DMEA Form 14

Contract No. Idm-E 1206

Docket No. 4907

Approved contract

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
June 16, 1958	V	Illinois	Fluorspar

Name and Address of Operator: New Jersey Zinc Company
160 Front Street
New York 38, New York

	Reserve	Obligation
Prior Amount	0	0
Increase	19,596.00	0
Decrease	~~0~~	~~0~~
Revised Amount	19,596.00	0

Remarks:

(Name)

Allen S. Dakan Chief Operations Control and Statistics Division

(Title)

Date delivered to Bureau of Mines, Washington 6/16/58

22845

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E1206, Docket OMEA-4907 (fluorspar-zinc-lead), dated June 16, 1958, with

The New Jersey Zinc Company
160 Front Street
New York 38, New York
and
Box 252
Platteville, Wisconsin

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Project II located in Pope County, Illinois, during the period June 16, 1958, through September 14, 1960.

A certification of discovery or development was issued on December 4, 1959, and, in accordance with Article 8 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated November 3, 1959, indicated accepted costs under the exploration contract amounting to $35,988.15 with the Government's contribution on a 50 percent basis being $17,994.07.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review established no sales subject to the Government's royalty for the period. Accordingly, as of September 14, 1960, the royalty account of this project was found to be:

Total Royalty Payable	$ -0-
Total Royalty Paid	-0-
Balance of Royalty Due	$ -0-

E. D. Talbert

E. D. Talbert, OME Auditor

June 12, 1962

Idm-81206 The New Jersey Zinc Company DMRA-4907

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provides that the Operator, as principal if the producer or as surety if not the producer, shall pay to the Government a percentage royalty on all minerals produced from (1) the land thereunder and (2) any land within 1,000 feet thereof if the Operator or any subsidiary acquires any interest therein before June 16, 1968. The land under the contract consists of four contiguous tracts, aggregating approximately 773 acres, situated in secs. 27, 28, and 33, T. 12 S., R. 7 E., southern Illinois fluorspar district. At the time the contract was executed the Operator was in possession of the properties by virtue of three leases with options to purchase the mineral rights. Consents to Lien and Subordination Agreements were waived.

Exploration work under the contract was completed during April 1959. The files indicate that no minerals were produced during the exploration or thereafter through the period covered by this review.

The Operator terminated its leases and options on the property under the contract by notices dated June 27, 1960. In a letter dated June 24, 1960, from the Operator's Legal Department advising of its intent to terminate control of the properties, its continuing royalty obligation was acknowledged. Prior to this action by the Operator, an OMS field representative was advised by the Ozark-Mahoning Company that it had purchased the land under the contract.

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

(1) The files contain no evidence of any mineral production from the property under the contract during the period covered by this review; and

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

800

Memorandum

To: Chief, Fiscal Section, Division of Administrative Services, Office of the Secretary

From: Chief, Division of Field Operations, OMM

Subject: DMRA-4907 (Fluorspar-Zinc-Lead)
The New Jersey Zinc Company
Project II
Pope County, Illinois
Contract Ldm-21206

Enclosed for your files is the original of a Report of Royalty Review on the subject contract.

George C. Selfridge

Enclosure

GCSelfridge/hb (6/13/62)
cc to: Docket DMRA-4907
Director's Reading File
CA&A Division
GCSelfridge
R. A. Laurence, USGS, Reg. IV, w/cy of Report of Royalty Review dtd 6/12/62 & orig. cy of memo dtd 6/13/62 to Chf., Division of Field Operations from CA&A Division.
Avery Reed, USBM, Reg. IV, w/cy of ea. item sent to Mr. Laurence.

JUN 13 1962

Memorandum

To: Chief, Division of Field Operations

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: OMRA-4907 (Fluorspar-Zinc-Lead)
The New Jersey Zinc Company
Project II
Pope County, Illinois
Contract Idm-.1206

Inclosed are the original and two copies of a Report of Royalty Review covering the subject Region IV contract. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary; and

(b) Two copies to Region IV files.

This report is for OMS record purposes only; therefore, no copy has been provided for the Operator.

As evidence of your concurrence, a copy of your memorandum transmitting the original of the report to the Department's Fiscal Section should be furnished this Division. If for any reason you do not concur, the original and both copies should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 6-12-62

cc:
Docket
Director's Reading File
CA & A Division
Mr. Rothrock

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

The New Jersey Zinc Company
160 Front Street
New York 38, N. Y.

pertaining to Exploration Project Contract No. Idm-E1206, DMEA No. 4907, including Amendments Nos. 1, 2, and 3, for September 1958 to April 1959, inclusive, covering a fluorspar project in the Rosiclare fluorspar District, Pope County, Illinois.

My review included an examination of the Monthly Reports (Forms NF-104) and supporting documents, comparison of the claimed costs with the contract and pertinent schedules, verification of work performed by reference to Field Team reports and correspondence, 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 reasons given in the attached schedule.

The findings of this review are stated in the following summary and the attached schedule:

Total cost billed by Operator		$37,367.15
Exceptions:		
Prior to this review	$2,020.75	
Herewith	-0-	2,020.75
Acceptable cost claimed by Operator		$35,846.40
Acceptable costs not claimed, to partially offset exceptions		141.75
Total acceptable cost		$35,988.15

The contract calls for a 50 percent contribution of the allowable costs by the Government. Therefore, if the project is otherwise accepted as having met the terms of the contract, payments as follows are valid and proper:

Payable on audited claim	$17,994.07
Paid to date	16,634.17
Balance due Operator	$ 1,359.90

E. D. Talbert, OME Auditor

November 3, 1959

Reasons for Report of Review in lieu of a final audit:

(a) the Monthly Reports were supported by documentary proof of that portion ($31,798.05) of the costs covering work performed at unit rates under independent contract;
(b) the balance ($4,190.10) of the costs was under a contract provision for payment by the Government at fixed unit costs for work performed; and
(c) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible further disallowances.

Exceptions by Certifying Officer and accepted by this review:

(a)	Error in calculation of NX drilling costs on March 1959 MF-104			$ 75.00
(b)	Incomplete drill hole W-8 as claimed on January 1959 MF-104,			
	39' BX drilling	@ $2.95/ft.	$ 115.05	
	580' AX "	@ 2.65/ft.	1,537.00	
	619' Incidental Allowance	@ .30/ft.	185.70	1,837.75
(c)	Hole surveys claimed on January, February, and March 1959 MF-104 at $8.00/hr. rather than invoiced cost of $6.00/hr.,			
	22 hrs. @ difference of $2.00/hr.			44.00
(d)	Hauling core claimed as lost time on January and February 1959 MF-104,			
	8 hrs. @ $8.00/hr.			64.00
	Total			$2,020.75

Acceptable costs not claimed by Operator:

(a)	Hole surveys and other lost time invoiced but not claimed by Operator			
	17 hrs. @ $6.00/hr.			$ 102.00
(b)	BXWL drilling in hole W-15,			
	Acceptable - 829'	@ $2.65/ft.	$2,196.85	
	Claimed - 814'	@ $2.65/ft.	2,157.10	39.75
	Total			$ 141.75

Summary of Acceptable Costs

	Stage I		Stage II	
Independent Contract Costs:				
NX drilling @ $2.95/ft.	10'	$ 29.50	185'	$ 545.75
BX drilling @ $2.95/ft.	400'	1,180.00	-	-
BXWL drilling @ $2.65/ft.	667'	1,767.55	4,815'	12,759.75
AX drilling @ $2.65/ft.	5,440'	14,416.00	-	-
Sub-totals	6,517'	$17,393.05	5,000'	$13,305.50
Reaming @ $1.75/ft.	10'	17.50	160'	280.00
Cementing @ $8.00/hr.	71 hr.	568.00	-	-
Hole surveys @ $6.00/hr.	-	-	27 hr.	162.00
Other lost time @ $6.00/hr.	-	-	12 hr.	72.00
Total (Category 1)		$17,978.55		$13,819.50
Fixed Unit Costs:				
Incidental allow. @ $.30/ft.	6,517'	1,955.10	5,000'	1,500.00
Core boxes @ $3.00/each	175 ea.	525.00	-	-
Samples assays @ $6.00/ea.	3 ea.	18.00	32 ea.	192.00
Totals		$20,476.65		$15,511.50

NOV 3 1959

Memorandum

To: Executive Officer, OME Field Team, Region V

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: Docket No. DMFA-4907 (Fluorspar)
The New Jersey Zinc Company
Project II
Pope County, Illinois
Contract No. Idm-E1206

As requested by your October 21 memorandum a Report of Review, in lieu of a final audit of the referenced project, has been prepared. The original and three copies of the report with two supporting schedules are attached.

Please note the following differences in accepted costs as shown in this Report of Review in comparison with the units of work reported as accepted by the Field Team in your October 21 memorandum:

(1) Your memorandum states 167 core trays were used, whereas the Operator has claimed and the Certifying Officer has approved the allowable costs of 175 core boxes. Furthermore, invoices of the vendor (Bob Mitchell) indicate that the project was supplied with 181 core boxes at a cost of $670.50 (6 boxes and $145.50 in excess of the maximum allowable under the contract).

(2) Your memorandum confirms the approval of 30 hours of Stage II lost time, which is the same amount claimed by the Operator (apparently on the erroneous impression that the estimate of 30 hours is a contractual maximum). The March 1959 MF-104 indicates approval by the Certifying Officer of the costs of 22 hours of lost time at $6.00/hr., or $132.00, which agrees with the total shown on the driller's invoices through March. However, the invoice supporting the April MF-104 lists 5 hours of survey time and 12 hours of other delays, making an invoiced total of 39 hours lost time.

If you concur with the facts as stated in this Report of Review, and specifically agree that the costs of 175 core boxes and 39 hours of lost time are acceptable, please make the normal distribution. If for any reason you do not concur please return the original and all copies of the report and attachments to this Division with your comments.

The original of the final (April 1959) MF-104, MF-104A, and supporting documents, together with the invoices covering previously paid vouchers, are being returned by certified mail to Mrs. Miller with a copy of this memorandum.

Attachments

EDTalbert/ama
November 3, 1959

Copy to: Docket
Director's Reading File
CA & A Division
Mrs. Helen R. Miller

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION V

REGISTERED MAIL

ELECTROTECHNICAL
EXPERIMENT STATION

P. O. BOX 217
NORRIS, TENNESSEE

October 26, 1959

Memorandum

To: E. D. Talbert, Office of Minerals Exploration, Interior Building, Washington 25, D. C.

From: Administrative Assistant, Norris, Tennessee

Subject: Report of Review in Lieu of Final Audit - Contract Idm-E1206, Docket No. DMEA-4907, The New Jersey Zinc Company, Project II, Pope County, Illinois

A report of review in lieu of final audit is requested on the above contract. The following documents are attached hereto:

(1) Original MF-104, 104A and attachments covering final voucher

(2) Invoices covering previously paid vouchers (total of 25 invoices)

(3) Memo from Acting Executive Officer regarding completion of contract

Helen Miller
Helen R. Miller

/hbm
Copies to R. A. Laurence
V. J. Lynch
Norris files
Day files

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 29 1959

DATE	INITIALS	CODE
10/29	gad	220
		800

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 29 1959

DATE	INITIALS	CODE

October 21, 1959

Memorandum

To: Mr. E. D. Talbert, Acting Chief
Contract Administration & Audit Division, OME
Washington 25, D. C.

From: Acting Executive Officer, OME Field Team, Region V

Subject: Docket No. DMEA-4907 (Fluorspar)
New Jersey Zinc Company
Project II
Pope County, Illinois
Contract No. Idm-E1206

Work under the subject contract was terminated by Amendment No. 3, effective May 20, 1959.

The number of units of work completed by the Operator and accepted by the Field Team as conforming to contract specifications were:

Stage I -	Core drilling	6,517 feet	✓
	Reaming	10 "	✓
	Assays	3	✓
	Hours cementing	71	✓
	Core trays used	167	175 ?
Stage II -	Core drilling	5,000 feet	✓
	Reaming	160 "	✓
	Assays	32	✓
	Lost time approved	30 hours	39 ?

An acceptable final engineering and geological report was received from the Operator on October 19, 1959.

DMEA-4907

A total of $16,634.17 has been paid to date to the Operator, $1,289.03 having been withheld pending final audit or review.

A Report of Review, in lieu of final audit, is in order and requested.

V. J. Lynch

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

EXTRA COPY
O. M. E.
RECEIVED OCT 14 1959

DATE	INITIALS	CODE
		800

October 12, 1959

Mr. E. L. Weinburg
The New Jersey Zinc Co.
P.O. Box 129
Harrisburg, Illinois

Re: DMRA-4907, Idm-E1206
Project Two
Pope County, Illinois
(Fluorspar, lead, zinc)

Dear Mr. Weinburg:

As we are anxious to close our files on the subject project, we would appreciate receiving your final engineering and geologic report as soon as possible.

We are still holding the final (April 1959) voucher in suspense, and cannot process it for payment until the final report is received.

Sincerely yours,

Robert A. Laurence
Executive Officer, OME
Region V

RAL/zm
cc
Opr. Com-2
Amos
Lynch
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

EXTRACTED
O. M. E.
RECEIVED AUG 10 1959
DATE | INITIALS | CODE
800

August 6, 1959

Mr. E. L. Weinberg
Resident Geologist
The New Jersey Zinc Company
P.O. Box 129
Harrisburg, Illinois

Re: DMEA-4907(Zn-Pb-CaF_2)
Project Two
Pope County, Illinois
Contract No. Idm-E1206

Dear Mr. Weinberg:

We are still holding the final voucher on this project, as we cannot process it until we receive your final engineering and geologic report.

Please let me have this report at your earliest convenience, so that we may request a final audit and process your final voucher.

Sincerely yours,

Robert A. Laurence
Executive Officer, OME
Field Team, Region V

RAL/sm
cc
Opr. Com-2
Lynch
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

EXTRA COPY
O. M. E.
RECEIVED APR 29 1959

DATE	INITIALS	CODE
		600

April 27, 1959

Mr. E. L. Weinberg
Resident Geologist
The New Jersey Zinc Co.
P.O. Box 129
Harrisburg, Illinois

Re: DMEA-4907 (zinc-lead CaF_2)
Project Two,
Pope County, Illinois
Idm-E1206

Dear Mr. Weinberg:

Your final voucher and narrative monthly report for the subject project have been received.

Because our regulations require receipt of the Operator's final engineering and geologic report before payment of the final voucher, we will have to hold this here until the final report is received.

Sincerely yours,

Robert A. Laurence
Executive Officer, OME
Field Team, REgion V

RAL/am
cc:
Opns Com-2 1

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Stages I & II

OPERATOR'S MONTHLY REPORT AND VOUCHER

PAID ON VOUCHER & SCHEDULE
NOV 12 1959
O.M.E.

14

Month of April 1959 Docket No. DMEA 4907 Contract No. 1206
Operator's Name The New Jersey Zinc Company Minerals Fluorspar, zinc and lead
Address 160 Front Street, New York 38, N. Y.
Contract Amount, $39,192.00 Government Participation: 50 % Amount, $19,596.00

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~~ Overburden	44.25	554.60	598.85			
~~Bulldozing~~ NX & BX	112.10	1,234.35	1,346.45			
~~Crosscutting~~ AX	2157.10	28,283.45	30,440.55			
~~Drilling~~ Reaming	----	297.50	297.50			
Cementing	----	568.00	568.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Core Boxes	----	525.00	525.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	----	210.00	210.00			
Payroll Taxes						
Liability Insurance						
Incidental Allowance	264.60	3,376.20	3,640.80			
(8) Contingencies (specify):						
Lost Time	----	240.00	240.00			
TOTALS	2576.05	35,289.10	37,867.15	2719.80	33,268.35	35,988.15

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 4/23/59 *Payee The New Jersey Zinc Company
Per E. L. Weinberg Title Resident Geologist

*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:
$ 1259.90
Signature Helen R. Mellin
(Authorized Certifying Officer)
Date NOV 10 1959 Vou. No. 23
(See other side)

147 T 5/20

(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. F-1206 in accordance with the terms of the contract.

Signature V. J. Zynich Title MINING ENGINEER U. S. BUREAU OF MINES Date NOV 10 1959

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER OME FIELD TEAM REGION V Date NOV 10 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

Stage I

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1959 Docket No. DMEA 4007 Contract No. 1206

Operator's Name The New Jersey Zinc Company Minerals Fluorspar, zinc and lead

Address 160 Front Street, New York 38, N. Y.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS				22,314.40				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS				22,314.40				23,239.00

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

Date 4/23/59 Operator The New Jersey Zinc Co.

Per E. L. Weinberg Title Resident Geologist

B. L. Weinberg

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

REMARKS:

(Instructions on reverse)

(For Government use only)

NOV 12 1959
O.M.E.

W. J. Lynch

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.

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

GPO 872894

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

Stage II

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1959 Docket No. DMEA 4907 Contract No. 1206

Operator's Name The New Jersey Zinc Company Minerals Fluorspar, zinc and lead.

Address 160 Front Street, New York 38, N. Y.

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
Incidental ~~Drifting~~ Allowance	Ft.	264.60	882	1,500.00	5000		5000	0.30
Crosscutting								
Raising								
Shafts								
~~Winzes~~ Overburden	Ft.	44.25	15	221.25	75		80	2.95
Drilling: Core NX & BX	Ft.	112.10	38	324.50	110		120	2.95
~~Chucks~~ AX	Ft.	2157.10	814	12,720.00	4800		4800	2.65
Auger								
~~Stripping~~ Reaming	Ft.	------	---	280.00	160		210	1.75
~~Prospecting~~ Lost Time	Hr.	------	---	240.00	30		30	8.00
~~Test Pits~~ Assays Sample		------	---	192.00	32		32	6.00
Roads and Trails								
Cementing	Hr.	------	---	------	0		43	8.00
Total Distributed Costs		2578.05		15,477.75				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		2578.05		15,477.75				15,953.50

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

Remarks: Includes portion of hole M-15 within authorized limits of contract.

Date 4/23/59 Operator The New Jersey Zinc Co.

Per E. L. Weinberg Title Resident Geologist

E. L. Weinberg

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)

NOV 12 1959 O.M.E.

INSTRUCTIONS

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GPO 872894

Narrative Summary

Project II, Pope County, Illinois

For your reference we list a summary of the drilling data on Project II thru the completion of hole W-15 on April 4, 1959.

Hole No.	Feet Overburden	Feet NX & BX	Feet AX(BXWL)	Feet Reamed	Feet Drilled in April	Feet Drilled to Date
Stage I						
W-1 thru W-10	128	321	6687	10	----	7136
Stage II						
W-11	15	15	1075	0	----	1105
W-12	15	25	1075	0	----	1115
W-13	10	12	930	60	----	952
W-14	20	20	906	100	----	946
W-15	15	38	1052	0	322	1105
	75	110	5038	160	322	5223

The completion of hole W-15 concluded the DMEA program on Project II, since it more than filled the authorized quota of work in most catagories. This report, therefore, contains the completed financial summary for the entire program.

Hole W-15 (see AX-ILL-37-A) failed to intersect more than trace mineralization. It assumed an excessively steep inclination and therefore went too deep stratigraphically before it had gone sufficiently far to the northwest. If it had maintained the same rate of "droop" as the average of holes W-11, W-12 and W-13, it would have reached all the mineralized veins of W-11 at more favorable horizons.

E. L. Weinberg

E. L. Weinberg

1086G 24M 1-54

COPY

THE NEW JERSEY ZINC COMPANY

EXPLORATION DEPARTMENT

April 23, 1959

P. O. Box # 129
Harrisburg, Ill.

Mr. Robert A. Laurence, U.S.G.S.
Room 2-B, Post Office Bldg.,
Knoxville, Tennessee

Re. DMEA 4907 (fluorspar, zinc, lead)
Idm-E 1206, The New Jersey Zinc Co.
Project II, Pope County, Illinois
April Monthly Report

Dear Mr. Laurence,

Attached hereto is the monthly report for April 1959 on Project II in Pope County, Illinois.

Included are the narrative summary, a log of hole W-15, drawing AX-ILL-37-A, forms MF 104 and 104A(2), and the drillers invoice for hole W-15. These data should complete that portion of Project II to which the DMEA contract contributes.

One of the five government copies has been sent directly to Mr. Amos, at his request.

Yours sincerely,

E. L. Weinberg

E. L. Weinberg
Resident Geologist

ELW/hwd
in quintuplicate

RECEIVED
APR 27 1959
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

Stage I and II

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 66

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March 1959 Docket No. DMEA 4907 Contract No. 1206
Operator's Name The New Jersey Zinc Company Minerals Fluorspar, zinc and lead.
Address 160 Front Street, New York 38, N. Y.
Contract Amount, $39,192.00 Government Participation: 50 % Amount, $ 19,596.00

MAY 11 1959 O.M.E.

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~~ Overburden	88.50	466.10	554.60	88.50	430.70	519.20
~~Bulldozing~~ NX & BX	169.40	1,064.95	1,234.35	94.40	985.30	1079.70
~~Crosscutting~~ AX	4865.40	23,418.05	28,283.45	4865.40	21881.05	26,746.45
~~Diving~~ Reaming	280.00	17.50	297.50	280.00	17.50	297.50
Cementing	------	568.00	568.00	—	568.00	568.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Core Boxes	------	525.00	525.00	—	525.00	525.00
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	66.00	144.00	210.00	66.00	144.00	210.00
Payroll Taxes						
Liability Insurance						
Incidental Allowance	569.40	2,806.80	3,376.20	569.40	2621.10	3190.50
(8) Contingencies (specify):						
Lost Time	108.00	132.00	240.00	34.00	98.00	132.00
TOTALS	6146.70	29,142.40	35,289.10	5997.70	27,270.65	33,268.35

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 4/8/59 *Payee The New Jersey Zinc Company
Per E. L. Weinberg Title Resident Geologist

*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:
$ 2998.85
Signature Helen R. Meier
(Authorized Certifying Officer)
Date MAY 7 1959 Vou. No. 109
(See other side)

3035.85

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-1206 in accordance with the terms of the contract.

Signature W. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date MAY 4 1959

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER OME FIELD TEAM REGION V Date MAY 4 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

Stage I

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

MAY 11 1959
O.M.E.

Month of March 1959 Docket No. DMEA 4907 Contract No. 1206

Operator's Name The New Jersey Zinc Company Minerals Fluorspar, zinc & lead.

Address 160 Front Street, New York 38, N. Y.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS				22,314.40				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS				22,314.40				23,239.00

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

Date 4/8/59 Operator The New Jersey Zinc Co.

Per E. L. Weinberg Title Resident Geologist

E. L. Weinberg

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

REMARKS:

(Instructions on reverse)

(For Government use only)

MINING ENGINEER
U. S. BUREAU OF MINES

INSTRUCTIONS

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GPO 872894

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

MAY 11 1959
O.M.E.

Stage II

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

Month of March 1959 Docket No. DMEA 4907 Contract No. 1206
Operator's Name The New Jersey Zinc Company Minerals Fluorspar, zinc & lead
Address 160 Front Street, New York 38, N. Y.

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
Incidental ~~Mining~~ Allowance	Ft.	569.40	1898	1,235.40	4118		5000	0.30
Crosscutting								
Raising								
Shafts			94.40					
~~Winzes~~ Overburden	Ft.	88.50	30	177.00	60		80	2.95
Drilling: Core NX & BX	Ft.	169.40	32	212.40	72		120	2.95
~~Churn~~ AX	Ft.	4865.40	1836	10,562.90	3986		4800	2.65
Auger								
~~Stripping~~ Reaming	Ft.	280.00	160	280.00	160		210	1.75
~~Trenching~~ Lost Time	Hr.	108.00	13½	240.00	30		30	8.00
~~Test Pits~~ Assays	Sample	66.00	11	192.00	32		32	6.00
Roads and Trails								
Cementing	Hr.	------	0	------	0		43	8.00
TOTAL DISTRIBUTED COSTS		6146.70		12,899.70	✓			TOTAL COSTS AUTHORIZED BY CONTRACT
		6071.70						
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
		6071.70						
TOTAL COSTS		6146.70		12,899.70	✓			15,953.50

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

REMARKS: Includes holes W-13, W-14 and assays from W-13.

Date 4/8/59 Operator The New Jersey Zinc Co.

Per E. L. Weinberg Title Resident Geologist
E. L. Weinberg

→ 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)

N. Lynch
MINING ENGINEER
U. S. BUREAU OF MINES

INSTRUCTIONS

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GPO 872894

X 1086G.24M 1-54

COPY

THE NEW JERSEY ZINC COMPANY

EXPLORATION DEPARTMENT

April 9, 1959

P. O. Box # 129
Harrisburg, Ill.

Mr. Harry L. Burmeister
U. S. Bureau of Mines
College Park, Maryland

Re: D M E A 4907 (fluorspar, zinc, lead)
Idm-E 1206, The New Jersey Zinc Co.
Project II, Pope County, Illinois
March Monthly Report

Dear Mr. Burmeister,

Attached hereto is the monthly report for March 1959 on Project II in Pope County, Illinois.

Included are the narrative summary, logs of holes W-13 and W-14, drawings AX-ILL-35-A(rev) and AX-ILL-36-A, assay reports on 11 samples from hole W-13, forms MF 104 and 104A(2), and drillers invoices from holes W-13 and W-14.

Yours sincerely,

E. L. Weinberg

E. L. Weinberg
Resident Geologist

E.L.W./hwd
in quintuplicate

X 1086G 24M 1-54

COPY

Narrative Summary

Project II, Pope County, Illinois

For your reference we list a summary of the drilling data on Project II thru March 1959:

Hole No.	Feet Overburden	Feet NX & BX	Feet AX(BXWL)	Feet Reamed	Feet Drilled in March	Feet Drilled to Date
Stage I						
W-1 thru W-10	128	321	6687	10	---	7136
Stage II						
W-11	15	15	1075	0	---	1105
W-12	15	25	1075	0	---	1115
W-13	10	12	930	60	160	952
W-14	20	20	906	100	946	946
W-15 (incomplete)	15	38	730	---	783	783
	75	110	4716	160	1889	4901

Permission to drill holes W-14 and W-15 was confirmed by Mr. Laurence's letters of March 16th and 26th. The amendment extending the completion date of the contract to May 20, 1959 was signed by our Company prior to the March 20th deadline.

Assays from hole W-13 (see attached assay sheet) were approximately as estimated last month. Weighted averages based on assays in the two main mineralized zones are:

Footage	% Fluorite	% Pb	% Zn
730-764	51.8	4.55	5.41
783-798	39.1	2.37	9.29

Hole W-14 (see AX-ILL-36-A) failed to intersect more than trace mineralization. It is now believed that the fault intersected in the Paint Creek formation was the same one intersected in W-13 from 730 to 734 (see AX-ILL-35-A). If this is so, the intersection in W-14 was too high stratigraphically, and the fault appears to have assumed a more westerly strike between W-13 and W-14 than it had between W-11 and W-13.

The collar location for hole W-15 is shown on the plan portion of AX-ILL-35-A. It had not intersected any mineralization by the end of the month.

E. L. Weinberg

E. L. Weinberg

May 6, 1959

The New Jersey Zinc Company
160 Front Street
New York 38, New York

Re: Contract Idm-E1206
Docket No. IMFA-4907

Gentlemen:

Reference is made to your March voucher covering the above contract.

This voucher is being processed today in the amount of $2998.85, which is 50% of the approved monthly total - $5,997.70. Adjustments have been made as follows:

NX & BX Drilling -- claimed 32 feet at $2.95/ft.	$ 169.40	
Corrected 32 feet at $2.95/ft.	94.40	
Disallowance		$75.00
Hole Surveys -- Claimed 13-1/2 hours at $8.00/hr.	$ 108.00	
Corrected 13-1/2 hours at $6.00/hr.(invoice cost)	81.00	
Disallowance		27.00

Also an adjustment is being made on your March voucher covering overpayment of $47.00 on your February voucher as follows:

Hole Surveys -- Claimed 8-1/2hours at $8.00/hr.	$ 68.00	
Corrected 3-1/2 hours at $6.00/hr.(invoice cost)	21.00	
(Disallowed 5 hours hauling core)		
Disallowance		47.00

Total disallowed . . . . $ 149.00

Very truly yours,

Helen R. Miller
Administrative Assistant

/hbm
Copies to R. A. Laurence
V. J. Lynch
E. D. Talbert
Norris files
Day files

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

Stages I and II

MAR 16 1959
O.M.E.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 51

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1959 Docket No. DMEA 4907 Contract No. 1206

Operator's Name The New Jersey Zinc Company Minerals Fluorspar, zinc and lead)

Address 160 Front Street, New York 38, N. Y.

Contract Amount, $ 39,192.00 Government Participation: 50% Amount, $ 19,596.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Overburden	44.25	421.85	466.10	44.25	386.45	430.70
~~Bulldozing~~ NX & BX	73.75	991.20	1,064.95	73.75	911.55	985.30
~~Crosscutting~~ AX	2848.75	20,569.30	23,418.05	2848.75	19032.30	21881.05
~~Drifting~~ Reaming	-----	17.50	17.50	-	17.50	17.50
Cementing	-----	568.00	568.00	-	568.00	568.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Core boxes	----	525.00	525.00	—	525.00	525.00
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	126.00	18.00	144.00	126.00	18.00	144.00
Payroll Taxes						
Liability Insurance						
Incidental Allowance	334.50	2,472.30	2,806.80	334.50	2286.60	2621.10
(8) Contingencies (specify):						
Lost Time	68.00	64.00	132.00	68.00	30.00	98.00
TOTALS	3495.25	25,647.15	29,142.40	3495.25	23,775.40	27270.65

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

Date 3/2/59 *Payee The New Jersey Zinc Company

Per E. L. Weinberg Title Resident Geologist

*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:

$ 1747.62

Signature Helen R. Miller
(Authorized Certifying Officer)

Date MAR 12 1959 Vou. No. 94
(See other side)

1747.62

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

Stage I

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Feb. 1959 Docket No. DMEA 4907 Contract No. 1206
Operator's Name The New Jersey Zinc Company Minerals Fluorspar, Zinc & Lead
Address 160 Front Street, New York 38, N. Y.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS				22,314.40				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS				22,314.40				23,239.00

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

Date 3/2/59 Operator The New Jersey Zinc Co.

Per E. L. Weinberg Title Resident Geologist
E. L. Weinberg

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

REMARKS:

(Instructions on reverse)

(For Government use only)

W A Beck
MINING ENGINEER
U. S. BUREAU OF MINES

INSTRUCTIONS

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

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

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

GPO 872894

Form MF-101A
(April 1952)

Budget Bureau No. 42-R1151.2

Stage II

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1959 Docket No. DMEA 4907 Contract No. 1206
Operator's Name The New Jersey Zinc Company Minerals Fluorspar, zinc & lead
Address 160 Front Street, New York 38, N. Y.

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
Incidental ~~Drifting~~ Allowance	Ft.	334.50	1115	666.00	2220	---	5000	0.30
Crosscutting								
Raising								
Shafts								
~~Winze~~ Overburden	Ft.	44.25	15	88.50	30	---	80	2.95
Drilling: Core NX & BX	Ft.	73.75	25	118.00	40	---	120	2.95
~~Churn~~ AX	Ft.	2848.75	1075	5697.50	2150	---	4800	2.65
Auger								
~~Stripping~~ Reaming	Ft.	---	0	-----	0	---	210	1.75
~~Trenching~~ Lost Time	Hr.	68.00	8½	132.00	16½	---	30	8.00
~~Pan Pits~~ Assays Sample		126.00	21	126.00	21	---	32	6.00
Roads and Trails								
Cementing	Hr.	----	0	----	0	---	43	8.00
TOTAL DISTRIBUTED COSTS		3495.25		6828.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		3495.25		6828.00				15,953.50

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

REMARKS: Includes hole W-12 and assays from W-11 & W-12.

Date 3/2/59 Operator The New Jersey Zinc Co.

Per E. L. Weinberg Title Resident Geologist
E. L. Weinberg

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)

W. A. Beale
MINING ENGINEER
U. S. BUREAU OF MINES

X 1086G 24M 1-54

COPY

THE NEW JERSEY ZINC COMPANY

EXPLORATION DEPARTMENT

Narrative Summary

Project II, Pope County, Illinois

For your reference we list a summary of the drilling data on Project II thru February 1959. The details of Stage I are included in the January report:

Stage I						
Hole No.	Feet overburden	Feet NX & BX	Feet AX(BXWL)	Feet Reamed	Feet Drilled in February	Feet Drilled to date
W-1 thru W-10	128	321	6687	10	------	7136
Stage II						
W-11	15	15	1075	0		1105
W-12	15	25	1075	0	854	1115
W-13	10	10	772	0	792	792
Totals	40	50	2922	0	1646	3012

Permission to drill hole W-13 was confirmed by Mr. Lynch's letter of February 16th. On the same date, a proposed amendment number 3 to the contract was submitted to Mr. Goodwin, Vice President of our Company, by Mr. Lynch. This amendment would extend the completion date of the contract to May 20, 1959.

Assays from W-11 indicated two main zones of low grade mineralization. Assays from the equivalent zones in W-12 were considerably higher in lead and zinc but the fluorspar analysis was still low (see attached assay sheet).

Drilling in W-13 had penetrated two well mineralized zones by the end of the month, although the hole was still incomplete. Estimates of these zones are as follows, subject to later modification by assay results:

Footage	% Fluorite	% Barite	% Zn	% Pb
730-764	45	10	6	2½
783-798	50	5	6	2

(The second zone is estimated to 798, although drilling had only gone to 792 by February 28th)

The location of holes W-11, W-12 and W-13 are shown on drawing AX-ILL-35-A. Holes W-11 and W-12 penetrated the mineralized zone approximately 180 feet apart, along strike. Holes W-12 and W-13 penetrated the mineralized zone approximately 200 feet apart along the dip of the vein.

Yours truly,

E. L. Weinberg

E. L. Weinberg

X 1086G 24M 1-54

COPY

THE NEW JERSEY ZINC COMPANY

EXPLORATION DEPARTMENT

March 6, 1959

P. O. Box # 129
Harrisburg, Ill.

Mr. Harry L. Burmeister
U. S. Bureau of Mines
College Park, Maryland

Re: DMEA 4907 (fluorspar, zinc, lead)
Idm-E 1206, The New Jersey Zinc Co.
Project II, Pope County, Illinois
February Monthly Report

Dear Mr. Burmeister,

Attached hereto is the monthly report for February 1959 on Project II in Pope County, Illinois.

Included please find the narrative summary, a log of hole W-12, drawing AX-ILL-35-A, the W-12 driller's invoice, forms MF 104 and 104A(2), and assay reports for 21 samples from holes W-11 and W-12.

Yours sincerely,

E. L. Weinberg

E. L. Weinberg
Resident Geologist

ELW/hwd
in quintuplicate

RECEIVED
MAR 11 1959
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

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

Stage II + I
MAR 10 1959
O.M.E.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 51

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 1959 Docket No. DMEA 4907 Contract No. 1206
Operator's Name The New Jersey Zinc Company Minerals Fluorspar, zinc & lead.
Address 160 Front Street, New York 38, N. Y.
Contract Amount, $39,192.00 Government Participation: 50 % Amount, $ 19,596.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Overburden	44.25	—	44.25	44.25	342.20	386.45
~~Bulldozing~~ HR & DX	44.25	—	44.25	44.25	867.30	911.55
~~Crosscutting~~ AK	2848.75	—	2848.75	2848.75	16183.55	19,032.30
~~Drifting~~ Reaming	—	—	00.00	—	17.50	17.50
Cementing	—	—	00.00	—	568.00	568.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Core Boxes Stage I	—	—	00.00	24.00	501.00	525.00
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	—	—	00.00	—	18.00	18.00
Payroll Taxes						
Liability Insurance						
Incidental Allowance	331.50		331.50	331.50	1955.10	2286.60
(8) Contingencies (specify):						
Lost Time	64.00		64.00	30.00	—	30.00
TOTALS	3332.75		3,332.75	3322.75	20,452.65	23,775.40

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

Date 2/4/59 *Payee The New Jersey Zinc Co.

Per E. L. Weinberg Title Resident Geologist

*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:

$ 1,661.38

Signature Helen R. Miller
(Authorized Certifying Officer)

Date MAR 1 2 1959 Vou. No. 94

(See other side)

1661.37

(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. E1206 in accordance with the terms of the contract.

Signature [illegible] Title Mining Engr. Date 2/11/59

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title ACTING EXECUTIVE OFFICER DMEA - REGION V Date MAR 9 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

Stage II

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1959 Docket No. DMEA 4907 Contract No. 1205
Operator's Name The New Jersey Zinc Company Minerals Fluorspar, zinc & lead
Address 160 Front Street, New York 38, N. Y.

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
Incidental Allowance	Ft.	331.50	1105	331.50	1105	---	5000	0.30
~~Drifting~~								
Crosscutting								
Raising								
Shafts								
~~Winzes~~ Overburden	Ft.	44.25	15	44.25	15	---	80	2.95
Drilling: Core NX & DX	Ft.	44.25	15	44.25	15	---	120	2.95
~~Churn~~ AX	Ft.	2848.75	1075	2848.75	1075	---	4800	2.65
~~Auger~~ Core Box	Box	---	---	---	---	---	---	---
~~Stripping~~ Reaming	Ft.	---	0	---	0	---	210	1.75
~~Trenching~~ Lost Time	Hrs	64.00	8	64.00	8	---	30	8.00
~~Test Pits~~ Assays Sample		---	0	---	0	---	32	6.00
~~Roads and Trails~~								
Cementing	Hr.	---	0	---	0	---	43	8.00
Total Distributed Costs		3332.75		3332.75				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		3332.75		3332.75	3298.75			15,953.50

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

Date 2/4/59 Operator The New Jersey Zinc Co.

Per E. L. Weinberg Title Resident Geologist
E. L. Weinberg

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

(Instructions on reverse)

Remarks: Includes hole W-11
$30.00 allowed for lost time
H.P.B.

Subject to decision on hole W-8
H. L. Burmeister 2/11/59

(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 872894

Narrative Summary

Project II, Pope County, Illinois

For your reference we list a summary of the drilling data on Project II thru January 31, 1959:

Hole No.	Feet Overburden	Feet NX & BX	Feet AX(BXWL)	Feet Reamed	Feet Drilled in January	Feet Drilled to date.
			Stage I			
W-1	20	10	691	0		721
W-2	20	56	728	0		804
W-3	7	84	751	0		842
W-4	7	27	771	0		805
W-5	13	21	878	0		912
W-6	9	21	686	0		716
W-7	2 7	38	215	0	disallowed.	280
W-8	12	27	580	0		619
W-9	13	17	720	0		750
W-10	00	20	667	10		687
Total	128	321	6687	10		7136
			Stage II			
W-11	15	15	1075	0	1105	1105
W-12	15	25	221	0	261	261

Please note that all drilling this month was on Stage II of the p roject. Permission to begin Stage II with hole W-11 was given in Mr. Laurence's letters of January 13th and 19th. Permission to drill W012 was given in Mr. Laurence's letter of January 30th.

Attempts to continue hole W-8 beyond its original bottom of 619 feet were abandoned after a string of AX rods became stuck in the hole and could not be salvaged. By agreement with OME representative Dewey Amos, the hole was considered completed at 619 feet since it had already reached its primary target, the Bethel-Renault contact.

Hole W-11 was drilled to further test the mineralization found in W-3. As is shown on the attached log, mineralization was encountered to some degree on the west side of the fault logged at 673', and then became increasingly abundant down to 1043½'. Brecciation and calcite veination (shown in red on the log) also were abundant in the mineralized zone. Core was split a nd sent for fluorspar-zinc-lead assay from the following footages in W-11:

Sample No.	Footage		
C-19	833	to	837½
C-20	883	to	888
C-21	888	to	893

Narrative Summary

Sample No.	Footage
C-22	893 to 898
C-23	898 to 903
C-24	903 to 905½
C-25	925 to 932
C-26	959 to 963
C-27	1023 to 1028
C-28	1028 to 1033
C-29	1033 to 1038
C-30	1038 to 1042

Hole W-12 was collared on January 29th and reached 261 feet on January 31st. Its objective is to test the southwest strike extension of the mineralization found in hole W-11.

The location of holes W-11 and W-12 are shown on the attached sketch map and section.

A word of explanation is in order concerning the financial summary this month. Since both holes W-8 and W-11 are charged, and since the first is a Stage I hole and the latter a Stage II hole, separate forms MF-104A and MF-104 were made out to include each Stage. We trust this will not cause undue confusion.

In addition, we note that you have received bills for a total of 181 core boxes whereas we have only charged off 167 thru December. We have therefore included charges for eight additional core boxes this month to bring us up to the authorized limit of 175 core boxes.

Yours truly,

E. L. Weinberg

E. L. Weinberg

X 10866 24M 1-54

COPY

THE NEW JERSEY ZINC COMPANY

EXPLORATION DEPARTMENT

February 4, 1959

P. O. Box # 129
Harrisburg, Ill.

Mr. H arry L. Burmeister
Mine Examination & Exploration Engineer
U. S. Bureau of Mines
College Park, Maryla nd

Re: DMEA 4907 (fluorspar, zinc, lead)
Idm-E 1206, The New Jersey Zinc Co.
Project II, Pope County, Illinois
January Monthly Report

Dear Mr. Burmeister,

Attached hereto is the monthly report for January 1959 on Project II in Pope County, Illinois.

A drillers invoice for hole W-8 is attached and cha rges for it are included in the financial statement even though some question has been raised concerning this hole in correspondence between Knoxville and this office (refer to Mr. Laurence's letter of January 30, 1959 and our reply of February 2, 1959)

Yours sincerely,

E. L. Weinberg

E. L. Weinberg
Resident Geologist

ELW/mwd
in quintuplica te

FEB 9 AM 8:48

BUREAU OF MINES
COLLEGE PARK, MD.

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

Stage 1

Budget Bureau No. 42-R1036.5

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

Month of January 9, 195 Docket No. DMEA 1207 Contract No. 1206

Operator's Name The New Jersey Zinc Company Minerals Zinc & Lead

Address 160 Front Street, New York 38, N. Y.

Contract Amount, $ 39,192.00 Government Participation: 50 % Amount, $ 19,596.00

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:						
Overburden	35.40	342.20	377.60			
Drilling DX & DX	79.65	867.30	946.95			
Bulldozing AX	1537.00	16,183.55	17720.55			
Crosscutting Reaming	-----	17.50	17.50			
Drifting Cementing	-----	568.00	568.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track Core Boxes	24.00	501.00	525.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	-----	18.00	18.00			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance Incidental Allowance	185.70	1955.10	2140.80			
(8) Contingencies (specify):						
TOTALS	1861.75	20,452.65	22,314.40			

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

Date 2/4/59 *Payee The New Jersey Zinc Company

Per E. L. Weinberg Title Resident Geologist

*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:

$ 0

Signature _____
(Authorized Certifying Officer)

Date _____ Vou. No. _____
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 1206 in accordance with the terms of the contract.

Signature W. L. Burmeister Title Mining Engr. Date 2/11/59

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

MAY 8 1959 O.M.E.

Stage I

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

Month of January 1959 Docket No. DMEA 4907 Contract No. 1206

Operator's Name The New Jersey Zinc Company Minerals Fluorspar, Zinc and Lead

Address 100 Front Street, New York 38, N. Y.

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
Incidental ~~Drifting~~ Allowance	Ft	185.70	619	2140.80	7136	--	7160	0.30
Crosscutting								
Raising								
Shafts								
~~Winzes~~ Overburden	Ft.	35.40	12	377.00	128	--	100	2.95
Drilling: Core NX & BX	Ft.	79.65	27	940.95	321	--	150	2.95
~~Churn~~ AX	Ft.	1537.00	580	17,720.55	6687	--	6910	2.65
~~Auger~~ Core Box	Box	24.00	8	525.00	175	--	175	3.00
~~Stripping~~ Reaming	Ft.	----	0	17.50	10	--	300	1.75
~~Trenching~~ Lost Time	Hr.	----	0	------	0	--	40	8.00
~~Test Pits~~ Assays Sample		----	0	18.00	3	--	32	6.00
Roads and Trails								
Cementing	Hr.	----	0	568.00	71	--	60	8.00
Total Distributed Costs		1861.75		22,314.40				Total Costs Authorized by Contract
Operating Equipment Purchased		--		--				
Initial Rehabilitation and Repairs		--		--				
New Buildings, Improvements, etc.		--		--				
		--		--				
Total Costs		1861.75		22,314.40				23,239.00

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

767

Date 2/4/59 Operator The New Jersey Zinc Co.

Per E. L. Weinberg Title Resident Geologist

E. L. Weinberg

Remarks: Includes hole 0-8. Core box billing included a total of 181 boxes thru last month, and, therefore, the 6 boxes charged this month to bring the total to the authorized amount (175), do not have a separate bill attached.

→ 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)

H. L. Burmeister 2/11/59

INSTRUCTIONS

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

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

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

GPO 872894

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

FEB 2 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE
OF PAYMENTS K- 22

STAGE I O.M.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December 1958 Docket No. DMEA 4907 Contract No. 1206
Operator's Name The New Jersey Zinc Company Minerals Fluorspar
Address 160 Front Street, New York 38, N. Y. Zinc & Lead
Contract Amount, $ 39,192.00 Government Participation: 50% Amount, $ 19,596.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Overburden	38.35	303.85	342.20			
~~Bulldozing~~ NX & BX	109.15	758.15	867.30			
~~Crosscutting~~ AX	3675.55	12,508.00	16,183.55			
~~Drifting~~ Reaming	17.50	none	17.50			
Cementing	none	568.00	568.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Core Boxes	114.00	387.00	501.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	18.00	none	18.00			
Payroll Taxes						
Liability Insurance						
Incidental allowance	431.10	1,524.00	1,955.10			
(8) Contingencies (specify):						
TOTALS	4403.65	16,049.00	20,452.65	4403.65	16,049.00	20,452.65

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

Date Jan. 2, 1959 *Payee The New Jersey Zinc Company

Per J. Montague Title Geologist

*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:

$ 2201.82

Signature Helen R. Muller
(Authorized Certifying Officer)

Date JAN 29 1959 Vou. No. 83
(See other side)

2201.83

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-1206 in accordance with the terms of the contract.

Signature [illegible] Title MINING ENGINEER U. S. BUREAU OF MINES Date JAN 27 1959

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER OME FIELD TEAM REGION V Date JAN 27 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

FEB 2 1959
O.M.E.

STAGE I

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Dec. 1958 Docket No. DMEA 4907 Contract No. 1206
Operator's Name The New Jersey Zinc Company Minerals Fluorspar
Address 160 Front Street, New York 38, N. Y. Zinc & Lead

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~~ Incidental Allowance	Ft.	431.10	1437	1955.10	6517		7160	.30
Crosscutting								
Raising								
Shafts								
~~Winzes~~ Overburden	Ft.	38.35	13	342.20	116		100	2.95
Drilling: Core NX & BX	Ft.	109.15	37	867.30	294		150	2.95
~~Churn~~ AX	Ft.	3675.55	1387	16,183.55	6107		6910	2.65
~~Augers~~ Core Box	Box	114.00	38	501.00	167		175	3.00
~~Stripping~~ Reaming	Ft.	17.50	10	17.50	10		300	1.75
~~Trenching~~ Lost time	Hr	-----	0	-----	0		40	8.00
~~Test Pits~~ Assaying	Sample	18.00	3	18.00	3		32	6.00
Roads and Trails								
Cementing	Hr	-----	0	568.00	71		60	8.00
TOTAL DISTRIBUTED COSTS		4403.65		20,452.65				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		4403.65		20,452.65				

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

REMARKS: Holes W-9 & W-10

Date Jan. 2, 1959 Operator The New Jersey Zinc Co.

Per J. M. Stagner Title Geologist

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)

V. D. Lipsch
MINING ENGINEER
U. S. BUREAU OF MINES

INSTRUCTIONS

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

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

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

GPO 872894

X 1086G 24M 12-56

COPY

THE NEW JERSEY ZINC COMPANY — EXPLORATION DEPARTMENT

Box 217
Platteville, Wisconsin
December 31, 1958

Mr. H. L. Burmeister
Mine Exploration and Examination Engineer
United States Bureau of Mines
College Park, Maryland

DMEA 4907 (fluorspar), Idm-E 1206
The New Jersey Zinc Company, Project II, Pope County, Illinois
December, 1958

Dear Mr. Burmeister:

Your letter of December 19 to Mr. Weinberg has come to my attention here at Platteville. Mr. Weinberg takes charge of the DMEA project in Pope County as of January 2, hence he is not responsible for the misdemeanors we have committed during the past three months. The project has been under my supervision since 1953, and will continue so, and I shall endeavor to supply the information you request. Mr. Weinberg will probably be delighted to make his report for January, but I hope he can start with no backlog of unfinished report writing. Hence my reply to your letter will include the December report.

Let me try to answer your questions and comments in the order given in your letter. As our partner in this venture you are entitled to a complete story.

Coordinates for Holes

Your first question inquires about the coordinates on our 1"=200' plan map No. AX-Ill-32. The coordinates ruled thereon are for the draftman's convenience only, whereas the coordinates of drill holes which appear on the log sheets are determined by the following system. All holes are located within the forty acre tract in which they are drilled by distances north and east from the southwest corner of that forty acre quarter-quarter (or "lot" in some locations). If the boundaries of the forty acre tract are not due north and due east, but skewed, the coordinate distances are measured true north and true east from the southwest corner; this corner is fixed by fences, roads or monuments, or by projection from the nearest known land divisions. The various corners used

to locate holes on map AX-III-32 (1"=200') are now shown thereon by penciled quadrants.

A list of drill hole survey data is enclosed with Mr. Burmeister's copy of this letter. I would rather not give the survey coordinates of the holes wide distribution because the use of two systems is confusing to persons who are not engineers. Furthermore the calculated survey coordinates lose their meaning and usefulness in a few years after our stakes are destroyed and when new entrepreneurs establish a different system. The log location by land subdivisions, on the other hand, is permanent and allows a geologist to locate the hole collar years later as long as our present system of land subdivision survives.

Maps and Sections

We regret that only one copy of the 200 scale map was sent to you earlier; five prints are being sent to you now in a separate tube. You may attach them to the various copies of this report, folded, or you may pass them to suitable parties unfolded, as you choose. Also in the tube are five prints of a newly prepared set of profile sections, at a scale of 1"=200', drawing No. AX-III-34. We hope this new set of sections will answer your requirements.

Narrative

The narrative with the November report is rather brief, I admit; Mr. Bing preferred action to words. I shall give the history of holes W-1 to W-10 in the following paragraphs and so include more complete narrative material for your November, as well as December reports.

Separation of Stages I and II

With the completion of hole No. W-10 (DMEA contract no. 17), the work proposed for stage I has been completed, except for possible extension of W-8. A possible stage II hole is being considered for section 16. It would be drilled from a collar position between W-1 (2) and W-2 (4), S 50° E, at -45°, to explore mineralization in fault 'E' in the Fredonia horizon southeast of the trace mineralization found in the Fredonia in hole W-3 (6). Its tentative position is shown on the attached sketch of cross-sections, AX-III-33.

Location W-11 requires discussion and approval before commencement of drilling. Both drills are now idle and only one will be used for stage II work.

Review of Stage I

This seems an appropriate time to review the work done under stage I.

Hole W-1 was drilled at contract location 2 as the first step in developing cross-section 16. The necessary clearing and moving in of machinery and equipment began on August 11 as allowed by Amendment No. 2 to our contract. The collar location is a short distance southeast of the planned location to allow a better set-up position. The bearing and inclination are as planned, N 45° W, 45°. The hole was completed on September 9 at 721 feet. A fault cut at 475 feet was not mineralized; only small amounts of barite, pyrite and calcite appeared in other sections of the core.

Hole W-2 was drilled at contract location 4, inclination and bearing as planned, N 45° W, 55°. No faults were discovered but several fractures and veinlets contained traces of fluorite and galena. No assays were required. The hole was completed September 24 at 804 feet.

Hole W-3 was placed close to contract location 6 and drilled at the planned bearing, N 45° W. The inclination was changed from 60° to 50° because surface geologic study had indicated that the fault we were exploring is actually steeper than shown in the application cross-sections and the collar of the hole was lower in the geologic section than previously shown, tending to raise (in effect) the target location. Nevertheless the hole crossed the fault too high, at 612, in the Renault shale. A zone of weak mineralization was cut in the Fredonia at 728 to 736, beyond and away from the fault. Two assays were made of samples from core at this point. The hole was begun October 2, and finished at 842 feet on October 13, completing the three holes planned for section 16.

Hole W-4 was moved southeastward about 90 feet from contract location no. 19 on section 26. It was drilled N 45° W at 60° as planned. A letter authorizing the change was received from Mr. Laurence. The reason for the move was the apparent swing to the south observed for 'E' fault after plotting its position as shown by the intersection in hole W-3. Three fault zones were cut in hole W-4 at 334, 401 and 477 feet; all are thought to be part of the 'E' fault system. None showed interesting mineralization; we would have preferred cutting these faults lower in the section. Only narrow veinlets of fluorite were seen in

the Rosiclare sandstone and Fredonia limestone. The hole was finished at 805 feet on October 30.

Hole W-5 was started on October 20 with a second drill rig to explore the faulted section in the southwest part of the Barnett-O'Roark property. The set-up was made on section 48 very near contract location no. 11. The bearing was N 45° W, 45°, as planned. The hole crossed a few fractures near the collar and then went on to cut faults or veins at 445, 570, 605, 685 and 795. The first three contained respectively 12" of barite, 6" of barite, galena and calcite, and 18" of barite, ankerite and minor fluorspar. The hole was stopped at 912 before reaching the Fredonia limestone because the bottom was approaching the property line. The droop of the hole, though not measured, is surely sufficient to keep the bottom of the hole over 100 feet from the line. Although no economic mineralization is reported from this hole, it has penetrated a region of multiple fracturing and mineralization which might conceivably produce economic deposits at the Spar Mountain or Rosiclare horizons.

Hole W-6 was placed to continue the exploration of the 'E' fault system as originally planned at contract location no. 20 on section 26. The bearing is N 45° W as planned, the inclination is 59°, varying slightly from the planned 60° inclination because of some inaccuracy on the part of the drillers. The collar location was moved southeastward along the section 270 feet from location no. 20 so as to accommodate the eastward bend or change in strike in the 'E' fault system as discovered by holes W-3 (6) and W-4 (19). Permission for this move was intended to be covered by Mr. Laurence's letter of November 10, but the numbers and distances seem to have become confused in telephone conversation. Actually the discussion concerned drill hole 20 rather than 19, as 19 was already finished at that time. I may have caused the confusion by not specifying the number more carefully. Hole W-6 (20) was begun on October 31 and finished at 716 feet on November 11. The main fault was cut at 417, near the Bethel-Renault contact, but again too high in the section to make a useful test. No significant mineralization was encountered except for a 6 inch bed of disseminated fluorspar at 704 near the Spar Mountain horizon. (Sample No. C-18, 704-704½, 4.18% CaF_2, green limy shale core.) As in hole W-3 (6) this bedded mineralization may represent a tongue reaching out from a nearby fault system.

Hole W-7 was placed within fifty feet of contract location no. 15 on section 41. It was drilled at the planned bearing and angle, N 45° W, 45°, beginning November 15 and finishing November 20 at 280 feet. Its purpose was to locate 'C' or 'D' faults so as to help in locating hole W-9 (16) which was to explore these holes at deeper horizons. We concluded that 'D' fault was near

the collar of W-7 and the hole should have been continued to search for 'C' fault beyond 280 feet; however it was approaching the property line and was discontinued for that reason. The contract footage allowance for this hole turns out to be rather scanty, now that the geology is better known. The hole did serve its purpose to some extent by locating the down-faulted block between 'C' and 'D' lineaments. No economic mineralization was seen.

Hole W-8 was located to replace contract location 12. The collar was moved about 50 feet northwestward along section 48, the planned bearing, N 45° W, was set, but the inclination changed from 60° to 45°. Originally location 12 was designed to explore the supposed continuation of 'E' lineament, but we are now aware that this fault really has a different strike than at first supposed and hence would cross section 48 southeast of the collar of W-8 (12). However a minor fracture system was encountered in the upper portion of hole W-5 (11) and we thought that hole W-8 would serve its original purpose by exploring the Bethel-Renault horizon near its intersection with this fracture system. The hole was started on November 19 and temporarily stopped on December 5 at 619 feet. No mineralization was found at the Bethel-Renault contact. At the end of December, the drill rig is still standing over the hole ready to deepen it if further study shows that deepening is required.

Hole W-9 has been drilled at contract location 16 as planned on section 41, with bearing N 45° W, inclination 60°. Its purpose was to explore lineaments 'C' and 'D' at the deeper ore bearing horizons. When the hole was started on November 22, it appeared to be in the correct position after studying section 48 and the log of W-7. However, it failed to cross either fault; 'D' fault must dip westward almost parallel to the hole and 'C' fault must be nearly vertical, so that they intersect beyond the hole bottom. W-9 (16) was bottomed at 750 on December 8. No interesting mineralization is reported for this hole; its only useful function has been to move the 'C-D' fault system westward.

Hole W-10 is located to explore 'E' fault near contract location 17. The collar location was moved about 490 feet southeastward along section 41 so that the hole would hit 'E' fault at its revised location near the Rosiclare-Fredonia contact. This move was approved at a conference in Harrisburg on December 2, and I believe a letter has been received authorizing the move. The hole was started on December 5 and finished December 19 at a depth of 687 feet. It crossed the fault at approximately the right horizon at 600 feet; no mineralization was found in the fault and only minor amounts of calcite and fluorite in the lesser shears above and below the fault. This hole completed the exploration of section 41 as planned for

stage I. We now have the impression that 'E' fault is dying out and splitting along strike toward the southwest; the fault displacement at hole W-10 (17) seems to be less than at W-3 (6).

Summary of Stage I and Conclusion

The nine drill holes completed so far, to accomplish the work of stage I, have been rather disappointing in that no economic mineralization has been found in the core. However, two sites of mineralization are interesting enough to suggest worthwhile targets for stage II drilling. The first of these is in the lower part of hole W-3 (6), in the Fredonia west of 'E' fault. Hole W-11 is suggested in the position sketched on section 16 on drawing AX-III-33 to search for more intense mineralization nearer to the fault or perhaps in the fault. The other mineralized section is in the lower part of hole W-5 (11), between faults 'C' and 'D'. In the opinion of company geologists, this showing in W-5, although not spectacular, is interesting enough to warrant deepening hole W-8.

Other targets may come up for discussion as possibilities for stage II drilling at a conference that we hope to hold with Mr. Amos in Harrisburg early in January.

Mr. Amos has been very helpful and accommodating during the prosecution of stage I drilling and I want to take this opportunity to thank both of you for your kindness and forbearance. Our reports have been somewhat sketchy and incomplete during the last few months, partly because of our inexperience and partly because of Mr. Bing's recent illness. I am sure that Mr. Weinberg will carry on the report writing expeditiously and with an experienced hand. Please do not hesitate to call on either Mr. Weinberg or myself for further information which you think either of us may have.

Very truly yours,

John M. Hague

John M. Hague
Resident Geologist

cc: Mr. H. L. Burmeister - for DMEA (4)
Mr. W. H. Callahan (2)
Wis. Ex.
Ill. Ex.

Enclosures:

AX-III-23 map
AX-III-33 sections
Drill hole survey data (to Mr. Burmeister)
~~Log for W-8 (3 sheets)~~
Log for W-9 (3 sheets)
Log for W-10 (3 sheets)
Sheet of abbreviations
Form MF-104
Form MF-104A
Invoices for holes

(AX-III-32 map and AX-III-34 profiles under separate cover)

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

JAN 28 1959
O.M.E.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 40

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1958 Docket No. DMEA 4007 Contract No. 1206
Operator's Name The New Jersey Zinc Company Minerals Fluorspar
Address 160 Front Street, New York 38, N. Y. Zinc & Lead
Contract Amount, $ 39,112.00 Government Participation: 50 % Amount, $ 19,556.00

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 Overburden	144.35	159.30	303.65			
Bulldozing DK & DX	236.00	522.15	758.15			
Crosscutting AK	4714.35	7,793.65	12,508.00			
Drifting						
Cementing	206.00	272.00	500.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Core Boxes	150.00	337.00	387.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Incidental Allowance	572.40	951.60	1,524.00			
(8) Contingencies (specify):						
TOTALS	6113.30	9,935.70	16,049.00	6,113.30	9,935.70	16,049.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 1-9-59 *Payee The New Jersey Zinc Company
Per Rupert O. Berry Title Geologist

*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:
$3056.65
Signature Helen R. Miller
(Authorized Certifying Officer)
Date JAN 20 1959 Vou. No. 80
(See other side)

3056.65

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 1206 in accordance with the terms of the contract.

Signature [illegible] Title Mining Engr. Date 1/12/59

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A Lawrence Title REGION V Date JAN 19 1959

EXECUTIVE OFFICER
OME FIELD TEAM

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Sheet 1

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1958 Docket No. DMEA 4[illegible] Contract No. 1[illegible]6

Operator's Name The New Jersey Zinc Company Minerals Fluorspar

Address 100 Front Street, New York 38, N. Y. Zinc & Lead

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
Incidental Drifting Advance	ft.	972.40	1900	1,524.00	3000		2160	.30
Crosscutting								
Raising								
Shafts								
Winzes Verification	ft.	14.5[illegible]	40	303.0[illegible]	1[illegible]		100	2.0[illegible]
Drilling: Core Water	ft.	336.00	60	759.1[illegible]	3[illegible]7		100	2.53
Core Churn Air	ft.	4714.35	1772	12,[illegible].00	6,720		6[illegible]0	2.05
Core Auger Dozer	hrs	150.00	50	337.00	100		125	3.00
Stripping Loading	cu.						100	1.75
Trenching Bank Line	lin						40	0.00
Test Pits Excavation	cu.						35	6.00
Roads and Trails								
Concentrator	mo.	2[illegible].00	37	500.00	71		60	8.00
Total Distributed Costs		6139.30		16,069.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		6139.30		16,069.00				

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

Remarks: Holes U-5, U-6, & U-7

Date Dec. 9, 1958 Operator The New Jersey Zinc Co.

Per Rupert C. Bing Title Geologist

Rupert C. Bing

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)

W. L. Burmeister 1/12/59

INSTRUCTIONS

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

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

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

GPO 872894

MITCHELL

TELEPHONE

Core Boyes - $912.50

and Mod 28 58

Bolenbaugh

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPORATION ADMINISTRATION

PAYMENT VOUCHER & SCHEDULE
PAYMENTS K-30

STAGE I

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED NOV 26 1958 O.M.E.

Month of October, 1958 Docket No. DMEA 4007 Contract No. 1206
Operator's Name The New Jersey Zinc Company Minerals Fluorspar, Zinc
Address 160 Front Street, New York 38, New York
Contract Amount, $ 39,192.00 Government Participation: 70% Amount, $ 19,596.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling DX	368.75	312.70	681.45			
~~Bulldozing~~ AX	4033.30	3760.35	7,793.65			
Crosscutting						
Drifting						
Cementing	96.00	176.00	272.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Core Boxes	123.00	114.00	237.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Incidental Allow.	494.10	457.50	951.60			
(8) Contingencies (specify):						
TOTALS	5,115.15	4,820.55	9,935.70	5,115.15	4,820.55	9,935.70

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Nov. 12, 1958 Payee The New Jersey Zinc Company
Per John M. Hague Title Chief Geologist

*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:
$2,557.58

Signature Helen R. Miller
(Authorized Certifying Officer)
Date NOV 24 1958 Vou. No. 61
(See other side)

2,557.57

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 1206 in accordance with the terms of the contract.

Signature [illegible] Title Mining Eng'r. Date 11/19/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER OME FIELD TEAM REGION V Date NOV 21 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED NOV 26 1958 D.M.E.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STAGE I

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 8 4907 Contract 1206

Operator's Name The New Jersey Zinc Co. Jackson, NM MEA Minerals Fluorspar, zinc

Address 160 Front Street, New York 38, New York

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
Incidental Allow.	Ft.	494.10	1647	951.60	3172		7160	.30
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes DK	Ft.	368.75	125	681.45	231		150	2.25
Drilling Core AX	Ft.	4033.30	1522	7,703.65	2941		6010	2.65
Core Boxes	Box	123.00	41	237.00	79		175	3.00
Auger								
Stripping								
Trenching								
Test Pits								
Cementing	Hr.	96.00	12	272.00	34		60	8.00
Total Distributed Costs		5115.15		9,935.70				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		5115.15		9,935.70				

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

Nov. 12, 1958 The New Jersey Zinc Co.

Date Operator

Per John M. Hague Title Chief Geologist

Remarks W-3 and W-4

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)

H. L. Burmeister 11/19/58

INSTRUCTIONS

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

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

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

GPO 872894

X 1086G 24M 12-55

COPY

THE NEW JERSEY ZINC COMPANY

EXPLORATION DEPARTMENT

November 12, 1958

P. O. Box 129
Harrisburg, Illinois

Mr. Harry L. Burmeister
Mine Examination & Exploration Engineer
U. S. Bureau of Mines
College Park, Maryland

Re: DMEA 4907 (Fluorspar, zinc, lead)
Idm-E 1206, The New Jersey Zinc Co.
Project II, Pope County, Illinois

Dear Mr. Burmeister:

Two diamond core drill holes, namely W-3 and W-4, were completed under this contract during October. Enclosed herewith you will find the original and four (4) copies of Form MF-104 and Form MF 104A. Also, five (5) copies of each of the logs of hole W-3 and W-4 are included with this report. A list of abbreviations used in logging is included. One copy of the statement from Joy Manufacturing Co. for each of the holes W-3 and W-4 and a bill for forty-one (41) core boxes are enclosed.

Two samples were taken in hole W-3 and sent to the laboratory for analyses. The results are reported as follows:

Hole No.	Interval From	Interval To	Analysis Fluoride	Analysis Zinc	Analysis Lead
W-3	728	729	1.95	0.10	0.01
W-3	729	736	2.71	0.16	0.31

The statement from the assay laboratory is not available at this time, hence, the cost is not included this month.

Mr. Rupert C. Bing stated in his letter dated Oct. 20, 1958 that a plan map showing hole locations would accompany the report for October. A print of our map is enclosed herewith. The scale is 1" equals 200'. You will note that the proposed locations for stage I are indicated with blue ink. The actual drill sites are indicated with black ink with the prefix "W-".

Mr. Bing has been unable to perform his duties at his office, due to sickness. Mr. J. Hague prepared Form MF 104 and MF 104A and I am completing this report to the best of my ability. If there are any essential portions that I have overlooked of omitted, please inform me and I will try to provide that which is lacking.

Very truly yours,

H. W. Davis

H. W. Davis

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

STAGE I

RECEIVED
OCT 31 1958
O.M.E.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September 1958 Docket No. DMEA 4007 Contract No. 1206
Operator's Name The New Jersey Zinc Company Minerals Fluorspar
Address 160 Front Street New York 38, New York
Contract Amount, $ 39,192.00 Government Participation: 50 % Amount, $ 19,596.00

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:						
Core Drilling DX	312.70	0	312.70			
Bulldozing AX	3760.35	0	3760.35			
Crosscutting						
Drifting						
Cementing	176.00	0	176.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Core boxes	114.00	0	114.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Incidental allowance	457.50	0	457.50			
(8) Contingencies (specify):						
TOTALS	4820.55	0	4820.55	4820.55	-	4820.55

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

Date 10/13/58 *Payee The New Jersey Zinc Company

Per Rupert C. Bing Title Geologist

*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:

$ 2410.27

Signature Helen R. Miller
(Authorized Certifying Officer)

Date OCT 29 1958 Vou. No. 53
(See other side)

2410.28

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 1206 in accordance with the terms of the contract.

Signature R. C. Burmeister Title Mining Engr. Date 10/23/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER OME FIELD TEAM REGION V Date OCT 27 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

STAGE I

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1958 Docket No. DMEA 4907 Contract No. 1206
Operator's Name The New Jersey Zinc Company Minerals Fluorspar
Address 160 Front Street, New York 38, New York

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 BX	Ft.	312.70	106	312.70	106			2.95
~~Churn~~ AX	Ft.	3760.35	1419	3760.35	1419			2.65
Auger								
~~Stripping~~ Core boxes	1	114.00	38	114.00	38		175	3.00
~~Trenching~~ Cementing	Hr.	176.00	22	176.00	22			8.00
Test Pits								
Roads and Trails								
Incidental allow.	Ft.	457.50	1525	457.50	1525		7160	0.30
Total Distributed Costs		4820.55						Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		4820.55						

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 10/13/58 Operator The New Jersey Zinc Co.

Per Rupert C. Bing Title Geologist

Rupert C. Bing

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)

H. J. Burmeister 10/23/58 (For Government use only)

MINING ENGINEER
U. S. BUREAU OF MINES

INSTRUCTIONS

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

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

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

GPO 872894

STATEMENT

HARRISBURG, ILL. Sept 31 1958

M. [illegible]

IN ACCOUNT WITH

BOB MITCHELL

33 WEST COLLEGE ST TELEPHONE 1000-R

[illegible]

JOY MANUFACTURING COMPANY

HENRY W. OLIVER BUILDING

PITTSBURGH 22, PENNSYLVANIA

CUSTOMER'S ORDER NO.	DATE	REQ. NO.	OUR ORDER NO.	DATE	AT REC. POINT	B.O. NO.
AX 410						
CONTRACT	CODE			DATE	AT SHIP POINT	
	52					

SOLD TO
New Jersey Zinc Company
160 Front Street
New York 38, New York

~~TERMS NET 30 DAYS~~
NO CASH DISCOUNT

INVOICE NO. 97401

INVOICE DATE 9-12-58

SHIPPED TO
Golconda, Illinois

PLEASE REMIT TO
PITTSBURGH, PA.

DATE SHIPPED

SHIPPED VIA

P. O. ADDRESS

MARKS

REQUESTED ROUTING

SHIPPED FROM

ORIGINAL QUANTITY ORDERED	UNIT	PART NUMBER	DESCRIPTION	CODE	UNIT PRICE	QUANTITY BACK ORDERED	QUANTITY SHIPPED	AMOUNT
			To 721.' Core Drilling at Golconda, Illinois as per agreement.					
		Prospect #	From / To		Total Feet	Unit Cost		Total Cost
		W 1 BX	0. / 30.		30.	$2.95		$ 88.50
		AX	30. / 721.		691.	2.65		1,831.15
								$1,919.65
		Cementing						
		W 1	August 27 8 hrs.					
			28 11 hrs.					
			29 3 hrs.					
			Sept. 5 1 hrs. (capping)					176.00
			22 hrs. @ $8.00 hr.					~~184.00~~
		4	Bags Luminite Cement @ $4.05					16.20
		Casing left in place at your request						
		10'	BX Casing			2.16 ft.		21.60
								$2,141.45
								-8.00
		Capping hole						2133.45
			1 hr @ 4.50/hr					4.50
								$2137.95

F. O. B. SHIPPING POINT UNLESS OTHERWISE SPECIFIED

NO RETURNS ALLOWED UNLESS AUTHORIZED BY THIS OFFICE

FORM P133A

GOODS COVERED BY THIS INVOICE WERE PRODUCED IN COMPLIANCE WITH THE REQUIREMENTS OF THE FAIR LABOR STANDARDS ACT OF 1938, AS AMENDED, INCLUDING SECTION 12(A).

JOY MANUFACTURING COMPANY

HENRY W. OLIVER BUILDING

PITTSBURGH 22, PENNSYLVANIA

CUSTOMER'S ORDER NO.	DATE	REQ. NO.	OUR ORDER NO.	DATE	AT REC. POINT	B.O. NO.
CONTRACT	CODE 52			DATE	AT SHIP POINT	

SOLD TO: The New Jersey Zinc Company
160 FrontStreet
New York 38, New York

SHIPPED TO: Pope County, Illinois

[redacted] DAYS
NO CASH DISCOUNT

PLEASE REMIT TO PITTSBURGH, PA.

INVOICE NO. 97430

INVOICE DATE 9-25-58

DATE SHIPPED

SHIPPED VIA

P. O. ADDRESS

MARKS

REQUESTED ROUTING

SHIPPED FROM

ORIGINAL QUANTITY ORDERED	UNIT	PART NUMBER	DESCRIPTION	CODE	UNIT PRICE	QUANTITY BACK ORDERED	QUANTITY SHIPPED	AMOUNT
			To 804.' Core Drilling at Pope County, Illinois as per agreement.					
			Prospect # / From / To		Total Feet	Unit Cost		Total Cost
			W 2 BX 0. 76.		76.	$2.95		$ 224.20
			AX 76. 804.		728.	2.65		1,929.20
								$2,153.40
			Capping Hole					
			1 hr. @ $4.50 hr.					4.50
			1 Bag Cement					4.05
			Casing Left in Hole at Your request					
			20 ' BX Casing @ $2.16 ft.					43.20
								$2,205.15

F. O. B. SHIPPING POINT UNLESS OTHERWISE SPECIFIED

NO RETURNS ALLOWED UNLESS AUTHORIZED BY THIS OFFICE

GOODS COVERED BY THIS INVOICE WERE PRODUCED IN COMPLIANCE WITH THE REQUIREMENTS OF THE FAIR LABOR STANDARDS ACT OF 1938, AS AMENDED, INCLUDING SECTION 12(A).

FORM P133A

X 1066G 24M 12-55

COPY

THE NEW JERSEY ZINC COMPANY

EXPLORATION DEPARTMENT

October 13, 1958

Box 129
Harrisburg, Illinois

Harry L. Burmeister
U. S. B. M.
College Park, Maryland

Re: Docket No. DMEA 4907
Fluorspar, Zinc and Lead
The New Jersey Zinc Co.
Project Two, Pope County
Illinois

Dear Mr. Burmeister,

W-1(2) was completed September 9, 1958. The fault was intercepted at 475' and proved to be barren at this horizon. No assays were taken on W-1(2).

On September 24, 1958, W-2(4) was completed. No fault was intercepted with this drill hole although some traces of fluorite and galena were present in sandstone fractures. No assays were taken on W-2(4).

W-3(6) is now in progress and shall be covered in October's report.

Very truly yours,

R. C. Bing

R. C. Bing

RCB:hwd

CA&A Division

JUN 2 5 1965

Mr. C. W. Sohosky, Assistant Secretary
Ozark-Mahoning Company
Mining Division
Rosiclare, Illinois

Re: DMEA-4207 (Fluorspar-Zinc-Lead)
The New Jersey Zinc Company
Project II
Pope County, Illinois
Contract Idm-E1206

Dear Mr. Sohosky:

There are two properties in addition to the O'Roark property referred to in your letter dated June 16, 1965, which are subject to the above mentioned exploration contract. Descriptions of the properties are as follows:

1. Approximately 469 acres described in Agreement dated June 21, 1954, by and between Laura Baumer, a spinster, and the New Jersey Zinc Company, recorded in Volume 32 of Mortgages, page 48, in the Office of the Recorder of Pope County, Illinois.

2. Approximately 264 acres described in an Agreement dated July 29, 1954, by and between Robert S. Barnett and wife, Marjorie W. Barnett, and the New Jersey Zinc Company, recorded in Volume 30 of Mortgages, page 556, in the Office of the Recorder of Pope County, Illinois.

The Government will look to the New Jersey Zinc Company for the payment of royalty on the value of any production from the three properties as provided by the terms of the exploration contract and the certification of discovery or development through June 16, 1968, or until the amount of the Government's contribution to the exploration costs have been fully repaid, whichever occurs first.

The Office of Minerals Exploration will appreciate advice from you regarding any mineral production from these properties during the remainder of the period for which the Government is entitled to royalty.

A review of the files of this office has disclosed one additional project in the general region on which the Government retains a lien for royalty on production through June 3, 1968. This relates to an exploration project by Reynolds Metals Company on property referred to as the Watson Project consisting of three contiguous tracts, known as the Tyner, Hicks and Watson prospects, which are situated in the western Kentucky fluorspar district, near the west-central border of Crittenden County, Kentucky, about nine miles southwest of the town of Marion.

Sincerely yours,

George Fumich, Jr.

Acting Director

CEFisher:fh rewritten 6/25/65

cc: Region IV,
Director's reading file
CA&A Division
120 M
Mr. Selfridge
Docket DMEA-4907
Docket DMEA-4962

JUN 28 1960

Mr. Lindley G. Miller
Legal Department
The New Jersey Zinc Company
160 Front Street
New York 28, New York

Re: [illegible]-4907 (Fluorspar)
The New Jersey Zinc Company
Project Tom
Pope County, Illinois
Contract Idm-K1206

Dear Mr. Miller:

We have your June 24 letter, covering the cited project, in which you state that you are relinquishing your control on the three properties involved in the contract. We further note that your company is cognizant of its royalty obligations under the contract as pertains to such lands.

Your letter will be incorporated into the docket covering this project.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

WRCriswold/gla
6-28-60
cc to: Director's Reading File
Contract Administration and Audit Division
Region IV (2) w/2 cys incoming letter
Docket
Chron
Code 500

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

February 23, 1960

EXTRA COPY
O. M. E.
RECEIVED FEB 25 1960
DATE | INITIALS | CODE
800

Memorandum

To: Operating Committee, OME - Washington

From: OME Field Team, Region V - Knoxville, Tennessee

Subject: DMEA-4907, Idm-E1206(Zn-Pb-CaF_2) The New Jersey Zinc Co. Project Two, Pope County, Illinois

Mr. Dewey Amos reports that Ozark-Mahoning Company has informed him that they recently purchased from The New Jersey Zinc Company the land on which the subject exploration project was conducted. This has been certified as a discovery.

Ozark-Mahoning has a mine on adjacent property, and plans to work this property, at some indefinite future date, from their mine.

The New Jersey Zinc Company did some drilling after completion of the DMEA project, but we have no information concerning the results.

Robert A. Laurence
Executive Officer, OME
Region V

V. J. Lynch, Member
Bureau of Mines

RAL/sm
cc
Dewey

CERTIFICATION BY THE UNITED STATES OF AMERICA OF A RECOVERY OR DISCOVERY MADE AN EXPLORATION PROJECT CONTRACT

To: The New Jersey Zinc Company
140 Front Street
New York 38, New York

Pursuant to the provisions of Exploration Project Contract No. [illegible], dated June 16, 1958 (Contract No. [illegible]), hereinafter called the "contract," between the New Jersey Zinc Company, a New Jersey corporation, and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereto and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described hereafter or indicated as follows:

Diamond drilling from surface has intersected an appreciable tonnage of fluorite with subordinate sphalerite and galena in a gangue of calcite and barite, occurring as cavity-filling deposits along faults in the Frederick, Kendall, and Lower Limestone members of the Chester and Mauch Chunk series of Upper Mississippian age.

Dated: [illegible] 1959

JWalk/gla 11-27-59

cc to: Director's Reading File
Frank E. Johnson
Operating Committee
Frank B. Lamb, USBM
Harold Kirkham, USGS
Div. of Contract Adm. & Audit
Finance Office
GSE Field Team, Region V (2)
Code 300
Chron
Docket

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Director, Office of Minerals Exploration

DEC 4 1959

The New Jersey Zinc Company
160 Front Street
New York 38, New York

Re: Docket No. DMA-4907 (Fluorspar)
The New Jersey Zinc Company
Project Two
Pope County, Illinois
Contract No. Ida-21206

Gentlemen:

Enclosed is a certification of discovery or development that covers all the land described in Article 2 of the contract.

By the terms of the Exploration Project Contract, as amended, and the certification, all the minerals mined or produced from June 16, 1953, to June 16, 1958, are subject to the Government's percentage royalty as set forth in the contract until the sum of $17,994.07 is repaid to the Government.

Royalty payments should be made to the Executive Officer, GSE Field Team, Region V, Room 11, Post Office Building, Knoxville 2, Tennessee, by the purchaser, with checks drawn payable to the Office of Minerals Exploration. The purchaser should be advised to deduct royalties from the amount due on each shipment and send the check directly to the Executive Officer. Each check should be accompanied by suitable sales evidence - such as copies of settlement sheets - showing the name of the purchaser, the quantity and grade of the products sold, and the price and charges, certified to be correct by the purchaser.

You are requested to notify the Executive Officer of any changes in ownership or production rights that may have any effect on the Government's rights to its percentage royalty. Your attention is called particularly to Article 2 (d) of the contract relating to the preservation of the Government's right to a percentage royalty on production. Also when production starts, please notify the Executive Officer. Thereafter, if production ceases for any extended period, please notify him accordingly at six-month intervals.

JMMlt/gla
11-27-59

Sincerely yours,

Frank E. Johnson

Acting Director

cc to: Director's Reading File
Operating Committee
Frank E. Johnson
Div. of Audit Adm.
Frank [illegible], USGS

Harold Kirkham, USGS
GSE Field Team, Region V (2)
Code 500
Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

March 26, 1959

EXTRA COPY
O. M. E.
RECEIVED MAR 30 1959
DATE | INITIALS | CODE
800

Mr. W. L. Weinberg, Geologist
The New Jersey Zinc Company
P.O. Box 129
Harrisburg, Illinois

RE: DMEA-4907, Idm-E1206
The New Jersey Zinc Co.
Project II, Pope County,
Illinois (Fluorspar)

Dear Mr. Weinburg:

This will confirm the verbal approval given by Mr. Dewey Amos to drill Hole No. W-15, 300 feet S67°E from the collar of Hole No. W-3. The hole is to be drilled in a N45°W direction and inclined -45°.

Sincerely yours,

Robert A. Laurence
Executive Officer, OME
Field Team, Region V

VJL/zm
cc
Opr. Com-2
Lynch
Amos
Burmeister
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

EXTRA COPY
O. M. E.
RECEIVED MAR 18 1959
DATE INITIALS
800

March 16, 1959

Mr. W. L. Weinberg, Geologist
The New Jersey Zinc Company
P.O. Box 129
Harrisburg, Illinois

DMEA-4907 (fluorspar)
The New Jersey Zinc Company
Project II, Pope County, Illinois
Contract No. Idm-E1206

Dear Mr. Weinberg:

This will confirm the verbal approval given by Mr. Amos to drill Hole No.14 under Stage II of the contract. The hole is to be collared 220 feet S21°W of the collar of Hole No. 13 and is to be drilled at a -45° inclination in a S45°E direction.

Robert A. Laurence

VJL/sm
cc
Burmeister
Amos
Opr. Com-2
Lynch
Files

Audit Copy

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 24 1959

DATE	INITIALS	CODE

EXPLORATION PROJECT CONTRACT

THE NEW JERSEY ZINC COMPANY

Docket No. DMEA-4907

AMENDMENT No.3

It is agreed this 16th day of February 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, and The New Jersey Zinc Company, the Operator, that exploration Project Contract Idm-E1206 (Docket No. DMEA-4907) dated June 20, 1958, is hereby further amended as follows:

1. In Article 3 of the Contract, the period for completion of the work is extended from March 20, 1959 to May 20, 1959.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, the amount of any item designated as "maximum," nor the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE NEW JERSEY ZINC COMPANY

By [signature]

Title VICE PRESIDENT

[signature]
V. J. Lynch, Acting
Executive Officer, OME
Field Team, Region V

z

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

EXTRA COPY
O. M. E.
RECEIVED FEB 18 1959

DATE	INITIALS	CODE
		200

February 16, 1959

Mr. E. L. Weinburg, Geologist
The New Jersey Zinc Company
P.O. Box 129
Harrisburg, Illinois

Re: DMEA-4907, Idm-E1206, CaF_2
Project Two
Pope County, Illinois

Dear Mr. Weinburg:

This will confirm the verbal approval given to you by Mr. Amos to drill Hole No.W-13, under Stage II of the subject contract.

V. J. Lynch, Acting
Executive Officer, OME
Region V

VJL/sm
cc
Burmeister
Lynch

Dewey
Opr/ Con-2
Lynch
Files

EXTRA COPY
O. M. E.
RECEIVED FEB 2 1959

DATE	INITIALS	CODE
		800

January 30, 1959

Mr. E. L. Weinberg
The New Jersey Zinc Company
P. O. Box 129
Harrisburg, Illinois

Re: Docket No. DMEA-4907
Fluorspar, Zinc and Lead
New Jersey Zinc Company
Project Two
Pope County, Illinois
Contract No. Idm-E1206

Dear Mr. Weinberg:

This will confirm the verbal approval given by Mr. Amos to drill a stage II hole, designated W-12, with the collar located 100 feet S. 35° W. from Hole W-11, to be drilled S. 45° E. with a -45° inclination.

Review of holes W-5 and W-8 suggests that W-8 did not reach the primary target and therefore may be considered as an incomplete hole. If you have any information supporting the contention that W-8 was completed at 619 feet, please submit it as soon as possible, so that it may be reviewed before your January voucher is received.

Sincerely yours,

Robert A. Laurence
Executive Officer
OME Field Team, Region V

RAL/mg
cc - Operating Committee (2)
Mr. V. J. Lynch
Mr. Dewey H. Amos
Mr. H. L. Burmeister
Files

Form 7
(5-56)

OFFICIAL FILE COPY

Date	Surname	Code
		[illegible]
		150
		110
		220

Dec 27 1956

[redacted]

[redacted]

Re: [redacted]
[redacted]

Dear Mr. [redacted]

Reference is made to the [redacted] report of inspection of January 18, 1956, and the recommendation of Mr. [redacted] that hole No. 1 be regarded as completed at a depth of 619 feet.

As diamond drill hole U-4, contract hole 14, did not cut either the upper or middle Prokopie, the upper Hemmil, or the upper [redacted] or any of the main breaks along Shaft 1, we do not consider that the target has been penetrated. The contract set up diamond drill hole 14 to be drilled at about 60° for approximately 800 feet. The original section submitted with the [redacted] report showing holes U-4 and U-5 verifies, in our opinion, that the target was not reached. In addition, the Operator's acceptance of verbal permission to deepen the hole, and the subsequent loss of the hole, cause us to complete hole under the terms of the contract.

The Operator's reporting has been substandard and the quality caps required by contract should be on a 100 or 200 foot to the foot scale. Without reporting improved and better caps are established, no progress establishing payment to the New Jersey Zinc Company until these items are corrected.

Sincerely yours,

Approved:

G. T. BAROCH

[redacted]

W. E. Nelson

[redacted]

George C. Schwinge

[redacted]

Copy to: Mr. [illegible]
Operating Committee
Mr. Killsgaard
Mr. McDougal, [illegible]
Mr. [illegible]
Mr. Talbert

8923

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

EXTRA COPY
O. M. E.
RECEIVED JAN 21 1959

DATE	INITIALS	CODE
		800

January 19, 1959

Mr. E. L. Weinberg, Geologist
The New Jersey Zinc Company
P.O. Box 139
Harrisburg, Illinois

Re: DMEA-4907(fluorspar, zinc)
Project Two
Pope County, Illinois
Contract, Idm-X1806.

Dear Mr. Weinberg:

As requested in your letter of January 15, the error which occurred in my letter of January 13 is corrected.

Thus, hole W-11 is to be drilled approximately in A 350°Z direction. I regret any inconvenience this may have caused you.

Sincerely yours,

Robert A. Laurence
Executive Officer, OME
Field Team, Region V

RAL/km
cc
Gyr. Geo-2
Amos
Burmeister
Lynch
Files

EXTRA COPY
O. M. E.
RECEIVED JAN 15 1959

DATE	INITIALS	CODE
		800

January 13, 1959

Mr. E. L. Weinberg
The New Jersey Zinc Company
P.O. Box 129
Harrisburg, Illinois

Re: DMEA-4907, Idm-E1206
Project II, Pope County
Illinois (fluorspar)

Dear Mr. Weinberg:

This will confirm the verbal approval given by Mr. Dewey Amos to begin Stage II of the subject contract, and to drill the first Stage II hole, no. W-11 at a collar location approximately 260 feet N45°W from hole no. W-2 (contract location No.4), to be drilled at a -45° inclination in a S45°W direction.

Sincerely yours,

Robert A. Laurence
Executive Officer, OME
Field Team, Region V

RAL/zm
cc: Opr. Com-2
Durmeister
Amos
Finance office
Lynch
Files

EXTRA COPY O. M. E. RECEIVED DEC 18 1958		
DATE	INITIALS	CODE
12/18	H. J.	225
		800

December 12, 1958

Mr. E. L. Weinberg, Geologist
The New Jersey Zinc Company
P.O. Box 129
Harrisburg, Illinois

Re: DMEA-4907, Idm-E1206-
(fluorspar, lead, zinc)
The New Jersey Zinc Company
Project Two, Pope County, Ill.

Dear Mr. Weinberg:

This letter confirms the verbal approval given you by Mr. Amos on December 2, to move the collar location of hole No. 17 about 490 feet to the southeast. The inclination, bearing, estimated depth and the geologic target to remain the same.

In Mr. Laurence's letter of November 10, to Mr. Rupert Bing approval was given to drill hole No. 19 about 140 feet southeast of the contract map location instead of 90 feet as originally approved. This should have read hole No.20 rather than hole No. 19, and it should have been approval to move the collar location about 280 feet.

Sincerely yours,

Wm. A. Beck, Alternate Acting
Executive Officer, OME, Region V

WAB/zm
cc
Opr. Com-2
Burmeister
Amos
Finance
Lynch
Laurence

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

November 24, 1958

EXTRA COPY
O. M. E.
RECEIVED NOV 26 1958

DATE	INITIALS	CODE
		800

Mr. Rupert Bing
The New Jersey Zinc Company
P.O. Box 129
Harrisburg, Illinois

Re: IMEA-4907 (fluorspar)
copper, zinc.
The New Jersey Zinc Co.
Project No.2, Pope County, Ill.
Contract No. Idm-21206

Dear Mr. Bing:

This will confirm the verbal approval given by Mr. Amos to drill hole No. 12 at -45° instead of -60°.

Sincerely yours,

Robert A. Laurence
Executive Officer, OME
Field Team, Region V

RAL/mm
cc
Dpr. Com-2
Burmeister
Amos
Lynch
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

November 10, 1958

EXTRA COPY
O. M. E.
RECEIVED NOV 12 58
DATE
900

Mr. Rupert Bing
The New Jersey Zinc Co.
P.O. Box 129
Harrisburg, Illinois

Re: DMEA-4907, Idm-R1206,
(fluorspar, lead, zinc)
The New Jersey Zinc Company
Project No.2
Pope County, Illinois

Dear Mr. Bing:

As agreed upon by your and Mr. Amos, it will be satisfactory to drill hole No. 19 about 140 feet southeast of the contract map location, instead of 90 feet as originally approved. This letter constitutes confirmation of the verbal approval of this change, given you by Mr. Amos on October 30.

Sincerely yours,

Robert A. Laurence
Executive Officer, OME
Field Team, Region V

RAL/sm
cc:
Gyr. Com-2
Finance Office
Amos

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

October 24, 1958

Mr. Rupert Bing
The New Jersey Zinc Co.
P.O. Box 129
Harrisburg, Illinois

Re: DMEA-4907 (fluorspar,lead,zinc)
The New Jersey Zinc Co.
Project No.2
Pope County, Illinois
Contract No. Idm-E1206

Dear Mr. Bing:

This will confirm the verbal approval given by Mr. Amos to drill contract hole No. 19, and to locate the collar of the hole about 90 feet southeast of the site shown on the contract map.

Sincerely yours,

Robert A. Laurence
Executive Officer, OME
Region V

RAL/mm
cc
Opr. Opm-2
Burmeister
Amos
Finance
Lynch
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

October 6, 1958

EXTRA C
D. M E
RECEIVED OCT
DATE | INITIALS | CODE
800

Mr. Rupert C. Bing
The New Jersey Zinc Co.
106 North Main Street
Harrisburg, Illinois

Re: DMEA-4907, Idm-~~R1206~~-zinc
Prospect No.2 (fluorspar)
Pope County, Illinois

Dear Mr. Bing:

This will confirm the verbal approval, given by the Field Examiner, Dewey Amos, to change the inclination of D.D.H. No.6 from -60° to -50°.

V. J. Lynch, Acting
Executive Officer, OME
Field Team, Region V

VJL/mm
cc
Opr. Com.-2
Dewey
Finance Office
Lynch
Files

Audit's copy

Official

EXPLORATION PROJECT CONTRACT
NEW JERSEY ZINC COMPANY
DOCKET NO. DMEA-4907

AMENDMENT NO. 2

It is agreed this 18th day of July, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and the New Jersey Zinc Company, that Exploration Project Contract No. Idm-E-1206 (Docket No. DMEA-4907), dated June 16, 1958, as amended, is further amended as follows:

In Article 3 of the Contract, the date fixed for commencement of the work is extended from "30 days after date of Contract," or July 16, 1958, to August 11, 1958.

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

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mitteendorf
Administrator, Defense Minerals
Exploration Administration

NEW JERSEY ZINC COMPANY

By J. Bordwin

Title VICE PRESIDENT

Audit copy

EXPLORATION PROJECT CONTRACT
NEW JERSEY ZINC COMPANY
DOCKET NO. DMEA-4907

AMENDMENT NO. 1

It is agreed this 9th day of July, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and the New Jersey Zinc Company, that Exploration Project Contract No. Idm-E-1206 (Docket No. DMEA-4907), dated June 16, 1958, is amended as follows:

In Article 3 of the Contract, on line 4, in the blank following the words "and on or before", insert the date "March 20, 1959."

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

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O Mittendorf
Administrator, Defense Minerals
Exploration Administration

NEW JERSEY ZINC COMPANY

By R F Johnson

Title VICE PRESIDENT

MME Form 14
Sept. 1958

Contract No. Idm-E) 1206
14-23)

Docket No. DMEA) 4907
MME)

Date of Action November 25, 1959
Terminated Contract

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OBLIGATION DOCUMENT

To: Chief, Accounts Section, Finance Branch, Bureau of Mines

From: Director, Division of Operations Control and Statistics

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:

New Jersey Zinc Company
160 Front Street
New York 38, New York

Date of Contract	Region	State	Commodity
June 16, 1958	V	Illinois	Fluorspar

	Reserve	Obligation
Prior Amount	0	$19,596.00
Increase	0	0
Decrease	~~0~~	~~1,601.93~~
Revised Amount	0	$17,994.07

Remarks:

cc: 800
210

43244

DMEA Form 14

Contract No. Idm-E 1206

Docket No. 4907

Executed contract

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
June 16, 1958	V	Illinois	Fluorspar

Name and Address of Operator: New Jersey Zinc Company
160 Front Street
New York 38, New York

	Reserve	Obligation
Prior Amount	19,596.00	0
Increase	0	19,596.00
Decrease	19,596.00	0
Revised Amount	0	19,596.00

Remarks:

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

Date delivered to Bureau of Mines, Washington 6/30/58

22845

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 17 1958
DATE CODE
800

MF-200
(Revised June 1954)

Audit's copy

Docket No. DMEA 4007

Commodity Fluorspar

Contract No. Idm-E 1206

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this 18 JUN 1958 day of ....., 195...., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] New Jersey Zinc Company, a New Jersey corporation, whose mailing address is 160 Front Street, New York 38, New York, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200), the attached Exhibit "A," Annex I, and Annex II, and one map.

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

ARTICLE 2. *Operator's property rights.* (a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Illinois, County of Pope, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the[4] lessee of[5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a[6] three leases, [7]..... recorded in Book ....., page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: interest of lessors

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

of the land (lessor, seller, optionor, etc.), are attached, as follows: Consent to lien and subordination agreements of owners of land are waived.

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Manganese, zinc, and lead. The work to be performed is described in Exhibit "A." The Operator on or before 30 days after date of contract shall commence the work, and on or before ..... (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall ~~either~~ have completed the work ~~or shall have expended allowable costs (see Article 6) [illegible] Exhibit A, except as otherwise provided in Exhibit "A" with respect to stages of work. See Annex II.~~

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Independent contracts.*—To the extent that the allowable costs are estimated in Exhibit "A" with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed; but if the reference in Exhibit "A" to any such independent contract requires the Government's approval thereof, payments under such contract will not be allowable costs unless the Government gives its written approval of the contract. Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract and regardless of the Government's approval thereof, the Government will participate in payments to the independent contractor only on account of work performed in accordance with the provisions of this exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $32,152.00. The Government shall contribute 50 percent of the allowable costs as they are incurred in a total sum not in excess of $16,076.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last

voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work or not in excess of the amount of the Government's contribution to the cost of property which is or may become subject to disposal as provided in Article 9(c), whichever is greater. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 7(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. "Costs incurred" mean costs that have been paid or have become due and payable, or that in the opinion of the Government have become an obligation. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Estimated costs.*—(a) *Categories of costs.*—The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories as specified in this article. If any category or subcategory is omitted from the estimate of costs, or if the word "none" is annexed to the listing thereof, costs under such category or subcategory are not allowable. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost, and any excess over the estimated total allowable cost of the work, shall not be allowable. Any excess over the estimate of any category, subcategory, or item, either as to requirement or related cost, not indicated as a maximum shall be allowable within the limit of the estimated total allowable cost of the work. To the extent that excesses over maximums other than the estimated total allowable cost of the work may be necessary for the performance of the work, the Operator shall incur such excesses for his own account without contribution by the Government; ~~but except for any such necessary excesses in categories or subcategories or items thereunder the Operator is not obligated to incur more than [illegible] percent of the estimated total allowable cost of the work~~ See Annex II.

To the extent specified in this article or in Exhibit "A" the following categories, subcategories, and elements thereof are maximums; but if not so specified either here or in Exhibit "A" they are not maximums, and may be exceeded within the limit of the estimated total allowable cost of the work:

CATEGORY (1)—INDEPENDENT CONTRACTS.—Work to be performed under independent contracts (see Article 4(b)). The estimated total amount of this category and the estimated cost of each unit of work for performance under an independent contract are maximums.

CATEGORY (2)—PERSONAL SERVICES.

Subcategory (a)—Supervision.—All elements of this subcategory (number of supervisors, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)—Technical services.—All elements of this subcategory (number of technicians, periods of employment, rates of pay, and total) are maximums.

Subcategory (c)—Labor.

CATEGORY (3)—OPERATING MATERIALS AND SUPPLIES.—Includes such items as drill bits and steel, explosives, fuel, pipe, power, small tools costing less than $50 each, timber, track.

CATEGORY (4)—OPERATING EQUIPMENT.

Subcategory (a)—Rental.—The number of each object to be rented [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)—Purchases.—The estimated total of this subcategory is a maximum.

Subcategory (c)—Depreciation.—All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)—INITIAL REHABILITATION AND REPAIRS.—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

Subcategory (a)—Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).—The estimated total of this subcategory is a maximum.

Subcategory (b)—Initial rehabilitation and repairs of operating equipment.—The estimated total of this subcategory is a maximum.

CATEGORY (6)—NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

CATEGORY (7)—MISCELLANEOUS.—Repairs and maintenance (other than initial) of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, communications, and any other items of requirement or cost that do not fall within any of the first 6 categories.

THE ESTIMATED TOTAL ALLOWABLE COST of the work is a maximum.

(b) *Nonallowable costs.*—The following costs are not allowable for contribution by the Government:

(1) *Costs of the land,* such as rental, depreciation, depletion, or other cost of acquiring, owning, or holding possession;

(2) *Indirect costs,* such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) *Previous work* performed or costs incurred before the date of this contract; and

(4) *Deferred payments.*—Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods; unless the purchase agreement is approved by the Government in writing.

(c) *Reductions in costs.*—The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original estimated total cost. This provision does not apply to receipts from production which are subject to the Government's percentage royalty under the provisions of Article 8. See Annex II.

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing detailed costs incurred during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and related costs incurred.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 8. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 7) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

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

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½)

percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

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

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

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 9. *Interests in purchased property.*—(a) *Title and ownership.*—All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions, although title thereto shall be taken in the name of the Operator.

(b) *Preservation of property.*—Until the final disposal of any property in which the Government has an interest the Operator shall preserve and protect same for the best interest of the Government, any reasonable and necessary costs thereof to be treated as an allowable cost of the project. After the completion of the work or termination of the Government's obligation to contribute, or when such property is not in use for or needed for the work, the Operator shall neither use it without the written consent of the Government nor without paying a reasonable rental to be fixed by the Government for its interest.

(c) *Disposal of property.*—Upon the completion of the work or termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest 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 or the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government the Operator shall not sell at any price any item of property the cost of which was more than $500, and shall not sell at less than 25 percent of the purchase price any item of property which cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or himself cares to give. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, or explosives, or pipe, or rails), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the project.

(d) *Default of the Operator re disposal.*—If within 90 days after the completion of the work or termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, or after such further time as the Government may in writing allow, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may pursue one of the following two courses: (1) the Government, by written notice to the Operator, may place upon such property what in its opinion is a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the

date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; or (2) the Government may enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 10. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 10 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 11. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 12. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 13. *Changes and added provisions.*—

See Annex II.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mittendorf
Administrator, Defense Minerals
Exploration Administration

NEW JERSEY ZINC COMPANY
(Operator)

By S. S. Goodwin
VICE PRESIDENT

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

Samuel Riker Jr.

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70617-1

35485

EXPLORATION PROJECT CONTRACT
NEW JERSEY ZINC COMPANY
DOCKET NO. DMEA-4907

ANNEX I

The land referred to in Article 2 of the Contract, known as Project II, consists of 4 contiguous tracts, situated in Sections 27, 28, and 33, R. 7 E., T. 12 S., eastern Pope County, Illinois, in the western part of the southern Illinois fluorspar district about five miles west of the town of Rosiclare, as shown on the attached map, entitled "Project II, The New Jersey Zinc Company, DMEA-4907".

The various tracts of land are described in the agreements listed below. Copies of the agreements are in Docket No. DMEA-4907 and the descriptions in said agreements and the references therein are incorporated herein by reference.

1. Approximately 40 acres described in a Lease Agreement, dated March 15, 1958, by and between William T. O'Roark and wife Vaughany O'Roark, and the New Jersey Zinc Company.

2. Approximately 469 acres described in Agreement dated June 21, 1954, by and between Laura Baumer, a spinster, and the New Jersey Zinc Company.

3. Approximately 264 acres described in an Agreement dated July 29, 1954, by and between Robert S. Barnett and wife, Marjorie W. Barnett, and the New Jersey Zinc Company.

In the event the Operator or any subsidiary thereof at any time during 10 years from the date of this Contract acquires any interest, title, or equity (exclusive of agreements granting rights only to explore, purchase, or acquire a lease) in any land situate within 1,000 feet of the land described in this Contract, it is agreed that such land shall thereupon automatically be included as land subject to the provisions of this Contract.

EXPLORATION PROJECT CONTRACT
NEW JERSEY ZINC COMPANY
DOCKET NO. DMEA-4907

ANNEX II

Article 13. Changes and added provisions.--

(a) That part of the last sentence of Article 3 beginning with the word "either" is deleted and replaced by the words "have completed the work, except as otherwise provided in Exhibit 'A' with respect to stages of work."

(b) That part of the last sentence in the first paragraph of Article 6(a) commencing after the semicolon is deleted.

(c) Categories (2) through (7) of Article 6(a) are deleted.

(d) In addition to the costs of work estimated in Exhibit "A" by categories of actual costs, the costs of work requirements specified in Exhibit "A" as "Fixed Unit Costs" are allowable costs of the project. The Government will contribute to the fixed unit costs as work units are performed. A "Fixed Unit Cost" is an agreed price for each unit of work to be performed regardless of costs incurred by the Operator. Costs set forth in Exhibit "A" include all allowable costs of the work to be performed under the Contract.

(e) In the last sentence of Article 6(c) the words "Article 8" are substituted for the words "Article 9".

(f) Nothwithstanding any other provision of the Contract, the allowable unit cost per foot of a drilling item is the average unit cost per foot computed on the basis of all the actual unit costs of said drilling item incurred by the Operator: Provided, That the Government will not contribute to any portion of an average unit cost of a drilling item that exceeds the estimated unit cost of said item set forth in the Contract.

EXPLORATION PROJECT CONTRACT
NEW JERSEY ZINC COMPANY
DOCKET NO. DMEA 4907

EXHIBIT "A"

Description of the Work

General Provisions

Exploration for fluorspar shall be performed by diamond drilling, collaring holes with NX and/or BX size bits and completing with AX and/or BXWL bits, in the area indicated on the map, entitled "Project II, The New Jersey Zinc Company, DMEA-4907", attached and made a part hereof.

The Government shall not contribute to the cost of an uncompleted hole, or one that bottoms less than AX size.

Records of each hole drilled, together with assay certificates of samples taken and type of rock penetrated, shall be submitted with the Operator's monthly progress report, which shall also include a map showing the location, inclination, and direction of all holes drilled during the reporting period. All samples shall be properly identified as to drill hole number and depths represented.

The holes shall be drilled as nearly normal as possible to the strike of and into the fault zones as indicated on the map. The location, inclination, direction, and extent of all drilling are subject to the approval of the Government.

The work shall be divided into two stages as hereinafter described. The Operator shall complete Stage I, and shall perform as much of Stage II as the Government approves in writing.

Stage I

At the approximate locations indicated on the map, drill ten diamond core holes aggregating not more than 7,160 feet, as specified in the following tabulation:

Hole No.	Property	Bearing	Inclination	Estimated Depth
2	Baumer	N.45°W.	-45°	700 ft.
4	Barnett	N.45°W.	-55°	750 ft.
6	Barnett	N.45°W.	-60°	800 ft.
11	Barnett	N.45°W.	-45°	750 ft.
12	Barnett	N.45°W.	-60°	800 ft.
15	Barnett	N.45°W.	-45°	260 ft.
16	Barnett	N.45°W.	-60°	700 ft.
17	Barnett	N.45°W.	-60°	800 ft.
19	O'Roark	N.45°W.	-60°	800 ft.
20	O'Roark	N.45°W.	-60°	800 ft.

The holes shall be drilled in numerical sequence beginning with Hole No. 2 as shown on the map, except when information obtained from completed holes indicates that deviation from the numerical sequence, change of location, or omission of holes is advisable. Such changes may be made only with prior Government approval.

Stage II

Stage II shall consist of not more than 5000 feet of diamond drilling. The number, locations, inclinations, and depths of the holes shall be determined by agreement of the Operator and the Government. The holes shall be drilled as nearly normal as possible to the strikes of the fault zones. No hole shall intersect the fault zone at closer than 100 feet from the nearest hole.

Estimated Costs of the Project

Stage I

Actual Costs

Category (1) Independent Contracts[1]

100 feet of overburden drilling @$2.95/ft.	$ 295.00
150 feet of NX or BX diamond drilling to collar holes @$2.95/ft.	442.50
6910 feet of AX and/or BXWL diamond drilling @$2.65/ft.	18,311.50
300 feet of reaming @$1.75/ft.	525.00
60 hours of cementing @$8.00/hr.	480.00
40 hours of hole survey or other lost time @$8.00/hr.	320.00

Categories (2) through (7) None

Fixed Unit Costs (See Article 13 of the Contract)

Incidental allowance for each foot of drilling completed[2], 7160 feet @$0.30/ft.	$ 2,148.00
175 wooden core boxes @$3.00/box	525.00
32 samples to be assayed for CaF_2, Pb, and Zn @$6.00/sample	192.00
Estimated Total Cost, Stage I	$23,239.00

Stage II

Actual Costs

Category (1) Independent Contracts[1]

80 feet of overburden drilling @$2.95/ft.	$ 236.00
120 feet of NX or BX diamond drilling to collar holes @$2.95/ft.	354.00
4800 feet of AX or BXWL diamond drilling @$2.65/ft.	12,720.00
210 feet of reaming @$1.75/ft.	367.50
43 hours of cementing @$8.00/hr.	344.00
30 hours of hole survey or other lost time @$8.00/hr.	240.00

Categories (2) through (7) None

Fixed Unit Costs (See Article 13 of the Contract)

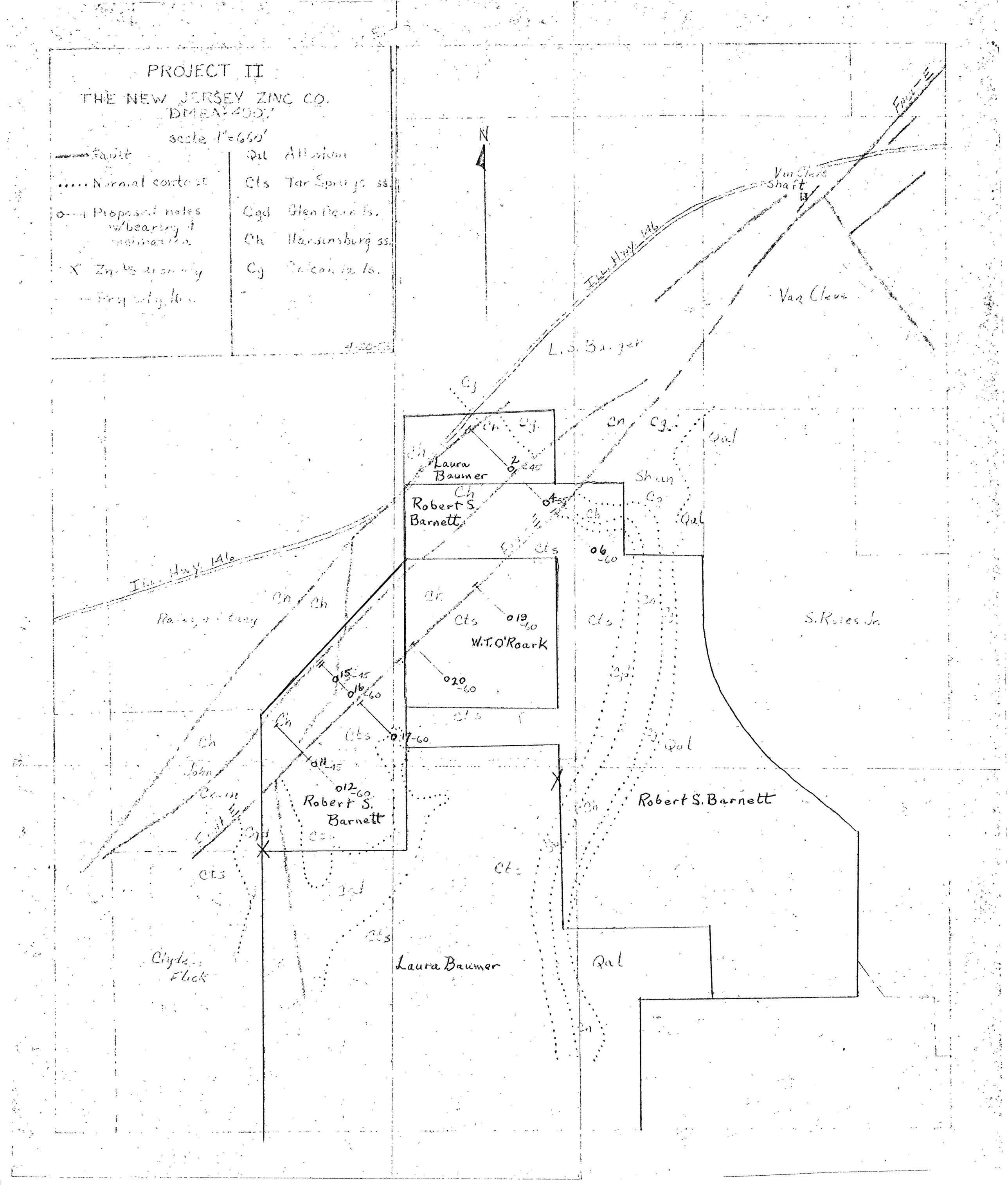
Incidental allowance for each foot of drilling completed[2], 5000 feet @$0.30/ft.	$ 1,500.00
32 samples to be assayed for CaF_2 Pb, and Zn @$6.00/sample	192.00
Estimated Total Cost, Stage II	$15,953.50

S U M M A R Y

Estimated total cost Stage I	$23,239.00
Estimated total cost Stage II	15,953.50
Estimated total cost of project (rounded)	$39,192.00
Government participation @50%	$19,596.00

1/ Includes charges for moving in and out, changing of locations, water supply, replacement of bits, and all charges which may be incurred by the diamond drill contractor. Casing left in the hole at option of the Operator will not be accepted as a charge to the Contract.

2/ Includes all costs that otherwise would be allowable costs under Categories (1) through (7) except as scheduled in Exhibit "A".


PROJECT II
THE NEW JERSEY ZINC CO.
DMEA-400
scale 1"=660'
Fault
Normal contact
Proposed holes w/bearing & inclination
Zn-Pb assay
Property line
Qal Alluvium
Cts Tar Springs ss.
Cgd Glen Dean ls.
Ch Hardensburg ss.
Cj Caseyville ls.
4-20-53
N
Fault E
Van Cleve Shaft
Hwy 146
Van Cleve
L. S. Barger
Laura Baumer
Robert S. Barnett
W.T. O'Roark
S. Rates Jr.
Robert S. Barnett
Robert S. Barnett
Laura Baumer
Clyde Flick
Qal
Cn
Ch
Cts
Cj
Shaun
John
0 2 -45
0 4 -55
0 6 -60
0 11 -45
0 12 -60
0 15 -45
0 16 -60
0 17 -60
0 19 -60
0 20 -60