☒ Audited

☐ Certified

WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of ~~12-8-54~~
Incl. Voucher for 9-1953

☐ Actual Cost

☒ Agreed Unit Costs

Name J. R. Simplot Company

Docket No. ~~2950~~

State Idaho

Commodity Fluorspar

Idm-E No. ~~543~~

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting					
Raising					
Shafts					
Winzes					
Drilling (Specify) No size stated	1210 ft	$9480 00	1210 ft	9380 00	9380 00
Surface Excavation		220 00		198 00	198 00
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify)					
Totals		$9700 00			$9578 00

Prepared by Keating

71626

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

J. R. Simplot Company
Challis, Idaho

pertaining to Exploration Project Contract No. Idm-E543, Docket No. DMRA-2950, for the months of July, August, and September 1953, inclusive, covering a project for the exploration of fluorspar on property known as the "Past Up" mining claim, located in Custer County, Idaho.

My review included an examination of the Monthly Reports (Form MF-104), comparison of the costs claimed with the contract, consultation with the Government representative who visited and examined the property, and a determination of the reasonableness and propriety of the costs.

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

> All of the costs incurred were under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

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

Total cost as billed by Contractor	$9,578.00
Exceptions	-0-
Total Accepted Cost	$9,578.00

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 Four Thousand Seven Hundred Eighty Nine and 00/100 Dollars

$4,789.00

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

Robert M. Hull
Robert M. Hull
Auditor

March 12, 1954

Schedule of Allowable Maximums

J. R. Simplot Company Idm-2543 DMEA 2950

	Allowable Maximum	Accepted Costs	Balance
Diamond drilling, 1,210 ft. @ $6.80/ft.	$8,228.00	$8,228.00	$ -0-
Reaming, setting and pulling casing, or cementing and drilling out 300 ft. @ $2.50/ft.	750.00	750.00	-0-
Bulldozing - 20 hours	220.00	198.00	22.00
Supervision and engineering, 1,210 ft. @ $.33/ft. (rounded to)	402.00	402.00	-0-
Government participation - 50%	4,850.00	4,789.00	61.00

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

No. 15 Howard Street
Spokane 4, Washington

July 3, 1953

Mr. George [illegible] Selfridge, Chairman
Operating Committee DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2550 (Fluorspar)
J. R. Simplot Company
Chalespar Mine
Custer County, Idaho
Contract Idm-2543

Dear Mr. Selfridge:

Attached are the original and two signed copies of the subject contract.

Distribution of this contract has been made in the usual manner.

Sincerely yours,

[illegible] A. Weissenborn
Executive Officer, DMEA
Field Team Region II

Attachment

cc: USBM (2)
Nickelson

MF-200 (A)
(February 1952)

DOCKET NO. DMEA [illegible]

COMMODITY [illegible]

Division Copy
IDM-E 543

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

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this 4th day of June, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] [illegible] and as set forth in Annex I 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 Idaho, County of [illegible], described as follows:[3] [illegible] Unpatented [illegible] East of Twp. [illegible] N., R. [illegible] E., Boise Meridian. This claim is recorded in Book 15 of Lode Locations at page [illegible] in the Mining Records of Custer County.

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 and to each of which the subordination agreement of the holder is attached: [illegible]

(*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 30 days from the date of this contract shall commence work on a project of exploration for[5] [illegible]

in or upon the described land; and shall bring the project to completion within a period of four (4) months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 50 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $4,000.00, which is 50 percent of $8,000.00, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that 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 8. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if, in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

_____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

_____
(Operator)

By _____
Executive Vice President

By _____
Administrator, Defense Minerals Exploration Administration

Attorney
Robert Fowler
Robert Fowler
Chamber

I, L. G. Harvard, certify that I am the Asst secretary of the corporation named as Operator herein; that Robert L. Taxsey, who signed this contract on behalf of the Operator, was then Executive Vice President of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

_____ [CORPORATE SEAL]

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

ANNEX

The following provisions are in lieu of all of paragraph (a) of Article 6 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:

EXPLORATION PROJECT CONTRACT
J. R. SIMPLOT COMPANY
DOCKET NO. DMEA-2950

EXHIBIT "A"

Description of the Work

The objective of this project is the exploration, by not in excess of 1,210 feet of NX, BX, AX, or EX, diamond drill holes, of the area indicated on the map attached hereto and made a part hereof and entitled "Figure 1 - Surface Challispar Mine-Custer Co., Idaho." The cores shall be assayed for CaF_2 and SiO_2. Not in excess of 300 feet of the above diamond drill holes may be reamed and casing set and pulled, or cemented and drilled out as required. The location, extent, direction, and attitude of all diamond drill holes shall be subject to the approval of the Government.

The drill sites shall be prepared by not more than 20 hours of bulldozing.

Agreed Unit Costs

Diamond drilling 1,210 feet @ $6.80/ft.	1/$8,228.00	
Reaming, setting and pulling casing, or cementing and drilling out 1/300 feet @ $2.50/ft.	750.00	
Bulldozing - 20 hours @ $11.00/hr.	220.00	
Supervision and engineering 1,210 feet @ $.33/ft. (rounded to)	402.00	
Assaying - 10 assays @ $10 an assay 2/	100.00	
Total Agreed Unit Cost of Project		$ 9,700.
Government Participation @ 50%		$ 4,850

1/ This includes the cost of mobilization and demobilizat moving between drill holes, hauling water, furnishing and core boxes and all necessary costs.

2/ This includes the cost of the transportation of the c

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 Custer, described ~~as follows~~

In Lease and Option dated October 10, 1951, a copy of which is attached to, and made a part of an application for aid in an exploration program.

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/ J. R. Simplot Company, an Idaho Corporation

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/$ 6,000.00, 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 14th day of March, 195 3.

_____ [Seal]

/s/ Fred H. Paulsen [Seal]

Signed and executed before me this 14th day of March, 1953.

/s/ J. Lessil Sharp [Seal]

Notary Public

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.

RELEVANT CONTRACT PROVISIONS

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 six 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) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent 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) per cent 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) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

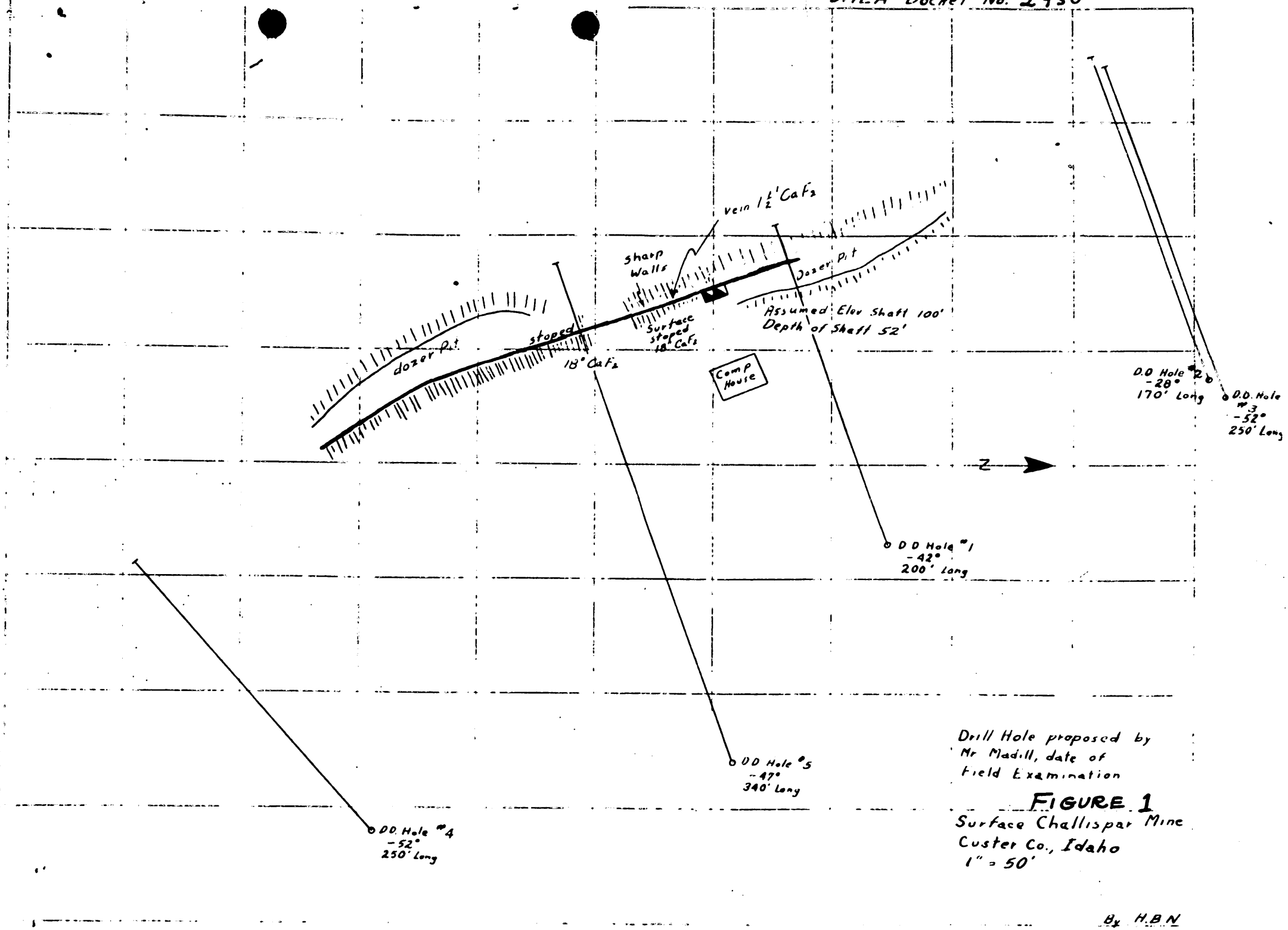
(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is 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.

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.

DMEA Docket No. 2950



Drill Hole proposed by Mr Madill, date of field Examination

FIGURE 1
Surface Challispar Mine
Custer Co., Idaho
1" = 50'

By H.B.N

xxxxxxxxxxxxxxxx
So. 157 Howard Street
Spokane 4, Washington

January 25, 1955

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2050 (fluorspar)
J. R. Simplot Company
Chalspar Mine
Custer County, Idaho
Contract No. Idm-1543

Dear Mr. Selfridge:

Enclosed are four copies of the Field Team final report on the above-captioned contract which has been prepared by W. Z. Johnson, mining engineer, Bureau of Mines, and H. S. Nickelson, geologist, Geological Survey.

As stated by the authors, the diamond drilling did not prove a minable body of ore, and they recommend that no Certification of Discovery or Development be issued. The Field Team concurs with the recommendation of the authors.

By Field Team, Region 1, Wa District

Wing G. Agnew, Acting Exec. Officer
U. S. Bureau of Mines

John S. Shay, Acting Member
U. S. Geological Survey

Enclosures
cc: DMEA(2)
Nickelson

Reviewed by
DMEA OPERATING COMMITTEE
2-4-55
(date)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 31 1955

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM, REGION I

FINAL REPORT

Contract Idm-E543

by

V. Z. Johnson
Mining Engineer
U. S. Bureau of Mines

H. B. Nickelson
Geologist
U. S. Geological Survey

J. R. SIMPLOT COMPANY
Continental Bank Building
Boise, Idaho

Docket No.:	DMEA 2950
Commodity:	Fluorspar
Contract date:	June 4, 1953
Completion date:	September 1953

CHALSPAR MINE
Bayhorse Mining District
Custer County, Idaho

Spokane, Washington

January 1955

Reviewed by
DMEA OPERATING COMMITTEE
2-4-55
(date)

FINAL REPORT

J. R. SIMPLOT COMPANY
Chalspar Mine
Bayhorse Mining District
Custer County, Idaho

Contract Idm-E543

✡ ✡ ✡ ✡ ✡

INTRODUCTION

This report describes a diamond drilling exploration project for fluorspar conducted jointly by the Defense Minerals Exploration Administration and J. R. Simplot Company on the "Past Up" claim, 7 miles west of Challis, Custer County, Idaho.

Summary

A fluorspar vein, which was exposed in a 52-foot vertical shaft and in a 40-foot drift at the bottom of the shaft, was of sufficient width and grade to justify a drilling project to explore for ore at greater depth.

No fluorspar ore was found by the project diamond drilling on the "Past Up" vein, and further exploration of this vein is unattractive. Fluorspar was found in Hole No. 5--and to a lesser extent in Holes No. 4 and 6--in the brecciated dolomite east of the "Past Up" vein. Present information is inadequate to determine the shape, size, and probable attitude of this occurrence.

Recommendations

The diamond drilling did not prove a minable body of ore; therefore, it is recommended that no Certification of Discovery or Development be issued.

If further exploration is undertaken at this property, it should be concentrated on evaluating the new vein. Government participation in such exploration would be warranted in event of a critical shortage of fluorspar.

LOCATION AND ACCESSIBILITY

The Chalspar mine is located in the Bayhorse Mining District in unsurveyed sec. 4, T. 13 N., R. 18 E., Boise Meridian, Custer County, Idaho. (The location which is given in the DMEA contract as T. 14 N., R. 18 E., Boise Meridian, is in error.) The mine is about 7 miles west of Challis, Idaho, a small town on U. S. Highway 93.

The mine can be reached by traveling westward on the main street of Challis to a dirt road that parallels Garden Creek for 5½ miles, then turns northward over a ridge toward Challis Creek. The mine road turns off this dirt road near the top of the ridge and leads to the mine about half a mile away.

During rainy weather and heavy snows the last 1½ miles of road is passable with difficulty. Some snowplowing is necessary after heavy snow falls.

The area is one of moderate relief with sagebrush and grass covering the gently rounded hills. Water is available in a creek about 1 mile distant.

PROPERTY

The "Past Up" claim is recorded on page 526 in Book 13 of Quartz Locations in the mining records of Custer County.

The claim, owned by Fred H. Paulsen of Challis, Idaho, was leased to J. R. Simplot Company on October 10, 1951. A small amount of hand trenching was done in October and November 1951 to establish the continuity of the vein. During the spring and summer of 1952 an access road and approximately 1,000 feet of bulldozer trenching were completed; a shaft was started in December 1952. Three cars of metallurgical-grade fluorspar were shipped from the outcrop. Before the exploration project was started, the mine produced 475 tons of metallurgical-grade ore averaging 88 percent CaF_2, shipped as mined, and 245 tons of 55 percent CaF_2, which was milled at the Meyers Cove mill.

Mine workings now consist of a 6-by 10-foot, two-compartment shaft sunk 65 feet vertically in the richest portion of the exposed vein. Drifting on the 50 level has followed the vein 27 feet to the north and 50 feet to the south. Over the south drift a stope, mined to the surface, varied from 1½ to 4 feet wide. A 25-foot drift was driven on the 65 level to the north.

The surface plant and installations, limited to the necessities of a small mine, are a 15- by 18-foot aluminum sheet building which served as a hoist house, compressor shed, shop, and change room; a portable compressor of 200 cubic feet capacity; a tugger-type hoist; a small pole headframe with a door-type dump to empty the oil drum bucket; several cars; 80 feet of track to the waste dump; and a portable steel ore bin. All of the portable equipment was removed from the mine after the drilling project had been completed.

The stopes, which were supported by occasional stulls, have remained open and are still in a relatively safe condition. Ventilation was no problem, and no ground water was encountered.

GEOLOGY

Information pertaining to the regional geology in the vicinity of the prospect has been published by J. B. Umpleby 1/, C. P. Ross 2/, and A. L. Anderson 3/.

The DMEA Field Team geologists spent only a limited amount of time on the property whereas A. L. Anderson and his associates spent 3 weeks in August 1953 studying the fluorspar deposits of the area, including a detailed study of the "Past Up" prospect. It is recommended, therefore, that A. L. Anderson's paper should be referred to, but in order to make the present report as self-contained as possible, Anderson's material has been freely used, including Humprevillo's maps (figs. 2, 3, and 5), which form part of Anderson's report. The plane table base on Map No. 1 was copied from a 50-scale map by Humphreville which is the original of part of the 100-scale map labeled figure 4 in Pamphlet No. 101.

The "Past Up" vein is a minor fissure vein in a synclinal block of Cambrian and Ordovician sediments which has been faulted against the eastern flank of the Bayhorse anticline, an important structural feature of this region.

The country rocks in the vicinity of the prospect are the Bayhorse dolomite, Ramshorn slate and the Challis volcanics. The Bayhorse dolomite, tentatively assigned to the Cambrian age, is a light-gray dolomite that usually weathers to a rusty buff color. A part of the dolomite is cherty, and some parts near the top of the formation contain interbedded lenses of slate; lenses of interbedded quartzite are also reported 4/. These rocks were extensively eroded before the Ramshorn formation was deposited; consequently, their original thickness is not known.

The Ramshorn formation of Lower Ordovician age locally contains a basal conglomerate, but the greater part of the formation is a thin-banded green-to-purplish argillaceous rock, possessing a prominent slaty cleavage. Its thickness in this area is between 2,000 and 3,000 feet.

1/ Umpleby, J. B., Some ore deposits in Northwestern Custer County, Idaho: U. S. Geol. Survey Bull. 539, pp. 55-76, 1913.

2/ Ross, C. P., Geology and ore deposits of the Bayhorse Region, Custer County, Idaho: U. S. Geol. Survey Bull. 877, p. 157, 1937.

3/ Anderson, A. L., A preliminary report on the fluorspar mineralization near Challis, Custer County, Idaho: Pamphlet No. 101, Idaho Bureau of Mines and Geology, August 1954.

4/ Ross, C. P., op. cit., p. 14.

The Challis volcanics, consisting of flows and tuffs, have been practically eroded off the dolomite, but remnants exist in low portions of the old uneven pre-volcanic topography and as blocks infaulted in the dolomite.

Anderson 5/ states that the fluorspar is almost always confined within the Bayhorse dolomite because the Garden Creek phyllite of Cambrian age and the Ramshorn slate are not prone to develop open spaces and breccia for the space-seeking fluorite.

The fluorspar deposits occur as fillings within fissure veins or breccia fillings in wide shear zones. Both types of deposit are controlled by faults of relatively minor magnitude that generally strike in a northerly direction. The fluorspar in the breccia zones tends toward "box work" structures whereas in the fissure veins the mineral occurs as crystals or massive forms.

The minerals found in the area are fluorite, quartz, and calcite. Quartz is rarely found in the fissure veins, but it forms partitions between the "box work" cells. Calcite was observed at one mine. The fluorspar is usually white or colorless, and it very rarely is found in colors. The fluorite does not appreciably replace the dolomite but seeks openings for its deposition.

The "Past Up" vein has been exposed on the surface for about 200 feet and has been explored by a 65-foot shaft, drifted on for 102 feet, and stoped above the 50-foot level. The vein ranges in thickness from a few inches to a maximum of 7 feet and the greater portion is 3 to 4 feet in width (see fig. 5). Post-mineral strike-slip faulting has in places reduced the fluorite to a granular sand. As revealed by the underground work, the vein is found along a fault which brought volcanic rocks against dolomite and dolomite against slate. As a result the hanging wall is partly altered volcanic rock and the footwall partly slate. (This is illustrated by figure 5 and the vertical sections on Map No. 1.) The slate-dolomite contact seems to be a controlling factor for the termination of the vein to the south and gives the lens an apparent rake to the north.

The chief structural factor affecting the control of the ore body apparently was the creation of open spaces by faulting or shearing in the Bayhorse dolomite, which being a rather hard and brittle rock provided these openings as open fissures and breccia zones.

The vein has pinched at the bottom of the shaft. It is reported that there are 3 feet of fluorspar and 4 feet of breccia at the face of the north drift, 25 feet from the shaft. Drilling done during the DMEA project failed to find more ore on the "Past Up" vein, although sparsely-mineralized continuation of the vein was found. Drilling also cut fluorspar east of the "Past Up" vein. Its significance, and its relation to the "Past Up" vein, is uncertain.

5/ Anderson, A. L., op. cit., p. 7.

THE PROJECT

Prior to the project, a lens of fluorspar on the "Past Up" vein had been exposed by surface trenching, 52 feet of shaft, and two short drifts on the 50-foot level. Diamond drilling seemed justified to explore for the downward continuation of the known lens and also along the vein for other lenses. Diamond drilling results would determine the practicality of further exploration by deepening the shaft.

The original program was planned to explore the "Past Up" vein by means of five diamond drill holes placed to intersect the vein at depths varying from 100 to 250 feet below the shaft collar. The lateral extent of the vein was to be explored at the above depths for a distance of 290 feet south of the shaft and 180 feet north of the shaft. Application was made for a total of 1,210 feet of drilling to be distributed in five drill holes. Total estimated cost of the project as given in the application was $9,616.50.

The only modification of the original application was to allow $6.80 as a unit cost per foot of diamond drilling as contrasted with the $6.81 estimated in the application and to add the expense of assaying 10 samples for CaF_2 and SiO_2 at $10.00 per sample. The total amount of money authorized in the contract was $9,700.00 of which the Government participation at 50% was $4,850.00.

The contract was dated June 4, 1953; the first hole was collared on July 28, 1953, and the project was completed during September 1953.

The diamond drilling was distributed in six holes as follows:

Hole No.	Location	Footage
1	S. 70° W. -42°	211
2	S. 75° W. -28°	150
3	S. 75° W. -52°	184
4	S. 71° W. -36°	271
5	S. 71° W. -42°	210
6	S. 71° W. -30°	206
	Total:	1,212

The locations of the drill holes and the geologic interpretation of the results are shown on Map No. 1. The drill hole logs submitted by the operator form part of the Annex of this report.

Hole No. 1, shown on Section B-B' on Map No. 1, found no ore but between 140 and 144 feet intersected a zone of brown brecciated dolomite with two veinlets of high-grade fluorspar; this intersection is believed to be the "Past Up" vein. The brecciated dolomite recovered in the core was partly cemented by fluorspar.

Holes No. 2 and 3 failed to locate definitely the "Past Up" vein, but at 140 feet in Hole No. 2 and at 175 feet in Hole No. 3 the core showed that the rock changed from a brecciated dolomite with minor fluorspar to a dense gray dolomite. This brecciation is believed to mark the footwall of the "Past Up" vein.

Hole No. 5, which was the next hole drilled, was collared about 110 feet southeasterly from Hole No. 1. After passing through the overburden at 35 feet, the hole entered brecciated dolomite with fluorite cement and stringers and continued in this, with increasing amounts of fluorite, to a depth of 160 feet. (See Section C-C', Map 1.) At this point the hole penetrated high-grade fluorspar which continued to 191 feet, a distance of 31 feet. Between 165 and 189 feet the fluorspar was a sandy, granular, incoherent mass with a few veinlets of massive fluorite. The material composing the entire interval between 160 and 191 feet was estimated by Keith Madill, the project engineer for J. R. Simplot Company, to assay 70 percent CaF_2, but no assays were made. The hole passed through brecciated dolomite with minor stringers and cavity fillings of fluorite from 191 feet to the bottom of the hole at 210 feet.

On the assumption that a vein parallel to the "Past Up" had been found, Hole No. 6 was drilled from the same site as Hole No. 5 but at a flatter angle to test this idea. Between 50 and 58 feet, just under the overburden, Hole 6 passed through a zone of gouge. The only core recovered in this interval consisted of 1 foot of high-grade fluorspar. The hole continued in brecciated dolomite until it entered slate at a depth of 202 feet and was bottomed in slate at 206 feet. Below 58 feet the hole was essentially barren of fluorspar except for narrow stringers at 115 and 123 feet and at the slate and dolomite contact. The results of this hole disprove the presence of a vein parallel to the "Past Up" but suggest the possibility of a vein dipping to the west at a flat angle.

Hole No. 4 was drilled parallel to the plane of Holes No. 5 and 6 and about 50 feet southeast. It passed from dolomite to slate at a depth of 265 feet and continued in slate to the bottom at 271 feet. Except for occasional fluorite stringers and some sparse fluorite cementing the brecciated dolomite, the only fluorspar cut in Hole 4 was in the 15 feet contiguous to the slate contact. This interval was estimated by Madill to average about 15 percent CaF_2. The results of this hole are inconclusive. As shown on Section C-C' to which Hole No. 4 has been projected, the low-grade fluorspar in it could be correlated with the fluorspar find in Holes No. 5 and 6 and explained as a continuation of a west-dipping flat vein. It could equally well be correlated with the "Past Up" vein or could be explained as a local concentration of fluorite near the slate-dolomite contact. The hole was well located to probe the "Past Up" vein on the slate-dolomite contact but was poorly located to test the possibility of the fluorspar occurring as a flat west-dipping vein.

Summary of Factual Data

The work units completed were: diamond drilling, 1,210 feet; reaming, 300 feet; bulldozing, 12 hours. The total contract amount was $9,700, but the approved total cost for the work performed was $9,578.00. Participation was on a fifty-fifty basis so the Government's share of the costs was $4,789.00. Agreed costs were set up in the contract, and it is probable that they were very near the costs attained by the Operator except for 41 feet of reaming and 20 feet of diamond drilling which he undertook at his own expense. Since the work was done during the summer, there was no unfavorable weather to retard the project.

The fluorite ore shipped during the contract period was sold for $30 per ton and receipts totaled $2,992.80, for which the Government was paid $149.64 royalty.

There were no items of equipment or supplies purchased for the project.

Discussion of Conclusions

The diamond drilling failed to find additional ore on the "Past Up" vein, although it did find a weakly-mineralized zone that can be correlated with the "Past Up" vein and indicated strongly that the known ore body has very little extension beyond the present mine workings. Further exploration of the "Past Up" vein does not now appear attractive.

Evidence of fluorspar in the brecciated dolomite east of the "Past Up" vein was found by the drilling, but these results are inconclusive. On present information the most logical explanation is that the fluorspar occurs in a flat, west-dipping vein, but this interpretation is open to question. A few additional holes either vertical or steeply inclined to the east would provide much useful information; until this is done no valid appraisal of the occurrence can be made. Unfortunately the drilling of Hole No. 4 completed the drilling footage allotted under the contract. Due to what he regarded as the unfavorable outlook for fluorspar and his disappointment that better fluorspar was not found in Holes No. 4 and 6, the operator did not wish to undertake further exploration. The Field Team did not urge additional drilling because fluorspar at that time was not on the list of commodities eligible for DMEA assistance, and the occurrence was not important enough to attempt to make an exception. Without additional exploration there is no basis for regarding the occurrence as a discovery.

Enclosures 4
Distribution:
- DMEA (4) ✓
- USBM (5)
- USGS (SRO)
- Docket
- Nickelson

ANNEX

Diamond Drill logs, Docket No. DMEA-2950
Chalspar Mine, Custer County, Idaho,
Contract No. Idm-E543

Hole No. 1

Bearing: S. 70° W Inclination: -42° Length: 211 feet

Footage	Description
0-20	Sandy, decomposed volcanic tuff
20-100	Purple, porphyrine tuff
100-101	Sandy tuff
101-135	Gray to buff dolomite with some quartz and calcite
135-140	Buff "honey combed" dolomite w/stringers CaF_2
140-144	Brown brecciated dolomite. 2 veinlets high-grade fluorspar
144-185	Buff to gray highly brecciated dolomite
185-211	Brown to gray brecciated dolomite with CaF_2 as cavity filling and cement

Hole No. 2

Bearing: S. 75° W. Inclination: -28° Length: 150 feet

0-33	Overburden-dolomite boulders to sandy decomposed volcanic tuff
33-75	Buff, sandy, volcanic tuff
75-85	Purple volcanic tuff
85-102	Ramshorn slate
102-123	Brecciated Bayhorse dolomite with small seams of quartz
123-140	Buff-gray (unbrecciated) dolomite
140-150	Buff-dark gray oolitic dolomite with blebs and stringers of fluorspar

Hole No. 3

Bearing: S. 75° W. Inclination: -52° Length: 184 feet

Footage	Description
0-23	Overburden, broken dolomite and volcanic tuff
23-80	Purple-gray volcanic tuffs
80-110	Red, highly oxidized, broken brecciated Ramshorn slate
110-175	Gray-buff brecciated dolomite with stringers

Hole No. 4

Bearing: S. 71° W. Inclination: -36° Length: 271 feet

0-30	Overburden with dolomite boulders
30-40	Cherty dolomite
40-43	Cherty dolomite some fluorspar as cavity filling
43-44.5	Chert
44.5-55	Buff sandy dolomite
55-61	Dolomite at 60 feet breccia zone with fluorspar cavity filling
61-65	Dolomite
65-70	Dolomite with fluorspar fracture filling
70-85.5	Dolomite
85.5-100	Rusty fractured dolomite poor core recovery
100-126	Fine-grained dolomite buff colored, brecciated
126-250	Fine-grained dolomite with occasional fracture filled with fluorspar, buff colored
250-265	Brecciated dolomite with increased fluorspar cement (approximately 15 percent)
265-271	Bleached Ramshorn slate

Hole No. 5

Bearing: S. 71° W. Inclination: -42° Length: 210 feet

Footage	Description
0-35	Overburden, broken dolomite
35-45	Brown-red, highly oxidized and brecciated dolomite with some CaF_2 as cement and stringers
45-65	Red-brown highly brecciated dolomite
65-70	Gray, dense dolomite
70-80	Same with CaF_2 as cavity filling
80-132	Buff-redish brecciated dolomite with increased CaF_2 as stringers, cement and cavity filling
132-150	Same with increased CaF_2
150-160	Same with increased CaF_2 and veinlets up to 6" in width
160-165	3 feet massive high-grade CaF_2
165-189	High grade, ground, granular CaF_2 with some massive veinlets
189-191	High-grade massive CaF_2
191-210	Gray, brecciated dolomite with stringer and cavity filling CaF_2

Hole No. 6

Bearing S. 71° W. Inclination: - 90° Length: 206 feet

0-45	Overburden - broken dolomite
45-50	Same with CaF_2 cement in dolomite
50-63	1' high-grade CaF_2, same gouge core lost 7'
63-124	Buff, brecciated dolomite with 6" CaF_2 veinlets at 115' and 123'
124-202	Gray-brown brecciated dolomite
202-206	Reddish brown, brecciated slate with small stringers CaF_2 on contact at 202'

C O P Y

J. R. SIMPLOT COMPANY
General Offices
Continental Bank Building
Boise, Idaho

April 20, 1955

File - Idaho Fluorspar

Mr. C. O. Mittendorf
Administrator
Defense Minerals Exploration Admin.
U. S. Department of Interior
Washington 25, D. C.

Subject: Docket No. DMEA 2950-Fluorspar
J. R. Simplot Co.
Chalspar Mine, Custer County
Contract No. Idm-E543

Dear Mr. Mittendorf:

Your letter addressed to our president has been handed to this division for attention, inasmuch as Mr. Simplot is out of the country at the present time.

We appreciate very much your letter, and we, too, are sorry that the exploration work performed was not productive of results.

Again, as in the past, we want to assure you that the services and constructive advice of your different staff members at Spokane and in Washington were thoroughly appreciated.

Cordially,

/s/
George A. McHugh
Manager of Mines

GAM:je

CC: J. R. Simplot
Keith Madill

C O P Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

April 11, 1955

Memorandum

To: Lawrence G. Houk, Chief, Non-Metallic Minerals Division, Defense Minerals Exploration Administration

From: Commodity Specialist, Branch of Construction and Chemical Materials

Bureau Mines Minerals
RECEIVED
APR 12 1955

Subject: Review of final field team report, D.M.E.A. Docket No. 2950, Fluorspar, J. R. Simplot Co., Chalspar mine, Bayhorse Mining District, Custer County, Idaho

The Field Team has concluded that since the project did not delineate a mineable body of ore, no certification of discovery or development should be issued.

Drill hole 5 disclosed 30 feet of fluorspar which was not assayed but was estimated by the applicant's engineer to contain 70 percent CaF_2. Although no orebody was outlined, it is felt that this project nevertheless has resulted in "a discovery or development from which production may be made," and a certificate of discovery is justified.

John E. Holtzinger, Jr.

Copy to: Files
Div. of Minerals
Br. of Const. & Chem. Mats.
Mr. Holtzinger, Jr.

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DEPARTMENT OF THE INTERIOR
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John E. Holtzinger, Jr.

Copy to: Files
Div. of Minerals
Br. of Const. & Chem. Mats.
Mr. Holtzinger, Jr.

Project Summary Report

By: James Hopkins April 4, 1955

1. Docket No. DMEA-2950 - Fluorspar
Chalspar Mine
Custer County, Idaho
Contract No. Idm-8543

Operator: J. R. Simplot Company
Challis, Idaho

Application: Form MF-103 received March 23, 1953.
Lease and Option dated October 10, 1951.
Owner's Consent to Lien dated March 14, 1953.

Operator's property rights:
Lessee of "Fast Up" unpatented lode mining claim.

2. Contract: dated June 4, 1953.
Work authorized:

(a)	1210 ft. diamond drill holes @ $6.80/ft.	$8,228.00
(b)	Reaming, setting and pulling casing or cementing and drilling out 300 ft. @ $2.50/ft.	750.00
(c)	Bulldozing 20 hours @ $11.00/hour	220.00
(d)	Supervision and engineering 1210 ft. @ $0.33/ft. (rounded to)	402.00
(e)	Assaying: 10 @ $10.00	100.00
	Total agreed unit cost of project	$9,700.00
	Government participation @ 50%	$4,850.00

Amendments: none

Work completed:

1210 ft. diamond drill holes @ $6.80/ft.	$8,228.00
300 ft. reaming @ $2.50/ft.	750.00
Bulldozing 18 hours @ $11.00/hr.	198.00
Supervision and engineering	402.00
Total cost of project	$9,578.00
Government participation @ 50%	$4,789.00

Work began on the project July 28, 1953, and was completed during September, 1953. Operator's Final Report was received April 26, 1954. The Field Team's Final Report was received January 31, 1955. Fluorite ore mined and shipped during the contract period was sold for $30.00 per ton and receipts

totaled $2,992.80 for which the Government was paid $149.64 royalty.

3. Audit: Report of Review dated March 12, 1954.

Total cost as billed by Operator	$9,578.00
Exceptions	none
Total accepted cost	$9,578.00
Government participation @ 50%	$4,789.00

4. Certification of Discovery - none issued.

5. Comments:

The project was established to explore at greater depth a fluorspar vein that had been explored with a 52-foot shaft, two drifts on the 50-foot level totalling 25 feet and numerous shallow pits along its strike for approximately 240 feet. The vein at the bottom of the shaft was 6 feet wide and as exposed in the north drift, it consisted of 4 feet of fluorspar assaying 50% to 60% CaF_2 and 2 feet of fluorspar assaying 17% CaF_2. In the west wall of the south drift, fluorspar of undetermined thickness and grade was observed. The project contract authorized 1200 feet of diamond drilling to cost $9,700.00. Government participation was to be $4,850.00.

The diamond drilling was distributed in six holes as follows:

Hole No.	Location	Footage
1	S 70° W - 42°	211
2	S 75° W - 28°	150
3	S 75° W - 52°	184
4	S 71° W - 36°	271
5	S 71° W - 42°	210
6	S 71° W - 30°	206
	Total	1,212

Operations continued in the shaft at the Operator's expense. The shaft was deepened to 65 feet where the vein pinched. The north drift followed the vein for 27 feet, and the south drift for 50 feet on the 50 foot level. Over the south drift a stope mined to the surface varied from 1-1/2 to 4 feet wide. A 25 foot drift was driven on the 65-foot level to the north. It is reported that there are 3 feet of fluorspar and 4 feet of breccia at the face of this drift. Approximately 100 tons were mined and shipped from these operations.

Under date of July 14, 1954, the Executive Officer, Region II, advised the Certifying Officer that the subject contract had been completed to the satisfaction of the Government and all terms had been complied with, and that a certification will not be recommended for the project.

Geological premise:

A fluorspar vein averaging 1-1/2 feet wide and outcropping over a distance of 240 feet had been explored by extensive surface workings, a 52 foot shaft and two short drifts totalling 25 feet in length. A small shoot of ore was developed and showed promise of continuity on depth and lateral extent. This premise was proven wrong by the project work and subsequent work by the Operator in the shaft which consisted of extending the shaft 15 feet, drifting to 102 feet and stoping in south drift to surface.

Geological criteria upon which the project was founded:

The fluorspar deposit occurs as fillings within a strong fissure vein or breccia fillings in the wide shear zones adjoining the fissure. As revealed by the underground work the vein is found along a fault which brought volcanic rocks against dolomite and dolomite against slate. The vein was six feet wide on the 50 foot level, the north drift showed 4 feet of good fluorspar ore assaying 52% to 55% CaF_2 and 2 feet of fluorspar assaying 17% CaF_2. In the west drift wall of the south drift fluorspar of undetermined thickness was observed.

Geological criteria developed during the project:

Drilling done during DMEA project failed to find more ore on the "Past Up" vein, although sparsely-mineralized continuation of the vein was found. Drilling cut fluorspar east of the "Past Up" vein. Its significance and its relation to the "Past Up" vein is uncertain but it is highly probable that drill hole No. 5 encountered a flat dipping vein and followed it for a distance of 31 feet. Further surface and subsurface geological work may provide a solution.

Future possibilities:

The results of the drilling appear to indicate that no large ore bodies can be expected on the "Past Up" vein structure. No further drilling is justified at the present time. If the demand for fluorspar should greatly increase in the future, the area east of the "Past Up" vein may warrant further study and possibly additional drilling.

Recommendations:

The Nonmetallic Minerals Division concurs with the field team's recommendation that no certification of discovery or development is justified.

JHopkins:ad 4/8/55
Rewritten JHopkins:gad 4/11/55
Copy to: Admr. R. File
Mr. Houk

600

APR 11 1955

Mr. J. R. Simplot, President
J. R. Simplot Company
Challis, Idaho

Re: Docket No. [illegible]-2950 - Finnrosper
J. R. Simplot Company
Chalspar Mine
Custer County, Idaho
Contract No. Ida-[illegible]543

Dear Mr. Simplot:

This is with reference to the subject Exploration Contract between you and the Government.

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

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

Sincerely yours,

C. O. Mittendorf

Administrator

JHopkins:gad 4/5/55
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Arundale, 3516
Mr. Kiilsgaard, 5222
Mr. Houk

Copy to: Mr. Fred H. Paulsen
Challis, Idaho

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

February 28, 1955

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2950 (Fluorspar)

To: L. G. Houk, Defense Minerals Exploration Administration

From: R. E. Van Alstine, U. S. Geological Survey

Applicant: J. R. Simplot Company

Name of property: Chalspar mine, Fast Up vein

Location of property: Sec. 4, T. 13 N., R. 18 E., Custer County, Idaho; 7 miles west of Challis.

Date of Field Team report: January 1955

Authorship of Field Team report: V. Z. Johnson, U.S.B.M.; H. B. Michelson, U.S.G.S.

Field Team's recommendation: Recommends that no certification of discovery or development be issued.

Comments: 1) It seems to me that a certification of discovery should be issued. A discovery (30 feet of estimated 70% CaF_2) was made in drill hole 5, although a minable orebody was not delineated by the drilling. Even if the fluorspar body turns out to be small, an attempt should be made to see that the Government is reimbursed.

2) Page 5 states that an allowance of 10 assays at $10 each was provided for under the terms of the contract. The Field Team report does not mention that any assays were made, however; only the operator's estimates of the CaF_2 content of the mineralized sections of holes 4 and 5 are presented on page 6. Assays of these and some other mineralized parts of the cores should have been run. A total of $122 of the approved funds was not spent; possibly this could have been used for the assays.

3) On page 3 of the Field Team report it is stated that the "Fast Up" vein is in a synclinal block of Cambrian and Ordovician sediments. If structure section A-A' had been carefully drawn to show a missing Bayhorse-Ramshorn contact, it would be seen that the vein is located on an anticline east of the faulted syncline. Along such a contact in this faulted and mineralized Challpar area, boxwork breccia deposits of fluorspar might be found; Anderson (Idaho Bur. Mines & Geol. Pamphlet 101, p. 7) states that this type of deposit shows a marked preference for the upper beds of dolomite.

ACTION RECOMMENDED: Issue certification of discovery.

R. E. Van Alstine

REVanAlstine:hlm
G-2/28/55

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
J. C. Arundale, 3516 Interior -

600

SEP 17 1954

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Subject: Docket No. DMEA-2950 - Fluorspar
J. H. Simplot Company
Chalspar Mine
Custer County, Idaho
Contract No. Idm-2543

Dear Mr. Weissenborn:

Reference is made to our letter of March 24, 1954, requesting the final field team report on the subject contract.

We are delaying closing this docket and sending the closing letter to the Operator pending receipt of the final field team report. Please forward it at your earliest convenience.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

LGHouk:gad 9/14/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Arundale, 3516
Mr. Kiilsgaard, 5227
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

So. 157 Howard Street
Spokane 4, Washington

Defense Minerals Administration
RECEIVED
JUL 30 1954

July 14, 1954

Mrs. Myrtle Purdy
Certifying Officer
DMEA, Region II
1201 N. Division St.
Spokane, Washington

Re: Docket No. DMEA 2950 (Fluorspar)
J. R. Simplot Company
Chalspar Mine
Custer County, Idaho
Contract No. Idm-3543

Dear Mrs. Purdy:

Work under the subject contract has been completed to the satisfaction of the Government, and all terms of the contract have been complied with. The Operator has submitted a final report evaluating the results of the project, and this report has been accepted as satisfactory by the Executive Officer.

The contract was of the type where the Operator was reimbursed for units of work completed; consequently, the Government has no equity in items of equipment or operating materials and supplies used at the project.

Inasmuch as the Operator has submitted his final voucher for September 1953 and the Contract Administration and Audit Division of the DMEA has accepted the Report of Review, you are requested to release the balance of funds owing the Operator.

A certification of discovery will not be recommended for this project.

Sincerely yours,

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

cc: DMEA (2)
USGS (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

So. 157 Howard Street
Spokane 4, Washington

July 14, 1954

Mrs. Myrtle Purdy
Certifying Officer
DMEA, Region II
1201 N. Division St.
Spokane, Washington

Re: Docket No. DMEA 2950 (fluorspar
J. R. Simplot Company
Chalspar Mine
Custer County, Idaho
Contract No. Idm-E543

Dear Mrs. Purdy:

Work under the subject contract has been completed to the satisfaction of the Government, and all terms of the contract have been complied with. The Operator has submitted a final report evaluating the results of the project, and this report has been accepted as satisfactory by the Executive Officer.

The contract was of the type where the Operator was reimbursed for units of work completed; consequently, the Government has no equity in items of equipment or operating materials and supplies used at the project.

Inasmuch as the Operator has submitted his final voucher for September 1953 and the Contract Administration and Audit Division of the DMEA has accepted the Report of Review, you are requested to release the balance of funds owing the Operator.

All production from this property for a period of ten years from the date of the contract is subject to Government percentage royalty regardless of any certification of discovery or development.

Sincerely yours,

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

cc: DMEA (2)
USBM (2)

Form [illegible]4 (Rev. [illegible]52)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

W

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT 30 1954

Month of September, 1953 Docket No. DMEA 2950 Contract No. Idm-E 543
Operator's Name J. R. Simplot Co. Minerals Fluorspar
Address Challis, Idaho
Contract Amount, $ 9,700.00 Government Participation: 50 % Amount, $ 4,850.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	1,693.20	7,284.80	8,978.00	1693.20 ~~1693~~	7284.80	8978.00
Bulldozing	-	198.00	198.00		198.00	198.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services	84.87	317.13	402.00	82.17	317.13	399.30
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
				1778.07		9578.00
TOTALS	1,778.07	7,799.93	9,578.00	~~1775.37~~	7799.93	~~9575.30~~

~~10% withheld~~

9575.00

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

Date Oct. 15, 1953 *Payee J. R. Simplot Co.

Per K. Madsen Title Manager

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

~~1775.37~~
~~957.63~~ 10%
~~817.84~~

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

~~$408.92~~ $817.03

Signature [illegible] MAP
(Authorized Certifying Officer)

Date ~~10/13/53~~ 9/16/54 Vou. No. 1236
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 6543 in accordance with the terms of the contract.

Signature /S/ Verdo Z Johnson Title Mining Eng Date 10/22/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Eng Date 10/23/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form [illegible]-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT 30 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1953 Docket No. DMEA 2950 Contract No. Idm-E 543
Operator's Name J. R. Simplot Co. Minerals Fluorspar
Address Challis, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	6.80	1,693.20	249	8,228.00	1210			
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
		1,693.20						
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Supervision and Engineering		84.87						
TOTAL COSTS		1,778.07						

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

Date Oct. 15, 1953 Operator J. R. Simplot Co.

Per K. Madden Title Manager

REMARKS: Actual drilling was 271' with 101' of cementing and reaming.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Docket No. D.M.E.A.
Contract No. Idm-E 543

NARRATIVE REPORT - September 1953

During the month hole No. 4 was completed for a total distance of 271 feet. Reaming and cementing was required for 101 feet.

Hole No. 4 Log:

0' - 30' Over burden with dolomite boulders.

20' - 250' Brecciated dolomite with occasional CaF_2 stringers and sparse CaF_2 cement.

250' - 265' Brecciated dolomite with increased CaF_2 cement (approximately 15%).

265' - 271' Bleached slate.

Failure to find ore in holes 4 and 6 rendered the results of the program indeterminate. The ore encountered in hole 5 could have been in a fracture striking approximately with the drill hole; a vein with approximately the same dip as the hole; or a lens paralleling the Post Up vein. In that all known structures in the area dip steeply and have strikes within 30 degrees of that of the Post Up vein, the latter possibility is the most probable. Further drilling or crosscutting will be required before any definite conclusion may be drawn.

Respectfully submitted,

Keith Madill

Keith Madill, Manager

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

So. 157 Howard Street
Spokane 4, Washington

April 21, 1954

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-2550 (Fluorspar)
J. R. Simplot Company
Chalspar Mine
Custer County, Idaho
Contract No. Idm-E543

Dear Mr. Selfridge:

Enclosed are the original and two copies of the operator's final report on the above-referenced contract, which has been accepted as satisfactory by the Executive Officer, Region II.

Distribution of this report is being made in the usual manner.

Sincerely yours,

Thor H. Kiilsgaard
Acting Member
DMEA Field Team, Region II

Enclosure

cc: USBM (2)
Hindman
Nicholson

Docket No. DMEA 2950
Contract No. IDM-6 543

F I N A L R E P O R T

During the months of July, August and September, 1953, Nichols and Thompson Core Drilling Co. of Boise, Idaho, completed 1232 feet of core drilling, on the subject company's Post Up Claim located in the Bayhorse Mining District, Custer County, Idaho. A total of five holes were drilled. 442 feet of reaming and cementing was required.

Holes No. 1, 2 and 3 were drilled to intersect the vein at 30 feet and 180 feet north of the shaft, respectively. No significant mineralization was encountered in any of these holes, although they were drilled to depths well beyond the projection of the structure.

Hole No. 5 encountered a highly mineralized zone for a distance of 40 feet. For 30 feet of this distance the core was estimated to contain approximately 70% CaF_2.

Hole No. 6 was drilled from the same station as Hole No. 5 to intersect the ore zone at 40' higher in the zone intersected by Hole No. 5. No ore was cored at the projection, but one foot of massive fluorite, followed by an indeterminate amount of gouge, was encountered at 50 to 56 feet. A core loss of seven feet followed. This hole was finished in the slate, which marks the foot wall of the Post Up vein south of the shaft.

Hole No. 4 was drilled to a depth of 271 feet. The last six feet was drilled in foot wall slate. The only significant mineralization in this hole occurred at the projection of the Post Up vein.

Reference to the accompanying map and section, will show that commercial ore in the Post Up would have to occur within a strike distance of less than 90 feet (between Holes No. 1 and No. 5). Even if such ore exists it probably would not be commercial, in view of the cost of development and extraction.

As stated in a previous report, the ore encountered by Hole No. 5 could have been in a fracture of approximately the same strike as the hole; a vein or brecciated bed of approximately the same dip as the drill hole; or a short lens approximately parallel to the Post Up structure. After considerable

study, the writer's opinion now favors the second alternative. At a distance of 150 feet east of the collar of holes five and six, the dolomite dips westerly at 20° to 30°. As the east side of the fault is relatively up thrown, drag could account for an increased degree of dip and brecciation of a particular bed as the fault is approached. If this were the case, holes five and six could have intersected a mineralized bedding which dips westerly at approximately 45° and has a thickness of five to seven feet. Ore deposits (containing fluorite, galena and sphalerite), are known to occur at the Pacific Mine, some four miles to the south, under similar conditions. A preliminary report, covering fluorspar mineralization in the area, will soon be released by Dr. A. L. Anderson of the Idaho Bureau of Mines and Geology. The Post Up claim was mapped and studied in detail by a field team under the direction of Dr. Anderson.

It can only be concluded that the results of the exploration program were indeterminate. It is estimated that some 600 feet of core drilling or a like amount of underground exploration would be required to delineate the structure cored in Hole No. 5.

The J. R. Simplot Co. wishes to express its appreciation of the cooperation and valuable aid received from your personnel throughout the program.

Respectfully submitted,

Keith Madill

Keith Madill, Manager

Docket No. DMEA 2950
Contract No. IDM-E 543
Diamond Drill Hole Logs - Aug. & Sept., 1953

HOLE NO. 1

Footage	Description
0-20	Sandy, decomposed volcanic tuff
20-100	Purple, porphyritic tuff
100-101	Sandy tuff
101-135	Gray to buff dolomite with some quartz and calcite
135-140	Buff "honey combed" dolomite w/stringers CaF_2
140-144	Brown brecciated dolomite. 2 veinlets high-grade fluorspar
144-185	Buff to gray highly brecciated dolomite
185-211	Brown to gray brecciated dolomite with CaF_2 as cavity filling and cement

HOLE NO. 2

0-33	Overburden - dolomite boulders to sandy decomposed volcanic tuff
33-75	Buff, sandy, volcanic tuff
75-85	Purple volcanic tuff
85-123	Brown - gray brecciated dolomite with small seams of quartz
123-140	Buff - gray (unbrecciated) dolomite
140-150	Buff - dark gray oolitic dolomite with blebs and stringers of fluorspar

HOLE NO. 3

0-23	Overburden, broken dolomite and volcanic tuff

Hole No. 3 (Cont'd.)

Footage	Description
23-80	Purple - gray volcanic tuffs
80-110	Red, highly oxidized, brecciated slate
110-175	Gray - buff, brecciated dolomite with some stringers and small cavity fillings of CaF_2
175-184	Gray, dense dolomite

HOLE NO. 4

0-30	Over burden with dolomite boulders
20-250	Brecciated dolomite with occasional CaF_2 stringers and sparse CaF_2 cement
250-265	Brecciated dolomite with increased CaF_2 cement (approximately 15%)
265-271	Bleached slate

HOLE NO. 5

0-35	Overburden, broken dolomite
35-45	Brown - red, highly oxidized and brecciated dolomite with some CaF_2 as cement and stringers
45-65	Red - brown highly brecciated dolomite
65-70	Gray, dense dolomite
70-80	Same with CaF_2 as cavity fillings
80-132	Buff - redish brecciated dolomite with increased CaF_2 as stringers, cement and cavity filling
132-150	Same with increased CaF_2
150-160	Same with increased CaF_2 and veinlets up to 6" in width

Hole No. 5 (Cont'd.)

Footage	Description
160-165	3 feet massive high grade CaF_2
165-189	High grade, ground, granular CaF_2 with some massive veinlets
189-191	High grade massive CaF_2
191-210	Gray, brecciated dolomite with stringers and cavity filling CaF_2

HOLE NO. 6

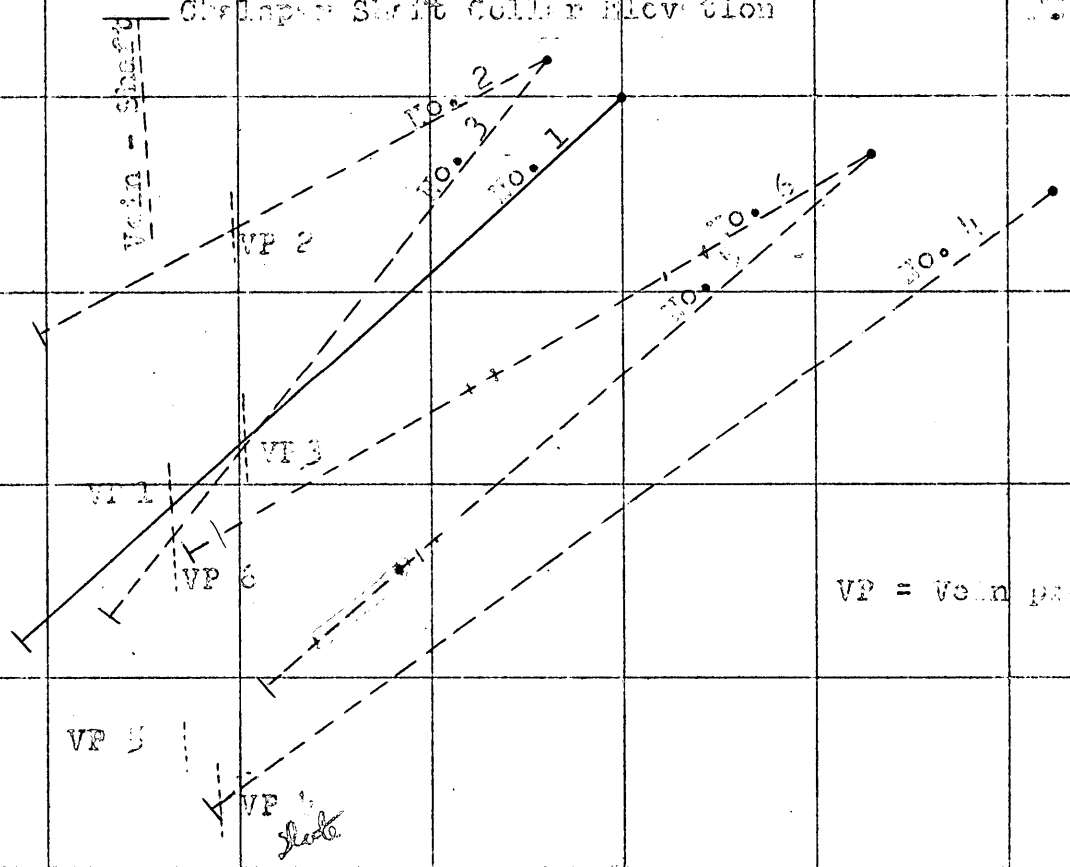
0-45	Overburden - broken dolomite
45-50	Same with CaF_2 cement in dolomite
50-63	1' high grade CaF_2, some gouge, core loss 7'
63-124	Buff, brecciated dolomite with 6" CaF_2 veinlets at 115' and 123'
124-202	Gray - brown brecciated dolomite
202-206	Redish brown, brecciated slate with small stringers CaF_2 on contact at 202'

COMPLETED DIAMOND [illegible]

LOCATION NO. D[illegible] A 2950

CONTRACT NO. Idm E [illegible]3

S. Chalcopyrite Shaft Collar Elevation N.



VP = Vein projection

[illegible] PLOTTED
TO [illegible] OF THE NO. 1
[illegible] OF SECTION N. 70°.

J. [illegible] PROT CO. [illegible]
C[illegible], [illegible]
[illegible]
[illegible]
[illegible]

SCALE: 1 inch = [illegible]

"ALBANENE" No. 195M K&E CO., N.Y.
REG. U.S. PAT. OFF.

600

MAR 2 4 1954

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 4, Washington

Subject: Docket No. DMEA-2950 - Fluorspar
J. R. Simplot Company
Chalspar Mine
Custer County, Idaho
Contract No. Idm-2543

Dear Mr. Weissenborn:

Reference is made to the subject contract.

The audit Report of Review which was received in this office on March 15, 1954, the Operator's Narrative Report for September, 1953, and the Routine Inspection Report dated October 8, 1953, indicate the contract has been completed. This office is awaiting the final field team report and final Operator's report. If a certification of discovery is to be made, it must be executed within six months from the date of receipt of the Operator's final report in your office.

We would be pleased to receive the reports at your earliest convenience.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

Philip W. Guild

Member, Geological Survey

LGHouk:gad 3/22/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Arundale, 3516
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 18 1954

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

Month of September 1953 Docket No. DMEA 2950 Contract No. IGI-R 543
Operator's Name J. R. Simplot Co. Minerals Fluorspar
Address Challis, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	6.00	1,693.20	249	8,228.00	1210			
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
		1,693.20						
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Supervision and Engineering		84.07						
TOTAL COSTS		1,773.07						

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

Date Oct. 15, 1953 Operator J. R. Simplot Co.

Per K. Madell Title Manager

REMARKS: Actual drilling was 271' with 101' of cementing and reaming.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

10% withheld awaiting final

reports

GPO 83-38475

Minerals Ad
RECEIVED

Docket No. D.M.E.A.
Contract No. Idm-E 543

NARRATIVE REPORT - September 1953

During the month hole No. 4 was completed for a total distance of 271 feet. Reaming and cementing was required for 101 feet.

Hole No. 4 Log:

0' - 30' Over burden with dolomite boulders.

20' - 250' Brecciated dolomite with occasional CaF_2 stringers and sparse CaF_2 cement.

250' - 265' Brecciated dolomite with increased CaF_2 cement (approximately 15%).

265' - 271' Bleached slate.

Failure to find ore in holes 4 and 6 rendered the results of the program indeterminate. The ore encountered in hole 5 could have been in a fracture striking approximately with the drill hole; a vein with approximately the same dip as the hole; or a lens paralleling the Post Up vein. In that all known structures in the area dip steeply and have strikes within 30 degrees of that of the Post Up vein, the latter possibility is the most probable. Further drilling or crosscutting will be required before any definite conclusion may be drawn.

Respectfully submitted,

Keith Madill

Keith Madill, Manager

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 4/27

REFERRED TO:

1. 600
2.
3.
4.

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	..... Your information
..... Initials	
..... Mailing	
..... Previous correspondence	

REMARKS:

Sept 11, 1954
Last date for certification
7-Certification

Check (X) before the items needing attention.

ROBERT E. ADAMS

Initials of sender.

GPO 16—63815-1

Wm. Robinson

600

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

1201 N. Division St.
Spokane 2, Washington
October 8, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: V. Z. Johnson, Mining Engineer, Bureau of Mines

Subject: Routine inspection, J. R. Simplot Co., Chalspar Mine, Custer County, Idaho, Contract No. Idm-E543, Docket No. DMEA 2950 (fluorspar)

The inspection was made October 3, 1953 with Mr. Keith Madill, superintendent.

Hole No. 4 has been completed for a total depth of 271 feet at minus 35° inclination since the inspection of September 6, 1953, i.e., 140 feet was drilled during the period. The drill contractor has removed all equipment from the project and the Operator does not plan further exploration for a few months.

Total units completed are 1232 feet of diamond drilling distributed through six holes; and the Operator's invoice for August indicates the 275 feet of cementing and reaming allowable under the contract had been exhausted during that period; 12 hours of bulldozing also were required.

The core recovery has been about 70%. Breccia cemented with spar was cut from 192 to 218 feet and slate was encountered beyond the vein 261 to 271 feet in hole No. 4. The Operator estimates the above spar cemented breccia to run about 15% CaF_2. A rich zone of fractures cemented with spar cut in holes 5 and 6 east of the vein being mined was not noticeably strong in hole No. 4.

There are no ore shipments from the mine during the period, but $65.71 as Government royalty has been received at the Spokane office since the contract became effective June 4, 1953.

V. Z. Johnson

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

OCT 12 1953

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Subject: Docket No. DMEA-2950 - Fluorspar
J. R. Simplot Company
Chalspar Mine
Custer County, Idaho
Contract No. Idm-E543

Dear Mr. Weissenborn:

Reference is made to the subject contract the completion date of which is October 4, 1953.

As we have not received an amendment extending this date, will you please prepare and execute an amendment allowing a sufficient length of time to complete the work outlined under the contract, if warranted and you approve?

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

LGHouk:gad 10/9/53

Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Houk
Mr. H. W. Davis, 3520
Mr. Larrabee, G-232 GSA Bldg.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

October 16, 1953

Mr. George C. Selfridge, Chairman
DMEA Operating Committee
Department of the Interior
Washington 25, D. C.

Re: Docket DMEA 2950 (fluorspar)
J. R. Simplot Company
Chalspar mine, Custer Co., Idaho
Contract No. Idm-E543

Dear Mr. Selfridge:

In reply to your letter of October 12, work on the Chalspar deposit was completed before the completion date of the contract, so the contract will not require amendment, of course.

An audit is being made and a final report will be prepared as soon as possible.

Sincerely yours,

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

cc: USBM (2)
Nicholson

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

RECEIVED
OCT 6 1953

1201 N. Division St.
Spokane 2, Washington
September 22, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: V. Z. Johnson, Mining Engineer, Bureau of Mines

Subject: Routine inspection, J. R. Simplot Co., Chalspar Mine, Custer County, Idaho, Contract No. Idm-R543, Docket No. DMEA 2950 (fluorspar)

The inspection was made September 6, 1953 with Mr. Keith Madill, superintendent.

Project work was started in July which scheduled 20 hours of bulldozing, 1210 feet of diamond drilling and, if necessary, 300 feet cementing and drilling out. Since the inspection of July 5, diamond drilling has been completed in five holes and about 131 feet had been drilled in a sixth hole. The diamond drilling is distributed as follows:

No. 1	211 feet	
2	150 "	
3	184 "	
4	131 "	and still advancing 9-6-53
5	210 "	
6	206 "	
	1092 feet	

The Operator reports twelve hours of bulldozing and 316 hours of cementing and drilling out during the period.

Attached logs of diamond drill cores indicate the holes may have been too short to establish a rake for the ore body stoped but hole No. 4 may indicate a rather flat rake to the south, when the vein is cut. There is noticeable cementing by fluorite of joints and fractures in the cores from holes 4, 5, and 6, as well as indications of a vein so far unexposed on the surface.

Core recovery has been high even in gouge and breccia with the swivel type barrel. The workmanship is satisfactory, and costs are moderate and probably very near the agreed unit price of $6.80/ft. for diamond drilling.

Royalties received from stoping of the vein during the contract period were $65.71 as of August 6, 1953.

Attached sketch indicates the stoping and locations of samples taken.

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/B
VEJ/he

V. E. Johnson

[illegible]

[illegible]

[illegible]

Hole No. 2

Depth	Description
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

Hole No. 3

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

Hole No. 1 (continued)

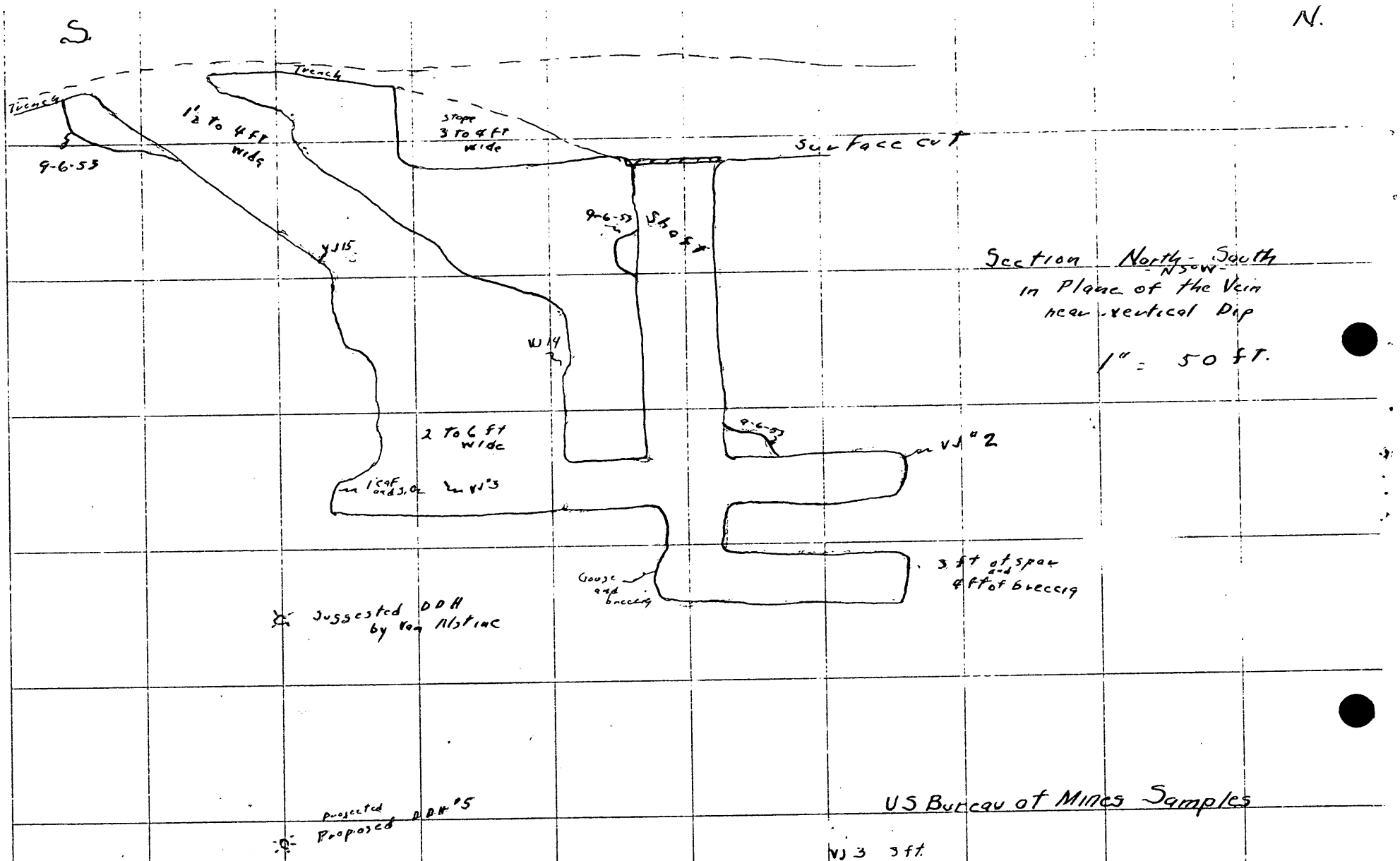
Depth	Description
175-182	Gray, dense dolomite

Hole No. 5

0-35	Overburden, broken dolomite
35-45	Brown - red, highly oxidized and brecciated dolomite with some CaF_2 as stains and stringers
45-65	Red - brown highly brecciated dolomite
65 - 70	Gray, dense dolomite
70-80	Same with CaF_2 as cavity filling
80-132	Buff - reddish brecciated dolomite with increased CaF_2 as stringers, cement and cavity filling.
132-150	Same with increased CaF_2
150-160	Same with increased CaF_2 and veinlets up to 5" in width
160-165	3 foot massive high grade CaF_2
165-167	High grade, green, granular CaF_2 with some massive veinlets
167-171	High grade massive CaF_2
171-212	Grey, brecciated dolomite with stringers and cavity filling CaF_2

Hole No. 6

0-45	Overburden - broken dolomite
45-50	Same with CaF_2 content 1% dolomite
50-63	1" high grade CaF_2, zone [illegible] 7"
63-122	Buff, brecciated dolomite with 6" CaF_2 veinlets at 115' and 123'
122-202	Gray - brown brecciated dolomite
202-234	Reddish brown, brecciated dolomite with some stringers CaF_2 as content at [illegible]



Section North-South (N 50 W)
in Plane of the Vein
near vertical Dip
1" = 50 ft.

US Bureau of Mines Samples

VJ 3	3 ft.	
13	1 ft.	
14	1 ft	84% CaF2
15	1½ ft	74% " "
16	2½ ft.	

J R. Simplot Co.
Challispar Mine
Docket No DMEA 2950
Contract Idm E 545
Challis, Custer County, Idaho

"ALBANENE" REG. U.S. PAT. OFF. REG. U.S. PAT. OFF. 195M K&E CO., N.

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

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

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

Month of August 1953 Docket No. DMEA 2950 Contract No. IDM-E 543
Operator's Name J. R. Simplot Company Minerals Fluorspar
Address Challis, Idaho
Contract Amount, $ 9,700. Government Participation: 50% Amount, $ 4,850.

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
* Drilling	6,746.00	640.50	7,387.30	6644.30	640.50	7284.80
Bulldozing	132.00	66.00	198.00	132.00	66.00	198.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	289.08	28.05	317.13	289.08	28.05	317.13
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	7,167.08	734.55	7,902.43	7065.38	734.55	7799.93

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

Date 9/2/53 *Payee J. R. Simplot Company

Per Keith Madell Title Manager

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 3532 69

Signature
(Authorized Certifying Officer)

Date 9/22/53 Vou. No. 918
(See other side)

* Exceeding max. for reaming by 4 ft.

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E543 in accordance with the terms of the contract.

Signature /s/ Verdo Z Johnson Title Mining Engr Date 9-17-53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E Howard Title Mining Engr Date 9-18-53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 53-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

RECEIVED

Month of August 1953 Docket No. DMEA 2950 Contract No. IDI-E 543
Operator's Name J. R. Simplot Company Minerals Fluorspar
Address Challis, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core		5,956.80	876'	6,534.80	961'	6.80		
~~xxx~~ Roaming		~~790.00~~	~~316'~~	~~852.50~~	~~341'~~	2.50		
Auger		687.50	475	750	300			
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing-Drill Sites		132.00	12 Hr.	198.00	18 Hr.			
TOTAL DISTRIBUTED COSTS		~~6,973.00~~ 6276.30		7482.80				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Supervision & Engineering		239.08		317.13				
TOTAL COSTS		~~7,167.08~~ 7065.38		7799.93				

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

Date Sept. 2, 1953 Operator J. R. Simplot Co.

Per Keith Madill Title Manager

REMARKS: Roaming shown above exceeds that authorized by contract by 41'. Above total to be reduced by $102.50 for a total of $7,065.38. Likewise, total on monthly voucher reduced to above figure.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Docket No. FMBA 2950
Contract No. IDM-M 543

NARRATIVE REPORT - August, 1953

During the month 876 feet of drilling and 316 feet of reaming was completed. Twelve hours bulldozing time was consumed in site preparation for holes 2, 3, and 4.

Holes 1, 2, and 3 traversed the fault structure without encountering commercial ore. Hole No. 5 encountered 40 feet of ore zone, 30 feet of which was estimated at approximately 70% CaF_2. Inasmuch as this zone did not coincide with the projection of the Post Up vein, it was decided (with the concurrence of your Regional Office), to use the remaining contract footage in attempting to deliniate the new structure. Thus, hole No. 6 was drilled from the same location as hole No. 5 at an angle of 30° to intersect the structure at some 40' higher elevation. No commercial ore was encountered. The site for hole No. 4 was prepared at 50 feet S 19° E of hole No. 5.

Detailed logs of drill holes are attached. Assays will be run after drilling is complete, in order to preserve core.

Respectfully submitted,

Keith Madill

Keith Madill, Manager

Docket No. DMEA 2950
Contract No. IDM-E 543
August 1953 - Diamond Drill Hole Logs

Hole No. 1

Footage	Description
0-20	Sandy, decomposed volcanic tuff
20-100	Purple, porphyrine tuff
100-101	Sandy tuff
101-135	Gray to buff dolomite with some quartz and lalcite
135-140	Buff "honey combed" dolomite w/stringers CaF_2
140-144	Brown brecciated dolomite. 2 veinlets high-grade bluorspar
144-185	Buff to gray highly brecciated dolomite
185-211	Brown to gray brecciated dolomite with CaF_2 as cavity filling and cement

Hole No. 2

0-33	Overburden - dolomite boulders to sandy decomposed volcanic tuff
33-75	Buff, sandy, volcanic tuff
75-85	Purple volcanic tuff
85-123	Brown - gray brecciated dolomite with small seams of quartz.
123-140	Buff - gray (unbrecciated) dolomite
140-150	Buff - dark gray oolitic dolomite with blebs and stringers of fluorspar

Hole No. 3

0-23	Overburden, broken dolomite and volcanic tuff
23-80	Purple - gray volcanic tuffs
80-110	Red, highly oxidized, broken brecciated slate
110-175	Gray - buff, brecciated dolomite with some stringers and small cavity fillings of CaF_2

Hole No. 3 (Cont'd.)

Footage	Description
175-184	Gray, dense dolomite

Hole No. 5

0-35	Overburden, broken dolomite
35-45	Brown - red, highly oxidized and brecciated dolomite with some CaF_2 as cement and stringers
45-65	Red - brown highly brecciated dolomite
65 - 70	Gray, dense dolomite
70-80	Same with CaF_2 as cavity filling
80-132	Buff - redish brecciated dolomite with increased CaF_2 as stringers, cement and cavity filling.
132-150	Same with increased CaF_2
150-160	Same with increased CaF_2 and veinlets up to 6" in width
160-165	3 feet massive high grade CaF_2
165-189	High grade, ground, granular CaF_2 with some massive veinlets
189-191	High grade massive CaF_2
191-210	Gray, brecciated dolomite with stringers and cavity filling CaF_2

Hole No. 6

0-45	Overburden - broken dolomite
45-50	Same with CaF_2 cement in dolomite
50-63	1' high grade CaF_2, some gouge core loss 7'
63-124	Buff, brecciated dolomite with 6" CaF_2 veinlets at 115' and 123'
124-202	Gray - brown brecciated dolomite
202-206	Redish brown, brecciated slate with small stringers CaF_2 on contact at 202'

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : R. J. Hindman, USBM

DATE: September 24, 1953

FROM : T. H. Kiilsgaard, USGS

SUBJECT: Transmittal of Royalty Check No. 2248, J. R. Simplot Co., Contract No. Idm-E543. DMEA-7950

Attached is a check dated September 17, 1953, in the amount of $70.50 for royalty due the Government on 47 tons of fluorspar shipped during the month of August. Also attached is a copy of the original invoice covering this shipment.

T. H. Kiilsgaard
Acting Exec. Officer
DMEA Field Team, Region II

Received attachments _____
date

R. J. Hindman

Attachments as indicated

cc: DMEA w/encl. ✓

INVOICE

J. R. Simplot COMPANY

P O. BOX 912

FERTILIZER DIVISION
POCATELLO, IDAHO

INVOICE NO. 2934

SOLD TO
Bethlehem Pacific Coast Steel Corp.
20th and Illinois St.
San Francisco 19, California

SHIP TO
Same - South San Francisco, Calif.

TERMS			SALES DISTRIBUTION
Net Cash upon Receipt of Invoice			15 - Challisper
INVOICE DATE	CUSTOMER ORDER NO. & DATE SHIPPED.	PLANT ORDER NO.	ACCOUNTING DISTRIBUTION
8/31/53	JA-622-33-V 8/25/53	SCA 2	44-Calif-Sea
CAR NO. AND B/L NO.	TRANSPORTATION		BAGS: 80 LB. 100 LB. BULK
UP 65363 UP	Collect UP - SP		X

QUANTITY	WEIGHT IN POUNDS	SIMPLOT	PRICE	AMOUNT
		TRIPLE SUPERPHOSPHATE		
		RED DIAMOND SUPERPHOSPHATE		
		GREEN DIAMOND (ANALYSIS		
		BLUE DIAMOND (ANALYSIS		
47.04 tons	94,000	Fluorspar, Grade	$30.00	$1410.00

Certified true Copy
J R Simplot Co
by Wm Haber, Vice Accountant

No claim for shortage or damage will be allowed without local freight agent's inspection and notation on origin freight bill, and supporting information. All claims must be presented within ten days of receipt of shipment.

SELLER HEREBY REPRESENTS THAT THE FAIR LABOR STANDARDS ACT OF 1938, AS AMENDED, HAS BEEN COMPLIED WITH IN THE PRODUCTION OF THE ARTICLES COVERED HEREBY.

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : R. J. Hindman, USBM DATE: September 24, 1953

FROM : T. H. Kiilsgaard, USGS

SUBJECT: Transmittal of Royalty Check No. 1991, J. R. Simplot Co., Contract No. Idm-E543. DMEA-2910

Attached is a check dated September 1, 1953, in the amount of $13.43 received from the J. R. Simplot Co. for royalty due the Government. Also attached is a copy of the original invoice covering this shipment.

T. H. Kiilsgaard
Acting Exec. Officer
DMEA Field Team, Region II

Received attachments _____
date

R. J. Hindman

Attachments as indicated

cc: DMEA w/encl. ✓

13/1991

COPY

INVOICE

J. R. SIMPLOT COMPANY
Fertilizer Division
Pocatello, Idaho

INVOICE NO. 2695

Sold To	Ship To
Bethlehem Pacific Coast Steel Corporation and Subsidiary Companies San Francisco, California	South San Francisco, California

Terms	Sales Distribution
Net Cash upon Receipt of Invoice	(Lot # 14-7/6-7 (Load 8

Invoice Date	Customer Order No. & Date Shipped	Plant Order No.	Accounting Distribution
7/20/53	P.OJA-622-33-V Acc.# K-2 Re:BB 412	Shipped: 7/14/53 SCa 1	Madill-Calif.-SCa

Car No. and B/L No.	Transportation
UP 65116 UP	Seller shall not be responsible for transportation charges incurred at destination UP-SP BAGS: 80 lb. 100 lb. Bulk II

QUANTITY	Weight in Pounds	SIMPLOT	Price	Amount
		Triple SUPERPHOSPHATE		
		Red Diamond SUPERPHOSPHATE		
		Green Diamond (Analysis		
		Blue Diamond (Analysis		
52.76 Tons	105,520#	Fluorspar, Crude	$30.00	$1582.80

Certified true copy
J. R. Simplot Co.
by /s/ Wm Hahn, Chief Accountant

No claim for shortage or damage will be allowed without local freight agent's inspection and notation on original freight bill, which must be submitted as supporting [illegible]ation. All claims must be presented within ten days of receipt of shipments.

[illegible] REPRESENTS THAT THE FAIR LABOR STANDARDS ACT OF 1938, AS AMENDED, HAS BEEN [illegible] IN THE PRODUCTION OF THE GOODS HEREBY COVERED.

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

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

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

Wash

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

Month of July, 1953 Docket No. DMEA 2950 Contract No. 10M-E 543
Operator's Name J. R. Simplot Company Minerals Fluorspar
Address Challis, Idaho
Contract Amount, $ 9,700 Government Participation: 50 % Amount, $ 4,850

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) ~~Independent~~ Short Form Contracts:						
Drilling	640.50		640.50			
Bulldozing	66.00		66.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	28.05		28.05			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	734.55		734.55	734.55		734.55

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

Date Sept 1 1953 *Payee J. R. Simplot Company

Per K. Madsen Title Manager

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 367.28

Signature [illegible]
(Authorized Certifying Officer)

Date 9/18/53 Vou. No. 908
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 543 in accordance with the terms of the contract.

Signature S/ V. J. Johnson Title M. Eng. Date 9/14/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S/ T. E. Howard Title M. Eng. Date 9/14/53

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1953 Docket No. DMEA 2950 Contract No. DMA-E 5243
Operator's Name J. R. Simplot Company Minerals Fluorspar
Address Challis, Idaho

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core		$578.00	85'	578.00	85'			
~~Churn~~ Reaming		62.50	25'	62.50	25'			
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozer - Drill Site		66.00	6 hrs	66.00	6 hrs			
TOTAL DISTRIBUTED COSTS		706.50		706.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Supervision & Engineering		28.05		28.05				
TOTAL COSTS		734.55		734.55				

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

Date Sept. 1, 1953 Operator J. R. Simplot Company

Per H. Madill Title Manager

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

[illegible]

Docket No. D. M. E. A 2950
Contract No. I dm- E 543

NARRATIVE REPORT - July 1953

Mobilization was completed July 28 and drilling started on Hole No. 1. By the end of the month 85 feet of drilling had been completed. Of the 85 feet advance, 25 feet required reaming and casing. 20 feet of volcanic overburden and 65 feet of solid, purplish, porphyritic tuff was drilled.

Six hours "bulldozing" time was consumed in preparing the site for No. 5 drill hole.

Respectfully submitted,

Keith Madill, Mgr.

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

Memorandum September 14, 1953

To: Field Team, Region II

From: Howard B. Nickelson, Geologist, U. S. Geological Survey

Subject: Routine inspection, DMEA Docket No. 2950 (fluorspar)
Chalspar mine, J. R. Simplot Company, Custer County, Idaho
Contract Idm-E543

The Chalspar mine was visited on August 30, 1953 with Mr. Kieth Madill. Two diamond drill rigs were in operation drilling on DDH No. 6 and DDH No. 3. DDH No. 1, No. 2, and No. 5 have been completed, and No. 4 is yet to be drilled.

DDH No. 1

0' - 100'	Volcanic rock
100' - 195'	Brecciated dolomite

DDH No. 2

0'- 85'	Volcanic rock
85' - 102'	Bayhorse slate
102' - 150'	Brecciated dolomite

DDH No. 3 to August 30, 1953

0' - 80'	Volcanic rock
80' - 110'	Bayhorse slate
110' - 164.5'	Brecciated dolomite

DDH No. 4

DDH No. 4 will be relocated approximately 75 feet S. 65° E. from DDH No. 5 and No. 6. The dip will be -45°.

The operator's reason for relocating DDH No. 4 is to confirm a strike length on the ore intersected in DDH No. 5 and to probe for the vein at a greater depth.

Mr. Madill estimated about 180 feet of the 1,200 feet allowed in the contract remains for DDH No. 4. If this hole requires more than 180 feet, the company will continue the hole at their own expense.

DDH No. 5

0' - 150'	Brecciated dolomite with stringers of fluorspar and fluorspar cavity fillings.
150' - 161'	Core contains a great deal of fluorspar but not ore.
161' - 192'	Fluorspar estimated by Mr. Madill to assay approximately 70 percent CaF_2.
192' - 209.5'	Brecciated dolomite.

The hole required 121 feet of reaming and casing.

DDH No. 6

0' - 50'	Brecciated dolomite.
50' - 55'	Fluorspar.
55' - 58'	Gouge and spar.
58' - 115'	Brecciated dolomite.
115' - 116'	Fluorspar.
116' - 122'	Brecciated dolomite and fluorspar stringers.
122' - 123'	Fluorspar.
123' - 160'	Brecciated dolomite with stringers and cavity fillings of fluorspar.

The hole will be drilled to about 225 feet.

Enclosed are two maps showing the sections of the holes drilled to date and the results of the drilling. The section on DDH No. 5 and No.6 shows the ore has not been intersected on the projected vein and the other holes drilled have not intersected any fluorspar vein. Several explanations are possible for the conditions that exist to date.

The DDH No. 5 could be following the strike of a small vein, which would account for the 31 feet of fluorspar core.

DDH No. 5 could have been drilled through the top of a hidden vein, which has not been exposed on the surface or by the other holes.

A flat fault could have displaced the vein to the northeast and all the holes except DDH No. 5 drilled through the gap between the faulted segments.

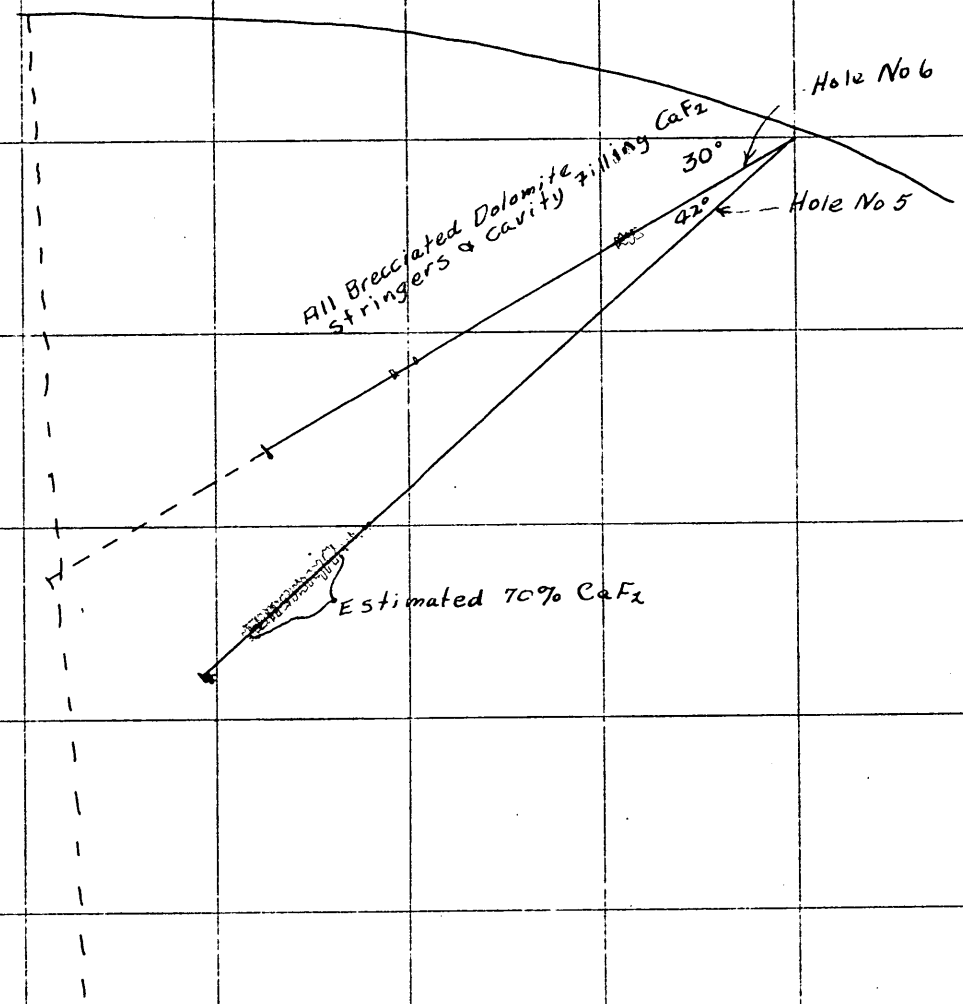
These are the possibilities that exist to date, which may be solved by the completion of the drilling program.

Dr. Anderson has mapped the geology of the area and, according to Mr. Madill, his map will be available for the final report.

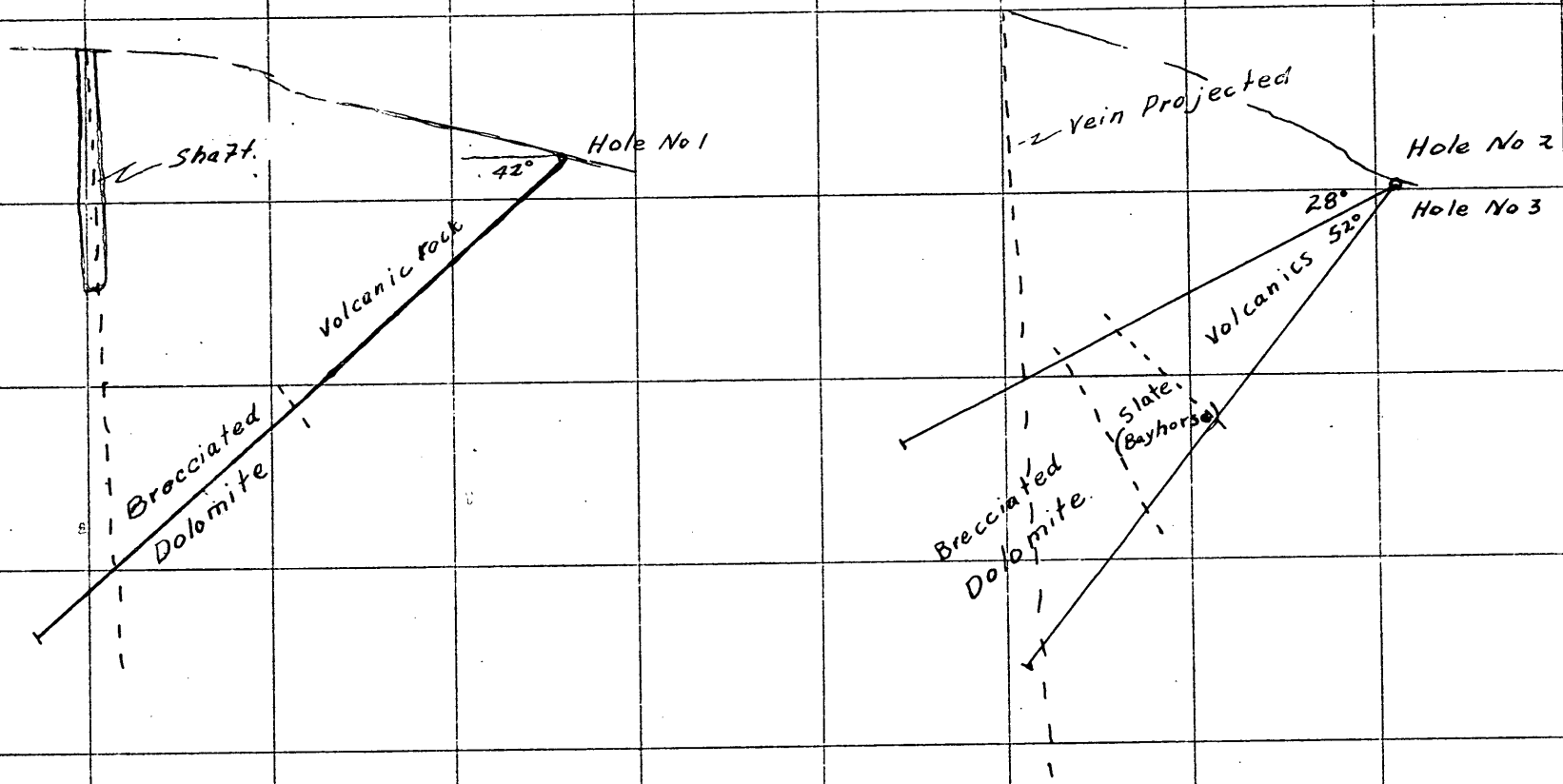
The drilling program will be completed in about two weeks from the date of the inspection.

Enclosures

Distribution:
DMEA (Orig. & 3)
USBM (2)
Docket Nickelson



Challispar Mine
J.R. Simplot Co
DMEA. Docket No. 2950
1" = 50'



Challis par. Mine
J. R. Simplot Co
DMEA Docket No 2950
1" = 50'

"ALDANENE" NO. 10GM K&E CO., N.Y. REG. U.S. PAT. OFF.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

August 19, 1953

Memorandum

To: Files

From: A. E. Weissenborn

Subject: Docket No. DMEA-2950 (Fluorspar), J. R. Simplot Co., Inc., (Chalspar Mine), Custer County, Idaho, Contract No. Idm-E543.

Mr. Keith Madill phoned from Challis on Monday, August 17, to advise that the drill hole at the No. 5 location on the Chalspar deposit had cut an ore zone between 150 and 185 feet in depth. He reports that the last 25 feet (or from 160 to 185 feet) is high grade ore. There is some uncertainty as to the dip but Madill's best estimate is that the true thickness of the deposit may be somewhere in the neighborhood of 17 feet of high grade ore.

The hole is located on the south end of the deposit approximately in the No. 5 position shown on the contract map. The south end had not been believed to be as favorable as the north end but holes 1 and 2, which are located on the north end of the deposit, did not find any ore. The ore intersection, therefore, suggests either that the oreshoot rakes to the south rather than to the north as has been previously thought, or that we have a different oreshoot or perhaps even a different structure than one containing the oreshoot now exposed in the deposit.

Madill proposes to locate the next two holes close about 50 feet from Hole 5 in order to determine the size, strike and dip of the ore in that hole and permission was given to him over the phone to do this.

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

August 19, 1953

Memorandum

To: Files

From: A. E. Weissenborn

Subject: Docket No. DMEA-2950 (Fluorspar), J. R. Simplot Co., Inc., (Chalspar Mine), Custer County, Idaho, Contract No. Idm-E543.

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Madill proposes to locate the next two holes close about 50 feet from Hole 5 in order to determine the size, strike and dip of the ore in that hole and permission was given to him over the phone to do this.

cc: USBM (2)
DMEA (2)
Nickelson

STANDARD FORM NO. 64

DEPARTMENT OF THE INTERIOR
Defense [illegible]

Office Memorandum • UNITED STATES GOVERNMENT

TO : R. J. Hindman, USBM

DATE: August 24, 1953

DMEA-295

FROM : Thor H. Kiilsgaard, USGS

SUBJECT: Transmittal of Royalty Check No. 1617, J. R. Simplot Company, dated August 6, 1953. (Contract No. Idm-E543)

Attached is a check in the amount of $65.71 received from the J. R. Simplot Company for royalty due the Government. This check was received with their letter of August 6, 1953, which gave some information regarding the shipment. However, we have written the Simplot Fertilizer Company asking for a settlement sheet covering this shipment; as soon as it is received it will be forwarded to you.

Thor H. Kiilsgaard
Acting Executive Officer
DMEA Field Team, Region II

DMEA-295

Received attachment _____
date

R. J. Hindman

Attachment 1

cc: DMEA ✓

JB

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

So. 157 Howard Street
Spokane 4, Washington

August 20, 1953

Mr. William Hahn, Office Manager
Fertilizer Production Division
Simplot Fertilizer Company
(Division of J. R. Simplot Co.)
P. O. Box 912
Pocatello, Idaho

Re: Docket DMEA-2950 (Fluorspar)
J. R. Simplot Company
Chalspar Mine
Custer County, Idaho
Contract Idm-E543

Dear Mr. Hahn:

This will acknowledge receipt of your letter of August 6 and check for $65.71 of the same date, which represents royalties due on fluorspar shipments relating to the above-referenced contract.

Normally, and especially when dealing with base metal ores, the procedure is for the smelter to make the royalty payment direct to the Treasurer of the United States, in care of the Executive Officer at the above address. In this case a copy of the settlement sheet is sent to us along with the royalty check. In the case of a fluorspar purchaser it may not be feasible to follow this procedure and if this is the case, there is no objection to receiving payment of royalties direct from J. R. Simplot Company. In this event, however, we would require a copy of the settlement sheet or its equivalent showing the quantity and grade of production, the name of the producer, the price paid and the charges deducted. If a settlement sheet is unobtainable, an equivalent document will be acceptable provided the information contained therein is certified as being correct. We would appreciate having this information on the present shipment in order to have our records complete. Also, our finance officer who receives the payment is required to have a copy of such documentary evidence to support his deposit. Therefore, we would appreciate receiving it at your earliest convenience.

We have been advised by our Washington office that royalty is to be computed from the amount received for the production sold at the point of delivery, which may be the point of loading for shipment by rail, the smelter or concentrator, or the mine. In other words, the cost of transporting the material from the mine to the point of

loading is not deductible for purposes of computing the royalty. This is in order to provide that a producer who transports the material 10 miles to the point of loading will pay the same royalty as another producer who transports 50 miles to the point of loading, if they both sell the same material at the same price at the same point of loading. According to your letter I would assume that Mackay is the point of delivery, in which case the royalty would be based on the sale price of $30.00 per ton rather than the net price of $24.91 which would increase the amount of royalty by approximately $12.93. If this assumption is correct, an adjustment could be made on the next shipment which will be made from the property.

Checks should be made payable to the Treasurer of the United States, c/o Executive Officer, Defense Minerals Exploration Administration, South 157 Howard Street, Spokane 4, Washington.

Sincerely yours,

A. K. Weissenborn
Executive Officer
DMEA Field Team, Region II

cc: Keith Madill
Challis, Idaho

DMEA (2)
USBM (2)
Nickelson

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

1201 N. Division St.
Spokane 2, Washington
July 24, 1953

J. R. Simplot Company
Continental Bank Building
Boise, Idaho

Subject: Royalties - Chalspar Mine
J. R. Simplot Company
Docket No. DMEA 2950 (fluorspar)
Contract No. Idm-E543

Gentlemen:

Your attention was called by Mr. Volin to Annex I of the contract for the Challis property, in his letter of transmittal dated June 12, 1953.

Among other provisions regarding royalties, Annex I states: "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 . . ."

Shipments from your Challis property since June 4, 1953 therefore are subject to royalty payments, and the staff operating the mine should be so informed.

Checks for royalty payments should be made in favor of the Treasurer of the United States and sent to the Executive Officer, DMEA Field Team, Region II, South 157 Howard Street, Spokane, Wash.

By Field Team, Region II

M. E. Volin, Acting Exec. Officer
U. S. Bureau of Mines

J. J. Quinlan, Acting Member
U. S. Geological Survey

cc: DMEA, Wash. (2)
USGS (2)

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

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

[illegible]

To: [illegible] Field [illegible], Region [illegible]

From: V. Z. Johnson, Mining Engineer, Bureau of Mines

Subject: Inspection, J. W. Simplot, Chalspar Mine, Custer County, Idaho, Contract [illegible]-543, Docket No. DMEA 2950 (fluorspar)

The inspection was made in the evening of July 5, 1953. There was no one at the project.

Diamond drilling - 1,120 feet - has been contracted for this project since a preliminary examination made on April 3, 1953. The drilling contractor had not arrived at the mine but Mr. Madill, the operator's superintendent, stated the contractor would arrive soon after the July 4th holiday.

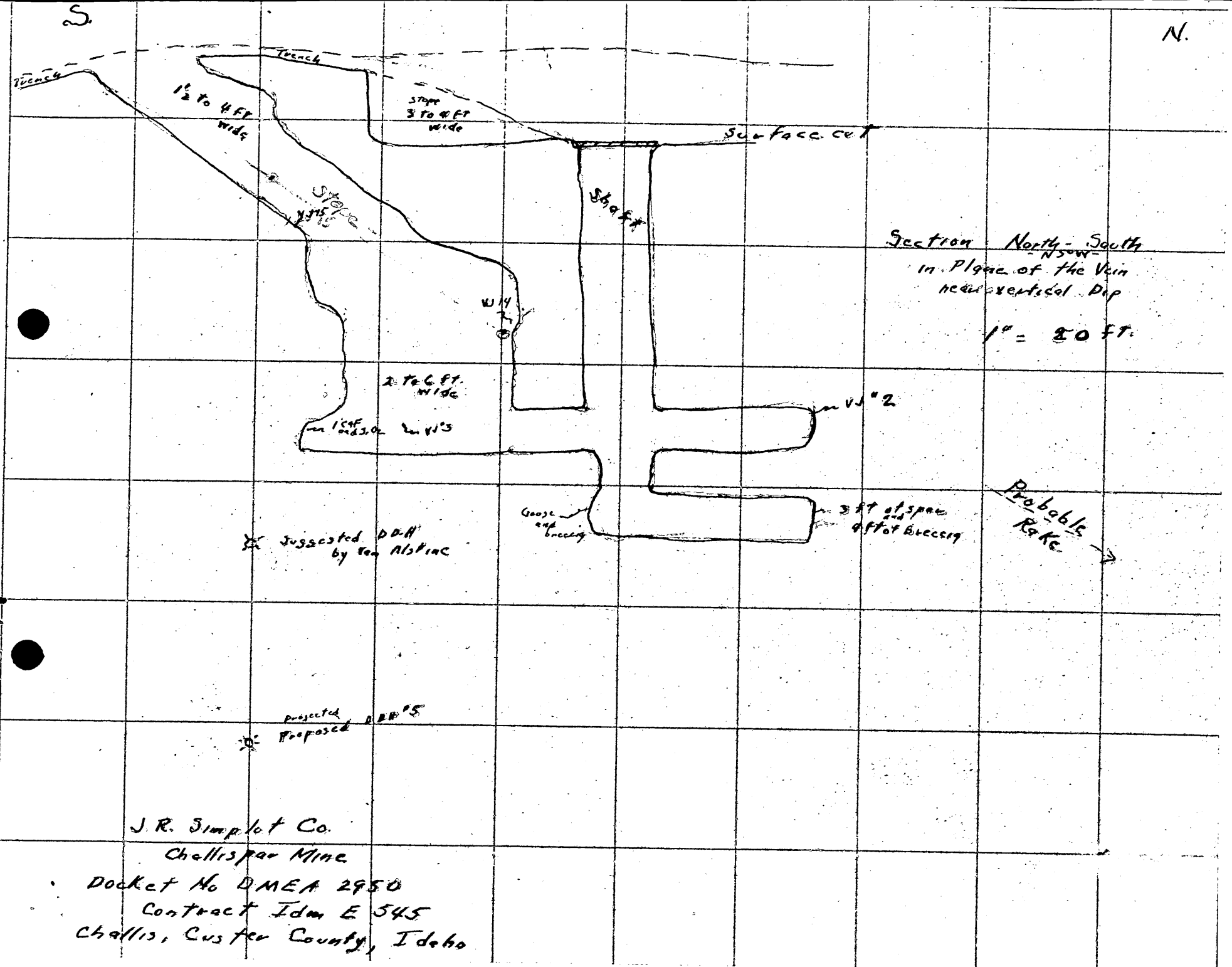
A narrow high grade lens of fluorspar has been mined from the 50-foot level through to surface south of the shaft since the examination of April 3, 1953. Samples VJ 14 and 15 were taken across segments of the fluorspar vein remaining. Attached sketch shows location of samples and the excavation completed to date.

Mr. Madill was requested to store made-up primers with attached dynamite in some out-of-the-way place rather than at the shaft collar as was the case on the date of the inspection. He stated the miners had already been cautioned.

The stope stands with relatively little timber and the ground is very dry. The vein is narrow (6 inch to 2 feet) so that considerable waste must be broken and hoisted to provide satisfactory working widths.

Orig. & 3 cys - Wash.
USGS (2)
DMEA
[illegible]/D
VZJ/ho

V. Z. Johnson


S.
N.
Trench
Trench
1½ to 4 ft wide
Stope
3 to 4 ft wide
Surface cut
Stope
Shaft
Section North-South
in Plane of the Vein
near vertical Dip
1" = 20 ft.
WJ 4
2 to 6 ft. wide
VJ "2
VJ "3
Goose egg breccia
3 ft of space and 4 ft of Breccia
Probable Rake
Suggested DDH by Van Alstine
projected Proposed DDH "5
J. R. Simplot Co.
Challispar Mine
Docket No DMEA 2950
Contract Idm E 545
Challis, Custer County, Idaho

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

1201 N. Division St.
Spokane 2, Washington
June 12, 1953

J. R. Simplot Company
Continental Bank Building
Boise, Idaho

Subject: Docket No. DMEA 2950 (fluorspar)
Contract Idm-E543

Gentlemen:

Enclosed are the original and five copies of the above captioned contract signed by the Government and sent to us from our Washington office.

Article 5 (a) of the contract has been superseded by Annex I which states, in part, that royalty payments are to be made for any minerals mined or produced during the exploration period regardless of any certification of discovery or development unless the Government waives its right to the royalty. This is a new policy which is written into all new contracts.

If the contract meets with your approval, please sign all copies, retain the copy marked "Operator's Copy," and return the original and four remaining copies to this office.

Sincerely yours,

M. E. Volin, Member
DMEA Field Team
Region II

Enclosure

cc: DMEA, Wash. (2)
USGS (2)
DMEA
DF

600

JUN 8 1953

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II
South 157 Howard Street
Spokane 8, Washington

Subject: Docket No. DMEA-2950 - Fluorspar
J. R. Simplot Company
Chalspar Mine
Custer County, Idaho

Dear Mr. Weissenborn:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by the Government with register number and effective date as shown.

If the contract meets with your approval, present it to the operator for his approval and signature. Please explain to the operator that when the contract is executed, it is a firm commitment under the terms of which he is obligated to complete the work outlined at the agreed unit cost for the work. If any part of this contract does not have either your approval or that of the operator, and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

After execution of the contract, the copies are to be distributed in the usual manner.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

JTRobertson:gad 5/4/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. H. W. Davis, 3519
Mr. Van Alstine, G-232 GSA Bldg.
Mr. Houk

Enclosures 8

P. S. Please note the attached copy of memorandum from the Geological Survey suggesting the relocation of Hole No. 3. This suggestion seems to have merit and, it is recommended that you make this change, if you are in agreement.

Houk
Ext 2971

Department of the Interior
Defense Minerals Exploration
Administration

14X3943.970 Working Fund,
Interior, Defense Minerals Exploration
Administration

Day Letter

June 3, 1953

J. R. Simplot, President
J. R. Simplot Company
Challis, Idaho

Recurtel May 15 denying your Exploration Application, docket number DMEA 2950, this is to advise you that restricted program directive dated April 15 modified on June 1 giving DMEA authority to execute your contract which was pending prior to date reftel. Accordingly contract will be signed by me and mailed to Regional Office at South 157 Howard Street, Spokane 8, Washington for submission to you. Your application DMEA 2950 will be processed as an amendment to your present contract Ida 4 347.

C. O. Mittendorf

C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration

LGHouk:gad 6/3/53

Confirmation copy

Copy to: Admr. R. File
Docket File
Field Team, Region II
Mr. Arundale, 3519
Mr. Van Alstine, G-232 GSA Bldg.
Mr. Houk

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

600

May 22, 1953

Memorandum

To: Robert E. Adams

From: Lawrence G. Houk

Subject: Docket No. DMEA-2950 - Fluorspar
J. R. Simplot Company
Chalspar Mine
Custer County, Idaho

Place this docket and contract with denials as fluorspar is no longer eligible for exploration assistance.

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Houk
Ext 2971

Department of the Interior
Defense Minerals Exploration
Administration

141993.970 Working Fund,
Interior, Defense Minerals Exploration
Administration

May 15, 1953

Night Letter

J. R. Simplot, President
J. R. Simplot Company
Challis, Idaho

RE YOUR EXPLORATION APPLICATION DOCKET NUMBER DMEA 2950, FLUORSPAR. THIS IS TO ADVISE YOU THAT EFFECTIVE APRIL 15, 1953 EXPLORATION FUNDS RESTRICTED TO ASSISTANCE ONLY FOR SPECIFIED MINERALS STILL IN SHORT SUPPLY. FLUORSPAR NO LONGER INCLUDED. CONSEQUENTLY WE DO NOT HAVE AUTHORITY OR FUNDS TO EXECUTE CONTRACT FOR EXPLORATION PROJECT ON YOUR PROPERTY AND YOUR APPLICATION THEREFOR 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. G. MITTENDORF, ADMINISTRATOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

LCHouk:gnd 5/15/53

Copy to: Admr. R. File
Docket File
Field Team, Region II
Mr. Arundale, 3519
Mr. Van Alstine, G-232 GSA Bldg.
Mr. Houk

Houk
Ext 2971

Department of the Interior
Defense Minerals Exploration
Administration

14X923.970 Working Fund,
Interior, Defense Minerals Exploration
Administration

May 15, 1953

Night Letter

J. R. Simplot, President
J. R. Simplot Company
Challis, Idaho

RE YOUR EXPLORATION APPLICATION DOCKET NUMBER DMEA 2950, FLUORSPAR. THIS IS TO ADVISE YOU THAT EFFECTIVE APRIL 15, 1953 EXPLORATION FUNDS RESTRICTED TO ASSISTANCE ONLY FOR SPECIFIED MINERALS STILL IN SHORT SUPPLY. FLUORSPAR 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, ADMINISTRATOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

LGHouk:gad 5/15/53

Copy to: Admr. R. File
Docket File
Field Team, Region II
Mr. Arundale, 3519
Mr. Van Alstine, G-232 GSA Bldg.
Mr. Houk

Houk
Ext 2971

FILE COPY
SURNAME:

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

Department of the Interior
Defense Minerals Exploration Administration

14X923.970 Working Fund, Interior, Defense Minerals Exploration Administration

May 15, 1953

Night Letter

J. R. Simplot, President
J. R. Simplot Company
Challis, Idaho

RE YOUR EXPLORATION APPLICATION DOCKET NUMBER DMEA 2950, FLUORSPAR. THIS IS TO ADVISE YOU THAT EFFECTIVE APRIL 15, 1953 EXPLORATION FUNDS RESTRICTED TO ASSISTANCE ONLY FOR SPECIFIED MINERALS STILL IN SHORT SUPPLY. FLUORSPAR 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, ADMINISTRATOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

LGHouk:gad 5/15/53

Copy to: Admr. R. File
Docket File
Field Team, Region II
Mr. Arundale, 3519
Mr. Van Alstine, G-232 GSA Bldg.
Mr. Houk
Confirmation Copy

5-15-53

May 22, 1953

Memorandum

To: Robert L. Evans

From: Lawrence G. Houk

Subject: Docket No. DMA-2950 - Fluorspar
J. R. Simplot Company
Chalspar Mine
Custer County, Idaho

Place this docket and contract with Daniels as fluorspar is no longer eligible for exploration assistance.

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

LGHouk;fls 5/22/53

Copy to: Admr. R. File
Docket File
Mr. Houk

600

May 22, 1953

Memorandum

To: Robert G. Adams

From: Lawrence G. Houk

Subject: Docket No. DMSA-2950 - Fluorspar
J. R. Simplot Company
Chalmer Mine
Custer County, Idaho

Place this docket and contract with denials as fluorspar is no longer eligible for exploration assistance.

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

LGHouk;fls 5/22/53

Copy to: Admr. A. File
Docket File
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 11 1953

May 8, 1953

Memorandum

To: Chief, Nonmetallic Minerals Division, Defense Minerals Exploration Administration

From: Assistant Chief, Construction and Chemical Materials Branch, Minerals Division

Subject: Docket No. DMEA-2950, J. R. Simplot Co., Challis, Idaho, Past Up Claim (Chalspar Mine), Fluorspar

I concur in the recommendation of the field team, dated April 1, 1953, and signed by H. B. Nickelson, U. S. G. S., and V. Z. Johnson, U. S. B. M., that this exploration application be approved. However, I suggest that hole No. 3 not be included in the original contract. It would seem advisable to complete holes No. 1, 2, 4, and 5 before making a decision on further drilling. The contract could be amended at that time.

Joseph C. Arundale, Assistant Chief
Construction and Chemical Materials Branch

FILE COPY
SURNAME:

140

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

AEKane
Mails

May 1, 1953

Memorandum

To: The Administrator

Through: L. G. Houk

From: Chief Counsel

Subject: J. R. Simplot Company - Docket No. DMEA-2950

There is attached, in satisfactory legal form for execution, a contract covering the above-described project, subject to the attachment of the Owner's Consent to Lien.

/s/ AEKane
for J. L. Hofflund
Chief Counsel

Attachments

AEKane/ema
cc: Mails & Files
J. L. Hofflund
A. E. Kane
Chron.

IN REPLY REFER TO:

G-MD-CMM

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

April 21, 1953

Memorandum

REVIEW OF APPLICATION AND FIELD TEAM REPORT DMEA-2950 (fluorspar)

To: L. G. Houk, Defense Minerals Exploration Administration
From: R. A. Van Alstine, U. S. Geological Survey
Applicant: J. R. Simplot Company, Challis, Idaho.
Name of property: Chalspar mine.
Location of property: Past Up claim, sec. 33 probably, T. 14 N., R. 18 E., 6 miles west of Challis, Custer County, Idaho.
Estimated cost of project: $9,716.50.
Summary of applicant's proposal:

Drill 5 diamond-drill holes, total length about 1210 feet, at sites shown on map to explore vein at depths 50 to 200 feet below level of bottom of 50-foot shaft. A 6-foot vein of fluorspar is exposed in the shaft from a 32-foot depth to the bottom. About 200 tons of metallurgical-grade fluorspar are said to have been shipped from this recent discovery.

Sources of information on applicant's property:

1. Field team report on this property by H. B. Nickelson (USGS) and V. Z. Johnson (USBM), April 1, 1953.
2. Field team report on nearby Open Question fluorspar prospect by R. E. Wallace (USGS), May 16, 1952, DMA-519; especially the map and page 4 of this report.

Comments:

1. I suggest that hole 3 be relocated, as follows: eliminate hole 3 (250 ft. long) at northwest end of the projected vein and substitute hole 3 (also 250 ft. long) drilled at 28° angle from same locality as hole 5 (see my green-pencil suggestions on applicant's map showing proposed drill sites, and sections through holes 3 and 5). A vein intersection is much more desirable above proposed hole 5 intersection and beneath the exposed section of the vein than an intersection beneath hole 2, which is directed at a projection of the vein to the northwest.
2. All holes are to be drilled from the hanging wall of the steep mineralized fault and seem favorably located with respect to the topography. However, caution should be used in interpreting the thickness of any veins cut, as the drill may have cut at a low angle some of the hanging-wall veinlets shown in the field team report (see section through shaft) and Wallace's earlier report (see section on his map).
3. According to field team report (p. 4), "Mr. Madill said several other fluorspar veins occur in the vicinity but no exploration has been done on them." Actually Mr. Holterman's Open Question vein, about 1,000 feet southeast of the Simplot property, was explored unsuccessfully (see DMA-519) in 1952.

4. Comparison of the applicant's and the field team's maps of the 50-foot level shows a discrepancy. The thicknesses and CaF_2-content of the fluorspar in the north and south faces of the drifts are shown differently; the sample data are incorrectly placed on one of the maps.

RECOMMENDATION:

Explore the deposit, following suggested change in site of drill hole 3, as outlined above.

R. E. Van Alstine

Van Alstine:jeh
G-4/21/53
cc: Director's reading 4212
Branch reading 4212
DMEA 3
Van Alstine G-230

DME 4 2950

Short form Contract.

Article 2

State of Idaho. County of Custer

described as follows. unpatented

Placer up claim described in Book

13 of Mining Locations at Page 526

official Records of Custer County.

Strike out (a)

(b) Lease & Owners Consent attached

Article 3 30 days

4 months

Article 4

The cost price for 50%

$9700 $4850 which is 50% of

RECEIVED

APR 14 1953

GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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                .33
1210 | 40 20
       36 30
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        390
        36300
        -----
         27
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1210
  33
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3630
3630
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399.30
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floor

Exhibit "B"

[illegible]

[illegible] 1210 feet

[illegible]

The location, dimensions, length, depth, [illegible] and [illegible] of 5 drawed dwell [illegible] 1210 feet as shown on Exhibit 1 attached hereto and made a part hereof. [illegible] from the above [illegible] made by the [illegible] from the [illegible]

Defendant's Original Bid and Costs

1210 feet [illegible] & EX core drilling at total agreed cost of $6.80 to include [illegible] & [illegible] the charges, moving between [illegible], [illegible] [illegible], [illegible] and core boxes — $8228.00

Defendant's Contract

up to [illegible] & [illegible] allowed [illegible] — $750.00

Defendant's Contract

Between drilling from both sides [illegible] @ $11.00 per foot [illegible] moving charges — 220.00

Total & Difference

all [illegible] — $4402

Amplified Work

10 assays for Cu Fe + SiO_2
at $10.00 ea. 100.00

Total equipment costs 9700.00

Short [illegible] 4850.00

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

April 7, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 13 1953

Mr. George J. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket DMEA-2950 (Fluorspar)
J. R. Simplot Company
Chalspar Mine
Custer County, Idaho

Dear Mr. Selfridge:

Enclosed are four copies of a field examination report on the captioned property by Howard B. Nickelson, U. S. Geological Survey, and V. Z. Johnson, U. S. Bureau of Mines.

Field examiners report the Chalspar property to contain a strong fluorspar vein which warrants further exploration. They have worked out a proposed diamond drilling program together with the applicant and have recommended DMEA participation in this program.

The Field Team concurs with the field examiners and recommends that a unit cost contract be granted the applicant, the contract to be drawn up along the lines discussed in that section of the enclosed report entitled Allowable Costs of Project.

By DMEA Field Team, Region II

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

M. E. Volin, Member
(U. S. Bureau of Mines)

Enclosure
cc: USBM (2)
Nickelson

Approved by
DMEA Operating Committee
4-17-53
(Date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Sp. 157 Howard Street
Spokane 4, Washington

April 1, 1953

Memorandum

To: DMEA Field Team, Region II

From: Howard B. Nickelson, Geologist, U. S. Geological Survey and V. Z. Johnson, U. S. Bureau of Mines

Subject: Docket No. DMEA-2950 (Fluorspar), Field examination, J. R. Simplot Company, Chalspar Mine, Bayhorse Mining District, Custer County, Idaho.

INTRODUCTION

Howard B. Nickelson and Wayne Roberts, geologists, U. S. Geological Survey, visited the Chamac mine, Lemhi County, Idaho on February 27 and 28, 1953. At that time Mr. Keith Madill, manager, Chamac mine, asked the examining team to examine the Chalspar mine with a view toward submitting an application for DMEA exploration assistance. The Chalspar mine was consequently examined on March 2, 1953 by the aforementioned parties, accompanied by Mr. Terry Waller, mining engineer, who was leasing the Chalspar mine. A proposed diamond drilling program was discussed with Mr. Madill and Mr. Waller consisting of 5 diamond drill holes whose total length aggregated about 1200 feet. Mr. Madill estimated the drilling cost of about $8.00 per foot to be contracted to some drilling company.

On March 20, 1953, Mr. Madill visited the Spokane Geological Survey office and submitted an application for exploration assistance on the Chalspar property.

RECOMMENDATION

The Field Team examiners recommend approval of the exploration application for diamond drilling to explore at depth the fluorspar vein exposed on the surface and on the 50-foot level. Although a 6-foot vein of fluorspar is exposed in the drift 50 feet below the surface, exploration by diamond drilling at depths 50 to 200 feet below the bottom of the shaft is warranted before deepening the shaft or driving an adit to the vein below the present shaft level.

Reviewed by
DMEA OPERATING COMMITTEE

4-17-53
(date)

JBP

LOCATION AND ACCESSIBILITY

The Chalspar mine is in T. 14 N., R. 18 E., probably in Sec. 33, Custer County, Idaho. The mine is 6 miles west of Challis, Idaho, and is accessible by gravel and dirt road. The road is generally open the year around, although a minor amount of snow will have to be plowed during the winter.

APPLICANT'S PROPERTY RIGHTS

The proposed drilling program is to be on the Past Up claim. The unpatented Past Up claim is owned by Fred Paulsen, Challis, Idaho, but is held by J. R. Simplot Company by a lease and option. J. R. Simplot Company has a group of claims adjoining the Past Up claim known as the Chalspar claims, Numbers 1 through 8. These claims are all unpatented. They are not included in the application. The owners consent to lein and lease on the Past Up claim seem to be in order and are included in the application.

DESCRIPTION OF THE PROPERTY

The outcrop on the Past Up claim has been bulldozed for a distance of about 300 feet exposing the vein for 240 feet. Several carloads of fluorspar have been mined from the vein outcrop and from the shaft. The vein is reported to average about 18 inches in width throughout the exposed length, although it could not be examined too closely because a foot or more of snow covered the area, but the trenches and open pits were evident.

A 52-foot shaft was sunk on the near vertical vein exposing an 18-inch vein of fluorspar for the first 32 feet at which point it widens to better than 6 feet and continues at this width to below the bottom of the shaft. ?

At the bottom of the shaft the vein has been drifted on 12 feet to the north and 13 feet to the south. As exposed in the drift, the vein consists of 4 feet of fluorspar assaying from 50 to 60 percent CaF_2 and 2 feet of fluorspar assaying 17 percent to 35 percent CaF_2. Fluorspar was present in the west drift wall for an undetermined thickness; this fluorspar is probably of high enough grade to mill.

Terry Waller and his partner have a contract paying by the foot of drift or shaft plus a certain percentage of the ore mined.

The applicant's equipment consists of the necessary drills, compressor, tugger hoist, and a building to house the compressor and hoist. Several small sorting bins are used to store the different grades of ore.

GEOLOGY

Due to a foot of snow in the area the surface geology was not examined but the application is believed to adequately describe the local geology.

The structure is strong and continues for a known distance of about 240 feet. Exposures made by cuts on the surface showed about 18 inches of high-grade fluorspar according to Mr. Madill.

Where examined in the drift the vein in the east wall consists of a dolomite breccia partially replaced by fluorspar. Four feet of good fluorspar occurs immediately west of the breccia zone that assayed 55.7 percent CaF_2 in the south drift face and 52 percent CaF_2 in the north drift face. At the north end of the drift the 4-foot band of good fluorspar is bounded on the west by a postmineral fault that dips 80° to the east. The fault has crushed the fluorspar into a fine powder over a width of about 6 inches; however, it cannot be traced south of the shaft. A 2-foot zone of gouge and brecciated dolomite, partially replaced by fluorspar, forms the footwall of the vein. At the north drift face a 2-foot sample across this zone assayed 32.5 percent CaF_2; in the south drift face a 20-inch sample across this same zone assayed 16.7 percent CaF_2.

A geologic map of the drifts on the 50-foot level is attached. The shaft walls were lagged and could not be mapped in detail. A section taken across the south end of the shaft, looking south, shows the vein to be 18 inches wide down to a depth of 32 feet beyond which the vein widens to about 6 feet and maintains this width to the bottom of the shaft.

All samples shown on the attached map were taken by the field examiners but were assayed at the Simplot assay laboratory at Meyers Cove, Idaho, by a General Services Administration chemist employed by the Government for assaying fluorspar purchased by GSA.

A list of samples taken on the property by the applicant assayed as follows:

Sample description	CaF_2 (percent)	SiO_2 (percent)	Insoluble (percent)
First shipment	+85	--	--
Second shipment, 35.8 tons	84.54	9.6	--
Channel, 4' from collar, S. side	57.8	--	--
From 20 tons of mill rock (fines)	66.0	--	--
Channel, at 35' S. side of shaft, width 40"	86.0	1.5	1.8
Grab of buckets, 17 tons high-grade	85.8	2.71	2.43
Grab of buckets, 7 tons high-grade	90.9	4.0+	--
Car grab (fines) mill rock	66.4	9.54	--

Sample description	CaF_2 (percent)	SiO_2 (percent)	Insoluble (percent)
Channel over 70" width at 42' on S. side of shaft	76.5	3.4	--
Grab of 9 tons of high-grade	86.5	7.28	--
Grab of 7 tons of high-grade	87.0	9.52	--
Grab of mill rock fines	67.7	--	--
Grab of 13 tons high-grade	83.1	--	--
Grab of 9 tons high-grade	78.4	--	--
Grab of mill rock fines	72.0	--	--
Grab of 4 tons of high-grade	83.5	--	--

The drilling program proposed in the application will give information on the grade and width of fluorspar at depths from 100 to 250 feet below the shaft collar. This exploration is logical before a decision can be made to crosscut to the vein at the drill hole intersections or to continue the shaft to greater depths.

The topography affords an opportunity to drive an adit to the vein at several locations.

Mr. Madill said several other fluorspar veins occur in the vicinity but no exploration has been done on them to date.

PAST OPERATIONS

The past operation, production, and grade of the ore is described in the application and seems to be an accurate account of the ore shipped.

AVAILABILITY OF LABOR AND MATERIALS

The contract will be performed by a drilling company which is expected to have their own drillers and driller helpers; the latter can be secured in the local area. Material, supplies, and equipment will be furnished by the drilling company. The drilling company will be required to haul water from the creek which is about one mile from the mine. Electric power is not available, but the drilling company will furnish the necessary power to complete the contract.

Mr. Terry Waller who is working at the property is a graduate mining engineer from the Montana School of Mines. He will no doubt assist in the engineering necessary for the drilling program.

DESCRIPTION OF THE PROPOSED PROJECT

A maximum of twenty hours of bulldozing is to be done in the preparation of 5 diamond drill sites. This is to be followed by 1,210 feet of diamond drilling from these sites. The locations of the holes to be drilled are shown on the attached plan map.

The Operator's proposal to intersect the vein by five 40° to 50° downward-inclined diamond drill holes at depths ranging from 100 to 250 feet below the collar of the shaft is a feasible method of exploration. The 1,210 feet of proposed drilling makes the best use of topography and is favorably located to direct further sinking or drifting from the existing winze. The proposed program should also give information of the feasibility of additional drilling at a greater distance from the discovery shaft. The cost of the project, $9,716.50, in which the Government will participate in the amount of 50 percent, is not excessive for the amount of work to be done.

The size of the geologic target is indefinite; however, as exploration to date has produced or indicated about 2,000 tons of ore, there is every reason to believe that the property warrants additional exploration. The proposed diamond drill program is believed to be the most economical method of exploring the extent of the vein at depth as well as along the strike.

The claim map in the application is not an accurate drawing, but is a sketch by Mr. Madill showing approximate shaft and vein location within the Past Up claim.

The time requested in the application is adequate to complete the project.

The applicant would like to begin work on the project on or before May 15, 1953.

DISCUSSION OF AN ALTERNATIVE PROJECT

An alternate proposal is possible, but would probably cost much more than the drilling program outlined in the application. The alternative proposal is to continue the drifts on the 50-foot level until the ore pinches out, then sink the shaft to the 150-foot level, if the shaft stays in ore, and explore the vein on that level by drifting. If this drifting proved successful an adit could be driven to the 150-foot level from the surface, which would do away with the more expensive method of mining through the shaft. The alternative project would cost from $30,000 to $50,000, but if ore was produced during exploration it would offset costs. Of the two methods, the proposed diamond drilling program is believed to be the more feasible.

ALLOWABLE COSTS OF PROJECT

It is requested that the contract be conducted on a unit cost basis. The costs herein submitted are like those currently charged for bulldozing and diamond drilling in the district without burdensome overhead of any kind. Total allowable costs are as follows:

Independent Contracts

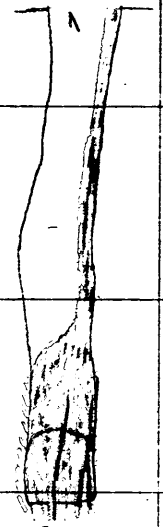
1210 feet of diamond drilling at $6.81 per foot includes hauling water, furnishing fuel, casing, cove boxes, and moving charges.	$8,246.50*
300 feet of reaming and concreting at $2.50 per foot	750.00*
20 hours bulldozing site preparation at $11.00 per hour includes moving charges	220.00*
Supervision	
Supervision and engineering	400.00*
Miscellaneous	
Analytical work	
10 assays for CaF_2 and SiO_2 at $10.00	100.00*

Operator's proposal gives details on the above cost except the analytical work. The insertion of an amount for assays seems necessary to provide precise information, although the Operator very likely will conduct an adequate sampling program at his own expense.

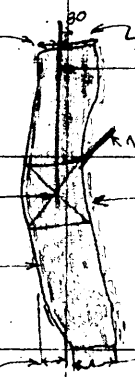
Enclosures
Distribution:
DMEA (4) ✓
USBM (5)
USGS (SRO)
Docket
Nickelson

Dept. of Interior U.S. Geological Survey

DMEA Docket No 2950



Section Shaft
Looking South
South End



2' - 32.48 % CaF_2

4' 51.97 % CaF_2

gouge-crushed CaF_2

Depth of Shaft 52'

Wall dolomite breccia with CaF_2. Est. grade 15 to 25 % CaF_2

Dolomite breccia & gouge with CaF_2

4' 55.68 % CaF_2

20" - 16.90 % CaF_2

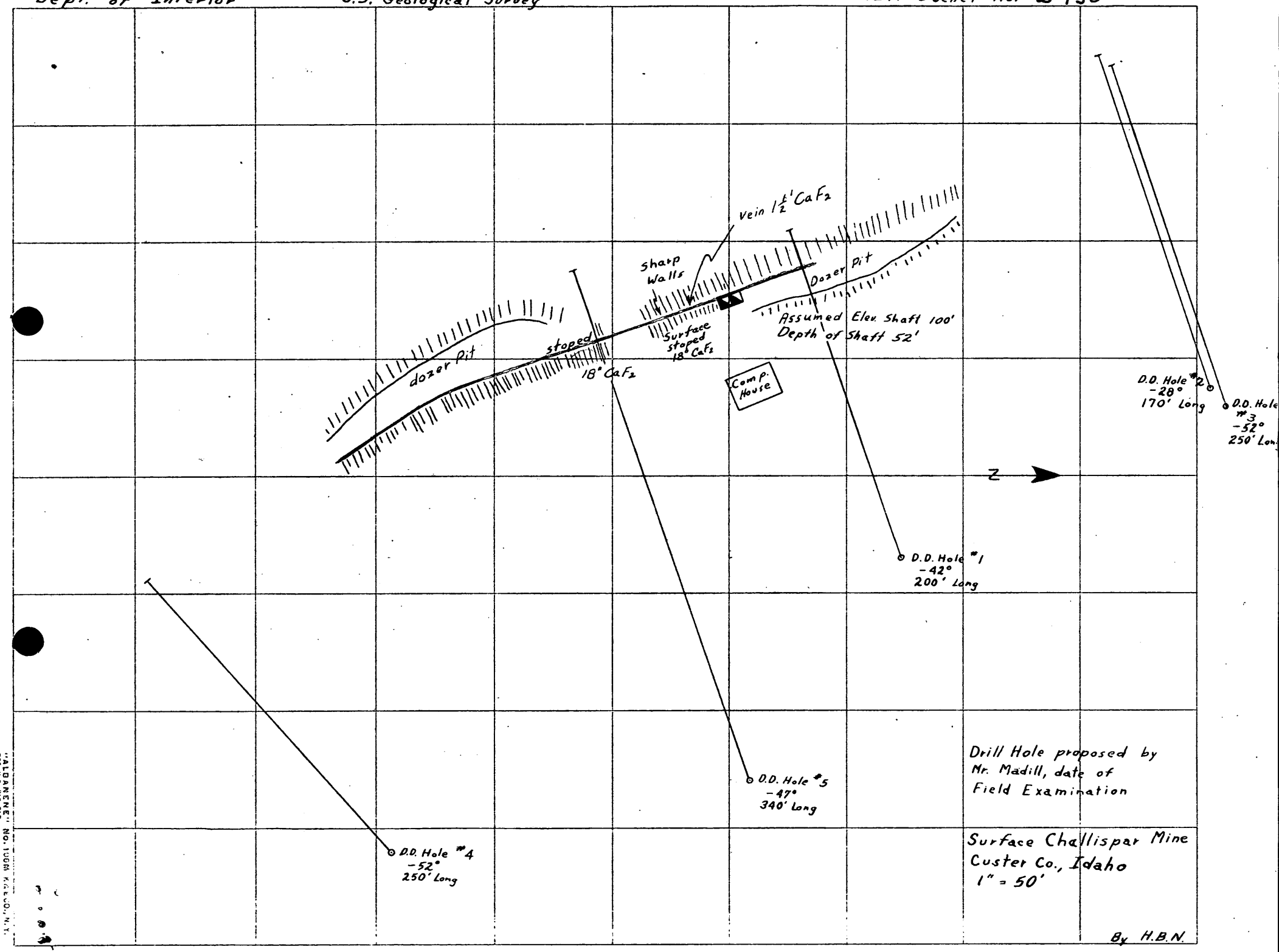
N

Chalkspar Mine
Custer Co. Idaho
Fluorspar
1" = 20'

By HBN

"ALBANENE" No. 195M K&E CO., N.Y. REG. U.S. PAT. OFF.

Dept. of Interior U.S. Geological Survey DMEA Docket No. 2950

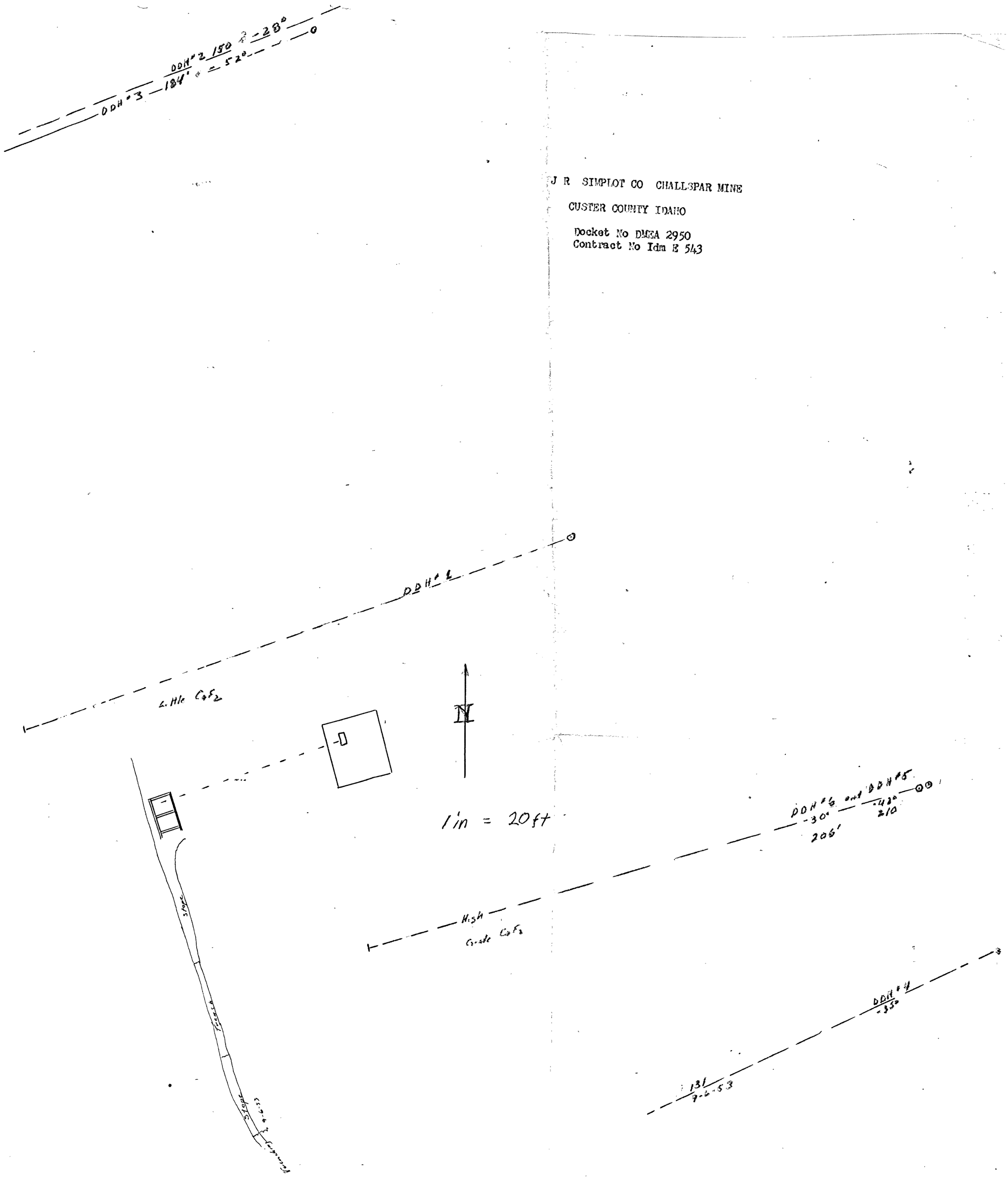


"ALBANENE" NO. 1009 KALCO, N.Y. REG. U.S. PAT. OFF.

J R SIMPLOT CO CHALLSPAR MINE

CUSTER COUNTY IDAHO

Docket No DMEA 2950
Contract No Idm E 543



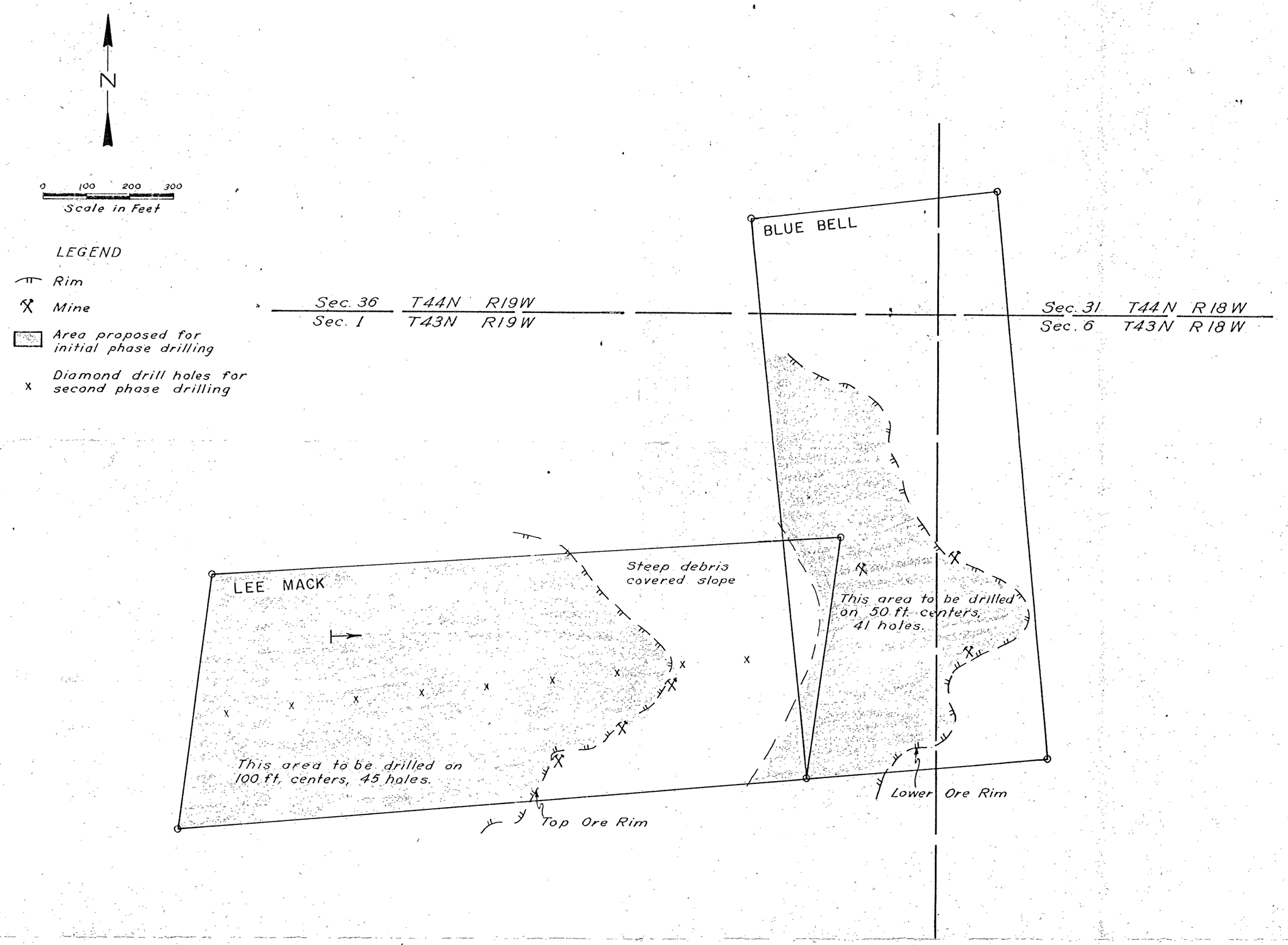


FIGURE 5
PROPOSED LOCATION OF DRILL HOLES
ON
LEE MACK AND BLUE BELL

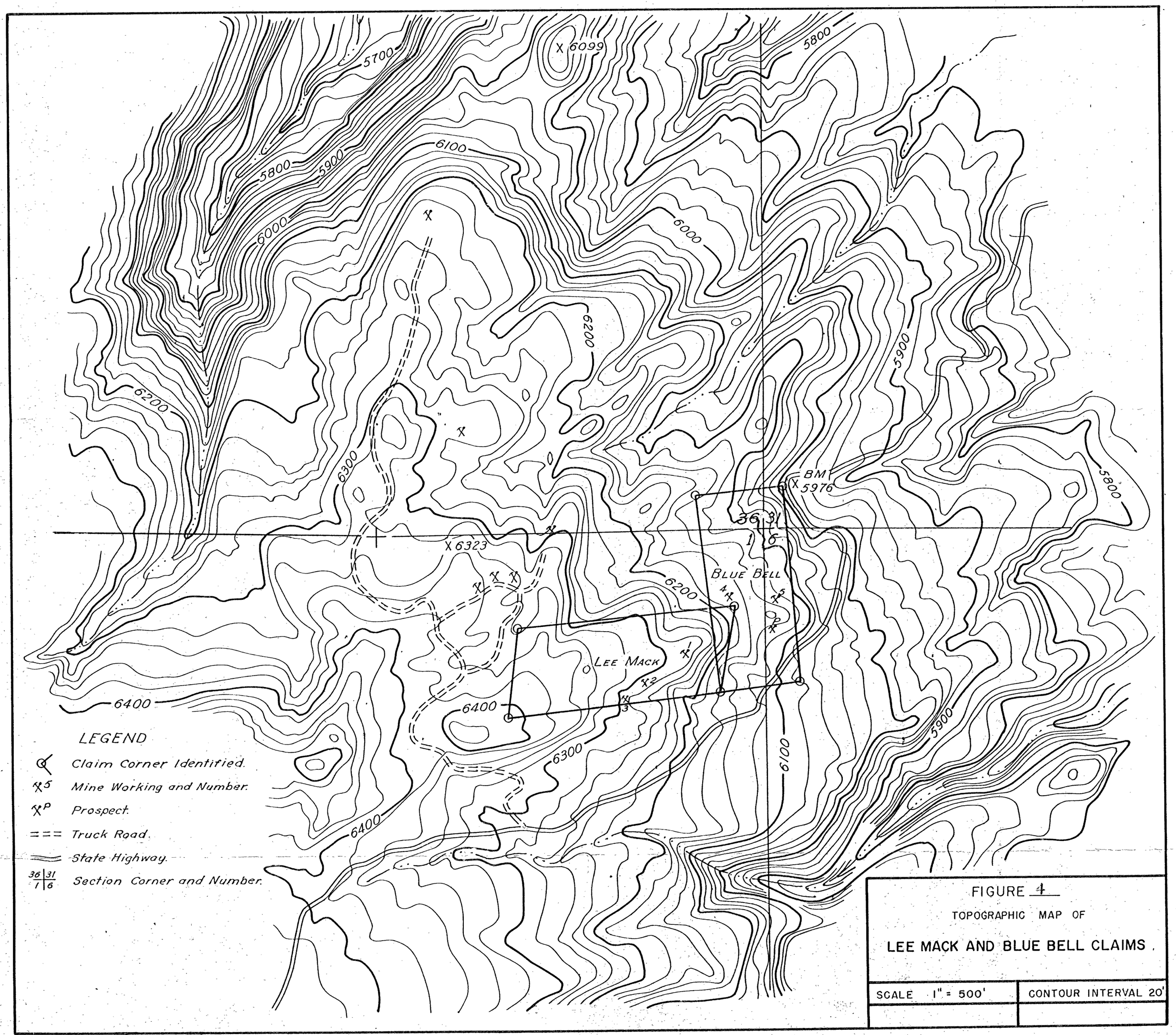


FIGURE 4

TOPOGRAPHIC MAP OF

LEE MACK AND BLUE BELL CLAIMS.

SCALE 1" = 500'	CONTOUR INTERVAL 20'