.00 |
| Headframe - timber and erection | | 270.00 |
| Assays - 15 @ $3/sa. | | 45.00 |
| | | $ 4,587.00 |

Drift and crosscut - 200', 4'x6' @ $31/ft.

| | | |
|---|---|---|
| Labor - 2 miners @ $16/day 3 mo. of 26 days | $2,688.00 | |
| 1 helper @ $14/day 3 mo. of 26 days | 1,176.00 | |
| Payroll taxes, insurance, etc. - 11.8% | 456.00 | |
| Steel and bits | 160.00 | |
| Explosives, caps, and wire | 560.00 | |
| Rail, ties, etc. | 194.00 | |
| Timber | 41.00 | |
| Diesel oil | 312.00 | |
| Pipe and fittings | 83.00 | |
| Equipment depreciation | 405.00 | |
| Vent tube | 125.00 | |
| 200' x $31 = | | $ 6,200.00 |
| Total cost - Stage I | | $10,787.00 |

Stage II - 3 months

| | | |
|---|---|---|
| Place 4 sets in portal, clean drift, place temporary track - Job | $ 400.00 | |
| Prepare 2 diamond drill stations - 500 cu. ft. @ $0.77/cu. ft. | 375.00 | |
| Drill 1,500 feet AX diamond drill hole @ $7/ft. | $10,500.00 | |
| 10 assays @ $3/ea. | 30.00 | |
| Total cost - Stage II | | $11,305.00 |
| Total cost | | $22,092.00 |
| Government participation @ 50 percent | | $11,046.00 |

The Government will contribute to the costs of the work as they accrue for units of work actually performed on the basis of the recommended costs.

Labor, supervision, and consultants - included in unit costs.

Operating materials and supplies - included in unit costs.

No equipment to be purchased.

Stage I of the proposed exploration will determine the dip of the vein, explore its strike, and determine the extent of the high-grade ore showing on the surface. This work would also determine the desirability of the drilling proposed in Stage II. Overburden 10 to 15 feet deep over the outcrop, which is on a steep hillside, makes exploration along the strike by bulldozing expensive and the information obtained not too satisfactory. If the exploration under Stage I is successful, Stage II of the proposed exploration would test the downward extension of the vein near the elevation of the Transportation level and test for other veins which Mr. Thompson has projected into this area. This diamond drilling will serve to indicate if development of the occurrence could be conducted from the Transportation level or from a shaft in the immediate area of the Silver Dollar tunnel.

A tentative drilling program would consist in part of two or three holes designed to intersect any vein approximately half way between the bottom of the shaft proposed in Stage I and the Transportation level; their intersection would be approximately 300 feet below the outcrop. The balance of the drilling would test the ore shoot at the Transportation level if the results of the shallower holes are favorable.

If the results of the exploration permitted developing the occurrence from the Transportation level, it is recommended the applicant do this work without the aid of a DMEA project.

## Conclusion

The work completed under Contract Idm-E574 has been unsuccessful and certification of the project is doubtful even though considerable money has been expended rehabilitating the Transportation level. The showing at the portal of the Silver Dollar tunnel warrants a limited exploration program to determine its extent, and if this exploration is successful and certification is made, part of the Government funds expended on rehabilitating the Transportation level and exploring the Silver Dollar vein may be returned.

Attachments

Distribution:
DMEA (4)
USBM (2)
USGS(SRO)
Docket
Nickelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

1201 N. Division
Spokane 2, Washington
April 26, 1956

RECEIVED
APR 30 1956

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-[illegible] (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-[illegible]74
Additional proposed work

Dear Mr. Pierce:

In connection with the additional work proposed at the Gilmore mine we note that your leases with the Gilmore Mercantile Co. and the Belmore-Idaho Gold Mining Co. are due to expire on August 15, 1956. Will you please inform us whether these leases are to be extended.

We also note that on the new Consent to Lien forms received from the United Idaho Co. you have signed as president of the company. Will you please clarify the situation by making clear whether there has been any change in ownership or organization of the United Idaho Co.

By Field Team, Region I, NW Dist.

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

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

cc: DMEA (2)
USGS (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

[redacted]C.
No. 137 Everett Street
Spokane 4, Washington

RECEIVED
APR 1 3 1956

April 12, 1956

Mr. Earl D. Smith
216 Spring Garden Avenue
Ridgway, Pennsylvania

Re: Docket No. DMEA-[redacted] (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Ida-2774

Dear Mr. Smith:

The "seven Exploration Project Contracts" referred to in your April 5 letter undoubtedly are the Consent to Lien forms that have been sent to Mr. Pierce for the lessor's signature. This form has been sent to all three groups of claim owners in order that the expiration date of the contract can be extended and reimbursement made to Mr. Pierce for work already completed.

In reply to your last question, the DMEA does not have under consideration at the present time any proposal for exploration on the claims of the Dalmatro-Idaho Gold Mining Company and we do not know what plans Mr. Pierce may have for the development of these claims.

By Field Team, Region I, NW District.

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

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

cc: DMEA (2) w/incoming
USGS (2)
USBM (AD)
Nicholson

COPY COPY

EARL D. SMITH
216 Spring Garden Avenue
Ridgway, Pennsylvania

RECEIVED
APR 16 1956

United States
Department of The Interior
1201 N. Division Street
Spokane 2, Washington

Subject: Docket No. DMEA 2868
Roger V. Pierce
Gilmore, Idaho

Re: Delaware-Idaho Gold Mining Co.

Gentlemen:

I have received from Mr. Pierce seven Exploration Project Contracts to be executed by our Company, with a notation from him that these extensions be signed in order to receive final payment on this phase of the work.

I have been advised by Mr. E. J. Tucker now of Riggins, Idaho, and who is our Idaho Agent, that no exploration work has been done on our group of Claims.

Mr. Pierce has a lease and option on our property dated August 15th. 1950, and expires August 15th. 1956. In six years he has accomplished nothing on our group claims. Whatever has been expended appears to have been on his own property, the United Idaho.

The writer would like to know the status of our interests in Gilmore, and if there are any development programs contemplated by your Department on our group of claims.

Very truly yours

DELAWARE-IDAHO GOLD MINING COMPANY

April 5 1956 /s/ Earl D. Smith

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

RECEIVED
MAR 19 1956

March 14, 1956

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-8574

Dear Mr. Pierce:

We have received from our Washington office Amendment No. 5 to your exploration contract. This amendment extends the contract period to April 27, 1956. Before this amendment can be executed, however, it will be necessary for you to obtain Consents to Lien on the new form.

Enclosed are seven copies each of the form covering three different groups of claims. Please return six in each case; the seventh copy may be given to the respective owners.

Sincerely yours,

Wing G. Agnew
Acting Executive Officer, DMEA
Field Team, Region I, NW Dist.

Enclosure

cc: DMEA (2)
USBM (2)
USBM (AD)
Nickelson

File Copy
Surname

J. Ell
Kiilsgaard
Kelfridge
Selfridge
J. Bishop

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION 500
WASHINGTON 25, D. C.

MAR - 5 1956

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-2574

Dear Mr. Pierce:

Your application to perform additional work on the cited property has been reviewed by the Base Metals Division of the Defense Minerals Exploration Administration and has been referred to:

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
Northwest District
South 157 Howard Street
Spokane 4, Washington

If the Field Team requires additional information concerning your application, they will contact you at an early date.

Sincerely yours,

C. O. Mittendorf

Administrator

JWAlt/er 3/1/56
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.
Region I, NW Dist. (2)

R.G.S.

File Copy
Surname

J. All
Swingwood
Selfridge
Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION 500
WASHINGTON 25, D. C.

MAR - 5 1956

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
Northwest District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-2574

Dear Mr. Weissenborn:

The application to perform additional exploration work under the cited contract is being referred to your office for consideration, a field examination of the property if warranted, and recommendation.

Copies of memoranda dated February 10 and 28, 1956, by N. E. Nelson, Geological Survey, and O. M. Bishop, Bureau of Mines, respectively, relating to the project, are enclosed for your information.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (S/B)

Enclosures

JWAlt/er 3/1/56
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

APPROVED:

/s/ Robert W. Geehan (S/B)
Member, Bureau of Mines

Thor H. Kiilsgaard (S/B)
Member, Geological Survey

RCG.

File Copy
Surname
J. W. Walt
Weissenborn
Chambers
Selfridge
Kilsgaard
Mathendorf

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION 500
WASHINGTON 25, D. C.

MAR - 5 1956

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
Northwest District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-R574

Dear Mr. Weissenborn:

We are enclosing the original and five copies of Amendment No. 5, together with Annex III, to the cited contract, signed by the Administrator. Also enclosed are two extra copies of the amendment for the use of the Field Team.

Before this amendment can be executed, it will be necessary for the Operator to obtain new Consents to Lien. The necessary copies of these Consents to Lien are enclosed.

Upon receipt of the Consents to Lien, if the amendment meets with your approval, kindly present it to the Operator for approval and signature and, when completed, distribute the copies in the usual manner. In the event that the amendment is not satisfactory and cannot be amended within your delegated authority, return all copies with your recommendation concerning any modification.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GCS)

JWAlt/er 2/29/56
Copy to: Docket
Base Metals
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

Enclosures

APPROVED:

/s/ Robert W. Geehan (GCS)
Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

R.C.L.

Docket Copy

Rubin
Dwyer
"Copper Sun Oil"
J. Ad
Gruwold
Chamber

EXPLORATION PROJECT CONTRACT
ROGER V. PIERCE
DOCKET NO. DMEA-2868

Amendment No. 5

It is agreed this _____ day of _____, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Roger V. Pierce, that Exploration Project Contract No. Idm-2574 (Docket No. DMEA-2868), dated July 27, 1953, is further amended, effective December 27, 1955, as follows:

In Article 3 of the Contract, the period for completion of the work is further extended from December 27, 1955, to February 27, 1956.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, the amount of any item designated as "allowable maximum," or the agreed unit cost of any item of work.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Administrator, Defense Minerals
Exploration Administration

ROGER V. PIERCE

_____

500

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

RECEIVED
FEB 29 1956

February 28, 1956

Re: Docket No. DMEA-2868
Idm-E-574 (Lead-Zinc)
Amendment to increase
Contract by $125,700
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho

Memorandum

To: W. R. Griswold, DMEA

From: O. M. Bishop, Branch of Base Metals

Subject: Application for Amendment allowing additional funds and time, received February 6, 1956, by DMEA

I have reviewed the applicant's request and the supporting report by his geologist, Mercer F. Thompson. From these sources it appears that the applicant has recently bulldozed a cut several hundred feet in length across the strike of the Silver Dollar tunnel. This cut exposes a mineralized zone in excess of 15 feet wide containing 9 feet of ore estimated to contain 15 to 20 percent lead. Since 2 or more of the productive veins of the Gilmore district veins are said to project into this area, the applicant believes the mineralization should be explored by a 300 foot, 2 compartment inclined shaft ($28,200) and some 2,500 feet of 5x7-ft. crosscuts and drifts ($97,500). The assays furnished by the applicant in his letter of January 27, 1955, do not show what widths are represented nor can the assays be related to the map of the trenching which forms a part of the Thompson report.

In view of the reported ore exposure I recommend that a field examination be made as soon as weather conditions permit an adequate evaluation. At that time it seems probable that a more specific work program can be developed that will reveal the importance of the discovery in progressive steps.

O. M. Bishop

O. M. Bishop

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION 500
WASHINGTON 25, D. C.

February 20, 1956

Memorandum

To: The Administrator

From: Chief, Base Metals Division

Subject: Roger V. Pierce, Gilmore Mine, Contract No. Idm-E574, Docket No. DMEA-2868 (Lead-Zinc), Lemhi County, Idaho

Amendment No. 5 for the cited contract has been prepared which allows the Operator a further extension of completion time.

The contract and the amendments allowed:

(1) a. Cleaning drain ditch, replacing ties, bringing track to grade and enlarging tunnel-4,000 feet.

b. Retimbering - 600 feet

c. Cribbing - 4,500 cu. ft.

d. Enlarging and repairing tunnel, removing timber from shaft, repairing station, making drift safe, providing room for compressor and equipment - 100 feet.

Items (2), (3), (4) Drifting, Crosscutting and Raising - 1,300 feet.

The work completed as per engineer's inspection report, dated January 24, 1956, on date of inspection, January 11, consisted of:

| | | | |
|---|---|---|---|
| Cribbing | 500 feet | Ditch, etc. | 3,900 |
| Retimbering | 475 feet | Drift, Crosscut, Raise | 1,222.7 feet |

Drifting and crosscutting remaining - 77.3 feet.

The last MF-104 in our Docket is for October-November 1955 and shows the total expenditures to be $55,260.00.

The total estimated cost of the contract and the amendments is $64,145.00

As of December 1, 1955, there is an unexpended amount of $8,885.00 (subject to audit).

Progress has been slow, especially for the last several months.

A small discovery of lead-zinc ore has been discovered. Some ore has been mined and shipped for which the Operator has paid royalty to the Government. The amount of royalty received is $492.56.

W. R. Griswold

W. R. Griswold

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION 500
WASHINGTON 25, D. C.

February 13, 1956

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: Chief, Base Metals Division

Subject: Preparation of Amendment No. 5 for Contract No. 4dm-X574, Docket No. DMEA-2868, Roger V. Pierce, Gilmore Mine, Lemhi County, Idaho, Lead-Zinc.

Will you please prepare Amendment No. 5 for the cited contract. A draft of the proposed amendment is attached to this memorandum.

W. R. Griswold

W. R. Griswold

JWAlt/er

Copy to: Docket
Base Metals
Chron.

IN REPLY REFER TO:

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

RECEIVED
FEB 10 1956

February 10, 1956

Re: DMEA 2868, Idm-E574
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
$125,700.00 - Lead, Zinc, Silver

Memorandum:

To: W. R. Griswold, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application for an amendment to contract.

The applicant having about completed a previous contract, without success, now applies for an extension of time and for assistance in exploring a new discovery made in a bulldozer cut near the portal of the Silver Dollar tunnel.

As of December 11, 1955, the following work had been completed:

| | | |
|---|---|---|
| Cribbing | 500 | feet |
| Retimbering | 475 | " |
| Ditch | 3,900 | " |
| Drift | 854.4 | " |
| Crosscut | 243.4 | " |
| Raise | 44.0 | " |

At that time 158.2 feet of drifting remained undone and on January 30 about 30 feet of drifting remained to be done. If granted, the amendment would extend the time for completion of the work and approve work on the new discovery.

As amended, the contract approved the expenditure of $64,145.00 and the time was extended to December 27, 1955.

The work under the contract on the Silver Dollar vein in the Transportation tunnel will not benefit the work now proposed as the new work, if approved, will be 1,000 feet north of the Transportation tunnel and about 300 feet higher.

Under date of January 10, 1956, H. B. Nickelson said, "The trench exposed a vein striking roughly N-S and dipping approximately 40 degrees to the east. Lead minerals were found along the strike for approximately 80 feet and the width of the vein near the center of the exposure appeared to be approximately 6 feet wide. The lead minerals are mainly galena with some carbonate lead minerals which is unusual for this mine so near the surface. A handpicked stockpile of ore was estimated to contain 30 to 40 percent lead. The occurrence was not mapped because the temperature was about 5 degrees below zero."

The new discovery could be on one of several veins explored and mined in the United Mine. I consider work, as suggested by the Field Team (January 30, 1956), is warranted. Referral to the Field Team may or may not be necessary.

N. E. Nelson

N. E. Nelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION 500
WASHINGTON 25, D. C.

February 9, 1956

Memorandum for the Files

From: J. W. Alt, Base Metals Division

Subject: Roger V. Pierce, Gilmore Mine, Lemhi County, Docket No. DMEA-2868, Contract No. Idm-E574, Lead-Zinc

On this date I phoned A. E. Weissenborn, Executive Officer, DMEA Field Team, Region I, Northwest District, in regard to his letter dated January 30, 1956, and to the application submitted by Roger V. Pierce, dated January 19, requesting to do additional work on the cited property.

Mr. Weissenborn informed me that he was waiting to hear from us as to what action the Field Team should take regarding this application. I told him that as that was the way it stood, we would write to him and would refer this application to him and would so notify the Operator.

To eliminate any delay in this application, I informed Mr. Weissenborn that if additional work is recommended by the Field Team, the Operator will have to supply new Consents to Lien and that we should have a property map showing where the proposed work is to be done. One of the reasons for this is that there is no property map attached to the contract. He agreed to comply to both of these requests.

In the letter of January 30, Mr. Weissenborn suggested that we allow the Operator an extension of two months, or to February 27, 1956, to complete the work of the contract. I told him that we would prepare an amendment to allow the Operator an extension of completion time.

J. W. Alt
J. W. Alt

COPY TO; Docket
Base Metals
Chron.

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

RECEIVED
FEB 6 1956

February 2, 1956

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract Idm-E574

Dear Mr. Selfridge:

Enclosed are three copies of some additional information which Mr. Roger V. Pierce has submitted in support of his pending application for an extension of the Gilmore contract.

Sincerely yours,

A. E. Weissenborn

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

Enclosure

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

January 27, 1956

U. S. Department of the Interior
Defense Minerals Exploration Adm.
1201 North Division Street
Spokane 2, Washington

Attention: Mr. A. E. Weissenborn

Re: Docket No. DMEA 2868 (lead-zinc)
Gilmore Mine, Lemhi County, Idaho
Contract Idm-E574

Gentlemen:

Further in connection with my recent application for DMEA assistance on exploration at Gilmore, attached please find a report on the samples that were taken of material exposed by the bulldozer in the trench.

In today's mail from Gilmore I am advised that the work now being done with jackhammer and compressor shows:

> "Trench is 12' long north and south and 8' wide east and west. This is 5' deep and looks like I am on south end of vein. Vein on west side 4' down and also a slab of rich ore about 16" thick on northwest end of trench. This ore is 6" below surface and lays flat. It is high grade galena. I am not taking out any ore except what I hit in drifting north and want to strip the cut clean. The vein is composed of fine black material and red iron mixed. So far have removed three mine cars of ore from the hole. It appears as though the vein is headed back under the hill."

Evidently there is a good width showing, and the strike length is gradually being increased. I thought you would be interested in getting the news.

With best wishes.

Yours very truly,

Roger Pierce

Roger V. Pierce

RVP eb
Att.

ASSAYS ON VEIN MATERIAL
SILVER DOLLAR TRENCHING

December, 1955

---

Specimen Samples

#1 Silver Dollar - green stain and lead silica rock

| an | ag | pb |
|---|---|---|
| 05 | 8.1 | 9.4 |

#2 Silicious - some little green stain and pb showing - little or no iron

| | | |
|---|---|---|
| 13 | 19.5 | 46.8 |

#3 Soft red iron - galena + oxides in

| | | |
|---|---|---|
| 06 | 29.2 | 47.8 |

#4 Dark brindle red - very silicious boulder in trench

| | | |
|---|---|---|
| 06 | .7 | 6.4 |

#5 Very little iron - limestone and pure galena

| | | |
|---|---|---|
| 05 | 23.6 | 70.0 |

#6 487' in on Silver Dollar vein from main transportation (South) tunnel - very hard silicious vein 2-1/2' wide

| | | |
|---|---|---|
| 03 | .7 | 0 |

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

RECEIVED
FEB - 3 1956

January 30, 1956

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

This is in reply to your letter of January 11, 1956.

Project work remaining to be done at the Gilmore mine totals about 30 feet of drifting. We have been disappointed with the Operator's slow progress on this project; nevertheless, in December the Operator made about 80 feet of advance which is the most he has made in some time. When contacted by telephone Mr. Pierce stated that he wished to finish the project and that he thought he could do this within the next month. Drifting is in progress on a wide limonite vein and this is the strongest looking structure we have seen during the course of the DMEA project. Although the vein has only very small amounts of lead and zinc, limonite is commonly found with the ore at Gilmore and therefore we suggest that the contract be amended to permit the Operator to complete the remaining footage. It should be easily possible to finish the project in 1 month but it is suggested that 2 months' extension be permitted in case bad weather should make the mine inaccessible.

In a letter dated January 19 Mr. Pierce has requested an enlargement of the contract to provide for exploration of a new discovery near the portal of the Silver Dollar tunnel. Three copies of the report by Mercer Thompson are included in support of his proposal.

Our field men have seen the bulldozer trench referred to by Mr. Pierce but sub-zero weather and snow precluded a detailed examination; our men are in agreement that the discovery has some merit. However, at this time we would not endorse the proposal made by Mr. Pierce in its entirety. We suggest, instead, that if anything be done, it be done on a more modest basis with perhaps

a preliminary stage of a small amount of additional bulldozing and some test pitting to be followed by the sinking of perhaps a 100-foot shaft on the ore and drifting perhaps a total of 200 feet from the bottom of the shaft. If more work seems justified this could be added later.

Maps submitted by Mr. Pierce with his new proposal do not show the position of the Silver Dollar tunnel relative to the Transportation tunnel; however, map 1 submitted with the examination report by Kiilsgaard and Howard on which the present contract is based does show this relationship. A claim map in our files shows that the proposed work is on ground already included in the existing contract and that there should be more than sufficient ground to fully protect the Government's interest should the contract extension be granted.

By Field Team, Region I, NW Dist.

A. E. Weissenborn

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

Wing G. Agnew

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

Enclosures 2 (in trip.)

cc: USBM (2)
Nickelson

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

RECEIVED
FEB - 3 1956

January 19, 1956

U. S. Department of the Interior
Defense Minerals Exploration Adm.
1201 North Division Street
Spokane 2, Washington

Attention: Mr. A. E. Weissenborn

Re: Docket No. DMEA 2868 (lead-zinc), Gilmore Mine
Lemhi County, Idaho, Contract Idm-E574

Gentlemen:

At Gilmore, Idaho, during the time the work under supervision of D.M.E.A. has been underway, in drifting north and south on the Silver Dollar vein from the Transportation Tunnel, as personal finances would permit, I have had a surface bulldozing campaign moving along. About two months ago, with the dozer, we uncovered a promising looking structure near, but a little east, of the portal of the Silver Dollar tunnel. This tunnel is located on the Silver Dollar claim which is one of the five claims owned by United Idaho Mining Company. These patented claims owned by United Idaho Mining Co. include the Texas, 16 to 1, Never Sweat, Silver Dollar, and Silver Dollar Extension.

The bulldozer work in the vicinity of the Silver Dollar tunnel portal is approximately 1,000 feet north of the main incline shaft of the United Idaho mine that was last operated by U. S. Smelting Company 25 years ago.

From what is shown in the trenches, there is good reason to believe that the structure disclosed is on the strike of one of four of the major veins that gave the main production in the camp of Gilmore. This is extremely encouraging as it indicates ore deposits may exist in areas previously passed by in exploration programs. This showing, both to the north for an almost unlimited distance and to the south for 1,000 feet, is untested and could be another sizeable ore zone.

The work completed with the dozer allowed us to get down to the top of the vein in three or four places. The width is over eight feet, and random samples taken indicate the vein assays over 20 percent lead and 12 ounces in silver.

Mercer Thompson, a geologist for one of the major companies, recently visited the area where the work was done, and a copy of his report is attached.

RECEIVED
JAN 23 1956
U. S. G. S.
SPOKANE, WASH.

He recommends that we sink an incline shaft 300 feet on this structure and, at depths of 150 feet and 300 feet, or the bottom of the shaft, exploratory stations be cut. From these levels he proposes that a total of 2500 feet of crosscutting and drifting be carried out to explore this vein and others that may be close by, as was the case where this vein was productive in the main workings of the United Idaho mine.

We have discussed the possibility of diamond drilling the area, but it is felt that, inasmuch as this is in the oxide zone, drilling would not be successful. The vein structure is soft, broken up, and contains loosely filled vugs, etc. Core and sludge recovery would not be at all dependable. I concur with Mercer Thompson and Ora Rostad, another major mining company geologist who looked this over recently, that the best approach to fully explore the area would be to sink the shaft and carry out the drifting and crosscutting program.

Costwise, my estimate for a 5 x 7 foot, two-compartment incline shaft, arranged with a hoist and ladderway compartment, would amount to $94.00 a foot. Drifting or crosscutting on the underground levels would be accomplished for a cost of $39.00 a foot. The total cost of the project would be:

| | | |
|---|---|---|
| 300-foot shaft | $ 28,200.00 | |
| 2500-foot 5 x 7 crosscut and drift | 97,500.00 | |
| | $125,700.00 | |
| Cost to Government | | $62,850.00 |

This is an extremely favorable looking prospect and the above expenditure could very well be one that would develop a new ore producing zone in an old camp that has a very substantial lead production record.

The equipment has been located for this work, and I am prepared to push this project to completion in less than two years' time and do all this work at a total cost to the D.M.E.A. of $62,850.00.

Your favorable consideration of this application for assistance in development work will be most appreciated.

Yours very truly,

Roger Pierce

Roger V. Pierce

RVP eb
Enc.

RECEIVED
BUREAU OF MINES
JAN 23 1956
SPOKANE, WASH.

RECEIVED
FEB - 3 1956

Report on Recent Developments

Near the Silver Dollar Tunnel -

Gilmore, Idaho
December - 1955

RECEIVED
FEB - 3 1956

LOCATION:

The Gilmore district is in eastern Idaho, approximately 100 miles northwest of Idaho Falls. It is in Sections 17 and 18, T13 N., R27 E and is reached by driving northwesterly from Idaho Falls over paved highways No. 91 and No. 28, 100 miles; thence westerly 1.7 miles over a graveled road to the old townsite of Gilmore. The portal of the Silver Dollar tunnel is located 800 feet northeast of the collar of the United Idaho inclined shaft.

GENERAL:

The total production from the Gilmore district is not known to the writer, but incomplete records indicate that the value of the ore produced lies between $11,000,000 and $12,000,000. By far, the largest part of this has come from the workings of the United Idaho mine. The Latest Out mine is the second largest producer with only a very small production from the remaining properties.

Gilmore is located on the eastern flank of the rugged, northwesterly trending Lemhi range of mountains at an elevation of approximately 7,250 feet. The region is semi-arid and the snowfall is not heavy.

Plenty of water for milling and mining purposes is available at the portal of the transportation tunnel.

Timber is available on the property, or may be purchased from one of several saw mills in the area.

The nearest railhead is at Roberts, Idaho, a distance of approximately 82 miles. Total trucking and freight costs to Salt Lake City smelters is about $9.50 per ton, varying somewhat with the value of the ore.

GEOLOGY:

The area is underlain by a thick series of Paleozoic dolomites and limestones which in turn overlie massive Cambrian quartzite. The sedimentary beds strike northerly and dip easterly at an angle of approximately 35 degrees. In parts of the transportation tunnel, the beds are flat or dip slightly westward.

The sediments have been cut by a large number of fissures which have a northerly strike parallel to that of the limestone and dip westerly so that in cross section the veins are nearly at right angles to the beds.

Several diorite porphyry and andesite dikes have intruded the sediments. The dikes parallel the veins both in strike and in dip, and they probably occupy fractures formed by the same forces which created the fractures that are now the veins of the district.

According to the geologic mapping of the mines done by R. T. Walker when the mines were open and operating, the dikes are later than the ore since they cut and displace the veins.

A series of flat faults, which are roughly parallel to the strike and dip of the beds, displace the beds, veins and porphyry dikes.

The veins, where now exposed in the transportation tunnel, consist of limonite, hematite, specularite and residual kernels of galena. Silver is present in a proportion of one ounce to 2% of lead. No silver minerals were recognized.

Stope maps prepared by engineers and geologists of the United States Smelting, Refining and Mining Company during former operations, show continuous stoping for a distance of 350 feet along the strike of the West Vertical vein between the 600 and 700 levels. Other maps indicate that the vein has been stoped from just above the 800 level to the surface. The West Vertical has been one of the most productive veins in the United Idaho mine, and an inspection of

the accompanying maps show that if projected northward and upward to the elevation of the Silver Dollar tunnel, the vein lies near the portal of the tunnel.

An inspection of the cross sections and old stope maps indicates that the East Flat vein was also one of the principal producers in the United Idaho mine. If this vein is projected northward it also will lie east of, and near, the portal of the Silver Dollar tunnel.

A third vein of less importance from a production standpoint is the East Vertical vein. Its projected position also falls close to the portal of the Silver Dollar tunnel.

RECENT DEVELOPMENT WORK:

Recent work near the portal of the Silver Dollar tunnel consists of a large cut made by a bulldozer. The cut is about 35 feet wide, 15 to 20 feet deep and several hundred feet long. The cut has removed about 30 feet of the Silver Dollar tunnel and the bottom of the cut is several feet below the floor of the tunnel. At the time of the writer's first visit to the cut, the bottom was about 18 inches below the floor of the tunnel and much high grade lead ore was to be seen beneath the tunnel. At this time there was some question as to whether this material was in place or if it consisted of float brought in from some other location. On a second visit the cut had been deepened to rock in place and a small pit about four feet in diameter and two feet deep had been dug by hand in the floor of the cut. The work done has exposed a strongly mineralized zone of undetermined width, but exceeding 15 feet. Within this zone is a band of high grade lead ore about nine feet wide, measured in a horizontal plane. The writer estimates this material to contain from 15% to 20% lead and about 10 oz. of silver per ton. The floor of the bulldozer cut was covered with snow and could not be examined carefully. However, at

a point 55 feet north of the small pit in the cut, another small exposure of high grade lead ore can be seen. Along the west wall of the cut the material consists of limonite, hematite, manganese oxides and kernels of galena. On the east edge of the cut, small boulders of lead ore can be seen. This material is probably float derived from the ore exposed in the bottom of the cut.

The writer was unable to determine the dip or rake of the ore from present exposures. This will require additional development work.

The present work has exposed what appears to be the top of what may develop into a substantial ore body. However, this will require more work to determine if the ore exposed is a replacement of the beds near a vein or if it represents a vein similar to others developed in the district.

CONCLUSION:

The recent work near the portal of the Silver Dollar tunnel has exposed a wide zone of mineralization consisting of limonite, hematite, manganese oxides, galena and probably cerussite. Within the wide zone about nine feet of material is high grade lead ore.

Since two or more of the most productive veins in the Gilmore district project into this area, it is highly probable that the ore found is on one of these veins. The Silver Dollar tunnel cut only one vein between the portal and the Silver Dollar vein. Therefore, it is reasonable to expect the veins of the United Idaho mine to lie either east of the old portal or slightly west of the portal at elevations below the tunnel.

In view of the extremely favorable results of the present work and the excellent location with respect to the probable position of the productive veins of the district, it is recommended that further development be carried out in this area. This can be done by sinking a small shaft on the

mineralization exposed at this time. It is recommended that this shaft be sunk to a depth of approximately three hundred feet and levels driven at the 150 and 300 foot marks. It will require a total of about 2500 feet of cross-cutting and drifting to develop the two levels. The detail of this work can only be planned as additional information is gained by the development work.

Respectfully submitted,

Mercer F. Thompson

Mercer F. Thompson

File Copy
Surname
J. Lee
Simmons
Selfridge
Whitenberg

500

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

JAN 11 1956

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
Northwest District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-5574

Dear Mr. Weissenborn:

With reference to the cited project, we have recently received a copy of a memorandum from A. L. Service, Mining Engineer, Bureau of Mines, to DMEA Field Team, Region I, Northwest District, dated December 22, 1955.

In the memorandum Mr. Service states: "Mr. Pierce has had a time extension of 8 weeks and the termination date of the contract is December 27, 1955. It is doubtful that the project work will be completed at that time."

In view of this statement, if the work of the contract was not completed on December 27, and you think that an extension of completion time is warranted, we would appreciate receiving your recommendations at your earliest convenience.

Very truly yours,

George C. Selfridge (GCS)
Chairman, Operating Committee

APPROVED:

P. F. Yopes (PFY)
Member, Bureau of Mines

Thor H. Kiilsgaard (THK)
Member, Geological Survey

JWAlt/bjl (1/9/56)

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Bishop
Mr. Kiilsgaard
Chron.

R.C.S.

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

RECEIVED
DEC 16 1955

December 12, 1955

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (lead-zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

Enclosed are the Government, Docket, and Division copies of Amendment No. 4 to this contract signed by Roger V. Pierce.

Distribution of this amendment is being made in the usual manner.

Sincerely yours,

A. E. Weissenborn

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

Enclosures
cc: USBM(2) w/encl.
USBM(AD) w/encl.
Nickelson

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

RECEIVED
DEC - 5 1955

November 30, 1955

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

Enclosed are the original and six copies of Amendment No. 4 which extends the completion time of your contract to December 27, 1955.

If the amendment meets with your approval will you please sign and return all but the Operator's copy. If you do not approve, please return all copies to this office with your comments.

Sincerely yours,

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

Enclosures

[illegible] (2)
[illegible] (2)
[illegible] (4)
[illegible]

File Copy
Surname
J. Alt.
K. Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR 500
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

NOV 25 1955

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
Northwest District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-5574

Dear Mr. Weissenborn:

We are enclosing the original and five copies of Amendment No. 4 to the above contract, signed by the Administrator. Also enclosed are two extra copies of the amendment for the use of the Field Team.

If the amendment meets with your approval, kindly present it to the Operator for approval and signature and, when completed, distribute the copies in the usual manner. In the event that the amendment is not satisfactory, and cannot be amended within your delegated authority, return all copies with your recommendations concerning any modifications.

Sincerely yours,

W. S. Martin
by ESY
Chairman, Operating Committee

Enclosures

APPROVED:
/s/ Robert W. Gedler by ESY
Member, Bureau of Mines

N. E. Nelson by ESY
Member, Geological Survey

JWAlt/er 11/22/55
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Hillsgaard, USGS
Chron.

File Copy
Surname
J. Cos

UNITED STATES
DEPARTMENT OF THE INTERIOR 500
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

November 16, 1955

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: Chief, Base Metals Division

Subject: Preparation of Amendment No. 4 for Contract No. Idm-E574, Docket No. DMEA-2868, Roger V. Pierce, Gilmore Mine, Lemhi County, Idaho, Lead-Zinc.

Will you please prepare Amendment No. 4 for the cited contract. This amendment will allow the Operator 2 months extension of completion time. Amendment No. 3 extended the completion time to 27 months from the date of the contract. This amendment would extend the completion time to 29 months from the date of the contract or to not later than December 27, 1955.

Please refer to the letter from A. E. Weissenborn, Executive Officer, dated November 7, 1955.

W. R. Griswold

W. R. Griswold

JWAlt/er

Copy to: Docket
Base Metals
Chron.

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

November 7, 1955

Mr. Roger V. Pierce
Consulting Engineer
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-2574

Dear Mr. Pierce:

Thank you for your letter of November 1, 1955. We have forwarded your request for additional time to our Washington office.

By Field Team, Region I, NW Dist.

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

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

cc: WSEM (2)
WSEM (AD)
Nicholson
DMEA (2)

RECEIVED
NOV 14 1955

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

November 7, 1955

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (lead-zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

Enclosed is a letter from Mr. Roger V. Pierce that is not quite self-explanatory. The monthly progress during this entire contract period has been on the order of 60 feet. The project seems to have lacked adequate supervision.

Contract footage was measured on November 3, 1955, by Howard B. Nickelson, Geological Survey, and A. L. Service, Bureau of Mines; at that time a total of 1,115.8 feet of work had been done, this leaving 185 feet to be done. We recommend that the contract be extended for an additional six weeks as requested by Mr. Pierce.

By Field Team, Region I, NW Dist.

A. E. Weissenborn

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

Wing G. Agnew

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

Enclosure

cc: USBM (2)
USBM (AD)
Nickelson

RECEIVED
NOV 14 1955

ROGER V. PIERCE
CONSULTING ENGINEER
MINING MECHANIZATION SPECIALIST
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

NOV 3? 1955
SPOKANE, WASH.

November 1, 1955
(Dictated Oct. 29)

Mr. A. E. Weissenborn
U. S. Department of the Interior
1201 N. Division St.
Spokane 2, Washington

Re: Contract No. Idm-E574
Docket No. DMEA 2868
Monthly operating report
for September, 1955

Dear Al:

I had hoped that by today I would be able to tell you that the work on the DMEA project in Gilmore had been completed.

There is no joy in Mudville! I find on checking last night that my contractors are doing a whirligig with "John Barleycorn" and from the rumor that comes south I have reason to believe that they are also adding "Demon Rum" to the deal.

So, I hope that, in connection with your letter of October 25, it will be possible to allow me an additional six weeks in which to finish the work. This is more time than is normally needed, but I have a suspicion these birds are on one that is going to require considerable "de-hangovering" time.

I will appreciate your help in the matter very much.

Kind personal regards.

Yours very truly,

Roger Pierce

Roger V. Pierce

RVP eb
cc: Mr. Wing G. Agnew

RECEIVED
NOV 14 1955

ROGER V. PIERCE
CONSULTING ENGINEER
MINING MECHANIZATION SPECIALIST
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

RECEIVED
BUREAU OF MINES
OCT 27 1955
SPOKANE, WASH.

RECEIVED
NOV - 4 1955

October 26, 1955

Mr. A. E. Weissenborn
U. S. Department of the Interior
Defense Minerals Exploration Adm.
1201 North Division Street
Spokane 2, Washington

Re: Docket No. DMEA 2868 (lead-zinc)
Gilmore Mine, Lemhi County, Idaho
Contract Idm-2574

DMEA

Dear Al:

In answer to your letter of October 19, I believe that the contractors will be almost through with the work by the time mentioned in your letter. We will, at that time, measure up, and I have made arrangements for Mercer Thompson, one of the field geologists from Anaconda Company, to go in and review the work for me. Then I would like to go over the situation with you and see where we might head from here.

Thanks for calling the above to my attention, and with kind personal regards.

Yours very truly,

Roger Pierce

Roger V. Pierce

RECEIVED
OCT 31 1955
U. S. G. S.
SPOKANE, WASH

RVP eb

XXXXXXXXXXXXXXXXX
1201 N. Division St.
Spokane 2, Washington
October 25, 1955

Body

Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Contract No. Idm-E574
Docket No. DMEA 2868
Monthly operating report
for September 1955

Dear Mr. Pierce:

The subject invoice has been received and processed for payment. However, as the contract expires October 27, 1955, we are withholding a portion of the payment due pending completion of project work or receipt of a request for an extension of time.

This is standard procedure as a contract nears its end. We are obliged to withhold a portion of the Government's contribution to the project cost until a final audit has been made and a final engineering report has been received from the operator.

By Field Team, Region I, NW District

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

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

cc: DMEA (2)
USGS (2)

DMEA Field Team, Region I, NW District October 25, 1955

DMEA Certifying Officer, Region I

Contract No. Idm-E574, Roger V. Pierce. Monthly operating report for September 1955.

The subject operating report has been received, processed, and approved for payment in the amount submitted.

As the project work is nearing completion, we are withholding $500.00 from the amount due the operator pending completion of the work and the possible receipt of a request from the operator for an extension of time.

Myrtle Purdy

cc: DMEA (2)
USGS (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
No. 157 Howard Street
Spokane 4, Washington

RECEIVED
OCT 24 1955

October 19, 1955

Mr. Roger V. Pierce
Consulting Engineer
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-6868 (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-2574

Dear Mr. Pierce:

According to the terms of Amendment No. 3 of your contract, work should be completed by October 27, 1955.

We hope that the time extension given you by Amendment No. 3 has been adequate, but if not would you inform us as to your intentions with respect to contract work.

By Field Team, Region I, NW Dist.

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

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

cc: DMEA (2)
USGS (2)
USBM (AB)
Richmond

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

RECEIVED
SEP 2 3 1955

September 27, 1955

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (lead-zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

Attached are the Government, Docket, and Division copies of Amendment No. 3. This amendment was prepared in Washington and extends the time for completion of the project from two years to twenty-seven months from the date of the contract.

Distribution of this amendment is being made in the usual manner.

Sincerely yours,

Verne C. Fryklund Jr.

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

Attachments as indicated

cc: Finance Office w/encl.
USBM (2)
Nickelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

RECEIVED
SEP 1 0 1955

September 27, 1955

Mr. Roger V. Pierce
Consulting Engineer
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-5574

Dear Mr. Pierce:

Thank you for returning Amendment No. 3 so promptly. We are returning the Operator's Copy for your files.

Sincerely yours,

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

Enclosure

cc: DMEA (2)
USGS (2)
Nicholson

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

September 19, 1955

Mr. Roger V. Pierce
Consulting Engineer
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract Idm-E574

Dear Mr. Pierce:

Enclosed are the original and six copies of Amendment No. 3 to your exploration contract, by which the contract period is extended.

If the Amendment meets with your approval, will you sign and return all but the Operator's copy.

Sincerely yours,

Verne C. Fryklund, Jr.
Acting Executive Officer, DMEA
Field Team, Region I, NW Dist.

Enclosures
cc: DMEA (2)
USBM (2)
USBM (AD)
Nickelson

File Copy
Surname
J. Alt
Franzwold
Talbut
Selfridge
K Johnson

500

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

SEP 15 1955

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
Northwest district
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Weissenborn:

We are enclosing the original and five copies of Amendment No. 3 to the cited contract, signed by the Administrator. This amendment was prepared in conformance with the recommendation made in your letter of August 22.

If the amendment meets with your approval, kindly present it to the Operator for approval and signature and, when completed, distribute the copies in the usual manner. In the event that it is not satisfactory and cannot be amended within your delegated authority, return all copies with your recommendation concerning any modification.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee GHB

Enclosures

JWAlt/bjl (9/12/55)

APPROVED:

/s/ Robert W. Geehan GHB
Member, Bureau of Mines

/s/ M. E. Nelson GHB
Member, Geological Survey

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Bishop
Mr. Kiilsgaard
Chron.

P.C.B.

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

SEP 9 1955

**Memorandum**

**To:** **The Administrator, DMEA**
**Attention: W. R. Griswold**

**From:** **Acting Assistant Solicitor, Defense Minerals**

**Subject:** **Docket No. DMEA-2868, Roger V. Pierce, Contract No. Idm-E574**

**As requested in Mr. Griswold's memorandum dated August 29, we have prepared the attached Amendment No. 3 extending by three months the time for completion of the work.**

**We have not deleted the abandonment provision or extended the period for the payment of royalty because there are three Consents to Lien on the oldest form, which do not permit change of the royalty provisions. These would have to be replaced by Consents to Lien on the latest form.**

HCR

for **J. L. Hofflund**
**Acting Assistant Solicitor,**
**Defense Minerals**

HCRubin:gjb 9/9/55

Copy to: DMEA Docket
Sol. Docket
W. R. Griswold (2)
J. L. Hofflund
H. C. Rubin
Chron. File

File Copy
Surname
J. Leo
Linwood
Talbot
Selfridge
F. J. Lemon

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION 500
WASHINGTON 25, D. C.

SEP 4 1956

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
Northwest District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-R574

Dear Mr. Weissenborn:

We are enclosing the original and five copies of Amendment No. 7 to the cited contract, signed by the Administrator. Also enclosed are two extra copies of the amendment for the use of the Field Team. This amendment has been prepared in conformance with your letter of August 17, 1956.

If the amendment meets with your approval, kindly present it to the Operator for approval and signature and, when completed, distribute copies in the usual manner. In the event that the amendment is not satisfactory and cannot be amended within your delegated authority, return all copies with your recommendation concerning any modification.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)
JWAlt/er 8/30/56
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

Enclosures

APPROVED:

Frank D. Lamb (GCS)
Member, Bureau of Mines

N. E. Nelson (GCS)
Member, Geological Survey

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION 500
WASHINGTON 25, D. C.

August 30, 1956

Memorandum

To: The Administrator

From: Chief, Base Metals Division

Subject: Justification for Amendment No. 7 for Contract No. Idm-E574, Docket No. DMEA-2868 (Lead-Zinc), Roger V. Pierce, Gilmore Mine, Lemhi County, Idaho

Under the terms of Amendment No. 6 of the cited contract, the Operator was to sink a two-compartment timbered shaft 60 feet, the size of the shaft to be not less than 5 feet by 7 feet in cross section in the clear of timber.

The Operator sankan untimbered single-compartment shaft which is 6 feet by 8 feet in rock section. He placed two sets of timber near the collar of the shaft and sank the shaft 70 feet. Ten feet of this shaft sinking was at the Operator's cost.

The purpose of Amendment No. 7 is to establish a price for the work which was done and which is acceptable to the Government. This price is less than that provided for in the contract.

W. R. Griswold

W. R. Griswold

File Copy
Surname
J. Lee.

UNITED STATES
DEPARTMENT OF THE INTERIOR 500
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

August 29, 1955

Memorandum

To: Acting Assistant Solicitor, Defense Minerals

From: Chief, Base Metals Division

Subject: Preparation of Amendment No. 3, Docket No. DMEA-2868, Contract No. Idm-E574, Roger V. Pierce, Gilmore Mine, Lemhi County, Idaho, Lead-Zinc

Will you please prepare Amendment No. 3 for the cited contract. This amendment will allow an extension of completion time from July 27, 1955 to October 27, 1955. The date of the contract is July 27, 1953 and the work was to be completed in two years.

By this amendment the completion time is extended to 27 months, therefore, the royalty repayment period should be increased to eleven years. In Article 10 of the contract, delete the sentence beginning with the word "Provided".

W. R. Griswold

W. R. Griswold

JWlt/er

Copy to: Docket
Base Metals
Chron.

C O P Y

C O P Y

ROGER V. PIERCE
Consulting Engineer
308 Newhouse Building
Salt Lake City, Utah

RECEIVED
SEP - 3 1956

August 27, 1956

U. S. Department of the Interior
Defense Minerals Exploration Adm.
So. 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine, Lemhi County, Idaho
Contract No. Idm-E574

Attention: Mr. A. E. Weissenborn

Gentlemen:

The check for $250 mentioned in your letter of August 21 and ours of August 24 was received today. Also received was the settlement in the amount of $1413.00.

Yours very truly,

/s/ EVELYN BURKE

Secretary to Roger Pierce

EB

XXXXXXXXXXXXXXXXXX
So. 157 Howard Street
Spokane 4, Washington

RECEIVED
SEP - 3 1956

August 28, 1956

Mr. Roger V. Pierce
808 Newhouse Bldg.
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

Thank you for your letter of August 24, 1956. As you have received a voucher dated August 24 for the amount of $250 which had been withheld pending settlement of your contract, the check will doubtless be along shortly. As our disbursing office is in Portland, Oregon, there is sometimes an unavoidable delay in mailing.

Very truly yours,

D. R. Maclaren
for: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, Nw District

cc: DMEA (2)
USBM (2)
USBM (AD)
Nickelson

P.S. Receipt is acknowledged of your letter of August 27 mentioning that you had received the check for $250 and the settlement in the amount of $1413.00.

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEVIDUSE BUILDING
SALT LAKE CITY, UTAH

RECEIVED
SEP 4 3 1956

August 24, 1956

U. S. Department of the Interior
Defense Minerals Exploration Adm.
No. 157 Howard Street
Spokane 4, Washington

Re: Docket No. [illegible]-2566 (Lead-Zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-8[illegible]

Attention Mr. [illegible] Weissenborn

Gentlemen:

[illegible] However, [illegible] August [illegible] this report was received today and it may be that the check is still enroute.

The above is for your information as you said you would want to start a tracer if the check had not arrived here at the time your letter was received.

Yours very truly,

Secretary to Roger Pierce

EB

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

August 22, 1955

Mr. George C. Selfridge, Chairman
Operating Committee DMEA
Department of the Interior
Washington 25, D..C.

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

In answer to your letter of August 15, 1955, Mr. Nickelson visited the Gilmore mine during his recent trip to central Idaho. The Operator desires to finish the contract.

Although only some 120 to 150 feet of work remain to be done, the contract should be extended for three months.

By Field Team, Region I, NW District

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

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

cc: USBM (2)
USBM (AD)
Nickelson

RECEIVED

File Copy
Surname

500

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

AUG 15 1955

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region I
Northwest District
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Weissenborn:

With reference to the cited contract, we wish to call to your attention that the project was to be completed within a period of two (2) years from the date of the contract. The date of the contract is July 27, 1953. In order to complete the work of the project the Operator will need an extension of completion time.

If the Operator desires an extension of completion time, we would appreciate your recommendation regarding this matter and we will prepare the necessary amendment.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

APPROVED:

/s/ Robert W. Geehan
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

JWAlt/er 8/12/55

Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

XXXXXXXXXXXXXXXXXX
1201 N. Division St.
Spokane 2, Washington
July 13, 1955

RECEIVED
AUG - 8 1955

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Contract Idm-2574
Docket No. DMEA 2068
Monthly operating report
for June 1955

Dear Mr. Pierce:

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

This is to inform you that payment could not be made in the full amount claimed. The deletion is explained in the attached copy of a memorandum to the Field Team, Region I, from the DMEA Certifying Officer, Region I.

By Field Team, Region I
Northwest District

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

Verne C. Fryklund, Jr., Acting Member
U. S. Geological Survey

cc: DMEA (2)
USGS (2)

DMEA Field Team, Region I, NW District July 13, 1955

RECEIVED
AUG - 8 1955

DMEA Certifying Officer, Region I

Contract Idm-2574, Roger V. Pierce. Monthly operating report for June 1955.

The subject operating report has been received and processed for payment.

There is a difference of 13 feet in the raise footage completed as reported by the operator (48 ft.) and as measured by Mr. A. L. Service, U. S. Bureau of Mines engineer assigned to the project, and Mr. Nickelsen of the U. S. Geological Survey (35 ft.). Therefore, a deletion was made as follows:

| | | |
|---|---|---|
| 13 feet raise | @ $37.00 ft. | $481.00 |

Mr. Service will recheck this measurement when he visits the property again, and if the operator's reported footage is found to be correct he may reclaim the amount deleted on the next monthly MF-104 submitted or on a supplemental MF-104, if he wishes.

Myrtle Purdy

cc: Operator
DMEA (2)
USGS

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 N. Division St.
Spokane 2, Washington
June 22, 1955

RECEIVED
JUL - 1 1955

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA 2868 (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

This will acknowledge receipt of your May 1955 progress report wherein you request Government participation in cleaning out and rehabilitating the Jugovich winze for examination. The cost of this work is estimated by you to be $14,118.00.

In our letter of May 16, 1955 we suggested diamond drilling the Never Sweat vein below the 400 level by three short diamond drill holes and also the United Idaho vein system by a few 1000-ft. diamond drill holes. The excess cost of rehabilitating the Jugovich winze over that necessary to establish diamond drill stations for deep drilling from the 400 level is estimated to be about $12,000. The difference in drilling for the United Idaho vein system from the 400 level and from the 181 level on the Neversweat vein is only about 100 feet per hole. It can therefore be seen that it would be much more costly to rehabilitate the Jugovich winze as a possible drill site than to diamond drill from the 400 level.

In addition, it is not DMEA policy to participate in the cost of rehabilitating old workings for examination purposes. If you will open up the Jugovich winze on your own account we shall be glad to make an examination and then discuss possible further exploration in this area.

By Field Team, Region I, NW District

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

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

cc: DMEA (2)
USGS (2)
USBM (AD)

Wash

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

June 2, 1955

RECEIVED
JUL - 1 1955

U. S. Department of the Interior
Defense Minerals Exploration Adm.
1201 North Division Street
Spokane 2, Washington

Attention: Mr. A. E. Weissenborn

Re: Docket No. DMEA 2868 (lead-zinc)
Gilmore Mine, Lemhi County, Idaho
Contract Idm-E574

Gentlemen:

I am today submitting request for payment on 64 feet of work completed during the latter part of May on the Gilmore project.

The North Drift which has been driven 15 feet has come into a very sizeable iron lead. At the present time, this almost covers the full face of the drift and there is a possibility that we have hit the intersection of the two veins. The vein has about the same appearance as did the one when the leasors hit their ore. This may be wishful hoping as my samples show that the red iron in the north face ran .015 gold, .2 silver and 1.2% lead. The black iron in this north face assayed .01 gold, .2 silver and .8% lead.

The drift in the south has been advanced 49 feet, and the only change here has been that in one of the iron showings the contractor picked up a half dozen walnut size chunks of rock and this assayed .04 gold, 10.8 oz. silver, 11.9% lead. These were just little scattered nubbins and we cannot find where there is any more of it.

I have two groups of people who are very interested in going into the Jugovich or Never Sweat incline area. It is my feeling, regardless of their decision, that we should get this incline cleaned out and get into the lower level of the incline and have a look at the work that was done from this lower level, out some 400 feet north of the Transportation Tunnel, and which is one of the only places that any prospecting was done north of the Transportation Tunnel. The superintendent's written weekly reports covering this work in 1929 and 1930 mentioned hitting a sizeable body of 16% to 18% lead that was low grade and on the extremely siliceous side and would not stand shipping charges.

I think, if we could get this area opened and take a look at these particular showings, it would be worthwhile to everyone and then we could do the diamond drilling from this lower elevation. Frankly, I think it would be money well spent, and, then, if we could bump into an ore horizon or an ore showing, it would give us something to sink on and take us on into the sulphide zone below.

From these weekly reports, as far as I can tell, there was ore showing in varying widths over the entire length of this 400 foot drift.

On the basis of my letter covering the original application for assistance on the Never Sweat project, copy attached, I would like to apply for that part of the project that would recondition the incline, and this would include the first six items listed on Page 3 of my March 1 letter. This project would involve a total expenditure of $7,059.00 to D.M.E.A.

In my opinion, this is a very well worthwhile project and would place us another 200 feet nearer the sulphide horizon.

Thanks for your consideration.

Yours very truly,

Roger Pierce

Roger V. Pierce

RVP eb
Enc.

P Y

March 1, 1955

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

RECEIVED
JUL - 1 1955

Dear Mr. Weissenborn:

I enjoyed talking with you in Chicago recently, and I do appreciate the interest you have shown in the geological work and progress being made at our property in Gilmore, Idaho.

As you know, I want to apply to D.M.E.A. for additional assistance and would like to increase the work allowance to include testing another area that appears to have excellent possibilities for production.

This project is directed toward ultimately getting down for the first time to the sulphide zone of the district, and this could be accomplished if the project developed ore on which to drift and later sink.

The work would be done at an elevation two hundred feet below the transportation tunnel and would be directed out into an area that has never had any exploratory work.

This entirely untested area, 200 feet below the transportation tunnel, would be on the Never Sweat vein. This project was listed as a good possibility by Anaconda Copper Mining Company's field representative during the time he looked the area over. I quote the recommendation that was made:

> "In an effort to clearly outline the objectives on the Never Sweat 181 level, I have prepared the accompanying maps which are intended to be used in conjunction with the following discussion restating the reasons leading to the belief that this area presents an unusually attractive prospect.
>
> Nearly all the stopes in the United Idaho mine from which ore was mined are now inaccessible; however, an excellent set of geological maps was prepared by R. F. Walker and others on the staff of the United States Smelting, Refining and Mining Company during the period of time when the mine was in operation.
>
> These maps clearly indicate that the West dike, East dike and probably the Silver Dollar dike are post-mineral, or if not post-mineral they followed and offset pre-mineral fissures which were later mineralized on both sides of the dike. In either event the result is the same in so far as the present problem is concerned.

COPY



In the Never Sweat incline area an orebody was mined from the 181 level up to the Never Sweat fault near the 400 level. The exact dimensions of the orebody is not known, but an inspection of the accompanying maps indicates that it was approximately 200 feet or more measured along the strike, 230 feet in dip length with an unknown width. In addition to the ore above the bottom level a winze was sunk below the 181 level and according to the weekly reports of the mine superintendent the ore found here was too low grade to handle, containing about 18% lead in a vein from 3 to 7 feet in width. The winze appears to be located north of the oreshoot mined above the 181 level (see plan of 181 level).

The longitudinal section, cross section and plan of the Never Sweat orebody (see maps) all indicate that ore was found and mined down to the point where it was cut off by the West dike. Therefore, there is every reason to believe that a continuation of this orebody lies west of the West dike and will be found by crosscutting westward on the 181 level. The Gilmore fault will be cut in the p roposed development cross-cut and will have the approximate effect shown on the cross section and plan map. That is, the hanging wall has moved downward in relation to the footwall.

In planning this work it is advisable to allow for at least 600 feet of drifting and 100 feet of raising after the vein is found."

Copies of the maps covering the recommended exploration project are being mailed to you under separate cover.

It is approximately 500' from where we started the DMEA drift on the Silver Dollar vein on into the top of the Never Sweat incline. Of this distance, about 75 feet to 80 feet would have to be retimbered. The incline shaft scales 234 feet from the sill of the 400 level to the sill of the 181 level and would require the installation of a hoist, dump station, skip, pipe, rail, ladders, etc. The top 35 feet of the winze would need timbering, tracking, etc., and from there on down it is choked full of caved muck and would need complete rehabilitation.

The above mentioned company exploration engineer advised that a 300' cross cut should cut through the dike and reach the westerly point of the proposed project. Five to six hundred feet of exploratory drifting and cross cutting is outlined from this main cross cut.

The present established rate with DMEA of $1.60 per foot for cleaning ditch, rehabilitating this tunnel, drift, etc., on the 400 level and $8.80 per foot for retimbering are the figures suggested again to apply for this project extension.

I would enter into a firm contract to rehabilitate the incline (untimbered) for a price of $35.00 a foot ($17.50 DMEA).

In retimbering the incline or timbering the cross cuts or drifts on the 181 level, due to the required additional handling of the timber, I would perform this work, furnishing all supplies, at $9.70 per foot.

This would be an increase of 90¢ over the present extablished price for work on the transportation tunnel.

The present price for drifting on the main haulage level would not be ample to cover hoisting and double handling of broken rock, supplies, etc. For driving these openings, the figure estimated is $42.00 per foot or an increase of $4.00 a foot over the allowed price on the haulage tunnel level.

From my experience in the consulting field, these prices are in line with contracted prices for this type of work.

This project would have a net cost to the DMEA Of:

| | |
|---|---|
| 500' cleaning & rehabilitation of tunnel | $ 400.00 |
| 80' retimber Transportation Tunnel @$4.40/ft | 352.00 |
| Station timber top level and picket, sinking preparation | 700.00 |
| 250' retimbering incline @$4.85/ft. | 1,212.50 |
| Mucking out incline, install rails, pipe, ladders, use of hoist, power for this, extra operators, etc. - 234' @$17.50/ft. | 4,095.00 |
| 150 Assays @$2.00 each | 300.00 |
| Driving 5x7 cross cut, 300' @$21.00/ft. | 6,300.00 |
| Timbering above cross cut, 200' @$4.85/ft. | 970.00 |
| 600' drifting on new level @$21.00/ft. | 12,600.00 |
| Estimate 300' timber @$4.85/ft. (drift) | 1,455.00 |
| 10,000' cribbing @7½¢/ft. | 750.00 |
| Total Net Cost to DMEA | $29,134.50 |

On the basis of the above figures, I offer to enter into a firm contract on the same basis as that of the initial contract.

The only undetermined contingency would be the possibility of a flow of water on cutting through the dike. If this occurred then it would be necessary to establish an allowance for this contingency.

Hoping to receive a favorable reply, I am

Yours very truly,

Roger Pierce

Roger V. Pierce

RVP eb

bcc: Mr. Thor H. Kiilsgaard
bcc ;Mr. C. O. Mittendorf

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 N. Division St.
Spokane 2, Washington
June 2, 1955

RECEIVED
JUN - 6 1955

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA 2868 (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

This is in reference to the additional 100 feet of drifting requested for the extension of the Silver Dollar North Drift authorized by our telegram dated May 17, 1955.

A review of the maps and the project reports shows that there is about 60 feet of drift, crosscut, and raise to be expended in the North Drift to complete the authorized 500 feet. In order to get the requested 100 feet it will be necessary to take 40 feet from the South Drift.

Inasmuch as the exploration program in the South Drift appears to have more merit than that in the North Drift we feel that it would not be advisable to take the 40 feet from the South Drift. It is the Field Team's opinion that the 500 feet of drift, crosscut, and raise for the exploration of the Neversweat Flat Vein from the Silver Dollar North Drift should be adequate.

By Field Team, Region I, NW District

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

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

cc: DMEA (2)
USGS (2)
USBM (AD)

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

May 26, 1955

Memorandum

To: Miss Curtin, Statistics and Control Division

From: Hazel Berry, Operating Committee

Subject: (Ty E57) Amendments to Contracts

Attached are the following docket copies of amendments to contracts which have been reviewed and approved by the Commodity Divisions, Contract Administration and Audit Division, and the Legal Division. The official dockets are also attached.

Roger V. Pierce, DMEA-2868, Idm-E574, Amendment No. 2.

Charlie B. Hensley, DMEA-3188, Idm-E647, Amendment No. 4.

Buchanan and Johnson, DMEA-3422, Idm-E726, Amendment No. 1.

U. S. Uranium Co., DMEA-3449, Idm-E745, Amendment No. 1.

Audy Pittman, DMEA-3458, Idm-E736, Amendment No. 1.

A. Ward, DMEA-3469, Idm-E737, Amendment No. 1

Attachments-6

X

TELEGRAM

MAY 17, 1955

MR. ROGER V. PIERCE
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

RE DOCKET DMEA-2868. WILL PREPARE AMENDMENT AUTHORIZING 100 FEET ADDITIONAL ADVANCE ON SILVER DOLLAR NORTH DRIFT. OKAY TO GO AHEAD.

A. E. WEISSENBORN

OFFICIAL BUSINESS
CHARGE TO: U. S. GEOLOGICAL SURVEY
Se. 157 HOWARD STREET
SPOKANE 4, WASHINGTON
GOVERNMENT RATE

cc: Docket
Geologist
Outgoing
Chrono
USBM
Confirmation
DMEA (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
1201 N. Division St.
Spokane 2, Washington
May 16, 1955

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA 2868 (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

This is in answer to your letter of March 1, 1955, requesting DMEA participation in additional exploration at the Gilmore mine.

We do not believe that the small amount of additional work proposed on the Never Sweat vein would add substantially to ore reserves even though it would be successful. This work, estimated by you to cost about $60,000.00, has a too limited objective to justify such a large expenditure. This same exploration can be accomplished at considerably less cost by a spread of three diamond drill holes from the Transportation tunnel located about 125 feet west of the west limestone-West Dike contact and in the footwall side of the Gilmore fault (about coordinate 1200 East). These holes would have lengths of from about 250 to 300 feet.

The Field Team believes, and no doubt you will agree, that the main target at the Gilmore mine is the sulfide zone. Would you be willing to consider the possibility of some deep diamond drilling from the Transportation tunnel directed to intersect the main United Idaho ore zone below the 950 level? This plan would require holes 1000 feet or so in length and the results might be difficult to interpret; however, a good ore intersection below the lowest level would do much to encourage deep development of the mine.

We would appreciate your comments on this idea.

By Field Team, Region I, NW District

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

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

cc: DMEA, Wash. (2)
USGS (2)
USBM (AD)

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

March 1, 1955

Defense Min
RECE
MAY 20 1955

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Dear Mr. Weissenborn:

I enjoyed talking with you in Chicago recently, and I do appreciate the interest you have shown in the geological work andprogress being made at our property in Gilmore, Idaho.

As you know, I want to apply to D.M.E.A. for additional assistance and would like to increase the work allowance to include testing another area that appears to have excellent possibilities for production.

This project is directed toward ultimately getting down for the first time to the sulphide zone of the district, and this could be accomplished if the project developed ore on which to drift and later sink.

The work would be done at an elevation two hundred feet below the transportation tunnel and would be directed out into an area that has never had any exploratory work.

This entirely untested area, 200 feet below the transportation tunnel, would be on the Never Sweat vein. This project was listed as a good possibility by Anaconda Copper Mining Company's field representative during the time he looked the area over. I quote the recommendation that was made:

> "In an effort to clearly outline the objectives on the Never Sweat 181 level, I have prepared the accompanying maps which are intended to be used in conjunction with the following discussion restating the reasons leading to the belief that this area presents an unusually attractive prospect.
>
> Nearly all the stopes in the United Idaho mine from which ore was mined are now inaccessible; however, an excellent set of geological maps was prepared by R. F. Walker and others on the staff of the United States Smelting, Refining and Mining Company during the period of time when the mine was in operation.
>
> These maps clearly indicate that the West dike, East dike and probably the Silver Dollar dike are post-mineral, or if not post-mineral they followed and offset pre-mineral fissures which were later mineralized on both sides of the dike. In either event the result is the same in so far as the present problem is concerned.

In the Never Sweat incline area an orebody was mined from the 181 level up to the Never Sweat fault near the 400 level. The exact dimensions of the orebody is not known, but an inspection of the accompanying maps indicates that it was approximately 200 feet or more measured along the strike, 230 feet in dip length with an unknown width. In addition to the ore above the bottom level a winze was sunk below the 181 level and according to the weekly reports of the mine superintendent the ore found here was too low grade to handle, containing about 18% lead in a vein from 3 to 7 feet in width. The winze appears to be located north of the oreshoot mined above the 181 level (see plan of 181 level).

The longitudinal section, cross section and plan of the Never Sweat orebody (see maps) all indicate that ore was found and mined down to the point where it was cut off by the West dike. Therefore, there is every reason to believe that a continuation of this orebody lies west of the West dike and will be found by crosscutting westward on the 181 level. The Gilmore fault will be cut in the proposed development crosscut and will have the approximate effect shown on the cross section and plan map. That is, the hanging wall has moved downward in relation to the footwall.

In planning this work it is advisable to allow for at least 600 feet of drifting and 100 feet of raising after the vein is found."

Copies of the maps covering the recommended exploration project are being mailed to you under separate cover.

It is approximately 500' from where we started the DMEA drift on the Silver Dollar vein on into the top of the Never Sweat incline. Of this distance, about 75 feet to 80 feet would have to be retimbered. The incline shaft scales 234 feet from the sill of the 400 level to the sill of the 181 level and would require the installation of a hoist, dump station, skip, pipe, rail, ladders, etc. The top 35 feet of the winze would need timbering, tracking, etc., and from there on down it is choked full of caved muck and would need complete rehabilitation.

The above mentioned company exploration engineer advised that a 300' cross cut should cut through the dike and reach the westerly point of the proposed project. Five to six hundred feet of exploratory drifting and cross cutting is outlined from this main cross cut.

The present established rate with DMEA of $1.60 per foot for cleaning ditch, rehabilitating this tunnel, drift, etc., on the 400 level and $8.80 per foot for retimbering are the figures suggested again to apply for this project extension.

I would enter into a firm contract to rehabilitate the incline (untimbered) for a price of $35.00 a foot ($17.50 DMEA).

In retimbering the incline or timbering the cross cuts or drifts on the 181 level, due to the required additional handling of the timber, I would perform this work, furnishing all supplies, at $9.70 per foot. This would be

an increase of 90¢ over the present established price for work on the transportation tunnel.

The present price for drifting on the main haulage level would not be ample to cover hoisting and double handling of broken rock, supplies, etc. For driving these openings, the figure estimated is $42.00 per foot or an increase of $4.00 a foot over the allowed price on the haulage tunnel level.

From my experience in the consulting field, these prices are in line with contracted prices for this type of work.

This project would have a net cost to the DMEA of:

| | |
|---|---|
| 500' cleaning & rehabilitation of tunnel | $ 400.00 |
| 80' retimber Transportation Tunnel @$4.40/ft. | 352.00 |
| Station timber top level and pocket, sinking preparation | 700.00 |
| 250' retimbering incline @$4.85/ft. | 1,212.50 |
| Mucking out incline, install rails, pipe, ladders, use of hoist, power for this, extra operators, etc. - 234' @$17.50/ft. | 4,095.00 |
| 150 assays @$2.00 each | 300.00 |
| Driving 5 x 7 cross cut, 300' @$21.00/ft. | 6,300.00 |
| Timbering above cross cut, 200' @$4.85/ft. | 970.00 |
| 600' drifting on new level @$21.00/ft. | 12,600.00 |
| Estimate 300' timber @$4.85/ft. (drift) | 1,455.00 |
| 10,000' cribbing @ 7½¢/ft. | 750.00 |
| Total Net Cost to DMEA | $29,134.50 |

On the basis of the above figures, I offer to enter into a firm contract on the same basis as that of the initial contract.

The only undetermined contingency would be the possibility of a flow of water on cutting through the dike. If this occurred, then it would be necessary to establish an allowance for this contingency.

Hoping to receive a favorable reply, I am

Yours very truly,

Roger V. Pierce

RVP eb

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

April 28, 1955

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (lead-zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

Attached are the Government, Docket, and Division copies of Amendment No. 2 to the above-cited contract, with attached justification. This amendment provides for testing of the Never Sweat flat vein by raising.

Distribution of this amendment is being made in the usual manner.

Sincerely yours,

A. E. Weissenborn

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

Attachments as indicated

cc: Finance Office w/encl.
USBM (2)
Nickelson

RECEIVED
MAY 19 1955
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 22 1955

No. 157 Howard Street
Spokane 4, Washington

April 18, 1955

Air Mail

Betty

Mr. Roger V. Pierce
Consulting Engineer
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2060 (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-2574

Dear Mr. Pierce:

Enclosed are the original and six copies of proposed Amendment No. 2 to the above-cited contract. This amendment provides for testing of the Never Sweat flat vein by raising. This was discussed in our letter to you of April 5.

If this amendment meets with your approval, please sign all copies, retain the copy marked for the Operator, and return the remaining copies to this office.

Sincerely yours,

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

Enclosures

cc: DMEA (2)
USBM (2)
USBM(AD)
Nickelson

So. 157 Howard Street
Spokane 4, Washington

April 5, 1955

Mr. Roger V. Pierce
Consulting Engineer
801 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (lead-zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-1574

Dear Mr. Pierce:

We have recently discussed the Gilmore project with our field man and as a result of this we make the following suggestions for the course of future work on the present project.

1. The south drift should be continued for the 400 feet described in the contract to get into what has been considered a good area for prospecting. After the drift has advanced for the full 400 feet, crosscutting should be done to try to pick up other veins.

2. In the crosscut from the north drift we suggest that a raise be driven about 30 feet back from the face in order to try to pick up the Never Sweat flat vein which presumably lies above us. It appears that the dike and the flat vein come together and, depending on what is found in the raise we may then either attempt to drive the north drift along the Silver Dollar vein to its intersection with the flat vein or to drive along the Never Sweat flat vein once we are sure of its position and that it is following the dike, as we expect it is. If this is the case, it should eventually swing away from the dike. Mr. Service is in the field now and I understand will discuss this matter with you at Gilmore.

Please let us know if these proposals are in accord with your thinking.

Weissenborn's trip with K[illegible]o the south-central Idaho area has been postponed until [illegible] middle of April.

By Field Team, Region I, NW District

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

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

cc: DMEA (2)
USBM (2)
Nickelson

Department of the Interior
Defense Minerals Administration
RECEIVED
DEC 27 1954

ROGER V. PIERCE
CONSULTING ENGINEER
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

DMEA

December 20, 1954

E-574
Docket DMEA-2868

A. E. Weissenborn
Wing G. Agnew
U. S. Dept. of Interior
So. 157 Howard Street
Spokane 4, Washington

Gentlemen:

In answer to your letter of December 17, 1954, it is now my plan to be in Salt Lake steadily the first two weeks in January and I will be available to go to Gilmore if you will call me and give me 36 hours notice.

Thank you, and kind regards.

Yours very truly,

Roger V. Pierce

RVP:bt

Home phone 8-0169
Office 3-3773

RECEIVED
DEC 29 1954

DMEA

Department of the Interior
Defense Minerals Administration
RECEIVED
DEC 28 1954

December 20, 1954

E-574
Drift 2868

Mr. Harry Stout
Gilmore
Idaho

Dear Harry:

Due to the fact that the north drift face looked very encouraging when I was there recently, we have been given permission to extend this drift three more rounds. After these three have been pulled, do not do any more work in that area until Mr. Mickelson and myself can meet at Gilmore and go over the project again.

Thank you.

Yours very truly,

Roger V. Pierce

RVP:bt
cc: A. L. Weissenborn
So. 157 Howard Street
Spokane, 1, Washington

RECEIVED
DEC 2 1 1954

XXXXXXXXXXXXXXXXXX
So. 157 Howard Street
Spokane 4, Washington

December 17, 1954

Mr. Roger V. Pierce
[illegible] Newhouse Building
Salt Lake City, Utah

Re: Docket No. IMEA-[illegible] (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Ida-[illegible]74

Dear Roger:

We were glad to learn from your phone call to the Executive Officer of December 14 that your miners are about to ship another car of ore from the stope above the transportation level and also that the north drift on the Silver Dollar vein looks as though it might be getting into ore. On checking our records, we find that according to your last MP-104 (October-November) the north drift has advanced a total of 264 feet. We also note that the contract specifies under Exhibit A, Item 2 that you should "drift northerly a total of approximately 300 feet." The language of the contract gives us a certain amount of flexibility and certainly we have no intention of stopping the drift if it is getting into ore. Because of this it only makes sense that you should advance it another two or three rounds, but you should not advance the drift more than that at this time for, in order to authorize payment, it would require a contract amendment. Before making such an amendment it would be desirable to have a field conference to determine whether the drift on the Silver Dollar vein should be advanced or whether the drifting should be done by following the "flat vein" from the crosscut to its intersection with the Silver Dollar vein.

Howard Nicholson plans to leave Spokane on January 3 to spend some time in Central Idaho. If it is at all possible he would like to meet you at the property some time during the first two weeks in January. If you can be in Gilmore during that time please advise us as to the most convenient date and Nicholson will arrange his schedule accordingly.

Your telephone call informing us of conditions at the mine is appreciated.

By Field Team, Region II

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

cc: USBM (2)
USBM (AD)
IMEA (2)
Nicholson

[illegible] Author

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
1201 N. Division St.
Spokane 2, Washington
November 10, 1954

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 15 1954

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA 2868 (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

We are pleased to learn that the discovery of ore by lessees at Gilmore is of significant importance. Mr. Johnson reports that one carload shipment has been made and that there is 8 feet of width exposing high grade lead ore.

As you know, this production, under the terms of the contract, is subject to royalty. We would appreciate your advising us to whom the shipments are being made; you should also notify the smelter to make the required royalty deduction and to furnish us with the information requested in our form letter of October 1, 1954, which deals with royalty repayments.

As stated in our letter of October 1, all remittances should be made payable to Defense Minerals Exploration Administration and mailed to Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, South 157 Howard Street, Spokane 4, Washington.

By Field Team, Region II

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

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

cc: DMEA, Wash. (2)
USGS (2)
Certifying Officer

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

April 20, 1954

Betty

Mr. Roger V. Pierce
806 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract Idm-5574

Dear Mr. Pierce:

This will acknowledge receipt of your letter of March 30 in which you suggest that members of the Field Team meet with you at Gilmore sometime during the latter part of April to discuss the possibility of moving the compressor into the shaft station, and other problems attendant to your DMEA contract.

We would appreciate your informing us a week or more in advance of the date on which you plan to be in Gilmore and we will at that time attempt to schedule our field examinations so that members of our examining party can meet with you. Unfortunately, Mr. Weissenborn will be unable to make the trip as he will be in Washington, D. C., at that time.

With kind regards.

Very truly yours,

Thor H. Kiilsgaard
Acting Member
DMEA Field Team, Region II

cc: DMEA (2)
USBM (2)
Nickelson

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 26 1954

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

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA 2868 (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract Idm-8574

Dear Mr. Pierce:

Invoices for the subject project work during January and February 1954 have been received and are being processed for payment. Timbered footages at specific markers along the Transportation tunnel may require some changes that can be discussed during a joint field inspection in the near future.

The advance has been good for a remotely located camp during the winter season.

It is noted that you are considering the feasibility of omitting parts d. and e. of Item 1, "Enlarging and repairing tunnel, removing timber from shaft, repairing station, making drift safe, and providing room for compressor and equipment, 100 feet @ $25/ft. Installing compressor and equipment, $500." It is suggested that this work be omitted because project exploration will be started much earlier if these phases of the project are abandoned. The miners have been able to run the air tramer back to near the proposed compressor set-up, and it is believed drifting can be continued under the present conditions. It is probable that the track, as is, will not be adequate for a diesel locomotive. However, either plan is acceptable, but under the contract parts d. and e. are jobs that cannot be paid in part; i.e., part d. would have to be so done as to be adequate for part e., and of course the machinery would have to be installed. It is suggested, therefore, that no portion of part d. be undertaken unless the compressor is to be set up at this shaft.

The segment of crosscut north and around the United Idaho incline will be subject to Government participation for rehabilitation as indicated in parts a. and b. of Item 1 of the subject contract.

The request that 95 feet of new excavation, driven to avoid a caved area about 500 feet from the portal, be paid as timbering is in some respects reasonable; but the contract makes no provisions for excavations to avoid troublesome ground, as you were advised when the project was inspected late in October 1953. An adjustment such as you

suggest is not within the jurisdiction of the Field Team, and to date the Washington, D.C. office has not condoned any deviations from strict adherence to the Agreed Units and Costs as stated in the contract. The attitude taken is that the Operator has agreed to do this rehabilitation with the stipulated units and for the stipulated amounts, and in all probability can make up losses attendant to some segments when the entire rehabilitation is completed. The cave in question cannot be classified as an unforeseen condition because it has been possible to reach this point in the tunnel during most of the inspections prior to the contract.

It would be difficult to show any significant loss for the entire rehabilitation as would be necessary to support any claim for an adjustment by a contract amendment.

The exposed faces of the Silver Dollar vein are encouraging, and the Field Team is looking forward to some excellent samples when drifting starts.

By Field Team, Region II

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

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

cc: DMEA, Wash. (2)
USGS (2)

ROGER V. PIERCE
CONSULTING ENGINEER
MINING MECHANIZATION SPECIALIST
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

RECEIVED
BUREAU OF MINES
MAR 10 1954
SPOKANE, WASH.
DEPARTMENT OF THE INTERIOR
Defense Minerals Admin.
RECEIVED
MAR 26 1954

March 8, 1954

U. S. Department of the Interior
1201 N. Division St.
Spokane 2, Washington

Attention: Mr. A. E. Weissenborn, Executive Officer

Re: Doclet No. DMEA 2868 (lead-Zinc)
Gilmore Mine, Lemhi County, Idaho
Contract Idm-1574

Gentlemen:

I visited the workings at Gilmore on March 4 and find the following total work completed:

| Timber | Footage |
|---|---|
| From Portal of tunnel in to solid rock | 65 |
| At 429' new tunnel driven around cave a distance of 96 feet. There is 36½ feet of this that has been timbered | 36½ |
| There is 40 feet of timber in caved area | 40 |
| Between the 600' and 800' markers there is new timbering of | 153 |
| At approximately 940' 3 sets or | 12 |
| Between Markers 1200 and 1300 ft. there is | 23 |
| " " 2100 and 2200 ft. " " | 18½ |
| " " 2300 and 2400 ft. " " | 48 |
| " " 3000 and 3100 ft. " " | 10½ |
| " " 3350 and 3400 ft. " " | 16½ |
| Total | 423 feet |

Cleaning, etc.

A total of 3400 feet of drift has been rehabilitated including cleaning of ditch, track and making necessary track repairs — 3400 feet

Cribbing

The cribbing installed is estimated at 400 cu. ft. (misc. total) 400 feet

At the time of my visit contractors had started work in the drift that goes just to the left of the shaft or south, and they plan on going through this area with track, timbering where necessary. In the drift to the right or north of the shaft, which is the water drift, and at the point where the 3400 foot measurement was made, there were two spots that they would have to ~~block~~ Blast in the drift in order to get the motors through.

They have cleaned a good part of the drift on ahead of these areas, but I will not report measurement until they have completed all the work up to the point where the drift will be started on the Silver Dollar vein. I estimate there are about 35 sets of timber yet to be installed, and it would be my guess that they will be drifting about the first of May.

I am arranging for additional cars and a diesel locomotive and am debating whether or not the compressor will be placed underground. There are some phases of this installation that may not be too feasible.

We will plan to clean out the station and timber this so that all possible air can be brought down through the shaft to the haulage level so that maximum ventilation will be obtained.

I believe this gives the up to date story.

The actual measurement figures for the work completed are submitted on the attached sheets.

There is one thing that I have not made request for and on which I would like your consideration. In going around the caved area, approximately 500 feet in from the portal, 95 feet of new drift was driven. On the basis of the contract I would actually receive 80¢ a foot for this work, and it would seem to me that it would be fair inasmuch as, had we gone through the cave, I would have been paid $4.40 a foot. This would be on the basis of retimbering, and then in addition to this there would have been probably 2,000 feet of cribbing. I would like to ask that I be paid 56½ feet at $4.40 for this particular work.

Your fair consideration will be appreciated.

Yours very truly,

Roger Pierce

Roger V. Pierce

RVP eb
Enc.

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

1201 N. Division St.
Spokane 2, Washington
January 26, 1954

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA 2068 (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract Ida-2574

Dear Mr. Pierce:

Reference is made to your letters of December 30, 1953 and January 21, 1954 to V. Z. Johnson, requesting that you be advised of the inspecting engineer's measurements of work done under the subject contract as a basis for preparing your monthly reports.

Our staff is anxious to cooperate with all Operators; however, the present work load is such that an engineer cannot be scheduled to make monthly visits to your property, although he will try to do so whenever possible.

Your attention is directed to Article 7 of the contract, form MF-200, which stipulates that the Operator shall provide the Government with monthly progress reports. It is the responsibility of the Operator, therefore, to take monthly measurements of work completed and to prepare these reports which must include a narrative of progress, and maps where applicable.

In this connection, the Certifying Officer has been instructed to delay processing of vouchers which are not supported by a reasonable narrative describing the work for which charges are submitted. An exception has been made in the case of your December voucher, and it will be processed immediately for payment; however, it will be necessary for you to send us a narrative to support it or the amount of the December charges must be withheld from the amount due you on your next invoice.

Defense Minerals Administration
RECEIVED
FEB 2 1954

By Field Team, Region II

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

cc: DMEA, Wash. (2)
USGS (2)

Thomas K. Hazard, Acting Member
(U. S. Bureau of Mines)

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

September 22, 1953

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (lead-zinc)
Gilmore mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Pierce:

I wish to acknowledge receipt of your letter of September 16, 1953, to which were attached signed copies of Amendment No. 1 to your Gilmore contract. This amendment has been distributed in the usual manner.

We are pleased to learn that you have commenced work on the contract and that you believe an examination of the completed work could be made by the 10th of October. We shall try and have one of our field men available to make an examination at that time.

I hope that you received the copies of maps I returned to you sometime ago. We had copies made of these maps and should find them to be of assistance in evaluating work completed under the contract. I would appreciate, however, your sending me the easternmost and westernmost sections of the geologic map of the Transportation level. If we have copies of these maps made, our file on the Transportation level would then be complete. Perhaps you have already sent these maps and if so, please disregard this request.

Wishing you every success in your mining venture, I remain,

Yours very truly,

Thor H. Kiilsgaard
Acting Executive Officer
DMEA Field Team, Region II

cc: USBM (2)
DMEA (2)
Nickelson

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
SEP 21 1953

September 18, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract Idm-E574

Dear Mr. Selfridge:

Enclosed are the Government, Docket and Division copies of Amendment No. 1 to the subject contract on the Gilmore Mine.

Distribution of this amendment is being made in the usual manner.

Sincerely yours,

A. E. Weissenborn, WLK

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

Enclosures
cc: USBM(2)
Nickelson

cae
9-23

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

August 21, 1953

Mr. Roger Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (lead-zinc)
Gilmore Mine
Lemhi County, Idaho
Contract Idm-2574

Dear Mr. Pierce:

Enclosed are copies of Amendment No. 1 to your Gilmore contract. It will be noted that in this amendment all rehabilitation costs on the Transportation level have been converted to unit costs. Measurements of rehabilitation work will of consequence be closely checked by our field examiners.

If this amendment meets with your approval, please sign all copies, retain that copy marked for the Operator and return the others to this office.

Sincerely yours,

Thor E. Kiilsgaard
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

Enclosure

cc: DMEA (2)
USBM (2)
Nickelson

500

Keating
Trusswell
Chandler
Martin
Selfridge

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

AUG 1 4 1953

Mr. A. E. Weissenborn
Executive Officer
DMEA Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA 2868 (Lead-Zinc)
Roger V. Pierce
Gilmore District
Lemhi County, Idaho
Contract No. Idm-5574

Dear Mr. Weissenborn:

This is in response to your telephone conversation of August 4, 1953, with Mr. Rittendorf, regarding the above-named Operator's request to change the basis of cost of rehabilitation of the Transportation tunnel from actual costs to unit costs.

Pursuant to your recommendation for approval of the above request, there are enclosed an original and five copies of amendment No. 1 in which the rehabilitation of the Transportation tunnel, under the heading "Estimated Costs of the Project, Actual Costs, Item 1", has been modified and amended to provide for work actually performed on the basis of the agreed unit costs per foot in lieu of actual costs.

The amendment has been executed by the Administrator and if you find that it meets with your approval and that of the Operator, please obtain the proper signatures and distribute in the usual manner.

Sincerely yours,

W. S. Martin (AKB)
ACTING Chairman, Operating Committee

Enclosures 6
APPROVED:

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

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

AGKeating/hmj (8/10/53)
Copy to: Docket
Adm. R. File
Operating Committee
Base Metals Division
Mr. Kinkel
Mr. Bishop
Chron.

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
AUG 14 1953

August 11, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (lead-zinc)
Roger V. Pierce
Lemhi County, Idaho

Dear Mr. Selfridge:

Attached are the original and two signed copies of Contract Idm-E574.

Distribution of this contract is being made in the usual manner.

Sincerely yours,

Thor H. Kiilsgaard
Acting Executive Officer
DMEA Field Team, Region II

Attachment

cc: Finance Officer w/encl.
USBM (2)
Nickelson

500

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

August 5, 1953

Memorandum

To: Chief Counsel

From: Base Metals Division

Subject: Docket No. DMEA-2868, Roger V. Pierce, Lemi County, Idaho, Contract No. Idm-E574

The Operator requests that in the cited contract, page 2, under the heading "Estimated Costs of the Project" - Actual Costs, Item I - Rehabilitation of Transportation Tunnel — $15,000.00, be deleted and in lieu thereof under the heading of "Agreed Unit Costs", there be substituted the following:

(1) Rehabilitation of Transportation Tunnel

| | |
|---|---|
| (a) Clean drain ditch, replace ties and bring track to grade, enlarge where necessary — 4,000 ft. @ $1.60/ft. | $ 6,400.00 |
| (b) Retimbering, 600 ft. @ $8.80/ft. | 5,280.00 |
| (c) Cribbing, 4,500 cu. ft. @ $0.17/ft. | 765.00 |
| | $12,445.00 |
| (Kane) (1) Repair 100 ft section vicinity United Idaho 400 level shaft station @ 30. per ft. | 3000.00 |
| | $15445.00 |

Since, in the present contract, the above work provided for a maximum of $15,000.00, based on actual costs, when converted to agreed unit costs, the total estimated cost of the project will be reduced by $2,555.00.

The Administrator has teletyped the field office regarding the proposed amendment. A copy of this teletype is in the docket.

Your preparation of an amendment is requested.

Keating
A. G. Keating

RECEIVED
AUG - 5 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

1201 N. Division St.
Spokane 2, Washington
August 4, 1953

Mr. Earl D. Smith, President
Delaware-Idaho Gold Mining Company
c/o Smith Department Store
Ridgeway, Pennsylvania

Subject: Docket No. DMEA 2868 (lead-zinc)
Roger V. Pierce
Gilmore District, Lemhi County, Idaho
Delaware-Idaho Gold Mining Co. property

Dear Mr. Smith:

In preparing a DMEA contract to cover various properties in the Gilmore district held under lease by Roger V. Pierce, among which are claims owned by the Delaware-Idaho Gold Mining Company, it was found that the "Consent to Lien" agreement signed by you on behalf of that company did not have the name of the lessee inserted. In order to prevent delay, "Roger V. Pierce, lessee of said property" was typed in by our Washington office.

This letter is to advise you of the above action.

By Field Team, Region II

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

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

cc: DMEA, Wash. (3)
USGS (2)

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

1201 N. Division St.
Spokane 2, Washington
August 4, 1953

Mr. E. J. Tucker
Gilmore, Idaho

Subject: Docket No. DMEA 2868 (lead-zinc)
Roger V. Pierce
Gilmore District, Lemhi County, Idaho
Gilmore Mercantile Co. property

Dear Mr. Tucker:

In preparing a DMEA contract to cover various properties in the Gilmore district held under lease by Roger V. Pierce, among which are claims owned by the Gilmore Mercantile Company, it was found that the "Consent to Lien" agreement signed by you on behalf of that company did not have the name of the lessee inserted. In order to prevent delay, "Roger V. Pierce, lessee of said property," was typed in by our Washington office.

This letter is to advise you of the above action.

By Field Team, Region II

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

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

cc: DMEA, Wash. (3)
USGS (2)

C
O
P
Y

Defense Minerals Exploration Administration
C. O. Mittendorf
5371 4624

14X3923, Working Fund, Interior, DMEA
August 4, 1953

Mr. A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, Pending
South 157 Howard Street, Spokane 4, Washington

Our phone conversation today.

Assignment of Amador contract, docket DMEA 1175, approved and should come before Operating Committee tomorrow.

Amended Northfield contract on unit basis should also come before Committee tomorrow.

Regarding Taylor-Knapp case, our intention to case same as amended contract approving new work and incorporating money already spent in package deal.

DMEA 968 Have reviewed Roger Pierce contract 574. We will draft amendment here changing item one, rehabilitation, on cost basis with maximum of $15,000 to the unit basis recommended by you listing subitems a, b, and c totaling $12,445. Amendment being prepared. Operator may sign contract and proceed with work at his own risk, however, with understanding that amendment will be submitted in accordance with above. Did you point out to Pierce the firm commitment aspect of short form contract?

Have discussed Bradley contract 453 with Legal. Since shift of drilling from C.D.H. area to airport area will entail addition of new claims not included in map exhibit of contract, our opinion amendment must be drafted here. Upon receipt your memo. justifying shift with map and description airport area claims we will immediately draft amendment. You may advise operator accordingly.

SIGNED

C. O. MITTENDORF, ADMINISTRATOR

COMittendorf/fw

cc: CONFIRMATION COPY
Admr Reading File
Mails & Files
Base Metals Div.
Rare Metals Div.
Iron and Ferro-Alloys Div.

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

XXXXXXXXXXXXXXXXXX
So. 157 Howard Street
Spokane 4, Washington

August 4, 1953

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore (Texas) Mining District
Lemhi County, Idaho
Contract Idm-E574

Dear Mr. Pierce:

I am enclosing six copies of DMEA Contract Idm-E574 for the exploration of your property in the Gilmore District, Lemhi County, Idaho. Following your telephone discussions with Mr. Volin and Mr. Howard, we have contacted Washington with respect to the placing of subitems (a), (b), and (c) of Item 1 of the contract work on a unit cost basis with an allowable maximum of $12,145.00. Subitem (d) is to remain on an actual cost incurred basis.

As Mr. Howard has advised you by phone, we have been informed by our Washington office that an amendment is being prepared and that you may sign the contract and proceed with the work at your own risk with the understanding that an amendment will be submitted for your signature in accordance with the above.

We also at this time wish to point out to you the firm commitment aspect of the short form contract which is being offered you. If these conditions are satisfactory to you, please sign all copies of the contract, keep the one marked "Operator's Copy", and return the rest to this office.

We wish you success in the exploration which you propose to undertake.

Sincerely yours,

cc: DMEA (2)
USBM (2)
Kiilsgaard

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

Enclosures (6)

SURNAME COPY

Adams

Defense Minerals Exploration Administration
Robert E. Adams

2017

14X3923.970, Working Fund, DMEA
July 31, 1953
1:55 p.m.

A.E.Weissenborn,Executive Officer,South 157 Howard St.,Spokane 8, Washington

Assignment of Contract Numbers and Insertion of Dates on Docket Numbers 2868, 2894, and 2496.

REURTEL 7-30-53 CONTRACT NUMBERS AND DATES INADVERTENTLY OMITTED FROM CONTRACTS DOCKET NUMBERS 2868, 2894, AND 2496. PLEASE INSERT DATE JULY 27, 1953 ON CONTRACTS DOCKET NUMBERS 2868 AND 2894 AND ASSIGN CONTRACT NUMBERS IDM-E574 AND IDM-E575, RESPECTIVELY. PLEASE INSERT DATE JULY 21, 1953 ON CONTRACT DOCKET NUMBER 2496 AND ASSIGN CONTRACT NUMBER IDM-E576.

C. O. Mittendorf (for)

ADMINISTRATOR

REAdams/meb
cc to: Adm.Reading File
Mails & Files Br.
Bu.of Mines Audits Section, Rm.2509
Miss Curtin

XQFBBBB

2-317 GA PLS

3079

203 WA SP /I-GS-G/

SPOKANE WASH 7-30-53 1210P

GEORGE C SELFRIDGE, DMEA, USGS,

WA

NEW CONTRACTS RECEIVED FROM YOUR OFFICE DO NOT CONTAIN DATES OR CONTRACT NUMBERS. IS THIS AN OVERSIGHT OR NEW PROCEDURE/QM/ CONTRACTS IN QUESTION ARE DOCKETS NUMBERS 2868, ROGER V. PERICE., 2894, E A FRICK AND 2496, GOLDEN ANCHOR. PLEASE TELETYPE REPLY.

A E WEISSENBORN, USGS, SP

2868 2894 2496

EC 1211P

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

500

Keating
Griswold
Kane
Hofflund
Chambers
Selfridge
J. Johnson

Rewritten

JUL 27 1953

Mr. A. W. Weissenborn
Executive Officer, Region II
DMEA Field Team
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce, properties
Gilmore District
Lemhi County, Idaho

Dear Mr. Weissenborn:

Enclosed are the original and five copies of a contract with the above-named individual.

You will note that the contract limits the work to rehabilitation of the Transportation Tunnel and exploration work from that tunnel level, but does not provide for exploration from the Silver Dollar Adit. This, we believe, is in accord with the understandings reached during telephone conversations between our Base Metals Division and yourself.

We find that in the "Owner's Consent to Lien" agreements, in the instances of The Delaware-Idaho Gold Mining Company and the Gilmore Mercantile Company, the name of Roger V. Pierce, lessee of the properties, has not been inserted. In order to prevent delay, his name is being typed in and it will be necessary for you to advise the owners that this has been done.

If you find that the contract meets with your approval and that of the Operator, please obtain the proper signatures and distribute in the usual manner.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

AGKeating/bjl (7/23/53)
Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Bishop
Mr. Kinkel
Chron.

Enclosures 6

APPROVED:

J. M. Hedges
Member, Bureau of Mines (GHB)

S/ D. M. Larrabee
Member, Geological Survey (GHB)

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

Keating
Burned
Copy
Returned
Chamber

Mr. A. E. Weissenborn
Executive Officer, Region II
D.M.E. Field Team
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. D.M.E. 2063 (Lead-Zinc)
Roger V. Pierce, properties
Gilmore District
Lemhi County, Idaho

Dear Mr. Weissenborn:

Enclosed are the original and five copies of a contract with the above-named individual.

You will note that the contract limits the work to rehabilitation of the Transportation Tunnel and exploration work from that tunnel level, but does not provide for exploration from the Silver Dollar Adit. This, we believe, is in accord with the understandings reached during telephone conversations between our Base Metals Division and yourself.

If you find that the contract meets with your approval and that of the Operator please obtain the proper signatures and distribute in the usual manner.

Sincerely yours,

Chairman, Operating Committee

Enclosures 6

AGKeating/hmj
(7/21/53)
CC to: Docket
Adm. R. File
Op. Committee
Base Metals Division
Mr. Kinkel
Mr. Bishop
Chron.

APPROVED:

Member, Bureau of Mines

Member, Geological Survey

Docket Off

500

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

Keating
Summerfield

July 23, 1953

Memorandum

To: Administrator

From: Chief, Base Metals Division

Subject: Proposed contract Docket No. DMEA-2363 (Lead-Zinc), Roger Pierce Properties, Gilmore District, Lemhi County, Idaho

The property of this project is composed of a contiguous group of three mining properties, separately owned, and upon which Roger Pierce had lease agreements. Pierce originally made application (2/2/53) for an exploration program in three steps to include surface trenching, diamond drilling, and shallow shaft sinking, at an estimated cost of $162,374.00. The Field Team recommended approval.

It developed that on the group of claims upon which the principle work would be done, the owners limited their liability for royalty payment to $41,625.00. The Applicant was not financially strong and expected to raise his share of the funds as the work progressed, dependent upon a favorable showing in each stage.

It was the opinion of the Base Metals Division that a more acceptable exploration program would consist of sinking the present main shaft and drifting and crosscutting in an unexplored area which previous work had indicated might be in the primary zone. However, the cost of such program would be beyond the ability of the Applicant, and it was also necessary to consider the lien limitation.

In view of the above conditions, the Base Metals Division requested the field office to reappraise the project, and as a result a proposed contract was submitted and approved by Chem. This provided for work in two areas, the Transportation tunnel and Silver Dollar adit. We again informed the field office that we were not very enthusiastic about the program because of extensive rehabilitation work in ratio to exploration.

Several conferences were held with the Washington commodity members, who at first submitted a memorandum recommending favorable consideration of the program submitted by the Field Team. Later, the USBM member favored work in the indicated primary zone but not in the oxidized areas.

It was decided to limit the exploration work to a reasonable program of drifting and crosscutting on favorable showings which would be subject to prior approval of the Government.

The matter was thoroughly discussed with Weissenborn and he was requested to consult with Pierce to determine which of the two areas should be chosen for work. As a result, Weissenborn informed us that it was agreeable to the Applicant and himself to have the exploration confined to work from the Transportation tunnel as we had suggested.

W. R. Griswold
Chief, Base Metals Division

MDS 7-27-53

AGKeating/bjl

Copy to: Docket
~~Admxx~~ Op. Committee
Base Metals
Chron.

ROGER V. PIERCE
CONSULTING ENGINEER
MINING MECHANIZATION SPECIALIST
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

RECEIVED
JUL 20 1953

July 16, 1953

D. M. E. A.
c/o Mr. C. O. Mittendorf
Department of the Interior
Washington, D.C.

Gentlemen:

Enclosed are the letters from Delaware Idaho Gold Mining Company and Gilmore Mercantile Company substantiating the fact that my leases are still in effect and in good standing on these properties.

I hope that this completes the information you required. However, I will be happy to furnish any further details you might need.

Yours very truly,

Roger Pierce

Roger V. Pierce

RVP eb
Enc. 2
cc: U. S. Bureau of Mines
Spokane, Washington
Atten: Mr. Tom Howard

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 20 1953

July 10, 1953

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Dear Mr. Pierce:

In connection with your application for a DMEA contract, as you requested, this will confirm in writing that the lease entered into between Delaware Idaho Gold Mining Company and yourself under date of August 15, 1950 is in good standing. Said lease covers The Andy, Gilmore, W. H. Cannon, Glenn, Edie, and Hatton claims of Delaware Idaho Gold Mining Company.

Yours very truly,

DELAWARE IDAHO GOLD MINING COMPANY

By Earl D. Smith President
Earl D. Smith

Defense Minerals Administration
RECEIVED
JUL 20 1953

July 10, 1953

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Dear Mr. Pierce:

In connection with your application for a DMEA contract, as you requested, this will confirm in writing that the lease entered into between Gilmore Mercantile Company and yourself under date of August 15, 1950 is in good standing. Said lease covers the Olive, Ruth, Vick, La Porte, G.A.P., Dorothy, Martha, Roy Lauer, Cook, Ernest, Mixer and Annex claims of the Gilmore Mercantile Company.

Yours very truly,

GILMORE MERCANTILE COMPANY

By Elmer Tucker Specimen
Elmer Tucker

ROGER V. PIERCE
CONSULTING ENGINEER
MINING MECHANIZATION SPECIALIST
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 13 1953

Mustang

July 10, 1953

D. M. E. A.
c/o Mr. C. O. Mittendorf
Department of the Interior
Washington, D.C.

Gentlemen:

I have been notified by the Spokane office that a contract with DMEA on the Gilmore properties is being prepared and it is desired that I furnish you with substantiating letters from the owners of the various groups of claims that my leases are still in effect and in good standing.

A letter covering the major claims, those owned by United-Idaho Mining Company (U. S. Smelting Refining & Mining Company), is attached. The others, namely the Gilmore Mercantile and the Delaware Idaho Gold Mining Company, have been mailed for signatures and will be forwarded to you as soon as received.

Yours very truly,

Roger V. Pierce

Roger V. Pierce EB

RVP eb
Att.
cc: U. S. Bureau of Mines
Spokane, Washington
Atten: Mr. Tom Howard

1019 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 13 1953

July 8, 1953

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Dear Mr. Pierce:

In connection with your application for a DMEA contract, you have asked us to confirm in writing the statement verbally made to you that the Lease entered into between United Idaho Mining Company and yourself, under date of July 13, 1950, is in good standing. Said Lease covers the Never Sweat, Silver Dollar, Silver Dollar Extension, 16 to 1, and Texas lode mining claims, U. S. Survey No. 1938, located in Texas Mining District, Lemhi County, State of Idaho.

This will confirm our statement to you that we recognize such Lease, as amended by "Supplement to Lease" dated as of the 15th day of August, 1951, as in good standing.

Yours very truly,

UNITED IDAHO MINING COMPANY

By A. G. Kirkland
A. G. Kirkland
Manager

AGK:mg

FILE COPY
SURNAME 213

140

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

N.S. in R.R.

July 10, 1953

AEKane

**Memorandum**

**To:** The Administrator
Through: Mr. W. R. Griswold

**From:** Chief Counsel

**Subject:** Roger V. Pierce, Docket No. DMEA-2868 (Zinc-Lead)

There is attached, in satisfactory legal form for execution, a contract covering the above-described project:

1. Subject to the attachment of the map referred to in the contract.

2. Subject to the attachment of the various Owners' Consents to Lien, since there are not enough copies in the file.

3. Subject to it being ascertained that the leases from the Delaware-Idaho Gold Mining Company and the Gilmore Mercantile Company Limited are in good standing, as each of these leases provides for payments of $5,000 prior to July 15, 1952 and January 15, 1953.

4. Subject to it being ascertained that the lease from the Idaho Mining Company is in good standing, as that required the Operator for the first two years to do 500 man shifts of work on the premises and 2500 man shifts for the next three years.

/s/ A. E. Kane for
J. L. Hofflund
Chief Counsel

**Attachments**

AEKane/ema/7-10-53
cc: Mails & Files
J. L. Hofflund
A. E. Kane
Chron.

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

Defense Minerals Administration
RECEIVED
JUL 10 1953

7/24/53

July 9, 1953

Memorandum

To: Mr. W. R. Griswold, Base Metals Branch, DMEA

From: O. M. Bishop, Base Metals Branch, USBM

Subject: Roger Pierce Property, DMEA Docket 2868 -- Recommendation for denial of proposal of June 19, 1953.

The proposal agreed to by the applicant and the field examiners and reported in memorandum form to the field team, Region II is within the probable financial means of the applicant and falls within the limits for a lien to which the United Idaho Mining Company will agree, but it has a target of limited size and doubtful value.

The Silver Dollar vein which constitutes the major target is not only completely oxidized at the exploration level but is identified, where intersected in the Transportation tunnel only by narrow stringers of iron and manganese oxides with no economic values apparent. In the Silver Dollar prospect 800 feet to the north and 300 feet higher in the section the Silver Dollar vein was explored for 400 feet without finding commercial ore and the vein at the face of the tunnel toward which exploration is directed shows a width of but 3 feet assaying only 0.15 oz. gold, 0.4 oz. silver, 1.0 percent lead and 1.7 percent zinc.

The complete lack of mine plant, the distance of 80 miles to the railway and the oxidized nature of the ore are factors that demand a target of more merit than the Silver Dollar vein at the Transportation tunnel level.

The second target is the "possible projection of Neversweat Flat vein," which is to be explored north of the Transportation tunnel. Like the Silver Dollar vein this vein has not been productive where previously exposed in this area, and values have been non-existent or of too narrow extent and low concentration to be encouraging.

It is to be regretted that the downward extensions of known ore bodies cannot be explored in the primary zone as was planned when this applicant first presented his proposal. I do not believe the proposal as now made has sufficient justification to warrant a $41,625 investment by the Government, particularly so when almost a third of the total cost is required for rehabilitation of the old workings.

O. M. Bishop

O. M. Bishop

OMBishop:meg

Copies to: Base Metals
Minerals Div.
O. M. Bishop
Files

— Memo —

Roy Pence - DI [redacted] 2868

Telephone to Weisenton - Temple 1434. - Spokane, Washington G.S. Kilsgard

United Idaho Mining Co lease

Lease to take possession - Aug 1950

During first 2 years - 500 man shifts work

Dec year and each successive year 2500 man shifts

Minimum installment royalty payment

Delaware - Idaho Gold Mining Company

Lease entered into August 15. 1950

Due July 15. 1952 - 5000.00 -

January 15. 1953 5000.00 ✓

January 15 1954 10000.00

Gilmore Mercantile Company

Lease entered Aug 15. 1950

Due July 15. 1952 5000.00

January 15. 1953 5000.00

January 15. 1954 10000.00

Leases in default.

K

FILE COPY
SURNAME:

140

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

N.S. in R.R.

July 8, 1953

**Memorandum**

**To:** The Administrator
Through: Mr. W. R. Griswold

**From:** Chief Counsel

**Subject:** Roger V. Pierce, Docket No. DMEA-2868 (Zinc-Lead)

There is attached, in satisfactory legal form for execution, a contract covering the above-described project—

1. Subject to the attachment of the map referred to in the contract.

2. Subject to it being ascertained that the leases from the Delaware-Idaho Gold Mining Company and the Gilmore Mercantile Company Limited are in good standing, as each of these leases provides for a payment of $5,000 prior to July 15, 1953.

J. L. Hofflund
Chief Counsel

**Attachments**

AEKane:ep

Copy to: Mails & Files
Mr. Hofflund
Mr. Kane
Chron.

P.S.—Subject also to the attachment of the various Owners' Consents to Lien, since there are not enough copies in the file.

AEK

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

FILE COPY
SURNAME: 918

Keating
Sandwich

DMEA - 2868

Department of the Interior

Defense Minerals Exploration Admin.

14X3923-970 Working Fund
Interior

July 7, 1953

ROGER V. PIERCE
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

REURTEL JULY 7 A PROPOSED CONTRACT IN PROCESS SUBJECT TO FINAL DETERMINATION POSSIBLY WITHIN TEN DAYS OR TWO WEEKS.

C. O. Mittendorf (fw)

C. O. MITTENDORF, ADMINISTRATOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

AGKeating/bjl

Copy to: Docket
Admr. R. File
Base Metals
Chron.

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

# WESTERN UNION

W. P. MARSHALL, PRESIDENT

(35)

FX-1201

| SYMBOLS |
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L.SLC261 PD=SALTLAKECITY UTAH 6 322PMM =

C O MITTENDORF=

INTERIOR DEPT DMEA WASHDC=

DEPARTMENT OF THE INTERIOR
1953 JUL 6 PM 4 41
Defense Minerals Administration
RECEIVED
JUL - 7 1953

SEASON GETTING ALONG. CAN YOU MOVE GILMORE APPLICATION SO I CAN GET STARTED. THANKS=

ROGER PIERCE=

Keating
Betty

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

1953 JUL 6 PM 5 45
DLY

UNITED STATES
DEPARTMENT OF THE INTERIOR 500
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

July 2, 1953 Pending

MEMORANDUM for the Files

From: Base Metals Division

Subject: Application of Roger Pierce, Lemi, Idaho, Docket No. DMEA-2868, Telephone call to Al Weissenborn

Weissenborn was advised that we were not very enthusiastic about this application. Extensive rehabilitation in ratio to exploration work, not sufficient supporting maps, in oxidized zone, long haul, few if any assays. Field Team had not been able to inspect underground workings. Their recommendation was based almost entirely on hearsay and previous maps and reports prepared by others.

However, history of district is good and one of the two projects may be allowed. Discussed with Weissenborn which one it should be.

Suggested that the exploration from the Transportation tunnel appeared most favorable to us. Weissenborn said that he agreed, but would check up and advise if he found differently.

A. G. Keating

Copy to: Docket
Chron.

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
JUN 22 1953

June 19, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JUN 22 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (lead-zinc)
Roger Pierce properties
Lemhi County, Idaho

Dear Mr. Selfridge:

Enclosed are four copies of a report by T. H. Kiilsgaard, U. S. Geological Survey, and T. E. Howard, U. S. Bureau of Mines, together with 2 copies of a sample contract, all of which concern Mr. Roger Pierce's application on the Gilmore district, Lemhi County, Idaho. The report proposes a revised exploration program which has been worked out with the applicant and which would be within the limits specified in the letter from the Operating Committee of April 14, 1953.

The Field Team concurs with the recommendations of the field examiners and recommends the granting of a contract to be drawn as proposed in the enclosed report.

By DMEA Field Team, Region II

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

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

Enclosures
cc: USBM (2)
Kiilsgaard

Reviewed by
DMEA OPERATING COMMITTEE
7-3-53
(date)

U.S. 45 Report

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
So. 157 Howard Street
Spokane 4, Washington

GCS 7/24/53

June 18, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
JUN 22 1953

Memorandum

To: DMEA Field Team, Region II

From: Thor H. Kiilsgaard, U. S. Geological Survey, and
Thomas E. Howard, U. S. Bureau of Mines

Subject: Docket No. DMEA-2868 (Lead-zinc), Field Examination, Roger V. Pierce properties, Gilmore (Texas) District, Lemhi County, Idaho

## RECOMMENDATIONS

It is recommended that an exploration project contract in the amount of $83,000.00 be approved for work outlined in the body of this report. To facilitate administration of the contract, it is recommended that all proposed work be based on unit costs in lieu of actual costs, excepting that rehabilitation work near the 400 station of the United Idaho shaft in which Government participation should be for costs incurred.

## INTRODUCTION

The subject field examination of the Gilmore properties was made on June 8 and 9, 1953, in company with Mr. Roger V. Pierce, the applicant. The purpose of the examination was to work out an exploration project with the applicant which would be in accord with suggestions made by the DMEA Operating Committee in their letter of April 14, 1953, and also be within the limits of the Owner's Consent to Lien agreement executed by the United Idaho Mining Company. A project was agreed upon, which, while it will be confined to the oxidized zone, will be in and near the known productive area. This proposed project is within the financial means of the applicant and should serve the dual purpose of exploring new and untested ground while at the same time making accessible old mine workings known to be productive.

The applicant agreed that exploration for downward extensions of known ore bodies on and below the lowest existing workings where sulphides might be expected would be preferable; however, he pointed out that he was financially unable to undertake such a project at the present time. He reasons that if the proposed project is successful, he will then be in a position to either do deep exploration or to influence larger mining companies into undertaking such deep level exploration.

Reviewed by
DMEA OPERATING COMMITTEE

7-3-53
(date)

## SUMMARY

The location, geology, and most of the general features of the Gilmore property are adequately covered in a previous report by H. T. Reno and E. W. Buel, U. S. Bureau of Mines, and to references therein, and will not be discussed in detail in this report.

Briefly, the Gilmore district has a record of production of lead-silver that is estimated by various writers to range from 11 million to 19 million dollars. Most of this production has come from three different properties, none of which has been active since 1929. This inactivity is reported to have resulted from several causes, i.e., litigation between the various owners on property rights, the price of metal, and the depth to which the oxidized ores are known to extend, and the high cost of rehabilitating the mines to make the primary zone accessible.

In recent years the applicant, Roger Pierce, has obtained control of the principal properties. This is the first time the camp has ever been under unified control, and it should mark the end of the various property squabbles that have plagued the development of the camp. Mr. Pierce has tried to influence larger mining companies into undertaking exploration of the various properties but without success. Because of his inadequate finances to do large-scaled exploration alone, Pierce has been forced to confine what exploration he has done to the fringe areas around the more productive part of the camp. Mr. Pierce's exploration plans became more complicated when, after obtaining signed Consent to Lien Agreements from the three property owners, he found that the principal owner, the United Idaho Mining Company, limited their Consent to Lien to the amount of $41,625.00. A letter from DMEA Operating Committee, dated April 14, 1953, advised that United Idaho Mining Company's limit would necessarily limit the amount of any DMEA contract to $83,250.00, although there would be no restriction on where the work might be done. This financial limit, however, necessitated a complete review of the camp to work out an exploration program that would stay within those limits.

Numerous north-trending, west-dipping veins in the Gilmore district have been productive. The more productive parts of the veins, however, appear to form an east-west "belt" which extends almost from the easternmost vein to the westernmost vein. The north-south or strike length of the "belt" is rather vague but does not appear to exceed 700 feet in length. Veins outcrop north and south of this "belt" but appear to be relatively barren of lead-silver in those areas. In some instances these north-south outcrops show lead-zinc-silver values and in some places they have been prospected as at the Ferguson-Shields shaft; however, by and large, these fringe areas are hungry on the surface. It would seem, therefore that the place to explore at the present time is in those

untested areas within the "belt," and that if this work is successful, it could revive the camp and possibly lead to future exploration both in depth and on the fringe areas of the "belt."

Of the existing workings, the "belt" is best explored by the Transportation tunnel which intersects most of the known veins in the district from east to west. Several of these veins have been drifted on off the Transportation tunnel as may be seen from the attached maps. One of the strongest veins intersected by the Transportation tunnel occupies the projected location of the Silver Dollar vein (hereafter to be referred to as the Silver Dollar vein); this vein has not been explored by drifting. It crosses the Transportation tunnel in an area where most of the "belt" appears to be on the south side of the Transportation tunnel. It therefore seems prudent to drift south on the Silver Dollar vein and to crosscut east and west from this drift at some point in the heart of the "belt" (see accompanying map). It also seems logical to drift north on the Silver Dollar vein from the Transportation tunnel toward the northern limits of the belt and to crosscut west to intersect a faulted segment of the Neversweat flat vein which was productive on lower levels.

Another part of the proposed exploration would be to rehabilitate the Silver Dollar tunnel, which is about 850 feet north of and 350 feet higher in elevation than the Transportation tunnel and to extend the Silver Dollar drift on that level to the south. The Silver Dollar is a strong structure on that level with minor but noticeable traces of lead-silver mineralization and which warrants exploration. Furthermore, drifting to the south would approach the northern border of the "belt" and would explore an untested area.

The above-outlined exploration program would be within the limits set by the United Idaho Mining Company. Most of the work would be on United Idaho ground, but the contract would be so drawn as to apply to all of the ground held by Pierce as the entire camp would benefit from the work. The work would rehabilitate the vital Transportation tunnel which would in turn make accessible the Latest Out and Roy Lauer workings to the west, which may be entered through raises off the Transportation tunnel. Therefore, in the event a discovery is certified as a result of DMEA exploration, production by Pierce or by his sublessees would pay the prescribed royalty to the Government as that ground would be covered by contract.

## PROPOSED EXPLORATION PROGRAM

The program as herein revised consists of two projects:

1. (a) Rehabilitate the Transportation tunnel from the portal to the north drift on the Neversweat flat vein, a distance estimated at 4,000 feet.

(b) 700 feet of drifting and crosscutting on and from the Silver Dollar vein to the south and off the Transportation tunnel. Most of this work will be on the Silver Dollar vein where it crosses the heart of the "belt;" however, sufficient crosscutting and drifting will be held in reserve to test other parallel veins known to cross the area.

(c) 500 feet of drifting and crosscutting on the Silver Dollar vein to the north off the Transportation tunnel. An estimated 100 feet of this allotted crosscutting will be driven to the west to intersect the faulted segment of the Neversweat flat vein which is known to have been productive at lower levels. Sufficient drifting will be done to the north on the Neversweat flat vein to reach that point where it should intersect the Silver Dollar vein. This intersection should be a target area as other intersections of flat and steeper-dipping veins in the Gilmore area are known to have formed some of the larger ore bodies.

2. (a) Rehabilitation of the Silver Dollar tunnel from the portal to the south drift face on the Silver Dollar vein, an estimated distance of 620 feet.

(b) Drifting 450 feet to the south on the Silver Dollar vein.

The Silver Dollar vein, where exposed on the Silver Dollar adit level, is strong and persistent. Vein widths range up to about 10 feet and the values, although not rich, may be seen from the accompanying map to be high enough to be encouraging. Moreover, drifting on the Silver Dollar vein will be to the south toward the "belt" and increased values in the vein are to be expected. A vein occupying the projected location of the Silver Dollar vein on the Transportation tunnel level and referred to as the Silver Dollar vein is also strong where cut by that tunnel and certainly warrants exploration even though the vein is in the oxidized zone. This proposed exploration would explore the Silver Dollar vein over a 350-foot vertical interval and in an area where there is every reason to expect the occurrence of substantial ore bodies comparable to ore bodies mined in similar parallel veins at or near the same elevations.

## COMPETENCY OF APPLICANT

The applicant is a practicing mining engineer and is considered competent to direct the proposed exploration project.

## COSTS

### Rehabilitation of the Transportation Tunnel

In order to do the proposed exploration work on the Silver Dollar and parallel veins from the Transportation tunnel (400 level),

it will be necessary to rehabilitate 4,000 feet of the Transportation tunnel from the portal to the north drift on the Neversweat flat vein. A minor cave, about 300 feet from the portal, which caved during the past winter, prevented an examination of the tunnel; therefore, the following estimate is based on information obtained from the applicant and from engineers of the Bureau of Mines who had previously examined the property.

In general, the ground stands well and the tunnel is untimbered most of its length. In the untimbered sections, rehabilitation will consist only of installing new ties, cleaning the drain ditch and occasional enlargement to allow for the use of a Diesel trammer. It is estimated that with three men an advance of 50 feet per day could be obtained in these areas.

There are at least four caved sections in the tunnel where old timber has decomposed and given way, which must be mucked out, retimbered and cribbed. The nature of the ground is such that no spiling is anticipated. It is estimated that 3 men could muck out, remove the old timber and stand new timber at the rate of 2 sets or 10 feet per day, if no cribbing is required.

Equipment required during the rehabilitation period will include:

| | Value | Monthly depreciation |
|---|---|---|
| 1 - Air trammer | $2,000 | $ 33.33 |
| 1 - Rock drill | 550 | 9.18 |
| 4 - Cars | 800 | 13.33 |
| 1 - 160 C.F.M. Compressor | 4,000 | 66.67 |
| | $7,350 | $122.51 |

Cost if retimbering is unnecessary:

| | |
|---|---|
| Labor | $3,840.00 |
| 2" pipe | 1,700.00 |
| Ties | 520.00 |
| Equip. depr. | 367.50 |
| | $6,427.50 |

$$\frac{\$6,427.50}{4,000} = \$1.66 \quad \text{Say } \$1.60 \text{ per foot}$$

Extra cost if retimbering is required:

| Item | Cost/ft. | |
|---|---|---|
| Labor | $ 4.80 | |
| Equip. depr. | .40 | |
| Timber | 3.60 | |
| Total | $ 8.80 | |
| +cleaning ditch and installing ties | 1.60 | |
| | $10.40 | $10.40/ft. |

In those places where cribbing is required, the cost of cribbing is figured as equivalent to timbering:

$$\frac{\$8.80}{6' \times 8.5'} \begin{matrix}\text{(per linear foot of timber)}\\ \text{(ground section of tunnel)}\end{matrix} = \$0.17/\text{ cu. ft.}$$

## Transportation level Shaft Station

To reduce the amount of air line needed after the rehabilitation is complete and to make for easier servicing, it is planned to install a portable skid-mounted Diesel compressor on the Transportation tunnel station of the United Idaho shaft. The shaft is believed to be open from the collar to the Transportation level, but at the level it is choked with fallen timber that must be cleared sufficiently to permit adequate air flow and the station timbered to provide room for the compressor. The applicant states that the tunnel on either side of the compressor, for a total distance of 100 feet, must be enlarged and timbered. He estimates the total cost of this work, including installation of machinery, will be $3,000.00. Because it would be impossible to calculate a unit cost for this type of work, it is recommended that DMEA participate in such costs on a cost incurred basis. This type of participation was discussed with the applicant who was in accord.

## Recapitulation of Rehabilitation Costs

| | | |
|---|---|---|
| Rehabilitation of Transportation tunnel (install new ties, clean drain ditch and occasional enlargement) | 4,000 feet at $1.60/ft. | $ 6,400.00 |
| Retimbering (includes removing old timber, mucking out and installing new timber) | 600 feet at $8.80/ft. | 5,280.00 |
| Cribbing | 4,500 cu. ft. at $.17/cu.ft. | 765.00 |
| 100 feet of enlarging, repairing Transportation level Station of U. I. shaft and installing equipment | | 3,000.00 |
| | Total | $15,445.00 |

## Drifting and Crosscutting from the Transportation Tunnel

Comparing the proposed work with similar work being done on other DMEA projects in Region II that are operating in similar ground and under comparable conditions, and taking into account the long tramming distances, it is estimated that the drifting and crosscutting can be done at a unit cost of $37 per foot for untimbered drift and crosscut and $45 per foot for timbered drift and crosscut, to include all costs except assaying.

| | | |
|---|---|---|
| Drifting on Silver Dollar vein -- 400 feet south and 200 feet north of Transportation tunnel | 600 feet at $37/ft. | $22,200.00 |
| Crosscutting from north Silver Dollar drift to Neversweat flat vein | 100 feet at $37/ft. | 3,700.00 |
| Drifting on Neversweat vein | 200 feet at $37/ft. | 7,400.00 |
| Crosscutting east and west from south Silver Dollar drift | 200 feet at $37/ft. | 7,400.00 |
| Drifting on most favorable structure cut by crosscut off south Silver Dollar drift | 100 feet at $37/ft. | 3,700.00 |
| Timbering (estimated 20 percent of total advance) | 240 feet at $8.00/ft. | 1,920.00 |
| | Total | $46,320.00 |

## Rehabilitation of Silver Dollar Adit and Drift

The Silver Dollar adit and drift were accessible for examination. Sloughing has occurred at the portal and over a considerable length of the workings. The back, however, is sound and arched over in such a way that it should stand. It is estimated that no more than 50 feet of timbering will be needed to re-enforce the weaker areas. Rehabilitation will consist of dozing to clear the portal and portal site, mucking out the adit, installing track pipe and vent line to the face, and occasional enlarging to provide clearance for an air trammer.

| | | |
|---|---|---|
| Dozing 20 hours at $18/hr. | | $ 360.00 |
| Supplies | | |
| Pipe 3" | $ .71/ft. | |
| Rail 20 lb. | 1.30 " | |
| Ties 1/3 at .40 | .13 " | |
| Rail accessories 20 percent | .25 " | |
| Pipe fittings | .08 " | |
| Vent line | 1.00 " | |
| Fuel, explosives, misc. supplies | 1.00 " | |
| | $4.47/ft. | |
| 620 feet at $4.47/ft. | | $2,771.40 |
| Labor - 3 men for 30 days | | $1,440.00 |
| Equipment depreciation | | |

| Item | Value | Monthly Depreciation | |
|---|---|---|---|
| 315 CFM Comp. | $6,000 | $100 | |
| Mucker | 3,000 | 50 | |
| Air Tramner | 2,000 | 33 | |
| 4 - Cars | 1,800 | 30 | |
| 1 - Rock drill | 550 | 9 | |
| 1 - Gas driven fan | 600 | 10 | |
| 1.2 mo. at | | $232 | 278.40 |
| Timber - 50 feet at $3.60 | | | 180.00 |
| | | | $5,029.80 |

$$\frac{\$5029.80}{620} = \$8.10/\text{ft.}$$

## Drifting on Silver Dollar Vein on Silver Dollar Adit Level

Experience with other DMEA projects in Region II with similar ground and working under comparable operating conditions indicates that this proposed work can be done at a cost of $32.50 per foot for untimbered drift, and $40.50 per foot for timbered drift.

| | | |
|---|---|---|
| Drifting south on Silver Dollar vein | 450 feet at $32.50/ft. | $14,625.00 |
| Timber (estimated 33 percent) | 150 feet at $8.00/ft. | 1,200.00 |
| | Total | $15,825.00 |

Summary of costs

| | |
|---|---|
| Rehabilitation of Transportation tunnel | $15,445.00 |
| Drifting and crosscutting on Transportation level - 1,200 feet at $37/ft. | 44,400.00 |
| Timbering - 240 feet at $8.00/ft. | 1,920.00 |
| Rehabilitation of Silver Dollar adit 620 feet at $8.10/ft. | 5,022.00 |
| Drifting on Silver Dollar adit level 450 feet at $32.50/ft. | 14,625.00 |
| Timbering - 150 feet at $8.00/ft. | 1,200.00 |
| Assaying - 100 assays at $4.00 ea. | 400.00 |
| | $83,012.00 |
| Rounded to | $83,000.00 |

CONCLUSIONS

To diamond drill for the downward extensions of known ore bodies as suggested by the Operating Committee would require much more extensive rehabilitation than the program herein proposed. Even assuming drilling were to be done, it would have to be from the Transportation level and such drilling would require holes approaching 1,000 feet in length to reach the primary zone. If such long holes were fanned out from the Transportation level, some of them would intersect the veins at oblique intersections and the distance these holes might wander from their course would cast doubt on the data acquired.

Study of available maps of the workings indicates that favorable drill sites could be located on the 700 level but even at this elevation, long holes would be necessary to reach below the 950 level where sulphides are expected to occur. To gain access to this level would require the installation of a hoist and generator set on the 400 level, rehabilitation of 350 feet of shaft, and dewatering of the workings above the 700 level in addition to rehabilitating the Transportation tunnel. If this amount of rehabilitation and dewatering were contemplated, it would probably be more feasible to dewater all the way to the 950 level and perform the exploration at and below that level. Mr. Pierce stated, however, that he was not financially capable of entering into a project of that magnitude.

During the field examination consideration was given to the possibility of rehabilitating the United Idaho shaft down to the Transportation tunnel, thereby dispensing with the expensive costs of rehabilitating that tunnel. Such a project, however, would necessitate the acquisition of a Diesel generator of sufficient size to operate a hoist capable of working 550 feet of shaft, to operate an adequate-sized compressor, and probably to operate a pump that

could discharge an estimated 500 gallons a minute from the Transportation level, in the event that drainage level became caved between the shaft and the portal. All muck would have to be hoisted from the exploration headings including, of course, any ore mined from the western workings by sublessees. The cost and maintenance of such equipment is prohibitive for the work to be done.

Most professional people who have examined the Gilmore district have been impressed with the district's potentiality. All are agreed that the future of the district will depend upon the grade and continuity of ore in the primary zone. However, as the applicant is financially unable to do exploration in the primary zone, it follows that the next best project is to explore those available areas where ore might be found with the expenditure of funds available. The proposed drifting and crosscutting as outlined in this report will explore the most favorable targets on and above the Transportation level in the nearest target area, and if this work is successful, it should create enough interest in the district to assure that deep exploration in the sulphide zone will follow.

Enclosures
Distribution:
DMEA (4)
USEM (5)
Docket
Killsgaard
USGS (SRO)

U. S. Geological Survey

Rec'd 5/24/51

Lemhi County
Idaho

Preliminary Report

on

THE GILMORE MINING DISTRICT, IDAHO

By: Ralph H. Thurston, USGS DMA Docket 463

SUMMARY

The mines of the Gilmore, Idaho, area have produced between 18 and 22 million dollars in oxidized lead-silver ores of an average tenor of 11 ounces silver and 23 percent lead per ton. Oxide zinc, though not produced commercially, was contained in much of the ore mined from the district.

The 950 level of the United Idaho mine, the deepest mine working in the Gilmore district, apparently reached the top of the sulfide zone. On that level the average metal content of the two veins intersected by the meager amount of work done was approximately 9.95 ounces silver, 12.75 percent lead, and 4.75 percent zinc per ton. These figures are based on an unweighted average of all assays available. As the 950 level explored only partially the two veins mentioned, it is not certainly known that these veins correlate with those ore structures that were developed and mined on the 800 and higher levels of the mine. From known geologic conditions, it is inferred that further exploration work on the 950 level would be successful in finding additional ore deposits that should make the United Idaho a producer of zinc, lead, and silver, assuming that the grades of the

additional deposits were in the range indicated in the two veins already discovered.

The writer recommends that Government participation on a deep exploration program to explore on and beneath the 950 level of the United Idaho mine is warranted up to a sum of $250,000, or a total exploration cost of $500,000. In addition, a sum not to exceed $75,000 is indicated for exploration purposes at and above the Transportation tunnel level. Definite exploration proposals cannot be made at this time as Mr. Pierce, the applicant, himself incapable of matching funds with the Government, is presently attempting to line up participating capital in the form of one of the major mining companies. The company that engages in the work at Gilmore must, of course, decide when, where, and how they are to attack the problem. The following recommendations are offered as possible guides to future work. They are made on the basis of the best geologic evidence available, are only general, and are not made as the result of detailed field mapping.

If exploration is contemplated in the bottom of the United Idaho mine, it is recommended that crosscuts be driven to the southwest and northeast from present workings on the 950 level. Diamond drilling should then be done to explore the intersected vein structures in the Lower Variegated Series that occur immediately beneath the Upper White Dolomite in which the 950 level is driven. It is inferred that ore deposits in the Lower Variegated Series will be much larger than those in the 950 level due to the fact that the Upper White Dolomite appears to be a relatively unfavorable host rock.

The Silver Dollar vein is relatively unexplored in the vicinity in which the rake of the major part of the United Idaho ore bodies makes it look more promising. The geologic possibilities that exist along the Silver Dollar vein south of the Transportation tunnel appear promising, and, as this would be a relatively short range target area, exploration of the area seems warranted.

A third area may be explored at a relatively low cost. The intersection of the Neversweat vein with certain beds or bedding planes known to localize ore deposits in the Latest Cut mine appears to be a promising possibility for close range ore. This proposal may be attacked in either of two ways, depending upon whether or not the work on the 950 level is undertaken.

Certain veins west of the veins exploited in the Gilmore mines are almost completely unexplored, despite the fact that several of these structures are known to contain lead and silver minerals. A few of the veins have yielded small amounts of ore in the past. Specific recommendations for exploration cannot be made without detailed mapping as a guide, but these structures constitute an interesting possibility.

## INTRODUCTION

The Gilmore mining district is located immediately west of and adjoining the town of Gilmore, Idaho. Gilmore is located at the south end of the Lemhi Valley, about 60 miles by road southeast of Salmon, Idaho. Mr. Roger V. Pierce, the applicant, now controls by lease and lease and bond arrangements property that was originally (throughout most of the camp's active mining history) broken into three separate mine

holdings. These holdings, in the descending order of importance with production used as a basis of comparison, are the United Idaho, the Latest Out, and the Gilmore Mining Co. The Latest Out mine is located on a single claim. The United Idaho is owned jointly by the United States Smelting, Refining and Mining Co. with a 51 percent interest, and the Duquesne National Bank, of Pittsburgh, Penn., with a 49 percent interest. Ownership of the Latest Out and Gilmore Mining Co. is local to southeastern Idaho.

A branch line of the Union Pacific Railroad carried the bulk of the production from the Gilmore mines to smelters in the Salt Lake Valley. This line was removed following the suspension of operations at the United Idaho mine, and ores mined since that time have been trucked to Roberts, Idaho, and then trans-shipped to the Salt Lake Valley for refining. Roberts is connected to Gilmore by an excellent paved highway.

## PRODUCTION AND MINE WORKINGS

The mines of the Gilmore district have produced between 18 and 22 million dollars worth of oxidized, essentially lead-silver ore of an average tenor of 11 ounces silver and 23 percent lead per ton. This production, based on current metal prices, would be from 60 to 100 percent higher in dollar value. Zinc, though present in oxide form in many of the camp's ores (9.9 percent in the ore on the 800 level of the United Idaho mine), has not been produced commercially. The sulfide zone has apparently been reached on the 950 level of the United Idaho mine. Sulfide ores on that level contain about 4.75 percent zinc.

The United Idaho mine has produced the bulk of the ore mined to date, with a production estimated at between 14 and 17 million dollars. The Latest Out mine, on a single claim holding, has produced in excess of 3 million dollars worth of ore. The Gilmore Mining Co. has had a smaller but unknown amount of production, essentially all of it having come from the Roy Lauer workings south of the Latest Out claim. The only current production is by Milo Zook, a lessee at the Latest Out mine.

The mines under consideration are incompletely explored by individual shafts and workings therefrom and by several adits from which miscellaneous drifts, crosscuts, and sublevels have been driven. The Transportation tunnel level, an adit, crosscuts the United Idaho property in a westerly direction and ends in ground owned by the Gilmore Mining Co. It passes to the south of the Latest Out claim. The United Idaho shaft, the deepest in the district, is connected on the 400 level to the Transportation tunnel. Near the western end of the tunnel two raises connect with the lower workings of the Roy Lauer. The Roy Lauer is in turn connected with the 600 level of the Latest Out mine. The Latest Out shaft is 700 feet deep, and a winze beneath the 700 level goes down to the 770 level.

## GEOLOGY AND ORE DEPOSITS

The mines of the Gilmore area are located on the east limb of a large anticline with an axial strike slightly east of north and a plunge to the north. With minor but possibly important variations, the sedimentary beds strike northeastward and dip southeast. Local rolls

in the beds cause minor reversals of the regional dip, and one syncline is known to occur on the east limb of the major anticline.

A thick section of sedimentary rocks ranging in age from Cambrian to Permian crops out in the vicinity of Gilmore. Of these rocks, those of Ordovician to Mississippian age are known to contain valuable ore deposits. These sedimentary rocks are, for the most part, limestones and dolomites and subordinate shales, sandstones, and quartzites. They are mostly thin bedded, but several of the dolomitic members are massive. In the vicinity of the Gilmore mines these rocks have been subdivided into groups of similar composition and are known locally by the names given to the subdivisions. The productive horizons range from the Sixth Blue Dolomite at the top to the Lower Variegated Series at the bottom. Due to structural features extant in the district, not all of the productive horizons are represented at any given location. As a rule, not all of the subdivisions are equally productive, and the more massive members are relatively unproductive. For the purposes of this report only the Upper White Dolomite will be considered as an unproductive horizon.

The only igneous rocks of immediate importance in the Gilmore mines are quartz diorite porphyry dikes that are thought to be younger than the ore deposits. Some question of this interpretation may exist in specific cases, but in general the age relationship holds true.

Three types of structural features are known to localize the deposition of commercial ore bodies in the Gilmore mines. Of these the most prominent structures are a succession of northerly trending

fault-fissures that dip steeply to the west or northwest. These fissures are known locally as "vertical" or "steep" veins. A second system of veins strikes generally northeast and also dips northwest or west. These fissures, known locally as "flat" veins, have dips that range from 10° to 60° compared to dips of from 70° to 90° for the "steeps." The dips of either system of fissures may exhibit an extreme range locally. A third type of control, mineralized beds or bedding planes, appears to have localized at least three ore deposits at an intersection of a bed or bedding plane with a steep fissure.

The genetic relationship of the ore minerals at Gilmore has not been studied in detail by the writer, but specular hematite and siderite appear to have been deposited first, followed by galena and sphalerite (?). It is noteworthy that the oxidation derivatives of the specular hematite and siderite, as well as remnant nodules of both minerals, are everywhere abundant in the veins, but that lead and silver minerals (and suppositionally zinc minerals) were introduced in more restricted locations.

The ore deposits in the United Idaho mine were in general larger and more extensive than those in the Latest Cut and Gilmore Mining Co. mines. Stopes in the United Idaho ranged in width from 2.25 to over 16 feet and were often in excess of 400 feet long. One or more deposits was mined continuously from the 500 level to the surface. Depositional control was apparently more selective in the Latest Cut and Roy Lauer areas, and the ore deposits were usually not as extensive either laterally or vertically as those in the United Idaho mine, even though minable

widths were similar. The ore body in the Latest Cut mine, like and 1t ore body, was exceptionally large for the mine and rivaled in size many of the United Idaho deposits.

The ore bodies in the Latest Cut mine, in addition to those localized by fault fissure-bedding intersections on the 60 and 70 levels, formed at the intersections of lead-rich ore shoots in the flat veins with steep veins. The largest dimensions of such deposits are normal along the steep vein, and because such deposits were commonly not mined very far beneath (downward along the steep vein) the intersection, it is inferred that the flat vein ore shoots fed the deposits. As the flat veins persist between the steep veins, more than one deposit may be localized along the steep veins by a single flat vein feeder. Similar structural control was noted in the old Jupiter lease area on the Haverstock vein in the United Idaho mine

It is inferred that, in the Latest Cut mine, lead-rich (zinc (?)) solutions were confined to particular beddings and to particular ore shoots along the flat veins, that these fed important deposits at intersections with steep veins, and that the steep fissures are essentially barren except at such intersections. This condition may change at depth. The ore deposits in the United Idaho mine appear to have formed without the types of control noted in the Latest Cut mine and to have been localized along both steep and flat fissures. Mineralizing forces were considerably stronger in the vicinity of the United Idaho mine than elsewhere in the Gilmore district.

Little so-called "second-class" ore was mined in the Gilmore district. A small tonnage of low grade was treated in a gravity mill at the portal of the Transportation tunnel, but in general the ore was of a tenor comparable with the grade stated in another part of this report.

The ore deposits in the Gilmore district have strong apparent rakes to the southwest. A possible explanation is that minor faulting is responsible. Such bedding plane adjustment has taken place on the flank of the major anticline, especially in the thinner-bedded rocks that contain the bulk of the ore deposits. This bedding plane faulting has an oblique movement downward to the northeast. The ore deposits form across the beds and would, therefore, tend to be offset to the northeast above any bedding fault. Conversally, the portion beneath a bedding fault would have a relative movement to the southwest. Fault displacements are in general small and do not offset the individual ore bodies far enough to interrupt them. Another system of faults may also contribute toward the apparent rake of the ore deposits. These faults are of minor importance, strike easterly, and have nearly vertical dips. The northern fault block is usually downthrown.

As Mr. Pierce's proposal to further explore the 950 level of the United Idaho mine is under consideration, brief description of that level is warranted. The 950 level is driven in the Upper White Dolomite, a relatively unfavorable host rock for ore deposits, and only partially explores two veins. These veins persist for several hundred of feet but have not been correlated with the veins developed and mined on the 800 and higher levels because of the limited extent of the 950 level and

the fact that the post-mineral Gilmore fault, the largest bedding fault known in the mine, intervenes between the 800 and 950 levels. The approximate displacement on this fault is known, but the large number of veins in the United Idaho mine makes complete data regarding the fault displacement necessary for positive vein identification beneath the fault. An unweighted average of all assays available indicates that the tenor of the essentially sulfide ore in the two veins thus far found is approximately 6.95 ounces silver, 12.75 percent lead, and 4.75 percent zinc per ton. The average width of the sample cuts is 1.5 feet

The narrowness of these veins compared to those developed and mined on the higher levels is considered to be due to the unfavorable character of the Upper White Dolomite as a host rock but may be due to the fact that the veins found on the 950 level may not be of the larger structures known on the 800 level and above. It is axiomatic that many as yet unfound veins must be present at the elevation of the 950 level, considering the large number known to occur in the higher levels. Because these veins strike northerly to northeasterly, crosscuts to the east and west would intersect the unfound veins. As the ore deposits rake to the southwest, the area most favorable for exploration would be southwest of present workings on the 950 level.

The Lower Variegated Series is lithologically similar to the Upper Variegated Series, an excellent host rock, and is located immediately beneath the Upper White Dolomite. It is inferred that veins in the Lower Variegated Series would be considerably wider than in the

Upper White Dolomite, and that this possibility should be investigated by diamond drilling downward across the veins from the recommended crosscut to the southwest.

RECOMMENDED EXPLORATION

A. The United Idaho mine.

Mr. Pierce's desire to explore at the bottom level of the United Idaho mine has considerable merit for a long-range program in that those ore structures which have yielded the large bulk of the production of the United Idaho mine would be explored at depth. From this program, if successful, would come a complex zinc-lead-silver ore of sufficient tenor to be mirable.

Taking into account the unfavorable character of the Upper White Dolomite, the meager amount of work thus far done on the 950 level, and the known rake of the United Idaho ore deposits, crosscuts from existing workings on the 950 level should be driven to the southwest, and, if necessary for diamond drill purposes, a short distance to the northeast. Such crosscuts would intersect the commercial veins of the upper levels and would provide suitable diamond drill sites to investigate the behavior of the better veins in the Lower Variegated Series. The size and grade of the intersected veins plus diamond drill results would, of course, indicate what additional work, if any, was advisable. The cost of rehabilitating the United Idaho shaft, driving the necessary headings, and drilling some 3,500 feet of diamond core drill hole would approximate $500,000. If ore deposits of a size similar to those mined on the 800 and higher levels were found to contain ore of the grade indicated by

the two veins thus far cut by the 950 level, the exploration cost might easily be repaid in a reasonable length of time.

Two possibilities for finding new ore on or near the Transportation tunnel level have considerable merit. Information in the folio of maps owned by the U. S. Smelting, Refining and Mining Co. at Salt Lake City indicates that the Silver Dollar vein is relatively unexplored in what would seem to be a favorable area. The rake of some of the flat veins known to contain commercial ore is such that it should reach the Silver Dollar vein above the Transportation tunnel level some distance south of the tunnel. Another possibility is that the Neversweat vein may be commercially mineralized at its intersection with the beds or bedding planes known to localize the ore deposits in the southeast corner of the Latest Out claim. The dip of the beds is such that this possibly favorable intersection should occur within 200 feet beneath the Transportation tunnel level, some distance north of the tunnel. This possibility may be tested in any of three ways: 1. By crosscutting toward the southeast corner of the Latest Out claim from the present drift northward along the Neversweat vein; 2. By sinking along the Neversweat vein at the proper location; or 3. By extending the 600 level of the United Idaho northwestward to the Neversweat vein and thence drifting northward along the vein. As the 600 level is underwater, this method of exploration would be contingent upon performing this work in conjunction with the deeper exploration work.

B. Possibilities other than in United Idaho ground.

Certain distinct possibilities of finding new ore exist in parts of the district other than in the United Idaho mine. However, exploitation of these possibilities should be based upon geologic mapping of the Latest Out and Roy Lauer workings and some surface mapping and trenching. In general, the possibilities appear interesting along unexplored veins that are known to occur to the west of any mined to date. Especially are these veins interesting in the vicinity (vicinities) where known ore shoots on some of the flat veins should intersect the westerly steep veins. Testing some of these possible sites for new ore might be accomplished from a northwest lateral off the Transportation tunnel.

The beds or bedding planes known to localize at least two ore deposits on the 600 and 700 levels of the Latest Out mine may also control the deposition of ore minerals along other steep fissures known to occur in the western part of the Latest Out claim. This possibility should be studied, for, due to the availability of existing mine workings in the upper part of the Latest Out mine, the work necessary to verify or disprove the hypothesis would not be great.

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JUN 9 6 34 AM '53
GENERAL MANAGER
PUBLIC RELATIONS SERVICE
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Docket

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6 WA SP /I-BOM/

SPOKANE WASH 6-8-53 232

GEORGE C SELFRIDGE CHAIRMAN

OPERATING COMMITTEE DEFENSE MINERALS

EXPLORATION ADMIN WA

SUBJECT.. DOCKET DMEA 2868 ROGER V. PIERCE /LEAD ZINK/

PIERCE HAS NOTIFIED FIELD TEAM THAT HE WANTS APPLICATION REACTIVATED

THE EXAMINING TEAM NOW AT GILMORE, IDAHO WORKING OUT DETAILS OF CONTRACT

M E VOLIN MEMBER DMEA FILED TEAM REGION II

DMEA 2868

AC 248

JUN 9 10 31 AM '53
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

# WESTERN UNION

W. P. MARSHALL, PRESIDENT

1201

=(46)

| SYMBOLS |
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JUN 3 PM 1 49

:C O MITTENDORF=ADMINISTRATOR

DEFENSE MINERALS EXPLORATION ADMN=

:RETEL I DEFINITELY DO WANT TO REINSTATE MY APPLICATION

DOCKET NUMBER DMEA2868:

=ROGER PIERCE 808 NEWHOUSE BLDG:

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Washington
JUN 6 1953

FILE COPY
SURNAME:

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

W. R. Griswold
ext. 3669

Department of the Interior
Defense Minerals Exploration
Administration
14- 3923 - 970 Working Fund
Interior

June 2, 1953

DEAR LETTER

ROGER V. PIERCE
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

REGRETTEL MAY 15 DENYING YOUR APPLICATION DOCKET NUMBER DMEA 2868, LEAD-ZINC-SILVER, THIS IS TO ADVISE YOU THAT RESTRICTED PROGRAM DIRECTIVE DATED APRIL 15 WAS LIFTED ON JUNE 1 GIVING DMEA AUTHORITY TO CONTINUE PROCESSING YOUR APPLICATION WHICH WAS PENDING PRIOR TO DATE REFTEL. KINDLY ADVISE THIS OFFICE AND EXECUTIVE OFFICER AT PLEASE WHETHER OR NOT YOU DESIRE SUBJECT APPLICATION TO BE REACTIVATED.

C. O. Mittendorf (fw)

6-2-53

C. O. MITTENDORF, ADMINISTRATOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

WRGriswold/hmj
(6/2/53)
CC to: Docket
Adm. R. File
Op. Committee
Base Metals Div.
Region II (2)
Mr. Kinkel
Mr. Bishop
Chron.

FILE COPY
SURNAME:

Griswold

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

WRGriswold/hmj
(5/15/53)
CC to: Docket
Adm. R. File
Op. Committee
Base Metals Division
Region IV (2)
Mr. Kinkel
Mr. Bishop

W. R. Griswold
Ext. 3669

Department of the Interior

Defense Minerals Exploration
Administration
14-3923-970 Working Fund
Interior

May 15, 1953

Night Letter

ROGER V. PIERCE
808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

RE YOUR EXPLORATION APPLICATION DOCKET NUMBER MMA 2868, LEAD-ZINC-SILVER.

THIS IS TO ADVISE YOU THAT EFFECTIVE APRIL 15, 1953 EXPLORATION FUNDS RESTRICTED TO ASSISTANCE ONLY FOR SPECIFIED MINERALS STILL IN SHORT SUPPLY. LEAD-ZINC NO LONGER INCLUDED. CONSEQUENTLY WE DO NOT HAVE AUTHORITY OR FUNDS TO EXECUTE CONTRACT FOR EXPLORATION PROJECT ON YOUR PROPERTY AND YOUR APPLICATION THEREFORE IS DENIED. THIS IS WITHOUT PREJUDICE TO THE MERITS OF YOUR PROPOSED PROJECT. WE REGRET THE NECESSITY OF THIS ACTION AND EXPRESS APPRECIATION FOR YOUR INTEREST IN THE EXPLORATION PROGRAM AND COOPERATION DURING PERIOD YOUR APPLICATION UNDER CONSIDERATION.

C. O. Mittendorf (for)

C. O. MITTENDORF, ADMINISTRATOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

5-15-53

BASE METALS BRANCH

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1201 North Division Street
Spokane 2, Washington

Mr Bishop
These maps are not reproducible

May 11, 1953

MEMORANDUM

To: Charles H. Johnson, Chief, Base Metals Branch
Washington 25, D. C.

From: Chief, Mining Division, Region II

Subject: Report by John W. Taber on Silver Dollar Prospect and Adjoining Mines, Gilmore (Texas) District, Lemhi County, Idaho (lead-zinc).

This is in answer to a memorandum dated March 31, 1953 from Mr. O. M. Bishop requesting copies of the maps noted in the above report.

It was our intention to submit copies of the maps at the time this report was transmitted to the Washington office. We are pleased to send herewith additional copies of the 4 maps including a Claim Map of the Gilmore District, a Plan Map of the Silver Dollar Workings, a Geologic Plan Map, and a Vertical Section through the 3800 Coordinate Silver Dollar Workings.

These maps and sections were taken from a group of 48 maps prepared by R. T. Walker during the last years of operations in the Gilmore District. The original maps are in the possession of Mr. Roger Pierce, 808 Newhouse Building, Salt Lake City, Utah.

M. E. Volin

Enclosures
MEV/vf

cc: Chief, Minerals Division, Washington, D. C.
R/O
M/D
D/F

BUREAU OF MINES
WASHINGTON, D. C.

MAY 15 7 59 AM '53

BUREAU OF MINES
DEPARTMENT OF THE INTERIOR
RECEIVED
MAY 15 1953
BASE METALS BRANCH

1-1027
(April 1946)

UNITED STATES
DEPARTMENT OF THE INTERIOR

AGENCY Bureau of Mines

Docket

Originator:

TELETYPE

Ext.: Room:

Appro.: Spokane, Wash.
Date: May 8, 1953
Time: 2:10 P.M.
No.:
To: George C. Selfridge, Chairman, Operating Committee, Defense Minerals Exploration Administration, Washington, D. C.
Subject:

Docket No. DMEA 2868, Roger V. Pierce (lead-zinc)

Pierce has notified Field Team that he wants application reactivated. Examining team now at Gilmore, Idaho working out details of contract.

M. E. Volin, Member
DMEA Field Team, Region II

cc: Confirmation
USGS
DMEA

Authorized:

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

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

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 Exploration Administration
RECEIVED
APR 27 1953

April 23, 1953

Mr. George Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2868 (Lead-Zinc-Silver)
Roger V. Pierce
Lemhi County, Idaho

Dear Mr. Selfridge:

This will acknowledge your letter of April 14 concerning the proposal for an exploration project in the Gilmore area.

This has been a difficult problem, for, as you point out, everyone has agreed that the Gilmore district is worth exploration, but the problem is to set up an exploration program which is within the financial ability of the applicant to handle. We realize that the proposal that has recently been submitted is open to the serious objection that the exploration is away from the most mineralized part of the area, although it is possible that work such as outlined ~~above~~ might lead to an extension of the district laterally. The great trouble, of course, is that the work which we would all like to see done is going to be very expensive. We will review the situation with Mr. Pierce in the light of the suggestions made in your letter and will endeavor to see whether something in line with those suggestions can be worked out.

Sincerely yours

A. E. Weissenborn

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

cc: USBM (2)

FILE COPY
SURNAME:

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

Base Metals Div., DMEA

WRGriswold/bjl
3569 2616

April 15, 1953

A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II, Spokane, Wash.

Rmurtt April 14 re Docket No. DMFA-2868, Roger Pierce. Letter suggesting changing project mailed to you yesterday, April 14, 1953.

W. R. Griswold, Chief
Base Metals Division, DMEA

py to: Docket
Amdr. R. File
Op. Committee
Base Metals
Accounts
Confirmation
Chron.

R.C. 4/16/53

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GEOLOGICAL SURVEY
PUBLIC BLDGS. SERVICE
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255 WA SP /I-BOM/

SPOKANE WASH 4-14-53 823A

GEORGE C. SELFRIDGE, CHAIRMAN OPERATING COMMITTEE,

DMEA, DEPT OF INTERIOR

WA

SUBJECT - DOCKET DMEA 2868, LEAD-ZINC.

PLEASE ADVISE STATUS APPLICATION ROGER PIERCE, DOCKET 2868, GILMORE LEAD-ZINC. APPLICANT STATED IN PHONE CALL READY TO START WORK.

M E VOLIN, DMEA FIELD TEAM, REGION II

DMEA 2868 2868

EC 824A

FILE COPY
SURNAME:
500

~~Griswold~~
Keating
Selfridge
Butler
Gastine
Johnson
Mittenhof

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

Mr. A. F. Weissenborn
Executive Officer
Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

APR 1 4 1953

Re: Docket No. [illegible]-3268 (Lead-Zinc-Silver)
Roger W. Pierce
Lemhi County, Idaho

Dear Mr. Weissenborn:

J.C. 4/14/53

This will refer to the letter dated March 3, 1953, from your office, regarding the subject docket, and signed by Mr. Killegaard, in your behalf, and by Mr. Thos. [illegible] Howard of the Bureau of Mines. We are fully in accord with the statement contained in the final paragraph that: "Your Field Team recognized that the Gilmore district has good potentialities for exploration, and that important production of lead and zinc might result from reactivation of the mines."

However, there are certain points requiring clarification before consideration of an exploration project contract. On page 7 of the memorandum dated March 2, 1953, by [illegible] Heno and F. [illegible] Buel, it is stated:

> "After submitting his application, Mr. Pierce found that one of the owners, the United Idaho Mining Co., would give consent to lien authorizing royalties upon certification of a discovery and/or development only to the extent of the Government's share of the cost of exploration performed on the claims owned by the company. To meet this condition, the proposed work, with Field Team modifications, was divided by area into two projects to be covered by separate contracts. Suggested contracts were submitted with the Field Team memorandum of February 6."

We are advised by the Chief Counsel that, contrary to the above quoted statement, the Owner's Consent to Lien executed by the United Idaho Mining Company is limited only in amount ($41,625.00) and is not dependent upon the amount of work done on the claims leased by that Company. Therefore, it is not necessary to write a separate contract for exploration work performed on the claims leased by the Company. However, as the Owner's Consent to Lien is limited in amount, we would not approve a contract for a project estimated to cost more than double that amount, or $83,250.00.

We note, in reviewing the total work proposed, that provision has been made by your office for the following:

| | |
|---|---|
| 660 hours surface bulldozing @ $20 | $ 13,200.00 |
| 1,000 feet diamond drilling @ $11 | 11,000.00 |
| 650 feet shafts @ $92.50 | 60,125.00 |
| 1,800 feet drifts and crosecuts @ $35 | 63,000.00 |
| 650 feet rehabilitation @ $9 | 5,850.00 |
| Supervision | 7,200.00 |
| Assaying | 2,000.00 |
| | $162,375.00 |

From the fact that the United Idaho Mining Company has set a limit to its Owner's Consent to Lien, a project of such magnitude could not be approved. Furthermore, we would question certain of the individual items proposed.

1. The amount of surface bulldozing proposed, 660 hours (82½ days), would appear excessive.

2. We question the wisdom of diamond drilling from the surface. We quote from page 10 of Mr. John W. Taber's report:

> "It should be pointed out that any drilling above the 900 level of the United Idaho workings may be expected to encounter only soft earthy ore bodies. These will doubtless present a difficult coring problem. It is considered very likely that no core will be recovered in down holes through the oxidized ore bodies. Because of the highly fractured pervious condition of most of the limestone country rock, recovery of water will require a special effort. If for any reason drilling water cannot be recovered, it is likely that such drill holes will fail completely to produce the information sought. For this reason the suggested Silver Dollar drilling is considered risky."

We fully endorse Mr. Taber's contention that such drilling would fail to give significant information. Ordinarily, soft, porous oxide ores not only give no core, but in a large percentage of cases, do not even give significant sludges, due to non-return of the drilling water.

3. The proposed project is dedicated largely to an attempt to find ores in the outlying fringe areas, with little favorable information available; whereas it appears that all who have dealt with the project are in accord that the downward extensions of the principal known ore zones present the best possibilities.

We appreciate the fact that the Applicant was not able to carry his share of the large project for underground rehabilitation and underground work which was first proposed($575,000.00), nor could the Government undertake such large commitments due to limitations of the "Owner's Consent to Lien". However, we do feel that such funds as may be authorized should be expended to the best possible advantage for the best interests of all parties concerned.

Would it not be possible, perhaps, with a reasonable amount of rehabilitation work, to do some diamond drilling to probe for the downward extension of known ore zones, at an intersection depth where sulphide ores might be expected, so that cores could be obtained. We quote from page 11 of Mr. Taber's report: "a drilling program should not be undertaken without first making a thorough study of the numerous geologic maps of the United Idaho workings and completing a similarly comprehensive mapping of the structural geology in the workings of the Latest Out and Roy Lauer mines."

Lacking any maps of the mine workings, either in plan or longitudinal section, it is impossible for us to make concrete recommendations. Would it not be possible for your organization to develop some such program which they could heartily endorse, and yet which would fall within the necessary financial limits. Possibly if such an initial program gave favorable results, the United Idaho Mining Company might then be willing to lift the imposed financial limits so that additional work could be contempleted.

In essence, we feel that the presently delineated program is little more than vague prospecting, that little could be expected of the proposed shallow diamond drilling and that the property, which probably has considerable inherent merit, would be done more harm than good.

Sincerely yours,

George C. Sallaway (JLB)

Chairman, Operating Committee

APPROVED:

WRGriswold/bjl (written 4/7/53)

Geo. Ro. Lofgren (JLB)

Member, Bureau of Mines

A. R. Kinkel, Jr. (JLB)

Member, Geological Survey

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals Div.
Mr. Bishop
Mr. Kinkel
Mr. Hofflund
Chron.

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

500

Notebooks

March 30, 1953

MEMORANDUM FOR THE FILES

Subject: Docket No. 2868, Roger V. Pierce, Lehmi County, Idaho

A conference was held today regarding this project, at which meeting Mr. Bishop, USBM, Mr. Newcomb, USGS and the writer were present. In this case the applicant had included three groups of leased claims in his project, but the principal group owned by the United Idaho Mining Co. (controlling interest United States Smelting Co.) limited their "Owner's Consent to Lien" to $41,625.00. Since DMEA contracts provide that all included property are subject to the lien for the full amount of the contract, it became necessary to reduce the amount of the work requested by the applicant.

As a result of careful analysis it was unanimously decided to favorably consider the first two stages of work namely -- Bulldozer trenching, diamond drilling but to eliminate the third -- shaft sinking and drifting and crosscutting from these shafts. This would bring the total estimated cost of a proposed contract well within the lien restrictions of $41,625.00. If upon the favorable completion of Stage I and II the project could be revaluated and a request for additional funds considered.

A. G. Keating

A. G. Keating

500

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

March 19, 1953

MEMORANDUM

To: Chief Counsel

From: Base Metals Division

Subject: Application for Government assistance in an exploration project - Roger V. Pierce, Docket No. DMEA-2868

Attached please find two suggested contracts which have been prepared in the field. These proposed contracts cover three contiguous groups of claims, each group of which is under separate lease to the Operator.

The Applicant has submitted "Owner's Consent to Lien" covering each of the three contiguous groups of claims. The center group, Texas, Never Sweat, 16 to 1, Silver Dollar and Silver Dollar Extension (see attached map), appears to be the most important and a greater portion of the work will probably be done on these claims. This group is owned by the United Idaho Mining Company, in which the United States Smelting and Refining Company (a large and important company) has a fifty -one percent controlling interest.

The problem is that the United Idaho Mining Company, by the "Owners Consent to Lien", limits their liability for repayment of the Government's percentage royalty on production only to such expenditures as are directly related to the work done on their property and limited to the sum of $41,625.00

It is the opinion of the Base Metals Division that a contract in this instance should be written in three stages: (1) Surface trenching, (2) diamond drilling, and (3) underground exploration. Each of these stages shall be contingent upon favorable results of the previous work, and subject to the approval of the Government.

The Applicant is not financially strong and the writer believes that he expects to raise his share of the funds as the work progresses, dependent upon favorable showing in each stage.

The Field Team and Washington commodity members recommend approval of the project.

A. G. Keating

A. G. Keating

3/27/53. By telephone Roger Pierce agrees to accept contract total estimated cost limited to $41625.00

IN REPLY REFER TO:

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

March 17, 1953

Re: DMEA-2868
R. V. Pierce Properties
Texas District
Lemhi County, Idaho
$94,075 & $68,300
Lead-zinc-silver

Memorandum

To: Mr. W. R. Griswold

From: E. L. Newcomb, USGS
O. M. Bishop, USBM

Subject: Recommendation for approval

The applicant requests exploration assistance on two related projects involving three contiguous leased properties. The proposed program will be done under two separate contracts because of a limited lien agreement on one property.

The field team has recommended the program for approval. Except for some minor modifications, the proposed contracts submitted by the field team include all of the applicant's proposal.

An earlier application, DMA-463, was submitted on these properties by the present applicant, which proposed the rehabilitation of old workings and extensive underground exploration. The field team recommended the application for approval, but a contract was not signed because the applicant was unable to provide his share of the exploration costs.

The new application proposes to carry out exploration at the surface in a series of logical stages, which are contingent upon favorable results being obtained from each preceding stage.

Several favorable reports, including two DMEA field team reports, have been prepared on the Gilmore area and the Pierce properties by the Bureau of Mines and the Survey during the period from 1950-1953.

In 1951, the Bureau of Mines did 4210 feet of trenching at 8 locations on the Pierce properties. Although most of the results of this work were not very favorable, trench #2 exposed a mineralized zone about 30 feet long and 5 feet wide. A grab sample from this zone assayed 0.7 oz. silver, 0.10 per cent lead and 1.71 per cent zinc. On the basis of this exposure, two lessees sunk 100 feet of shaft. Three samples have been taken in the shaft by the Bureau of Mines. The assays ranged between 0.26-2.88 per cent lead, 0.6-1.2 per cent zinc and 0.20-0.30 oz. silver over widths of 0.5-2 feet. Further sinking and drifting has been recommended by the field team. As the

lead-zinc content of mineralization appears to be increasing with depth and the zone may be an extension of the Silver Dollar vein, some additional exploration in this zone is warranted.

Under the proposed program, the first stage consists of additional trenching of 6400 feet at 9 locations. If results are favorable, drilling, and shaft sinking and drifting will follow as successive stages. On the field team map the proposed trench #6 appears to be duplicating work already done in Bureau trench #5. Other than this one location, the proposed trenching work is well planned. A review of the proposed program has indicated that adequate trenching and surface drilling should be done on the Silver Dollar vein structure before any rehabilitation and drifting is undertaken in the Silver Dollar adit. The underground work should be done only if favorable results are obtained from trenching and drilling.

Although further work is justified on the Pierce properties, the program should be followed very closely by the field team. It is possible that the early stages of the work will indicate that extensive underground work is not warranted.

We concur with the field team recommendation that the applicant's proposed program be approved.

E. L. Newcomb

E. L. Newcomb
Geologist

O. M. Bishop

O. M. Bishop
Base Metals Branch

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

# REFERENCE SLIP

DATE 3-5

REFERRED TO:

1. ~~Lt. Barry, 4624~~
2. ~~Operating Committee~~
3. ~~Miss Lahahan, Rm. 4539~~
4. ~~adm 500 Rm. 3616~~

FOR:

| | |
|---|---|
| ..... Action | ..... Recommendation |
| ..... Approval | ..... Record of ..... |
| ..... Comment | |
| ..... Conference | ..... Referring to ..... |
| ..... Consideration | |
| ..... Filing | ..... Reply for signature of ..... |
| ..... Instructions | |
| ..... Investigation | ..... Rewriting |
| ..... Initials | ..... Signature |
| ..... Mailing | ..... Suggestions |
| ..... Previous correspondence | ..... Your information |

REMARKS: Supplemental Field Report on application. ~~For Agenda 3/11/53.~~ HB

NOTE TO DIVISION: There were no copies of the "Preliminary Examination" report

OVER

Check (X) before the items needing attention.

ROBERT E. ADAMS

*Initials of sender.*

GPO 16—63815-1

Gave 1 cy to Keating 3/4/53 [illegible]

by John W. Taber for Bureau of Mines and Geological Survey. Copies will need to be furnished by photostating copies I guess or asking Field to furnish additional copies.

Hazel

ON-SITE Report

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 5 1953

Spokane, Washington
March 3, 1953

Reviewed by
DMEA OPERATING COMMITTEE

MEMORANDUM

3-11-53
(date)

To: Chairman, Operating Committee, DMEA, Washington, D. C.

From: Field Team, Region II

Subject: DMEA Docket 2868 (lead-zinc), Roger V. Pierce properties, Gilmore (Texas) district, Lemhi County, Idaho

This follows up on our memorandums of January 30 and February 6, 1953, on the subject DMEA application.

Transmitted herewith is a brief report by Reno and Buel, Bureau of Mines, summarizing the information in the files of the Bureau and the Geological Survey on the Gilmore district and discussing the applicant's proposal. An examination was not considered necessary.

Transmitted herewith also are single copies of the following reports by John W. Taber, Bureau of Mines:

Preliminary Examination, Silver Dollar Prospect and Adjoining Mines, Gilmore (Texas) District, Lemhi County, Idaho.

Supplemental Preliminary Report on Gilmore Mines, Lemhi County, Idaho.

These reports are referred to by Reno and Buel. Single copies only are available from the Bureau files.

This completes the information we now have on the subject application. (The Field Team recognizes that the Gilmore district has good potentialities for exploration, and that important production of lead and zinc might result from reactivation of the mines.) Mr. Pierce's prospecting proposal, though secondary to the main objective of reopening the deep levels of the mines, has sufficient merit to be recommended for DMEA contracts.

By Field Team, Region II

Thomas E Howard
Acting for: M. E. Volin, Member
U. S. Bureau of Mines

Thos H Kiesgaard
For: A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

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

1201 N. Division St.
Spokane 2, Washington
March 2, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 5 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: H. T. Reno and E. W. Buel, Mining Engineers, Bureau of Mines

Subject: Application for exploration projects, Roger V. Pierce, Gilmore (Texas) district, Lemhi County, Idaho. Docket No. DMEA 2868 (lead-zinc)

## RECOMMENDATIONS

It is recommended that two separate exploration contracts be offered to the applicant in the amounts of $94,075 and $68,300. Although the properties to be covered by these contracts are contiguous, separate projects are recommended for reasons explained later in this report.

## INTRODUCTION AND SUMMARY

Silver-lead ore was discovered at the site of Gilmore, Idaho, in 1880. The mines that grew from this discovery had, until their closure in 1929, a total production of 11 million to 19 million dollars as estimated in various reports. Since 1929 the mining camp has been virtually idle except for minor leasing activities.

The applicant, Roger V. Pierce, in recent years has obtained control of three claim groups covering most of the formerly productive part of the district. His principal purpose is to reactivate the major mines for ore noted by old operating reports in the deepest levels, but he has been unable to undertake the expensive rehabilitation involved. He has carried on some exploration of extensions of the main structures with the hope of attracting support for his main objective.

Preliminary examinations of the Gilmore district were made by Ralph H. Thurston, Geological Survey, and John W. Taber, Bureau of

Reviewed by
DMEA OPERATING COMMITTEE
3-11-53
(date)

Mines, in 1950. Their reports, 1/ in the files of their respective agencies, give information about the local geology and the portions of the mines open to inspection at that time. These reports recommend diamond drilling programs.

Early in 1951, Mr. Pierce made application for a production loan under the provisions of the Defense Production Act of 1950 for the purpose of rehabilitating the United Idaho shaft and producing ore from the deepest level (950). This application was assigned Docket No. DMA 463 and referred to the Field Team, Region II, for a report. The Field Team recommended an exploration program estimated to cost $575,000, principally for work at depth in the United Idaho mine but also to include a minor amount of exploration at and above the Transportation level. This recommendation was based on Mr. Thurston's examination of 1950 and his previous knowledge of the district.

An exploration project at Gilmore was recommended for approval by Mr. Tom Lyons, director of the Supply Division, DMA, in memorandum dated May 31, 1951, but a contract apparently was never signed and the application subsequently went to the inactive file.

A small-scale bulldozer trenching project planned in 1950 as a part of the Bureau of Mines program to encourage development of sources of strategic and essential metals was started in the Gilmore area during the 1951 field season. This project lasted only 4 weeks but uncovered a mineralized structure sufficiently promising to encourage Mr. Pierce to have two lessees, Ferguson and Shields, sink a 100-foot shaft on the structure in 1951-52. Mr. Buel prepared a memorandum report 2/ for the files of the Bureau of Mines on the results of the trenching project.

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1/ A Preliminary Report on the Mines at Gilmore, Texas Mining District, Idaho, by Ralph H. Thurston, U. S. Geol. Survey.

Preliminary Examination, Silver Dollar Prospect and Adjoining Mines, Gilmore (Texas) District, Lemhi County, Idaho, by John W. Taber, U. S. Bureau of Mines.

Supplemental Preliminary Report on Gilmore Mines, Lemhi County, Idaho (lead-zinc-silver) by John W. Taber, U. S. Bur. of Mines.

2/ Memorandum dated Feb. 6, 1953, on Preliminary Trenching at Gilmore, Lemhi County, Idaho, by E. W. Buel, U. S. Bur. of Mines.

Mr. Pierce presented a new exploration application to the Field Team on November 13, 1952. Information 3/ in the files of the Bureau of Mines and the Geological Survey was considered sufficient for judging the application without further field examination. This report lists the accumulated file information and summarizes it; it also discusses the applicant's proposal.

## LOCATION AND ACCESSIBILITY

The mining properties leased by Mr. Pierce are in sec. 18, T. 13 N., R. 27 E., B.M., Gilmore (Texas) mining district, Lemhi County, Idaho. The town of Gilmore, population less than 50, is 2 miles by improved road spur from paved Idaho State Highway 28. Salmon, Idaho, 70 miles by highway to the north, is the principal supply point. Roberts, Idaho, 80 miles by highway to the south, is on the Union Pacific Railroad.

## TOPOGRAPHY AND CLIMATE

The mining claims lie at altitudes from 7250 to 9050 feet on the lower east slopes of the rugged Lemhi mountain range.

Winters usually are severe with snowfalls beginning in October. The claims ordinarily are covered with deep snow throughout the winter while drifting snow sometimes blocks the spur road from the highway to Gilmore.

The 1952-53 winter has been unusually mild, however, and there is very little snow at Gilmore at this time. Unless there are late winter storms, the work proposed in the application can be started immediately.

## PROPERTY

The Pierce leases cover three patented claim groups. The individual claims and owners of record are listed below, and the locations of the claims are shown on the map attached to this report.

United Idaho Mining Co., a Maine corp.
subsidiary to United States Smelting, Refining & Mining Co.

| | |
|---|---|
| Never Sweat | U. S. Survey No. 1938 |
| Silver Dollar | " |
| Silver Dollar Extension | " |
| 16-1 | " |
| Texas | " |
| Surface rights of terminal tract part of Ruth and Olive claims | " No. 2040 |

3/ References cited in footnotes 1 and 2.

Delaware-Idaho Gold Mining Co., a Delaware Corp.

| | |
|---|---|
| Andy | U. S. Survey No. 2040 |
| Gilmore | " |
| W. H. Cannon | " |
| Glen | " |
| Edie | " |
| Hatton | " |

Gilmore Mercantile Co., Ltd., Gilmore, Idaho

| | |
|---|---|
| Olive | U. S. Survey No. 2040 |
| Ruth | " |
| Vick | " |
| LaPorte | " |
| G.A.P. | " |
| Dorothy | " |
| Martha | " |
| Roy Lauer | " |
| Cook | " |
| Ernest | " |
| Mixer | " |
| Anex | " |

## FINANCIAL AND ADMINISTRATIVE COMPETENCE OF APPLICANT

The applicant is a graduate of the Montana School of Mines and is considered capable of directing the proposed exploration projects. To the extent possible, Mr. Pierce will subcontract the work to small lessors now in Gilmore.

## HISTORY AND PRODUCTION

The total mineral production of the Gilmore district is uncertain; estimates of the value of this production vary from 11 million to 19 million dollars. Umpleby 4/ estimated a total production to 1913 valued at between 2 million and 2-1/2 million dollars. After that year, peak production continued until the mines closed in 1929. Since then activities have been limited to small-scale leasing operations.

Umpleby 5/ reported that 700 tons of lead and more than 100,000 ounces of silver were recovered from Gilmore ores at the Nicholia, Idaho, smelter from 1885 to 1888. Records of shipments to Utah smelters from

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4/ Umpleby, J. B., Geology and Ore Deposits of Lemhi County, Idaho, U. S. Geol. Survey Bull. 528, 1913, p. 9.

5/ Work cited in footnote 4.

1902 to 1905 show recoveries of about 6270 tons of lead and 325,000 ounces of silver from Gilmore ores. In 1910 and 1911, 3350 tons of lead and 422,500 ounces of silver were extracted from Gilmore ore shipments. These fragmental records indicate that the district has been a small but important producer of lead and silver.

## MINE WORKINGS

The district has several miles of underground workings. The principal shaft is the United Idaho, sunk on a steep incline to a depth of at least 950 feet. The transportation adit opening at altitude 7400 feet is the principal lateral working, connecting with the United Idaho 400 level and many of the other workings at that approximate level. The workings below the Transportation adit are flooded except in the Martha section, although some of those above that adit are accessible. All of them are in disrepair. The Silver Dollar adit is accessible but will require considerable rehabilitation before the drifting proposed in the application can be done.

The Ferguson-Shields shaft was started in 1951 on a vein at the north end of the Silver Dollar Extension claim, and in 1952 had reached a depth of about 100 feet on a 30-degree incline. The application proposes deepening of this shaft.

There are a number of old frame mine buildings and houses in the Gilmore area that may be suitable for operations and habitation if repaired.

## GEOLOGY

The rocks of the Gilmore district are an early Paleozoic sedimentary series consisting of about 3400 feet of shaly and dolomitic limestones overlying quartzite. These rocks generally strike northeast and dip 15 to 45 degrees southeast. Intruding them are several northerly quartz diorite porphyry dikes.

The surface is covered to varying depths by alluvium, and glacial debris fills a shallow gulch.

There are two types of veins, those following normal faults and those following bedding plane slips. The fault-veins strike north to north-northeast and dip to the west in two distinct systems: (1) flat veins dipping from 20 to 45 degrees, and (2) steep veins dipping from 60 degrees to vertical. The normal faults offset the limestone beds from a few feet to tens of feet. The bedding plane slips offset the veins a few feet.

Ore deposits are localized along junctions between flat and steep veins and also in bedding flexures adjacent to the fault-veins. Some intersections apparently favorable for ore deposition, however, are found barren.

Brecciation is extensive in certain beds throughout the district and apparently is favorable for ore, but this condition is not necessarily requisite for localizing ore because in many places the breccias are found unmineralized.

Physical data on the principal ore bodies exploited in the several mines are given below.

| Mine | Elev. Top of known ore | Elev. Bottom of known ore | Vertical extent known ore | Height of known ore above early drift levels | Depth of known developed ore from shaft workings | Height & depth of known ore above and below Transportation tunnel. Elev. 7400 feet Above | Below |
|---|---|---|---|---|---|---|---|
| Neversweat | 7380 | 7210 | 170 | — | 170 | none | 170 |
| Martha | 7620 | 7350 | 270 | none | 270 | 220 | 50 |
| United Idaho | 7920 | 6850 | 1070 | 100 | 970 | 520 | 550 |
| Roy Lauer | 8370 | 7980 | 390 | 50 | 340 | 390 | — |
| Latest Out | 8300 | 7400 | 900 | none | 900 | 900 | — |
| Silver Dollar | 7780 | 7730 | 150 | 150 | — | Not connected | |

Oxidation is so deep that only the bottom level of the United Idaho shaft is reported to be in the primary zone. The oxidized ores are composed of cerussite and lesser amounts of calamine, smithsonite and anglesite, all heavily stained with iron and manganese oxides. Small, remnant lenses of galena, pyrite and sphalerite are found within the zone of oxidation.

Average analyses of ores from early day operations are listed by Umpleby 6/ as follows:

Average analysis of Gilmore ores

| | Oz.Au | oz.Ag | % Pb | % Cu | % Si | % Fe | % Zn | % S |
|---|---|---|---|---|---|---|---|---|
| Pittsburg-Idaho | 0.031 | 15.29 | 37.04 | — | 20.0 | 8.4 | 9.05 | 0.59 |
| Latest Out | 0.0285 | 18.09 | 34.25 | 0.34 | 25.3 | 9.23 | 5.48 | 0.86 |
| Martha gold vein | 0.515 | 0.70 | none | — | 11.7 | 47.7 | | |

6/ Reference cited in footnote 4.

Lead ore shipments during operations in the later years probably averaged more nearly 22 to 25 percent Pb.

## DISCUSSION OF APPLICANT'S PROPOSAL

As expressed in a previous Field Team recommendation, the best possibility of the Gilmore district seems to be in exploration at the deepest levels, involving very costly rehabilitation of the United Idaho and Neversweat shafts. The applicant agrees with this but is not financially able to undertake the work at this time. As a secondary objective he expects to discover enough ore on the easily accessible margins of the district to attract financial support for gaining access to and developing the deep workings.

Mr. Pierce's application of November 13, 1952, covering all of the claims under his leases, is divided unto two concurrent subprojects. One subproject includes an initial stage of trenching with heavy bulldozer and ripper, a second stage of diamond drilling contingent upon the findings in the first stage and with the approval of the Field Team, and a third stage of sinking to shallow levels and drifting with the approval of the Field Team. The other subproject includes deepening of the Ferguson-Shields shaft and drifting from the bottom of the shaft; also rehabilitation and extension of the Silver Dollar drift. All of this work is to be done on a unit cost form of contract.

After submitting his application, Mr. Pierce found that one of the owners, the United Idaho Mining Co., would give consent to lien authorizing royalties upon certification of a discovery and/or development only to the extent of the Government's share of the cost of exploration performed on the claims owned by the company. To meet this condition, the proposed work, with Field Team modifications, was divided by area into two projects to be covered by separate contracts. Suggested contracts were submitted with the Field Team memorandum of February 6.

Applicant's first subproject is of a general prospecting nature. His proposed trenches are located to bracket the known veins, cut their extensions, and possibly find parallel veins. The Bureau of Mines trenching project demonstrated that heaviest tractor-dozer equipment is needed to cut into the weathered limestones deep enough to recognize the vein structures which near the surface may be evidenced only by limonitic and manganese oxide discolorations. The proposed trenching is to be done with 20-ton tractor-angle dozer and heavy duty ripper at a fully operated cost of $20 per hour. Three trenches totaling about 2800 lineal feet will be excavated on United Idaho claims, and 6 trenches aggregating about 3400 lineal feet on Delaware-Idaho and Gilmore Mercantile claims. The general locations of the trenches are shown on maps submitted with Field Team memorandum dated February 6, but exact locations may be adapted to the local

topography. These trenches seem to be properly located, and the heavy equipment is necessary for the job.

The second stage of the first subproject is diamond drilling to probe at shallow depths of 100 to 150 feet mineralized structures found in the trenching stage. The locations of the holes, attitudes and lengths cannot be well-defined, but the work will be contingent on the approval of the Field Team and further be controlled by allowable maximum of 500 feet under each contract. The applicant designated AX size hole at $10.50 per foot, but BX is considered necessary for obtaining the best core recovery possible in the oxidized veins. The suggested unit cost of $11.00 per foot drilled is comparatively high but probably will have to be paid for the small amount of drilling (1000 feet) offered at this location. The cost includes sludge sampling and handling of core to boxes.

The third stage of the first subproject involves shafts from the surface to shallow depths on the veins at one or more locations to investigate ore found in the trenches and/or intersected in the drill holes. These will be 1-1/2-compartment prospect shafts not exceeding 200 feet in depth. Applicant proposes 600 feet of sinking and this is broken up into 200 feet on the United Idaho claims and 400 feet on the other claims. The applicant wants a sliding scale cost based on depth increments with extra for timbering, but for the sake of simplicity of administration and clarity of contract an average cost of $92.50 per foot including everything but supervision and assaying is suggested. A minimum of timbering will be needed in such a small section as this.

As part of this third stage, there are proposed also drifts and/or crosscuts from the shafts to follow the veins or cut parallel veins. Applicant proposes 700 lineal feet of this work, but this amount is broken up for the two contracts into 300 feet on the United Idaho claims and 400 feet on the others. He asks $35.00 a foot for driving the drifts and crosscuts, 4-1/2' by 7' in the clear, excluding only supervision and assaying. This is a reasonable unit cost.

Applicant's second subproject involves drifting from the Ferguson-Shields shaft 250 feet each direction on the vein. It is suggested that this be revised so that a maximum of 500 feet be driven in either or both headings, depending upon the most favorable developments and the approval of the Field Team. To give more depth below the surface, an initial step of deepening the Ferguson-Shields shaft 50 feet on the vein is suggested. Applicant asks a sliding scale unit cost for drifting based on length of tram from the shaft,

but there is little reason to set up this cost on a different basis than the other costs for such work. Unit costs the same as those for other such work are recommended.

Another part of the second subproject involves rehabilitation of the Silver Dollar adit and drifting 300 feet both northward and southward on the Silver Dollar vein. A drift extension to the north is not recommended, however, because it would lose depth below the surface. Instead, drifting southward is recommended, and the requested 600 feet is designated either for drifting or for crosscutting into the walls to investigate veins that may be found in the trench located in this area. Long hole pneumatic drilling may be substituted for crosscutting. Change of objectives will be with the scrutiny and approval of the Field Team. Applicant asks for a sliding scale unit cost for drifting and/or crosscutting but a cost of $35 per foot is recommended as consistent with that established for this type of work.

The Silver Dollar adit must be rehabilitated for work in it; this will include cleaning out caved sections, setting timbers where needed, and installing track, air pipe, and ventilation tubing. Applicant requests $8.00 per foot untimbered section and $10.00 per foot timbered section for an estimated 700 feet of this work. If the north drift is dropped from the plans, the amount of rehabilitation is reduced to about 650 feet, and an average unit cost of $9.00 per foot is recommended for this work.

Applicant requests twelve months to complete his proposed work. The two recommended projects, if pursued diligently, perhaps can be completed in one working season. Supervision is divided between the two projects, giving one full time supervisor for the concurrent life of both.

Shipping and assaying of approximately 250 samples are provided in connection with each project.

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

UNITED STATES DEPARTMENT OF THE INTERIOR - BUREAU OF MINES

Preliminary Examination

Silver Dollar Prospect and Adjoining Mines,

Gilmore (Texas) District, Lemhi County, Idaho

(Supplement to Summary Report Taber 79)

By John W. Taber

Approved by
OFFICE OF THE DIRECTOR
3-11-53
(date)

FOREWORD

In compliance with a request from M. A. Volin, chief engineer, Mining Section, Region II, the writer met with Ralph Thurston of the U. S. Geological Survey at Gilmore, Idaho August 29, 1950. Jointly a brief preliminary examination was made of the Silver Dollar prospect and adjoining mines. According to instructions, available geologic maps, surface features, and accessible underground workings were examined with the objectives of: (1) an examination of the surface to reveal other areas of fracturing, if such areas have a surface expression; (2) the determination of more extensively replaced layers such as the one in the fourth Martha level; (3) the spotting of drill holes in the Silver Dollar tunnel to intersect the Silver Dollar and Neversweat veins where they cut through the Fourth Blue Dolomite.

In the following report, an attempt has been made to set forth such facts as were available at the time of the examination, to discuss the possibilities for exploration, and to present tentative conclusions based on these data. The description of the geologic structures pertinent to future exploration are the writer's interpretation of the general conclusions on which Mr. Thurston and he concurred at the time of the examination. The maps of the United Idaho workings which accompany this report are tracings from geologic maps and sections prepared by R. F. Walker of Salt Lake City. Thurston made no additions nor alterations to Walker's maps. The suggested drill holes which are

shown on the accompanying maps were discussed and agreed upon in principal with Thurston.

## INTRODUCTION

Examinations of the Silver Dollar prospect and the adjoining mines were made during a four-day period. Most of this time was spent in investigating the accessible underground workings. In addition to the Silver Dollar adit level, the 150, 300, 450, and 600 levels of the Latest Out mine; the main adit level of the Roy Lauer mine; the Zook mine; and the Marine, Silver Dollar, United Idaho, and Neversweat workings accessible through the Transportation level were examined briefly. The examinations were made largely without benefit of a guide when it became apparent that the only persons available had but slight knowledge of facts pertinent to previous mining operations.

## SKETCH OF FORMER OPERATION

The first claims in the district were located in 1880. The first active mining was in the period between 1880 and 1890, when the Viola smelter at Nicholia was in operation. During this period a relatively small production was shipped to Nicholia mainly from the Pittsburg-Idaho (now the United Idaho property). Activity subsided sharply with the closing of the Nicholia smelter in 1889. Operations were resumed on a small scale in 1902 and continued to 1908. During this period ore was shipped 80 miles by wagon to Dubois, Idaho; thence by rail to smelters in Salt Lake City. The main mining boom at the camp did not commence until 1910 when the first railroad was extended to Gilmore. Thereafter, the mines of the Pittsburg-Idaho, the Latest Out, the Allie Mining Co., and the Gilmore Mining Co. came into peak operation. The Pittsburg-Idaho Co., operating on the south end of the Silver Dollar, the Neversweat, and the several intervening veins remained the major producer of the camp. Of the

other producers, the Latest Out Co. was the most important. This operation produced from the Roy Lauer veins and the Latest Out group of veins at the northwest end of the camp. Other and lesser production came from Lile Co. operation of the Roy Lauer vein south of the Latest Out claim and the Martha operations of the Gilmore Mining Co. The latter was a gold vein containing no lead.

In 1913 Umpleby (U. S. G. S. Bull. 528) estimated the total production of the district to be between $2,000,000 and $2,500,000. Production continued at peak level for several years thereafter, and gradually declined until the closing of the principal mines in the late 20's.

In the more recent years, some gold ore was produced from the Martha vein (1940-41) by the Falls Creek Mining Co. From about 1935 to 1947, Milo Zook leased and operated the Latest Out mine. During this period production from the Latest Out averaged about 700 tons of crude ore per year. Since 1947 Zook's production from the Latest Out mine has dwindled to nothing. He is now leasing the mine but has not operated it this season. An estimate of the over-all production of the district could not be obtained from creditable sources at this time. According to natives of the district, rumored production is loosely quoted between $11,000,000 and $19,000,000.

CONDITION OF THE MINE WORKINGS

Silver Dollar Adit

Most of the Silver Dollar adit level openings are accessible but require considerable cleanup of minor caves near the portal and in the vicinity of the veins. Drifts on the veins are badly choked with accumulations of caved vein material and back fill. Levels above and below the adit level are inaccessible. The adit level has no track or air line.

There is no water available in or near the Silver Dollar Exit level. Water for drilling would have to be hauled about 1 mile from the Transportation level portal.

## Latest Cut Mine

The main shaft and most of the level workings from the 150 through to the 700 are open and in fair condition. A small hoist and skip are in fair operating condition for service from surface to the 600 level. The two-compartment inclined shaft, in fair condition, has a 2-inch air line from surface to the 600 level. Mine track has been left in most of the extensive level workings. The surface plant consists of a diesel-powered, 160-cubic foot compressor. The headframe is in poor condition but it could be repaired for light service at a small cost.

## Transportation Tunnel

The main crosscut through the Martha, United Idaho, and Reversewell workings is in fair condition with track throughout. For temporary use, minor cleanup work and repair of several timber sets near the portal would be required. There is no air line in the entire 5,000 feet of crosscut. Most of the Martha workings are accessible (400' level) below the Transportation level. On the Transportation level, sections of the drifts on the various veins are accessible but badly choked with caved vein material and back fill. Most of the levels above the Transportation level are inaccessible on the Martha, the United Idaho shaft workings, and the Reversewell workings. All of the levels of the United Idaho and Reversewell below the Transportation level are inaccessible. A large flow of water from the Transportation level is the principal water supply of the camp.

## Roy Lauer Adit Level

The main level crosscut is open and in fair condition except for minor caves at vein intersections. The drifts on the veins are so badly choked with cave that they are mainly inaccessible. The crosscut has track but no air line. Water is not available in the workings.

## Main Camp

The several residential buildings in the main camp are in livable condition with some needed minor repairs.

# GEOLOGY OF THE DEPOSITS

## General

The rocks of the area are early Paleozoic meta-sediments intruded by dikes of porphyritic diorite. The sedimentary series comprises 3,400 feet of dark dolomitic limestone and shaly limestone overlying at least 2,000 feet of quartzite. The beds strike northeasterly and dip southeasterly at 15° to 45°.

## Vein Structure

The vein system consists of at least four principal veins and numerous lesser parallel veins across a zone roughly 3,000 feet wide. The veins strike persistently northerly and dip mainly westerly. The veins fall into two fairly distinct groups: the flat veins which dip at 20° to 40° westerly and the steep veins which dip at 60° westerly to nearly vertical. Both groups of vein fissures appear to be normal faults which offset the beds from a few feet to a few tens of feet. A third set of fractures are bedding slips which offset the ore veins usually no more than a few feet. The bedding-plane faults appear to be mainly post-ore, normal fault movements.

Production in the district has been chiefly in a series of beds about 1,400 feet thick which are near the upper part of the 3,400-foot series of

dolomitic limestone beds. The fourth, the Dolomite, a 300-foot stratum near the bottom of the productive 1400-foot series of beds, is locally believed to be the bed most favorable for ore. This opinion does not appear to be substantiated by the evidence exposed in the mined areas. Mining has been well distributed throughout the 1400-foot series in which ore has been found.

Other features which may have been influential in localizing ore deposition are junctions of flat and steep veins and local sharp flexures in the bedding which are intersected by the vein fissures. These conditions were indicated at several places in the mines where ore had been produced. Not enough examples were observed to conclude that these were more than local coincidences.

Brecciation of many of the beds of the 1,400-foot productive series is both strong and extensive. This is particularly noticeable in the beds which are cut by the three veins in the Silver Dollar adit-crosscut. Despite this crushed permeable condition of the beds cut by veins on this level, only a small amount of ore has been found in the area. The single small ore body extended only a short distance into the crushed bed. This situation and similar situations observed in other mines in the district are regarded as good evidence to support the deduction that the so-called favorable beds, open fissures, and the more permeable crushed beds of the favorable series should not be primary targets for the search of ore. It seems apparent that the distribution of ore-bearing solutions has been a relatively local feature compared to the extensive openings which were available. Therefore, the search for ore might best be limited to tracing either the source channels or the zones of dispersion from known ore zones. The presence of ample bedding openings and the evidence of only weak ore mineralization on two ore of the veins in the Silver Dollar adit level suggests that this area may be apart from the main tracks of ore channels in the district.

## The Ore

Most of the ore bodies appear to have originated by a combination of fissure-filling, replacement of limestone wall rock and permeation of crushed beds. Typical ore bodies, however, are essentially the outgrowth of ore deposition centering within the fissures. In some instances ore has extended 50 feet or more into a permeable brecciated bed. Thinning out of fissure filling both above and below the fissure intercept with the replaced bed is common to most of the ore bodies. The fissure filling usually is more extensive below the bed intercept than above it. Apparently the limiting of ore deposition laterally along the bed-fissure intersection is controlled by the strike length dimension of the ore solution channels which ascended the fissures.

Average analyses of ore from early day operations is listed by Umpleby (U.S.G.S. Bull. 528, 1913) as follows:

Average analysis of Gilmore ores

| | oz. Au | oz. Ag | % Pb | % Cu | % Si | % Fe | % Zn | % S |
|---|---|---|---|---|---|---|---|---|
| Pittsburg-Idaho | 0.031 | 15.29 | 37.04 | —— | 20 | 8.4 | 9.05 | 0.59 |
| Latest Out | 0.0285 | 18.09 | 34.25 | 0.34 | 25.3 | 9.23 | 5.48 | 0.86 |
| Martha gold vein | 0.515 | 0.70 | none | —— | 11.7 | 47.7 | | |

Lead ore shipped in recent years probably averaged more nearly 25 percent lead.

The ore comprises lead oxides, minor zinc oxides, specularite, and limonite in a soft earthy mass. In addition to the local ore zones, most of the fissures appear to have been filled with gangue vein minerals, probably chiefly pyrite and specularite, which now appear as a loose earthy fill of limonite, clay and specularite.

Leaching of the vein material has been intensive to at least 1,500 feet below the surface. Very little sulfide ore has been found in the district. Such sulfide ore as has been found has been mainly scattered nodules of galena in the oxidized ore bodies. According to local information, somewhat more sulfide ore was found on the 900 level of the United Idaho workings, the deepest in the district. The 900 level is said to be about 200 feet below the permanent water level in the mine.

## POSSIBILITIES FOR EXPLORATION

### Silver Dollar Adit Crosscut

Although as previously pointed out, the Silver Dollar area does not appear to be in the zone of strong ore channels, the fact remains that some ore has been found in the Silver Dollar vein in this area. Also, the Silver Dollar vein, as well as the unnamed vein east of it, appear to be fairly strong. Because of these facts and because the Silver Dollar adit offers the simplest approach and about the only possibility in the district for a small preliminary drill exploration program, a proposal tentatively is suggested.

A minimum program of two holes, altogether about 1,000 feet of drilling, would penetrate the Silver Dollar vein at 135 feet and at 190 feet below the level, and would penetrate the unnamed vein at 275 feet and 375 feet below the level. Details of the suggested drilling are shown on the map and section which accompany this report.

### Other Areas

Following the line of reasoning that exploration is most likely to be successful if areas with known strong ore channels are probed, the obvious areas suggested by the Walker geologic maps are beneath the United Idaho workings and beneath the Latest Cut workings. Three definite drilling targets

are suggested in these areas: (1) intercepting the several veins below the 900 level of the United Idaho shaft; (2) beneath the 180 level of the Neversweat workings; and (3) below the 700 level of the Latest Out to crosscut the several veins in the Latest Out zone. To do a comprehensive exploration job in any one of these areas would involve considerable force account work, as well as an extensive drilling program. Because of the large appropriation required, it is suggested that more preliminary investigation should be undertaken at the outset before a definite program is proposed. This might be accomplished, in consideration of the United Idaho shaft and Neversweat areas, by a careful study of the Walker geologic maps, particularly the geologic plan of the United Idaho 900 level (not available at the time of this examination). In the case of the Latest Out area, a detailed job of mapping the numerous levels would be required. The geology of these workings is not shown on the Walker maps.

At the time of this examination a rough appraisal was made of the drilling possibilities beneath the United Idaho shaft and the Neversweat workings. Tabulation of these data are presented herewith for illustrative purposes only.

Tentative proposal for drilling Neversweat vein below 180 level.

Holes to be drilled from drift on 1200 coordinate Transportation tunnel level:

Minimum of four holes vertical 200'-250'
One hole inclined 60° ±, S. 50° E. 300'-350'

Total drilling, 1,400' ±

Problem: requires laying of 4,000' ± of air line.

Proposal for drilling United Idaho veins below 900 level:-

Holes to be drilled from Transportation tunnel level in vicinity of Neversweat drift:

Minimum of three holes inclined 80°-85°, S. 75° E., 1,000'-1,100'

Total, 3,500'

Problem: requires laying 3,000 feet ± of air line.

Estimated cost of suggested Silver Dollar minimum drilling program:-

1,000 feet of diamond drilling and core sampling ..... $11,000.00

Cost breakdown:

| | |
|---|---|
| Contract ..... | 6,000.00 |
| Wm. sampling, 60 man-shifts..... | 675.00 |
| Supervision, one-third GS-11 @ $5,800, plus expenses for 90 days..... | 2,500.00 |
| Transportation..... | 125.00 |
| Supplies..... | 100.00 |
| Force account (*)..... | 1,600.00 |
| Total, | $11,000.00 |

(*) Clearing and repair timber at portal cave, cleanup of drift, repair of cave section in Silver Dollar vein area, and cut drill stations.

## Anticipated Drilling Problems

It should be pointed out that any drilling above the 900 level of the United Idaho workings may be expected to encounter only soft earthy ore bodies. These will doubtless present a difficult coring problem. It is considered very likely that no core will be recovered in down holes through the oxidized ore bodies. Because of the highly fractured previous condition of most of the limestone country rock, recovery of water will require a special effort. If for any reason drilling water cannot be recovered, it is likely that such drill holes will fail completely to produce the information sought. For this reason the suggested Silver Dollar drilling is considered risky. Drilling beneath the Transportation tunnel would be mainly below the water table where drill holes

are much more likely to reach a zone containing some sulfide ore. Consequently, the drilling problem cited may be less likely to endanger success of drilling programs in these areas.

## CONCLUSIONS

1. Drilling for downward extensions of the three principal ore-channel zones in the district is considered justified as a long range program for reactivating mining in the district.

2. Suggested areas for these long range drill hole investigations would involve a large amount of drilling, together with considerable force account work; hence a drilling program should not be undertaken without first making a thorough study of the numerous geologic maps of the United Idaho workings and completing a similarly comprehensive mapping of the structural geology in the workings of the Latest Out and Roy Lauer mines.

3. A small preliminary drilling project from the Silver Dollar adit cross-cut is suggested on the grounds that it is the simplest program that could be undertaken with reasonable chance of finding some new ore. On the basis of geologic reasoning, the Silver Dollar program is not considered likely to make any significant discoveries which would have a long-term effect in reactivating mining in the district.

## RECOMMENDATIONS

In view of the foregoing conclusions, it is recommended that the Bureau of Mines obtain a complete set of the Walker geologic maps and sections, including the missing 900 level map, and that these be carefully studied with the view of planning deep level drilling beneath the United Idaho workings. It is further recommended that the Bureau of Mines request the Geological Survey to undertake geologic mapping of the several levels of the Latest Out and Roy Lauer

workings and that sections be prepared of these areas in order that a comprehensive drilling program may be planned for investigating the downward extension of the known ore channels.

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

# WESTERN UNION

(10)

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=Int'l Letter Telegram

VLT=Int'l Victory Ltr.

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WP053 PD=SALTLAKECITY UTAH 25 1052A= FEB 25 PM 3 11

KEATING, ACTING CHIEF=DLR BASE METALS DIV DMEA

DEFENSE MINERALS EXPLORATION AGENCY ROOM 2616

I PLAN TO PHONE YOU THURSDAY AM ON STATUS OF GILMORE IDAHO APPLICATION DMEA THANKS=

ROGER PIERCE 808 NEWHOUSE BLDG=

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 26 1953

Please telephone me re status of this project which I discussed fully - there is at least - [illegible] moved to to Owen's - [illegible] is him in [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible]

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

FEB 25 3 21 PM '53

BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

Seventy-five Federal Street
Boston, Massachusetts

P. O. Box 2137
Boston 6, Mass.

February 11, 1953

REGISTERED MAIL # 396566

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 13 1953

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

Gentlemen:-

In accordance with the request of Mr. Roger V. Pierce, we hand you herewith the original and (4) four fully executed copies of Owner's Consent To Lien, executed by Mr. George Mixter, Vice President, on behalf of the United Idaho Mining Company on February 10, 1953 in connection with application (your Docket No. DMA ~~463~~ 2868) which has been made by Mr. Pierce as lessee of this Company's property for a DMEA Exploration Project Contract.

Please communicate with the writer promptly if the Owner's Consent To Lien is incomplete in any respect.

Very truly yours,

UNITED IDAHO MINING COMPANY

Francis Fiske

Francis Fiske
Secretary

FF/mm
Enclosure

IN REPLY REFER TO:

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

February 9, 1953

Memorandum

To: Mr. George Keating

From: Erwin J. Lyons, USGS

Subject: Field referral

Re: Docket DMEA-2868
Roger V. Pierce
Gilmore Lead-Zinc Mine
Lemhi County, Idaho
Total cost:
Lead-Zinc-Silver

Applicant has requested Government assistance to explore his property in Gilmore mining district, Lemhi County, Idaho. Total estimated cost is not stated. Two projects are proposed. One is to consist of trenching, diamond drilling, and underground exploration, the extent and location of the drilling and underground work being dependent upon information obtained by trenching. The second project consists entirely of underground exploration.

A previous application by the same operator and on the same property proposed a different exploration project. This project was approved, but the operator was unable to furnish his part of the cost and so the application was placed in the inactive file.

The field team believes the original project the better, but does think that the one currently proposed has some merit. The field team will submit a brief report on the present application. It is assumed that the report will justify the present project on both a geologic and engineering basis.

Erwin J. Lyons
Geologist

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
Spokane, Washington
February 6, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 9 1953

VIA AIR MAIL

MEMORANDUM

To: Chairman, Operating Committee, DMEA, Washington, D. C.

From: DMEA Field Team, Region II

2868

Subject: Application of Roger V. Pierce for DMEA projects on mining properties in the Gilmore mining district, Lemhi County, Idaho. (Lead-zinc-silver)

This follows up on our memorandum of January 30, 1953, transmitting the above application.

Submitted herewith are two copies each of suggested forms for separate exploration project contracts in the amounts of $94,075 and $68,300, recommended to be offered to Mr. Pierce. These contracts cover contiguous properties owned by three separate companies and leased to Mr. Pierce. As explained in our memorandum of January 30, one of the owners, the United Idaho Mining Co., would not agree to obligations for royalty repayments in case a discovery and/or development is certified, except to the extent of the Government's share of the cost of exploration performed on the claims owned by that company. For this reason it was necessary to divide the exploration work proposed by Mr. Pierce into two projects with one contract covering the claims owned by United Idaho Mining Co. and the other contract covering the claims owned by the Delaware-Idaho Gold Mining Co. and those owned by the Gilmore Mercantile Co., Ltd.

Each of the two suggested forms of contract is accompanied by 6 copies of a claim map showing the ownership covered by each contract and 6 copies of another map showing the proposed work in relation to the geologic structures.

Also submitted herewith is a memorandum by E. W. Buel, Bureau of Mines, describing the results of bulldozer trenching done in the Gilmore district by the Bureau of Mines during the 1951 field season.

A brief report summarizing the information in the files of the Bureau of Mines and the Geological Survey on the Gilmore district and discussing the applicant's proposal will be transmitted next week.

The contracts are being sent in now because it is our understanding that Mr. Pierce will be in Washington, D. C. on February 8, and we thought he might decide to wait over and discuss some of the features of the contracts on the following day.

The owner's consent to lien by United Idaho Mining Co. has not yet been furnished by Mr. Pierce. We understand that these papers have been forwarded to the Boston office of the parent company, the United States Smelting, Refining and Mining Co., for signing and that they will be forthcoming in the near future.

By Field Team, Region II

A. E. Weissenborn

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

M. E. Volin

M. E. Volin, Member
U. S. Bureau of Mines

Enclosures

Mr. Roger Pierce
808. Hawthorne Bldg
Salt Lake. Utah

Oct - 5. 1978

2/9/58 Called in person to discuss his application. We are waiting for Cultural Resource Report.

K

600 ft surface trenching
@ 20.00 per ft.
600 ft trenching @ 80.00
500 ft drifting

ROGER V. PIERCE
CONSULTING ENGINEER
MINING MECHANIZATION SPECIALIST

808 NEWHOUSE BUILDING
SALT LAKE CITY, UTAH

PHONE 3-3973

February 4, 1953

Mr. Roger V. Pierce
808 Newhouse Building
Salt Lake City, Utah

Subject: DMEA-2868
Re: Exploration Assistance

My dear Mr. Pierce:

The receipt of your application dated November 10, 1952 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-2868 and referred to the Base Metals Division.

Kindly refer to DMEA-2868 in any future correspondence relating to your application.

Sincerely yours,

R. E. ADAMS
Robert E. Adams
Chief, Operations Control
and Statistics Division

25451

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

February 4, 1953

Memorandum

To: Executive Officer, DMEA Field Team, Region II

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

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

DMEA-2868 - Pierce, Roger V.

R. E. ADAMS

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

33980

EXTRA COPY
D M E A
RECEIVED JAN 10 1958
DATE | INITIALS | CODE

So. 157 Howard Street
Spokane 4, Washington

January 8, 1958

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Application for more work
Docket No. DMEA-2868 (Lead-Zinc)
Roger V. Pierce
Gilmore Mine
Lemhi County, Idaho
Contract No. Idm-E574

Dear Mr. Selfridge:

On November 22, 1957, we forwarded three copies of an application for additional work at the Gilmore mine, Lemhi County, Idaho, together with three copies of a letter dated November 19, 1957 from Roger V. Pierce, the Operator.

Mr. Pierce called us on the telephone to ask what progress was being made on his application. We told him that we had sent it in but had not yet received a referral.

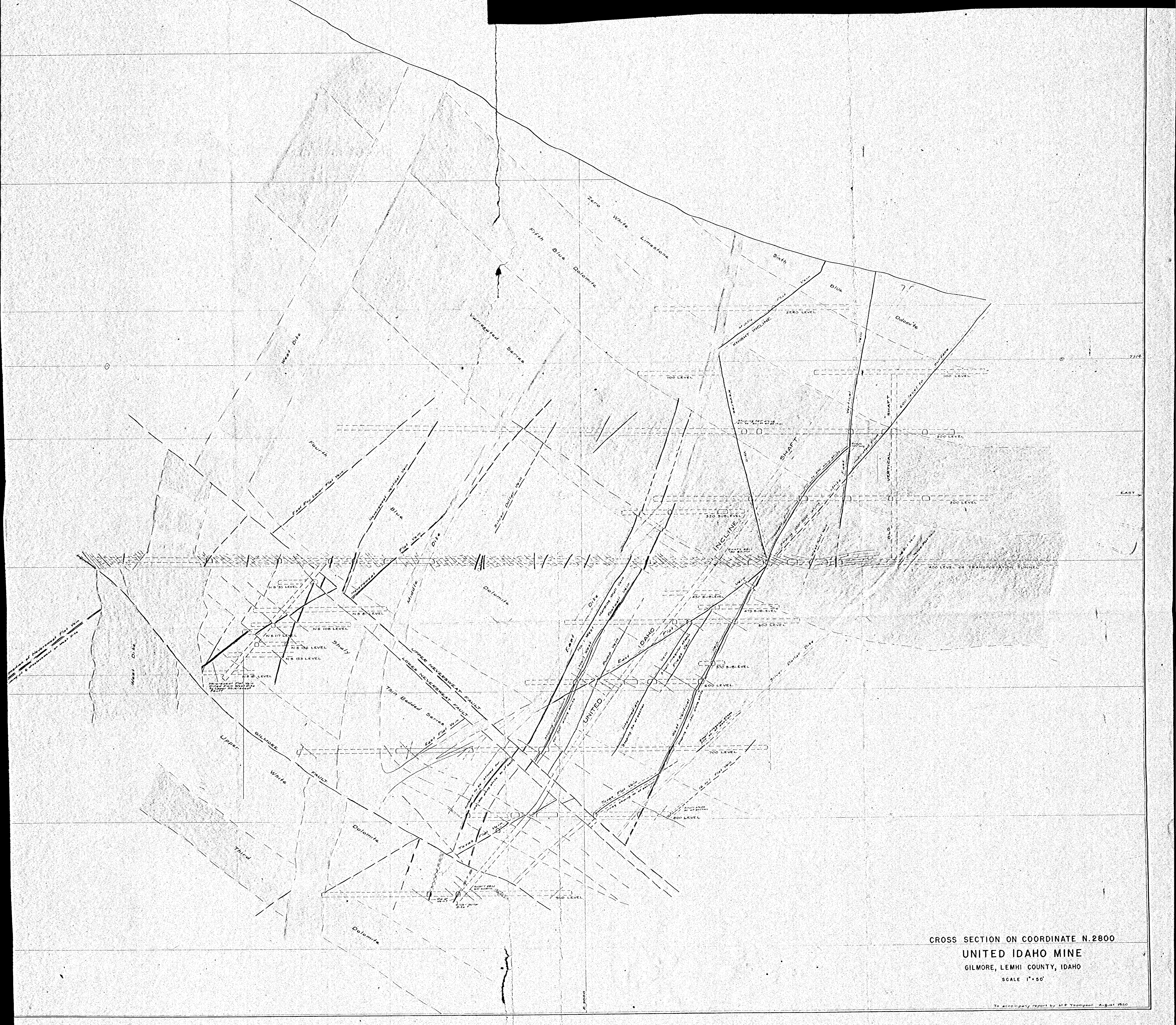
Before this application is referred to the field, we recommend that Mr. Pierce should be asked to furnish additional information such as longitudinal and cross sections of the productive areas of various veins that would show what beds are the favorable hosts for ore deposition and limits of stoped areas; a geologic plan and sections of the area to be explored in order to show that the proposed work will be at a favorable horizon as well as in a favorable zone; and production figures for the mine.

By Field Team, Region I

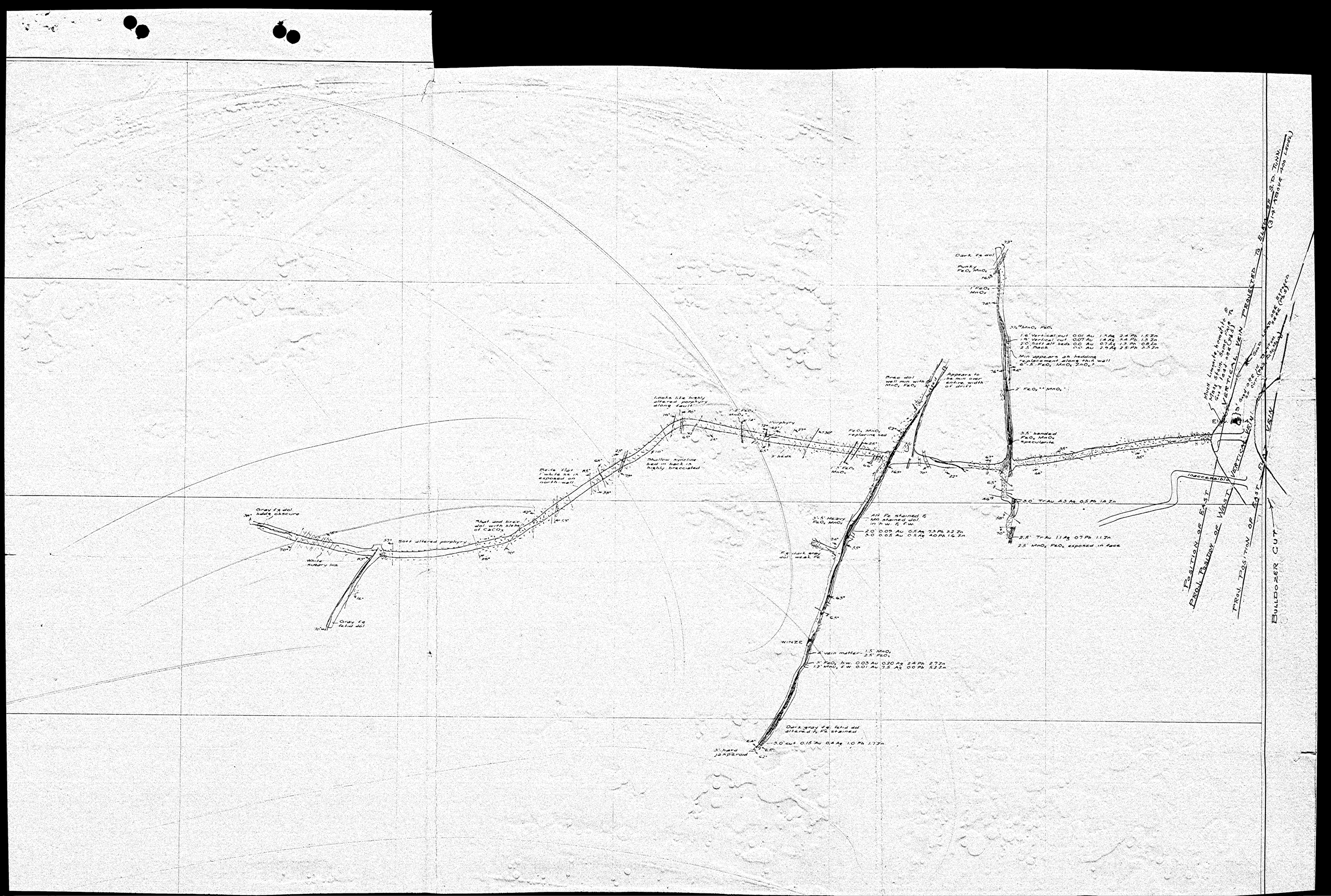
A. E. Weissenborn, Exec. Officer
U. S. Geological Survey

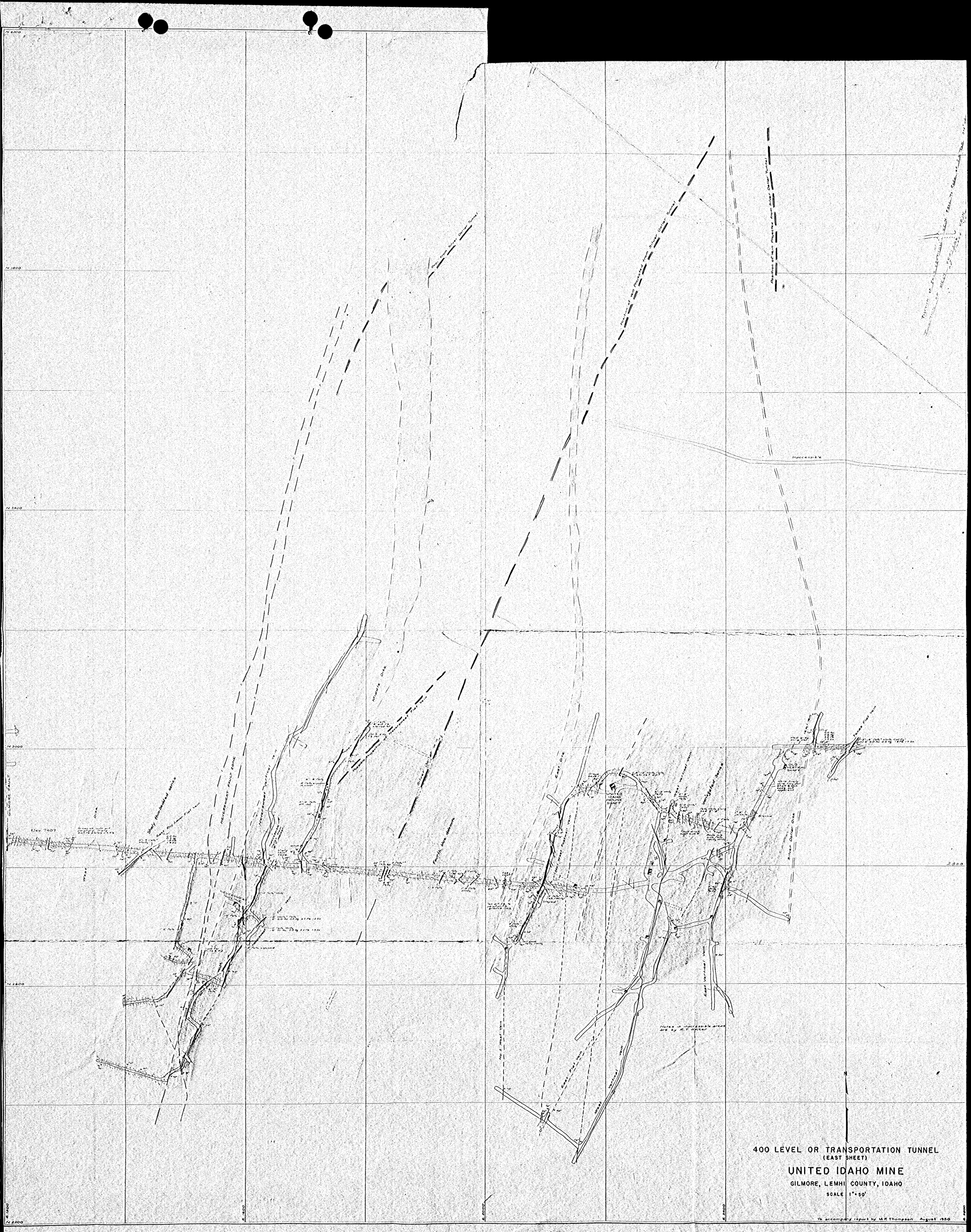
Wing G. Agnew, Member
U. S. Bureau of Mines

cc: USBM (2)
USBM (AD)
Alvord



Zero White Limestone
Fifth Blue Dolomite
Sixth Blue Dolomite
Variegated Series
West Dike
Fourth Blue
Middle Dike
Dolomite
Shaly
Thin Bedded Series
Upper White Dolomite
Third Dolomite
ZERO LEVEL
KNIGHT INCLINE
100 LEVEL
200 LEVEL
Vertical Vein
Reverse Vein
600 level to surface
OLD VERTICAL SHAFT
INCLINE SHAFT
300 LEVEL
320 SUBLEVEL
East Roy Lauer Flat Vein
Neversweat Vertical Vein
Silver Dollar Vein
Flat Vein
400 LEVEL OR TRANSPORTATION TUNNEL
N S 35 LEVEL
N S 81 LEVEL
N S 108 LEVEL
N S 117 LEVEL
N S 136 LEVEL
N S 153 LEVEL
N S 181 LEVEL
Neversweat Flat Vein mined from West Dike to Upper Neversweat Fault
450 SUBLEVEL
475 SUBLEVEL
500 LEVEL
570 SUBLEVEL
600 LEVEL
700 LEVEL
800 LEVEL
950 LEVEL
UPPER NEVERSWEAT FAULT
LOWER NEVERSWEAT FAULT
GILMORE FAULT
UNITED IDAHO
East Dike
No. 1 West Hanging Wall Vein
Footwall Vein
Pump Vein
East Flat Vein
Intermediate
West Vertical
Texas Flat Vein
16 to 1 Flat Vein
Silver Dollar Dike
EAST
7714
E.2000
CROSS SECTION ON COORDINATE N.2800
UNITED IDAHO MINE
GILMORE, LEMHI COUNTY, IDAHO
SCALE 1" = 50'
To accompany report by M F Thompson August 1950


Dark fg dol
Punky FeO, MnO
FeO, MnO
37½" MnO, FeO
1.8' Vertical cut 0.01 Au 1.4 Ag 2.4 Pb 1.5 Zn
1.9' Vertical cut 0.07 Au 1.4 Ag 3.4 Pb 1.3 Zn
2.0 Soft alt beds 0.0 Au 0.7 Ag 1.3 Pb 0.8 Zn
2.5 Pack 0.0 Au 2.9 Ag 2.5 Pb 3.5 Zn
Min appears as bedding replacement along this wall
2'-3' FeO, MnO, ZnO?
Appears to be min over entire width of drift
Brec dol well min with MnO, FeO
2' FeO, MnO
3.5' banded FeO, MnO specularite
Looks like highly altered porphyry along fault
1.2' FeO, MnO
Porphyry
FeO, MnO replacing bed
2' beds
1.5' FeO, MnO
Shallow syncline bed in back is highly brecciated
Beds flat (white ss is exposed on north wall)
Gray fg dol beds carbona
Shat and brec dol with blebs of CaCO3
Soft altered porphyry
White sugary lms
Gray fg felsid dol
3.0' Tr Au 0.3 Ag 0.5 Pb 1.4 Zn
2.5' Tr Au 1.1 Ag 0.7 Pb 1.1 Zn
2.5' MnO, FeO, exposed in face
3'-5' Heavy FeO, MnO
All Fe stained & Mn stained dol in h.w. & f.w.
2.0 0.05 Au 0.5 Ag 7.3 Pb 3.2 Zn
2.0 0.05 Au 0.5 Ag 4.0 Pb 1.6 Zn
Fg dark gray dol weak Fe
WINZE
1.5' MnO, 2.5' FeO, vein matter
FeO, hw. 0.03 Au 0.20 Ag 2.4 Pb 2.7 Zn
1.2' MnO, f.w. 0.01 Au 1.5 Ag 0.0 Pb 5.2 Zn
Dark gray fg felsid dol altered & Fe stained
3.0' cut 0.15 Au 0.4 Ag 1.0 Pb 1.7 Zn
3' hard jasperoid
Inaccessible
Position of East Prol. Position of West
Trail Position of East Flat Vertical Vein
Bulldozer Cut
Projected to Elev. of Stp Tunn. (3'4" above adit level)
Vertical Vein

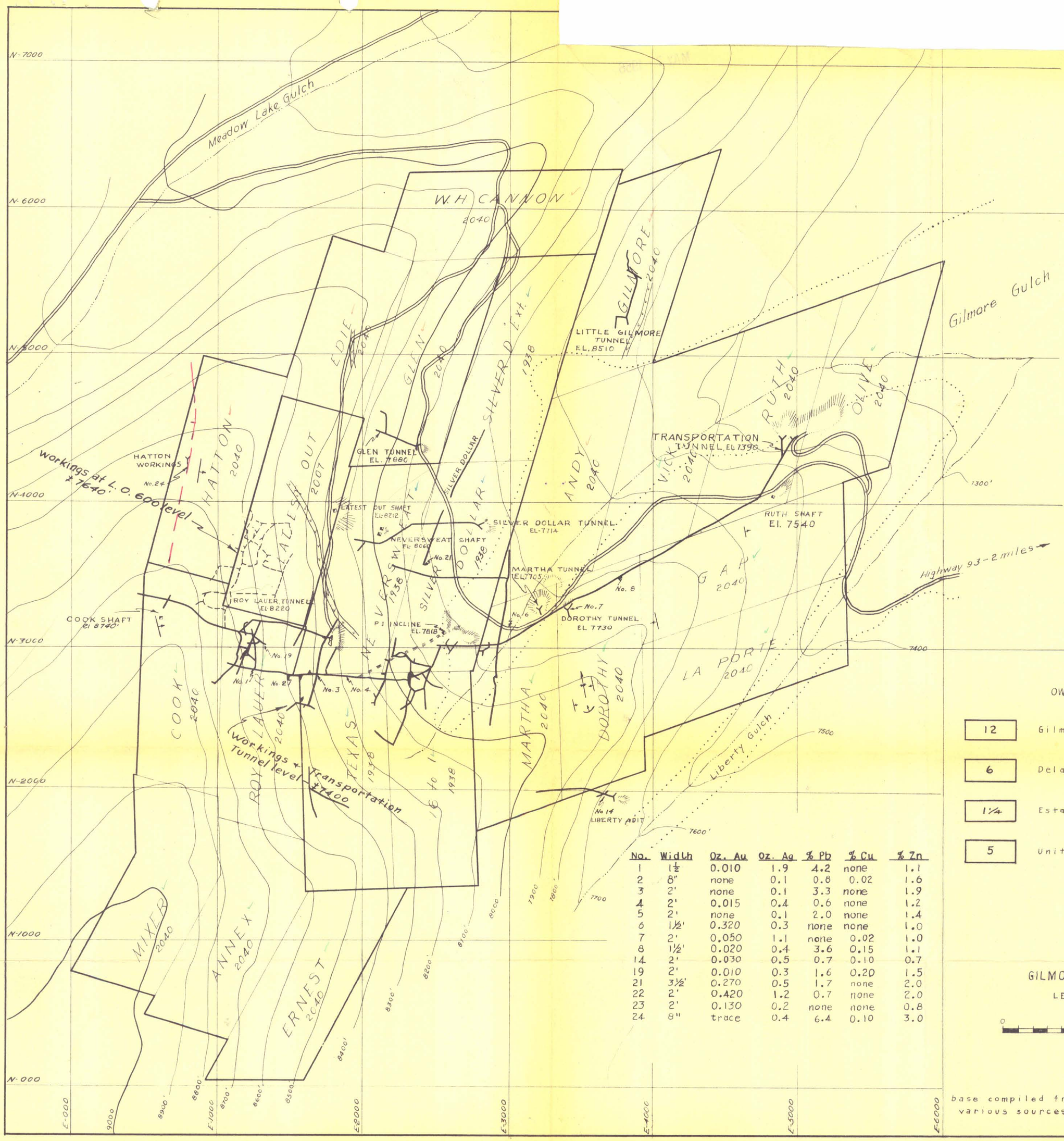

400 LEVEL OR TRANSPORTATION TUNNEL
(EAST SHEET)
UNITED IDAHO MINE
GILMORE, LEMHI COUNTY, IDAHO
SCALE 1" = 50'
To accompany report by M.R. Thompson August 1950
Proj. from Silver Dollar Tunnel
Position of raise projected from Silver Dollar Tunnel
Position of raise projected from Silver Dollar Tunnel
Inaccessible
GILMORE FAULT
Elev 7407
Shaly thin-bedded series
Clay Roy lower Flat vein
NEVERSWEAT FAULT ZONE
Neversweat Vertical vein
Neversweat Flat vein
Middle Dike
Silver Dollar Dike
Fourth Dike dikemark
East Dike
UNITED IDAHO INCLINE SHAFT
West vertical vein
Unidentified series
West Flat vein
Texas Flat vein
OLD VERTICAL SHAFT
Silver Dollar Dike
East Vertical Vein
No. 2 West Vein
East Flat Vein
West Vertical Vein
Notes in inaccessible areas are by R.T. Walker
N 4200
N 3800
N 3400
N 3000
N 2600
N 2200
E 1400
E 1800
E 2000
E 2400
E 2800
2900

Docket No. D.M.I.A. 2888.

UNITED IDAHO MINING CO., GILMORE DISTRICT, LEMHI COUNTY, IDAHO

Plate 2

Docket No. D.M.E.A. 2068




GEOLOGICAL LEGEND

- Limestone or Dolomite
- Quartz Diorite
- Vein or Fault

OWNERSHIP LEGEND

| | |
|---|---|
| 12 | Gilmore Mercantile Co. |
| 6 | Delaware Idaho Mining Co |
| 1¼ | Estate of K. J. Nichols |
| 5 | United Idaho Mining Co. |

| No. | Width | Oz. Au | Oz. Ag | % Pb | % Cu | % Zn |
|---|---|---|---|---|---|---|
| 1 | 1½ | 0.010 | 1.9 | 4.2 | none | 1.1 |
| 2 | 8" | none | 0.1 | 0.8 | 0.02 | 1.6 |
| 3 | 2' | none | 0.1 | 3.3 | none | 1.9 |
| 4 | 2' | 0.015 | 0.4 | 0.6 | none | 1.2 |
| 5 | 2' | none | 0.1 | 2.0 | none | 1.4 |
| 6 | 1½' | 0.320 | 0.3 | none | none | 1.0 |
| 7 | 2' | 0.050 | 1.1 | none | 0.02 | 1.0 |
| 8 | 1½' | 0.020 | 0.4 | 3.6 | 0.15 | 1.1 |
| 14 | 2' | 0.030 | 0.5 | 0.7 | 0.10 | 0.7 |
| 19 | 2' | 0.010 | 0.3 | 1.6 | 0.20 | 1.5 |
| 21 | 3½' | 0.270 | 0.5 | 1.7 | none | 2.0 |
| 22 | 2' | 0.420 | 1.2 | 0.7 | none | 2.0 |
| 23 | 2' | 0.130 | 0.2 | none | none | 0.8 |
| 24 | 8" | trace | 0.4 | 6.4 | 0.10 | 3.0 |

INDEX MAP

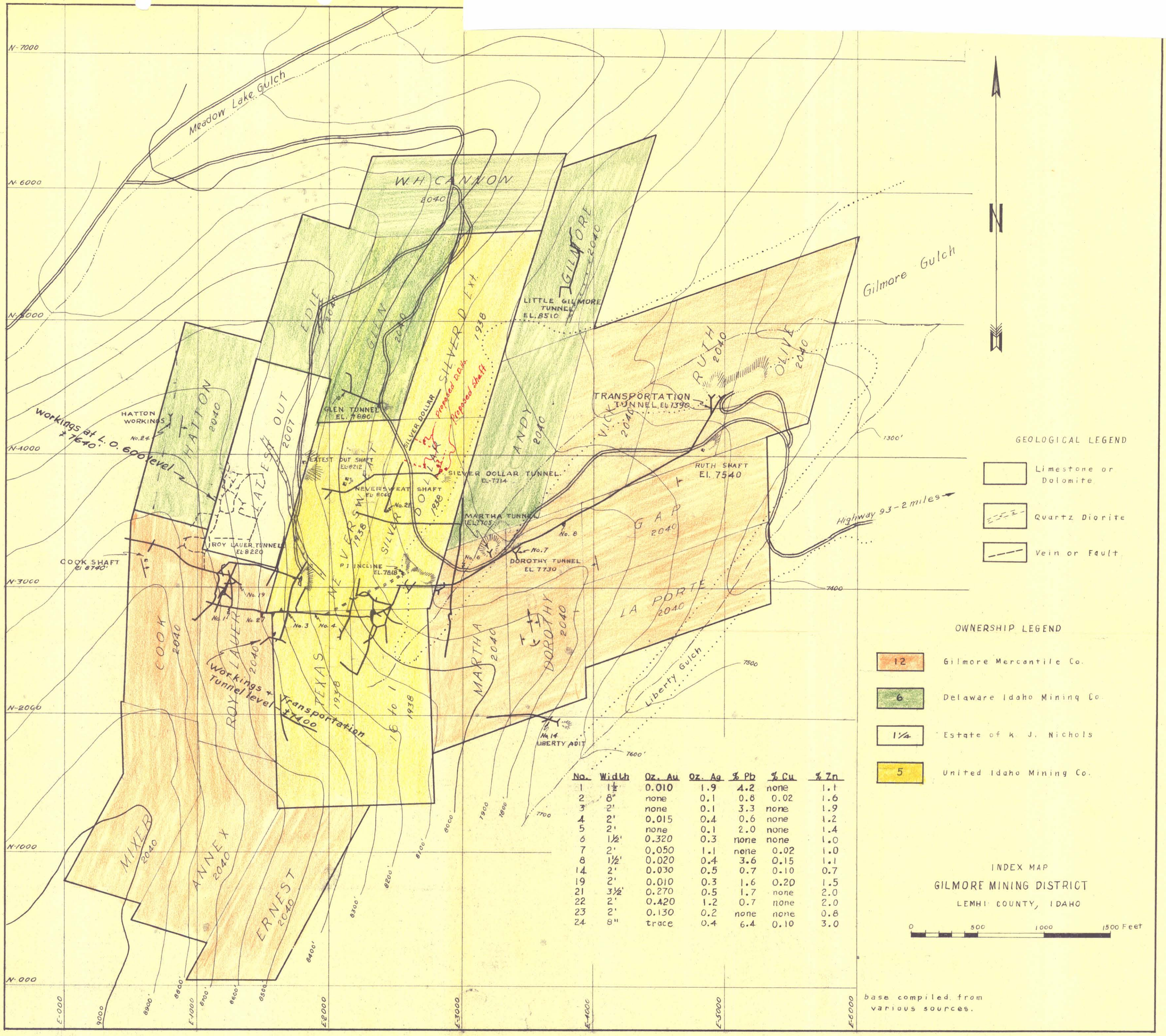
GILMORE MINING DISTRICT

LEMHI COUNTY, IDAHO

0 500 1000 1500 Feet

base compiled from various sources.

PLATE 1

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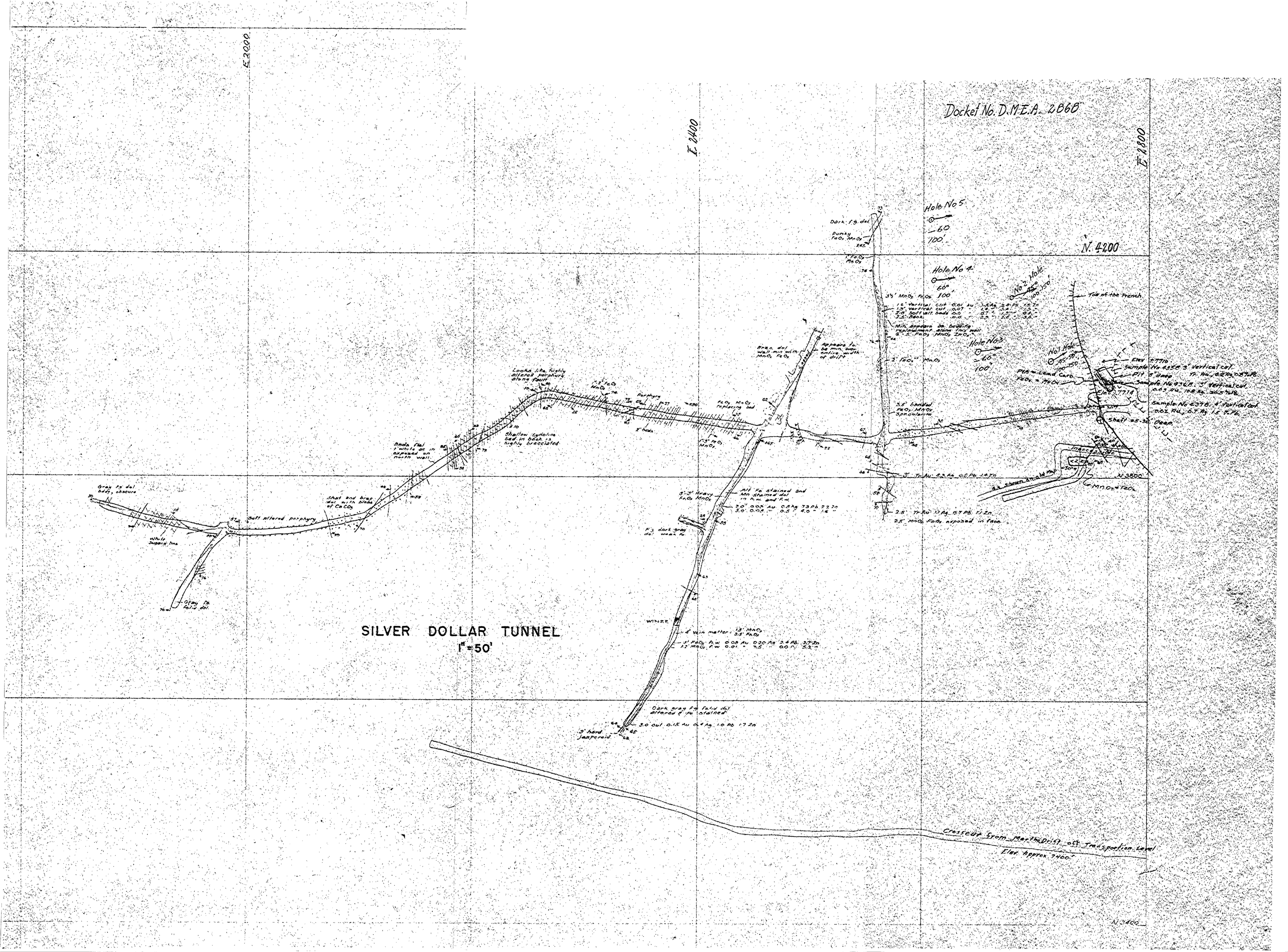
| 22 | 2' | 0.420 | 1.2 | 0.7 | none | 2.0 |
| 23 | 2' | 0.130 | 0.2 | none | none | 0.8 |
| 24 | 8" | trace | 0.4 | 6.4 | 0.10 | 3.0 |


Docket No. D.M.E.A. 2868
E 2000
E 2400
E 2800
N. 4200
N. 3800
N. 3400
Hole No 5
Hole No 4
No 2 Hole
Hole No 3
No 1 Hole
Toe of the trench
Dark f.g. dol
Punky Fe2O3 MnO2
Green dol wall min with MnO2 Fe2O3
Replaces la. be min. over entire width of drift
Looks like highly altered porphyry along fault
Beds flat f. white qz. in exposed on north wall
shallow syncline bed in back is highly brecciated
Gray fg dol beds, obscure
Soft altered porphyry
Shot and brec dol with blebs of CaCO3
White Supers. Ins.
Gray fg fold dol.
Alt fg stained dol Mn stained dol in h.w. and f.w.
F3 dark gray dol weak fe.
WINZE
Dark gray fg fold dol altered & fe stained
3' hard jasperoid
Crosscut from Martha Drift off Transportation Level
Elev. Approx. 7400'
SILVER DOLLAR TUNNEL
1" = 50'

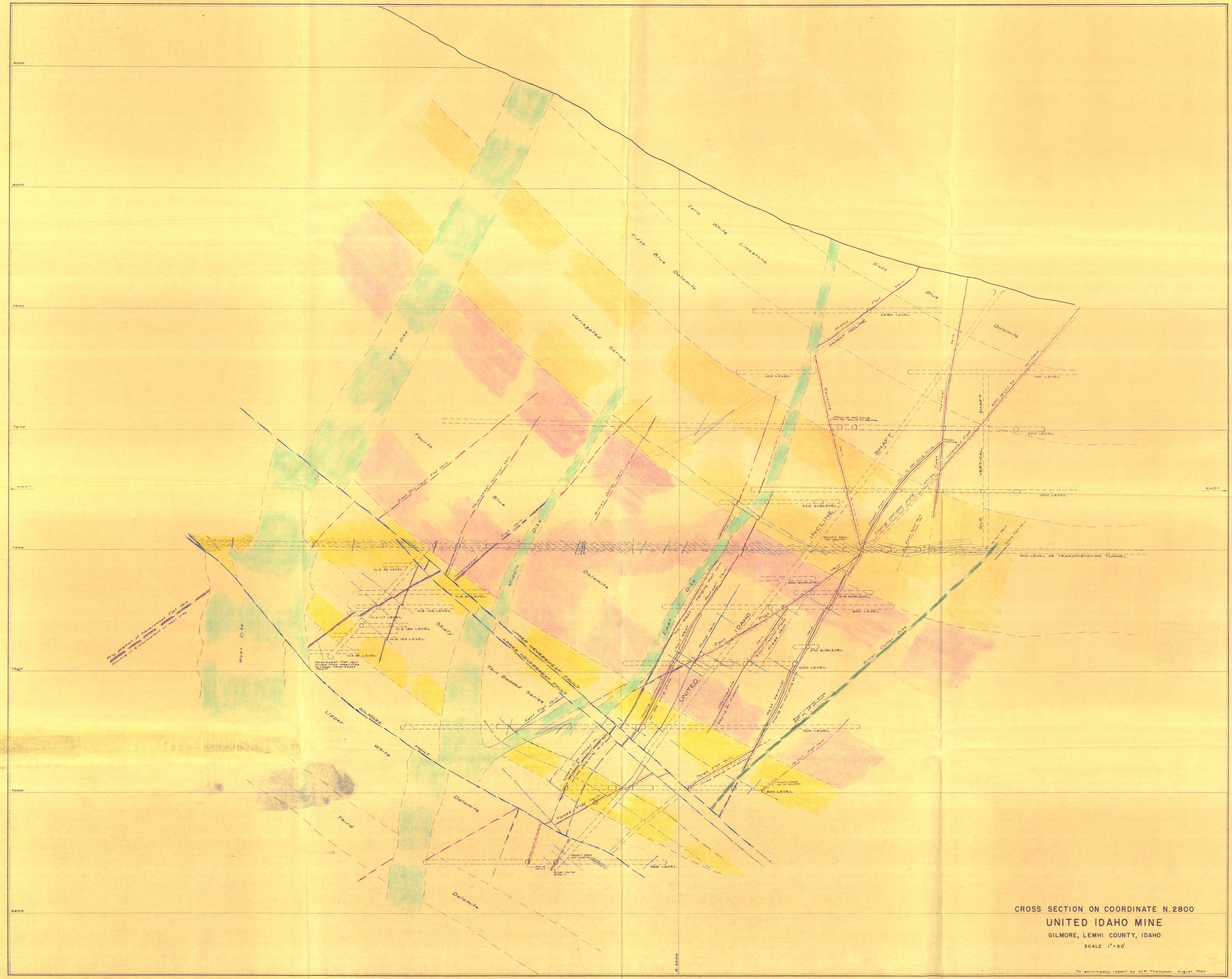
# 400 LEVEL OR TRANSPORTATION TUNNEL
(EAST SHEET)

## UNITED IDAHO MINE

GILMORE, LEMHI COUNTY, IDAHO

SCALE 1" = 50'

To accompany report by M.F. Thompson August 1950




CROSS SECTION ON COORDINATE N. 2800

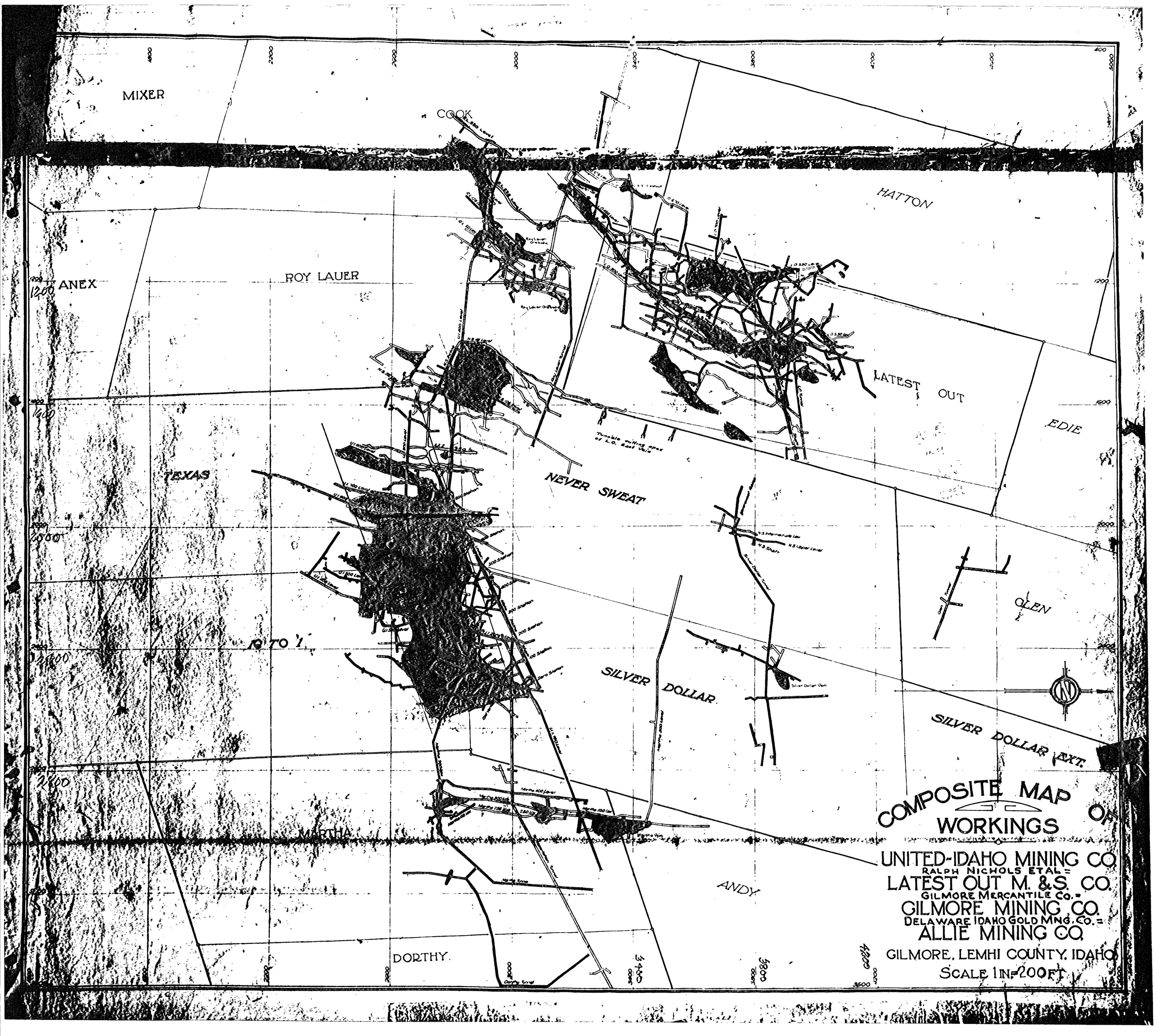
UNITED IDAHO MINE

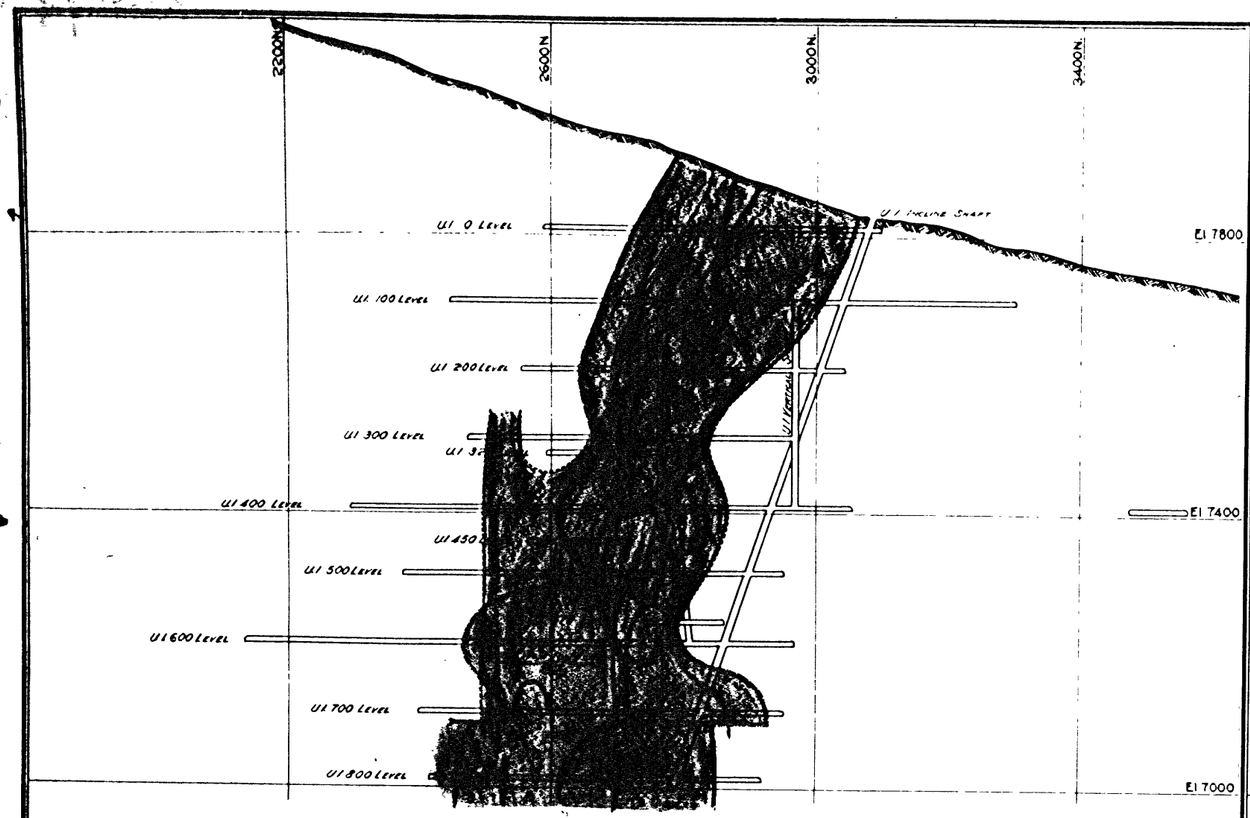
GILMORE, LEMHI COUNTY, IDAHO

SCALE 1" = 50'

To accompany report by M.F. Thompson August 1950

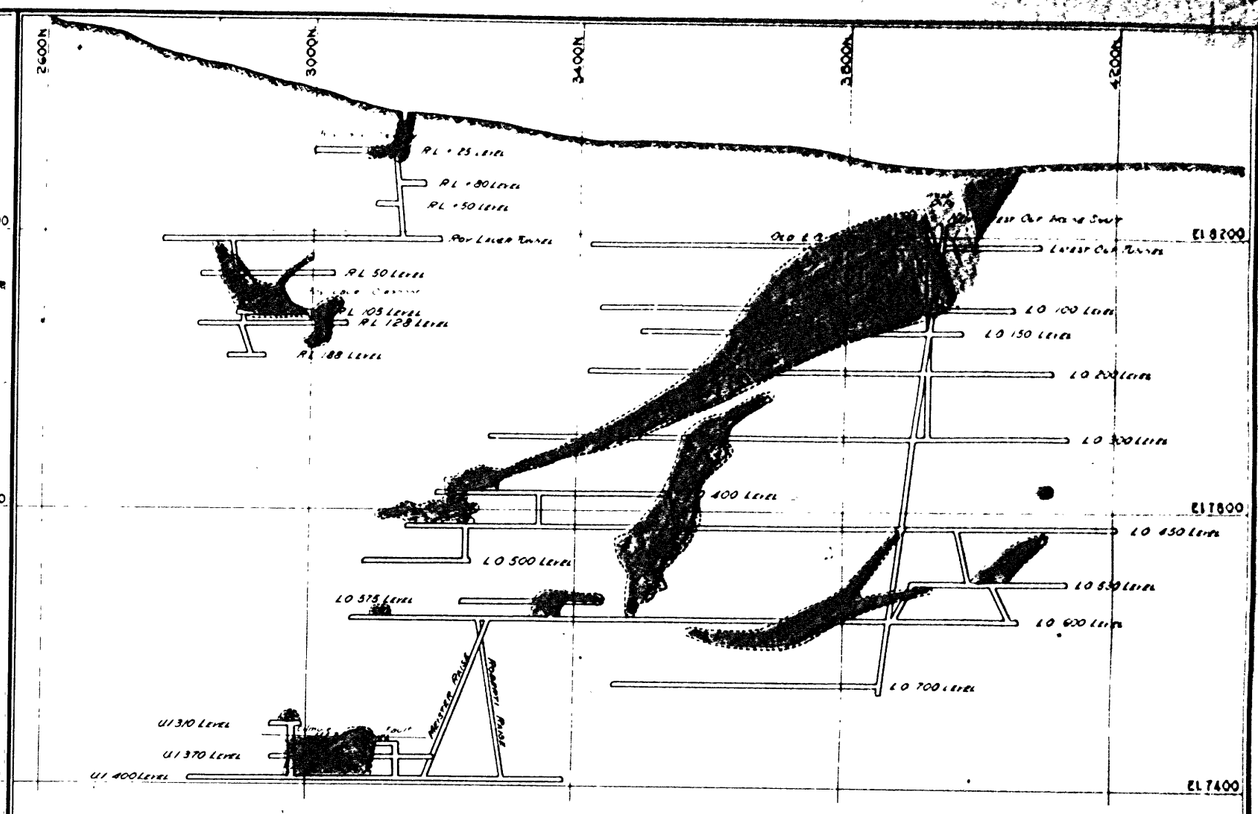
Map to accompany Operator's Final Report


MIXER
COOK
HATTON
ANEX
ROY LAUER
LATEST OUT
EDIE
TEXAS
NEVER SWEAT
OLEN
10 TO 1
SILVER DOLLAR
SILVER DOLLAR EXT.
MARTHA
ANDY
DORTHY
COMPOSITE MAP OF WORKINGS
UNITED-IDAHO MINING CO.
RALPH NICHOLS ETAL =
LATEST OUT M. & S. CO.
GILMORE MERCANTILE CO. =
GILMORE MINING CO.
DELAWARE IDAHO GOLD MNG. CO. =
ALLIE MINING CO.
GILMORE, LEMHI COUNTY, IDAHO
SCALE 1 IN = 200 FT



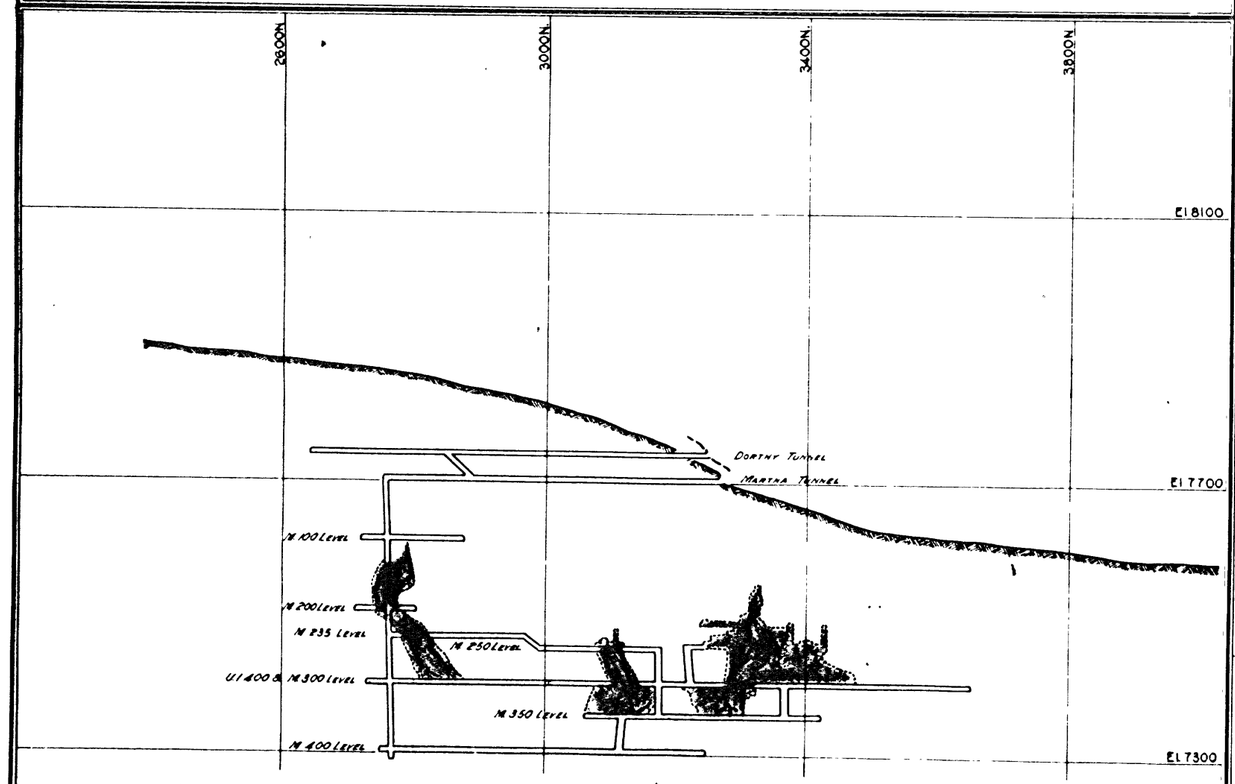

PROJECTION OF TEXAS AND "16 TO 1" (UNITED IDAHO) WORKINGS AND ORE BODIES AGAINST NORTH-SOUTH VERTICAL PLANE.

Scale 200 Ft. = 1 In.



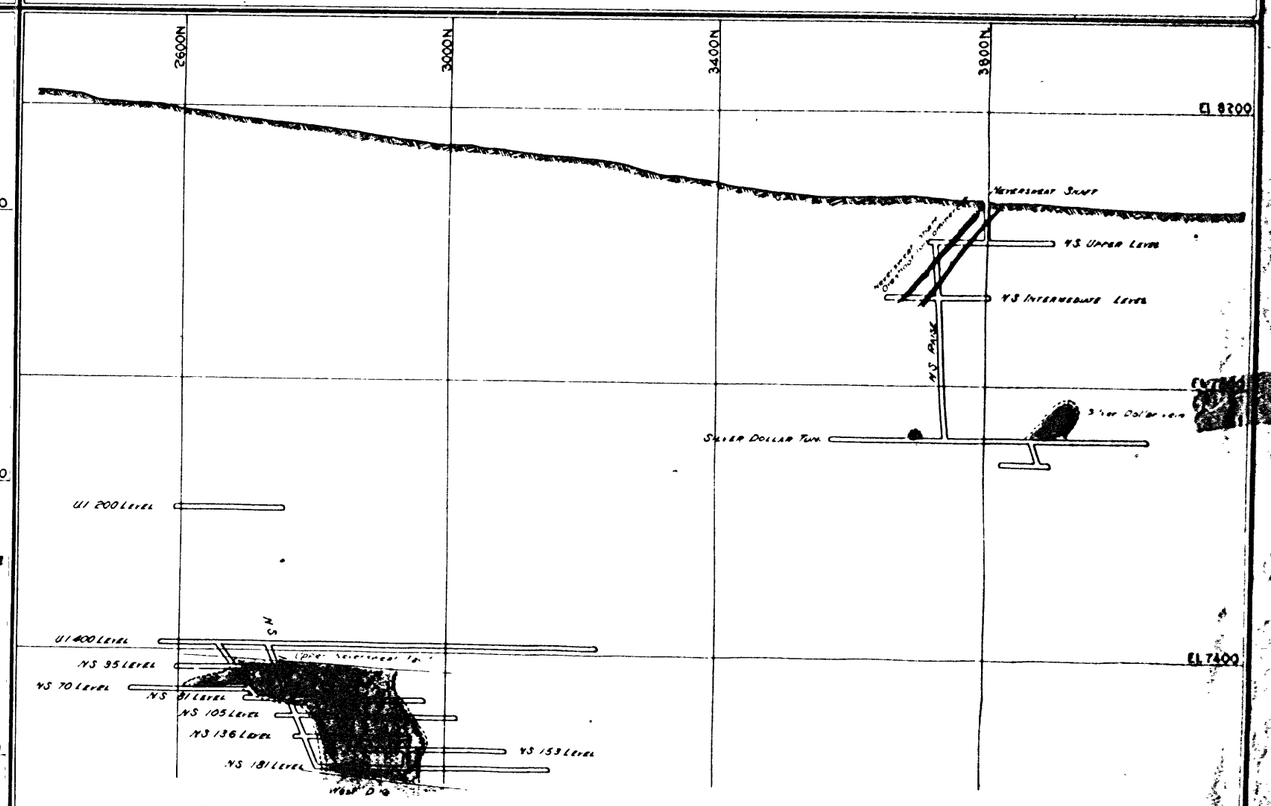

PROJECTION OF LATEST OUT AND ROY LAUER WORKINGS AND ORE BODIES AGAINST NORTH-SOUTH VERTICAL PLANE.

Scale 200 Ft. = 1 In.



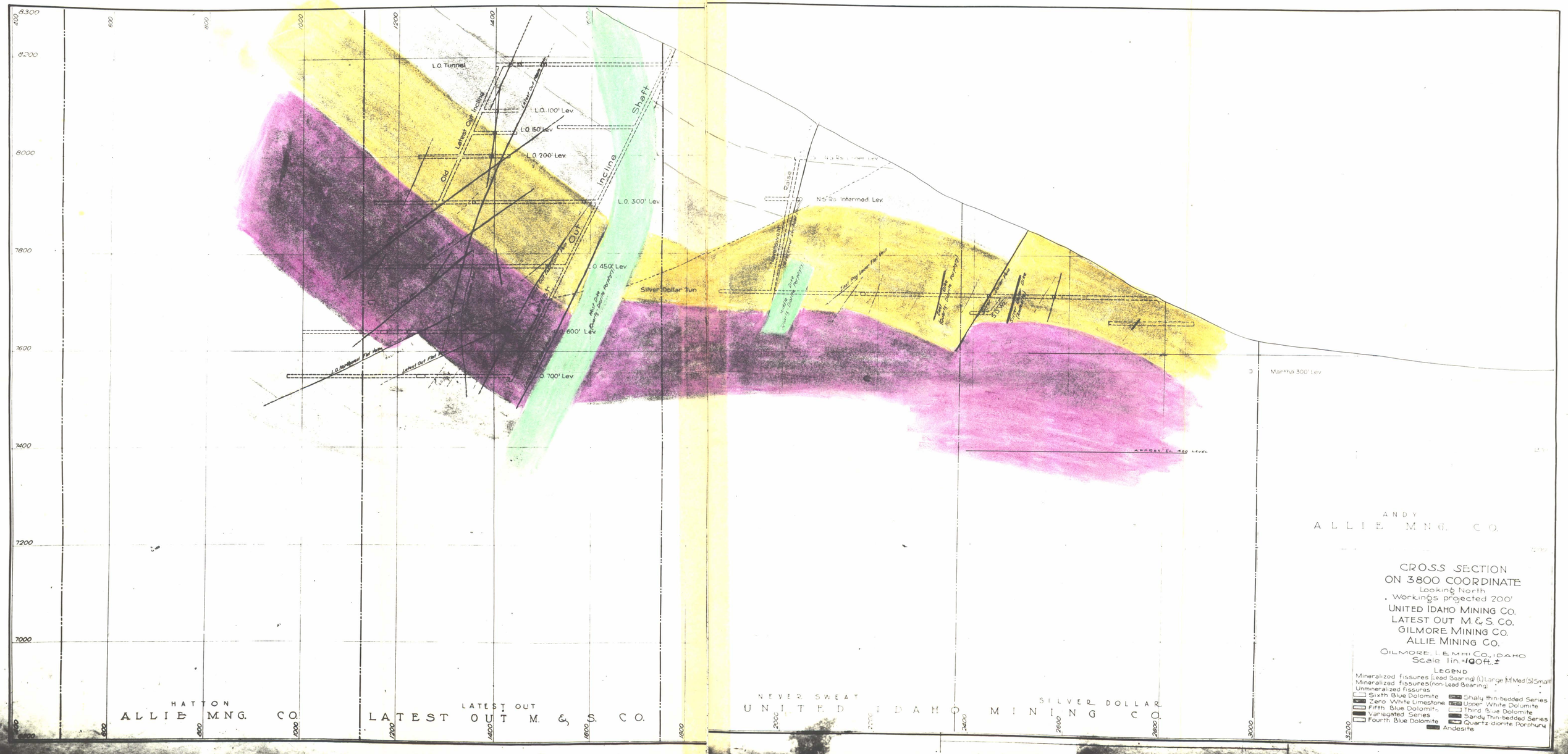

PROJECTION OF MARTHA WORKINGS AND ORE BODIES AGAINST NORTH-SOUTH VERTICAL PLANE.

Scale 200 Ft. = 1 In.




PROJECTION OF NEVERSWEAT AND SILVER DOLLAR (UNITED IDAHO) WORKINGS AND ORE BODIES AGAINST NORTH-SOUTH VERTICAL PLANE.

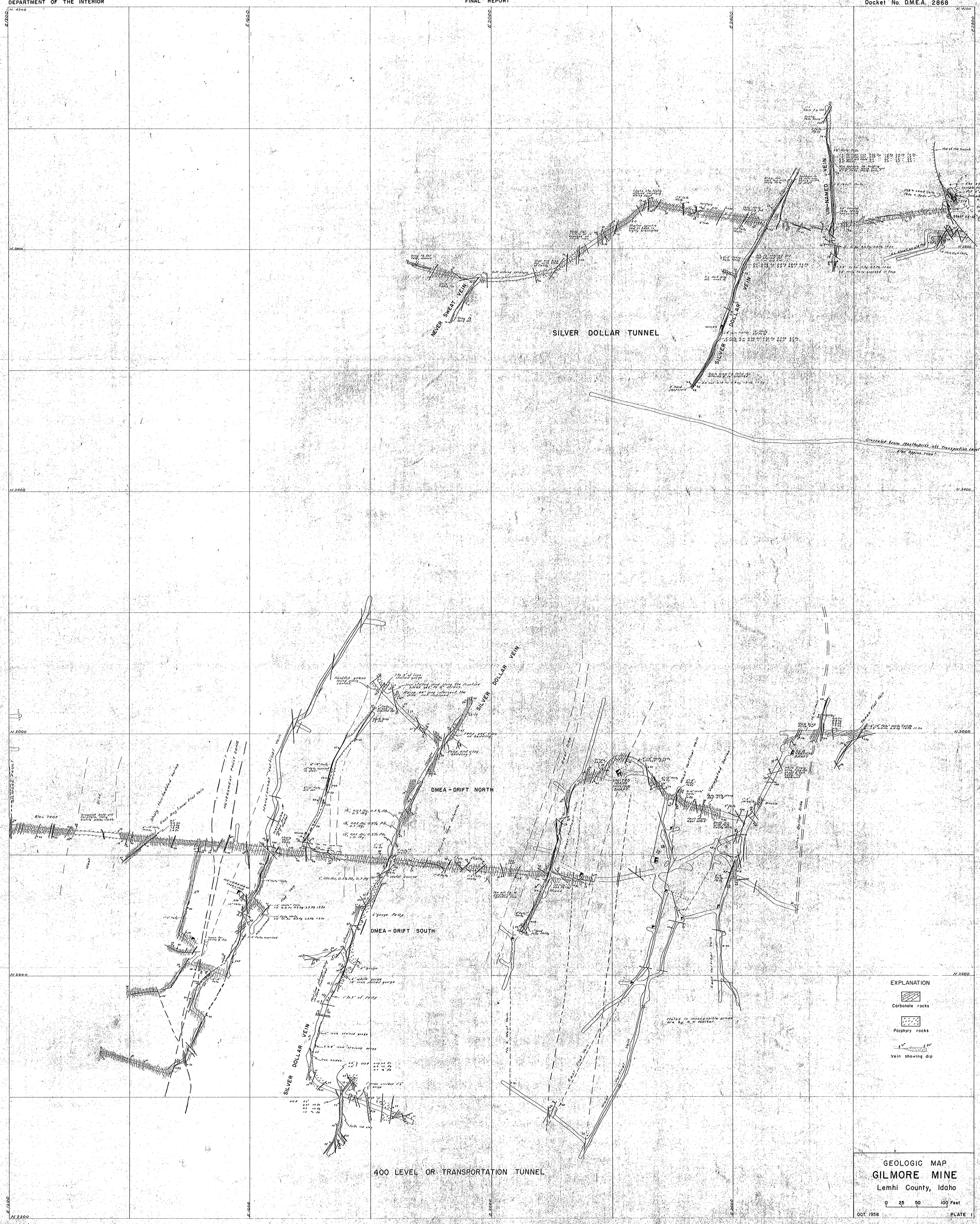
Scale 200 Ft. = 1 In.

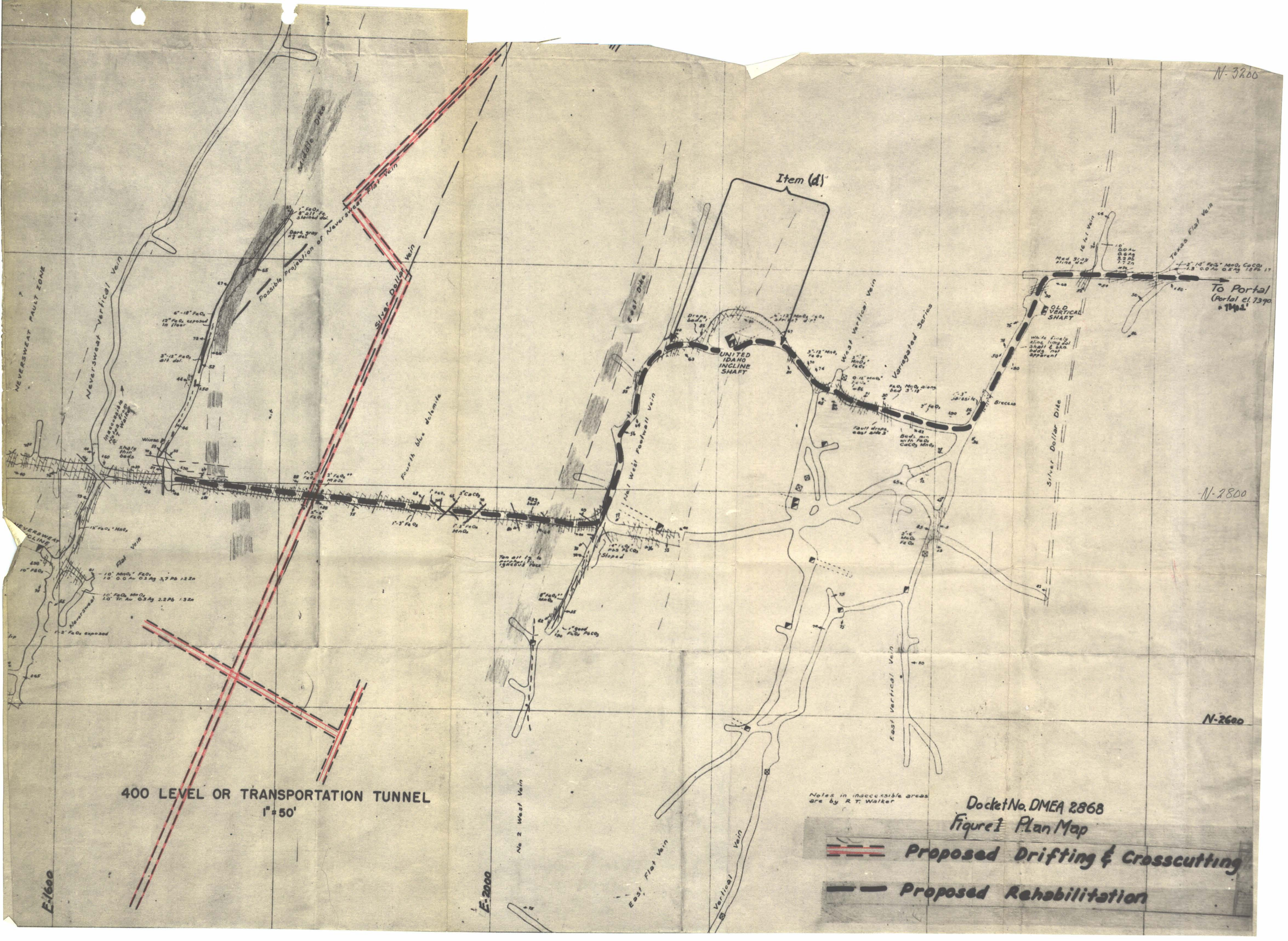

L.O. Tunnel
L.O. 100' Lev
L.O. 150' Lev
L.O. 200' Lev
L.O. 300' Lev
L.O. 450' Lev
L.O. 600' Lev
L.O. 700' Lev
Old Latest Out Incline
Shaft
Silver Dollar Tun
Raise
N.S. Raise Intermed. Lev
Martha 300' Lev
Approx. El. 400 Level
HATTON
ALLIE MNG. CO.
LATEST OUT
LATEST OUT M. & S. CO.
NEVER SWEAT
UNITED IDAHO MINING CO.
SILVER DOLLAR
ANDY
ALLIE MNG. CO.
CROSS SECTION
ON 3800 COORDINATE
Looking North
Workings projected 200'
UNITED IDAHO MINING CO.
LATEST OUT M. & S. CO.
GILMORE MINING CO.
ALLIE MINING CO.
GILMORE, LEMHI CO., IDAHO
Scale 1 in. = 100 ft. ±
LEGEND
Mineralized fissures (Lead Bearing) (L) Large (M) Med (S) Small
Mineralized fissures (non Lead Bearing)
Unmineralized fissures
Sixth Blue Dolomite
Zero White Limestone
Fifth Blue Dolomite
Variegated Series
Fourth Blue Dolomite
Shaly thin-bedded Series
Upper White Dolomite
Third Blue Dolomite
Sandy thin-bedded Series
Quartz diorite Porphyry
Andesite

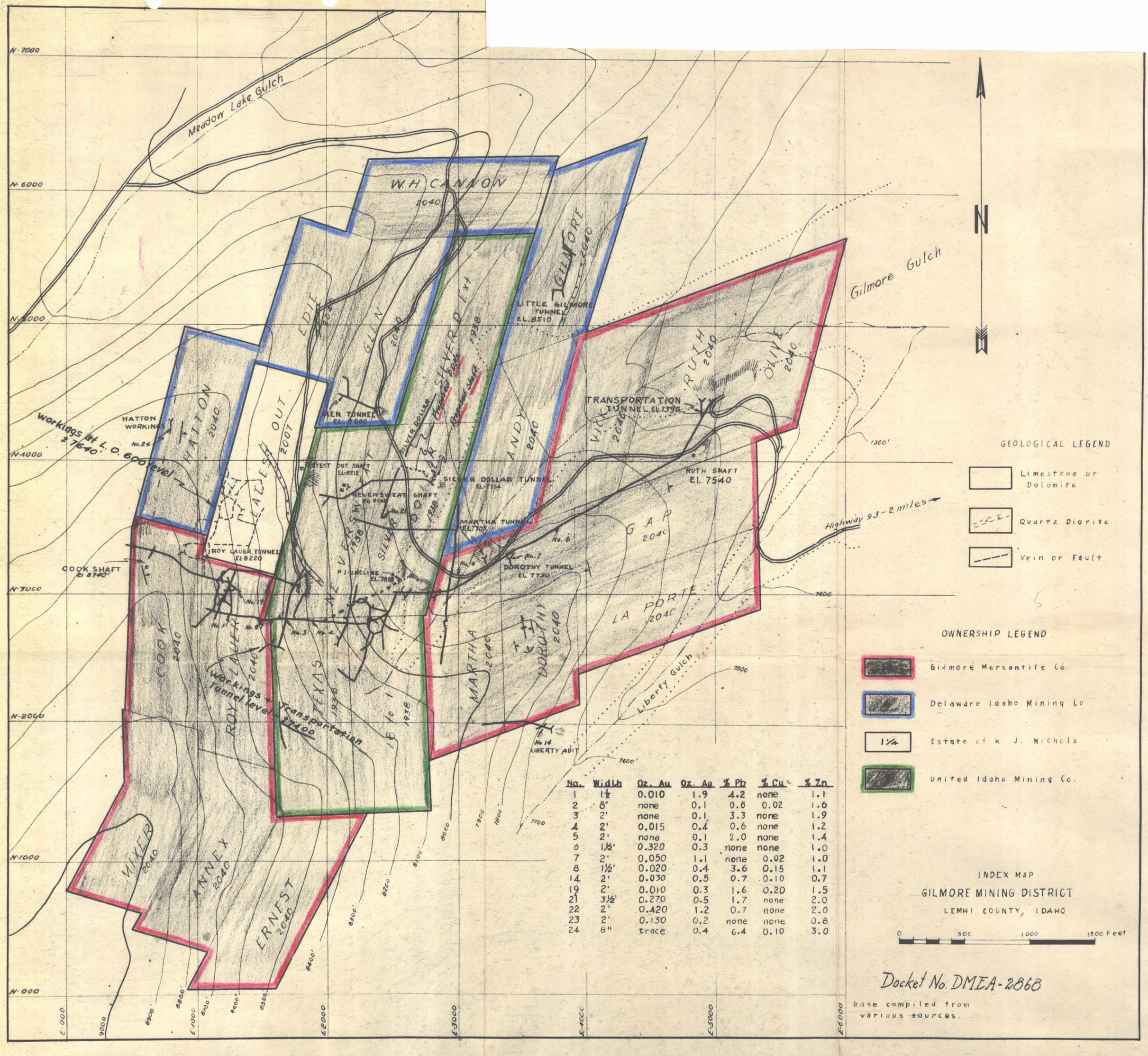
UNITED STATES
DEPARTMENT OF THE INTERIOR

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
FINAL REPORT

Docket No. D.M.E.A. 2868




N-3200
N-2800
N-2600
E-1600
E-2000
Item (d)
Middle Dike
East Dike
Silver Dollar Dike
Neverswear Vertical Vein
Neverswear Flat Vein
Silver Dollar Flat Vein
Possible projection of Neverswear Flat Vein
Footwall Vein
West Vertical Vein
Variegated Series
Texas Flat Vein
16 to 1 Vein
Fourth blue dolomite
UNITED IDAHO INCLINE SHAFT
OLD VERTICAL SHAFT
To Portal
(Portal el. 7390)
Sloped
Breccia
No 2 West Vein
East Flat Vein
Vertical Vein
East Vertical Vein
400 LEVEL OR TRANSPORTATION TUNNEL
1" = 50'
Notes in inaccessible areas are by R. T. Walker
Docket No. DMEA 2868
Figure 1 Plan Map
Proposed Drifting & Crosscutting
Proposed Rehabilitation

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|---|---|---|---|---|---|---|
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