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-8982, Docket DMEA-4286 (zinc), dated July 30, 1956, with

The New Jersey Zinc Company
160 Front Street
New York 38, New York
and
Jefferson City, Tennessee

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 Big War Creek Area located in Hawkins and Hancock Counties, Tennessee, during the period July 30, 1956, through July 1, 1960.

A certification of discovery or development was issued on November 24, 1959, and, in accordance with Articles 6 and 13, Annex I, and Amendment No. 6 of the contract, royalty is payable on all minerals produced from the land described in Article 2, as amended, of the contract for a period of 52 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 12, 1959, indicated accepted costs under the exploration contract amounting to $91,374.67 with the Government's contribution on a 50 percent basis being $45,687.33.

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 July 1, 1960, the royalty account of this project was found to be:

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

March 26, 1962

E. D. Talbert, OME Auditor

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 mineral production until July 30, 1988, from (1) the lands thereunder, (2) the parcel of land deleted by Amendment No. 11, if the Operator or any of its subsidiaries acquires any interest in such parcel or production therefrom, and (3) any contiguous lands in which the Operator acquires any interest within 10 years from the date of the contract. Limestone and dolomite products derived from processing ores are included as minerals.

At the time this contract was executed, the land thereunder consisted of 13 tracts aggregating approximately 1,027.45 acres, from which a rectangular area containing 31 acres, more or less, was specifically excluded from the contract. Amendments to the contract added 2 tracts totalling 235.45 acres, deleted 1 tract of 197 acres, and reduced the excluded area to 24 acres, more or less. Of the total of approximately 1,065.9 acres (including the excluded 24 acre area), as of September 1959, the Operator held 2 tracts aggregating 39.79 acres in fee, owned the mineral and mining rights in 10 tracts totalling 955.11 acres, more or less, held 1 tract of about 25 acres under option, and had no interest in 1 tract of about 46 acres. The usual contractual requirement for Consents to Lien was waived.

Exploration work under the contract was terminated May 29, 1959. No minerals were produced during the exploration work. Examinations of the property and conferences with the Operator's officials have found that the property has remained inactive since cessation of the exploration work.

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

(1) No minerals have been produced during the period covered by this review;

(2) The property has been inactive since May 1959; and

(3) 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

APR 20 1962

Memorandum

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

From: Chief, Division of Field Operations, OSM

Subject: DMRA-4286 (Zinc)
The New Jersey Zinc Company
Big War Creek Area
Hawkins and Hancock Counties, Tennessee
Contract Ide-8982

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

George C. Selfridge

Enclosure

GCSelfridge/hb (4/20/62)
cc to: Docket DMRA-4286
Director's Reading File
CA&A Division
G.C.Selfridge
R. A. Laurence, Reg. IV, w/cy of Report of Royalty Review dtd 3/26/62 & orig. cy of memo dtd 4/20/62 to Chf., Div. of Field Operations from CA&A Div.
Avery Reed, USBM, Reg. IV, w/cy of ea. item sent to Mr. Laurence.

9 0 1962

Memorandum

To: Chief, Division of Field Operations

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

Subject: DMEA-4285 (Zinc)
The New Jersey Zinc Company
Big War Creek Area
Hawkins and Hancock Counties, Tennessee
Contract Idm-8982

Enclosed 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 DME 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 4-19-62

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

REPORT
OF REVIEW

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

The New Jersey Zinc Company
Jefferson City, Tennessee

pertaining to Exploration Project Contract No. Ldm-8938, DMEA No. 4286, including Amendments Nos. 1 through 11, for March 1957 to May 1959, inclusive, covering a zinc project in the Big War Creek Area, Hawkins and Hamblen Counties, Tennessee.

My review included an examination of the Monthly Reports (Forms MF-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		$91,374.67
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total acceptable cost		$91,374.67

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	$45,687.33
Paid to date	43,632.12
Balance due Operator	$ 2,055.21

E. N. Talbert, OME Auditor

November 12, 1959

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

(a) the Monthly Reports were supported by documentary evidence of that portion ($83,197.90) of the acceptable costs covering work performed at unit rates under independent contract;
(b) the balance ($8,176.77) of the acceptable costs was under a contract provision for contribution by the Government on the basis of 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 exceptions.

Acceptable Costs:

Category (1) Independent Contracts -			
Overburden drilling	1,125'		
Diamond drilling, NX	81'	@ $2.75/ft.	$69,506.25
" " BX	1,221'		
" " AX	22,846'		
" " EX	961'	@ $2.65/ft.	2,546.65
" " AX	3,715'	@ $3.00/ft.	11,145.00
Total (34 holes)	29,951'		83,197.90
Incidental Allowance	29,951'	@ $ .27/ft.	8,086.77
Samples Assayed	90	@ $1.00/ea.	90.00
Total			$91,374.67

NOV 12 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. DMEA-4286 (Zinc)
The New Jersey Zinc Company
Big War Creek Area
Hawkins and Hancock Counties, Tennessee
Contract No. Idm-E982

The recent receipt of the subject Operator's final report now permits the release of the Report of Review requested by your July 29 memorandum. The original and three copies are attached.

If you concur with the facts stated therein, please make the normal distribution. If for any reason you do not concur, please return the original and all copies to this Division with your comments.

Attachments

EDTalbert/ama
November 12, 1959

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

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

November 12, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 16 1959

DATE	INITIALS	CODE
11-16	gad	vvo
		800

Memorandum

To : E. D. Talbert, Contract Administration and Audit Division, OME - Washington

From: Executive Officer, OME - Region V-Knoxville, Tenn.

Subject: DMEA-4286, Idm-E982, zinc. The New Jersey Zinc Co. Big War Creek area, Hawkins and Hancock Counties, Tennessee

Your memorandum of August 6, 1959, to Mrs. Helen Miller, states that the Review in lieu of audit of the subject contract was completed.

The Operator's final engineering and geological report has now been received and was forwarded to the Operating Committee on November 10. The final (May) Voucher is still being held here.

A Report of Review is therefore requested.

Robert A. Laurence

Robert A. Laurence

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

October 29, 1959

EXTRA COPY O. M. E. RECEIVED NOV 3 1959		
DATE	INITIALS	CODE
		800

Mr. Johnson Crawford
Assistant Manager of Mines
The New Jersey Zinc Company
Jefferson City, Tennessee

Re: DMEA-4286 (zinc)
Big War Creek area
Hawkins and Hancock Counties,
Tennessee
Contract Idm-E982

Dear Mr. Crawford:

We are still holding in suspense the final (May 1959) voucher on the Big War Creek project, which we received on June 9, as we cannot approve the last payment before receiving the final report.

Will you please send me your final geologic and engineering report on this project at your earliest convenience? The final voucher will be processed promptly upon receipt of the report.

Sincerely yours,

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

VIA CERTIFIED MAIL

AUG 6 1959

Memorandum

To: Mrs. Helen R. Miller, Administrative Assistant
Bureau of Mines, Region V, Norris, Tennessee

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

Subject: Docket No. DMRA-4284 (Zinc)
New Jersey Zinc Company
Big War Creek Area
Hawkins and Hancock Counties, Tennessee
Contract No. 14m-5982

The original of the final (May 1959) MF-104, MF-104A and attachments, together with 32 invoices from previously paid vouchers, which you submitted with your July 30 memorandum request for a Report of Review, are returned herewith.

The review in lieu of final audit has been completed but the Report of Review may not be issued at this time because Mr. Laurence's July 29 memorandum states that the Operator's final engineering and geological report has not been received. Instructions promulgated to the Field Team Executive Officers by the Operating Committee's letter of January 17, 1957, prohibit the issuance of a Report of Review prior to receipt of advice from the Executive Officer that the Operator's report has been received, waived, or charged against the Operator.

A copy of this memorandum is being sent to Mr. Laurence.

Enclosures

EDTalbert/GMcC
August 5, 1959

cc: Docket
Director's Reading File
CA & A Division
Mr. E. D. Talbert
Mr. Robert A. Laurence, Exec. Officer, OME Field Team, Region V

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION V

ELECTROTECHNICAL
EXPERIMENT STATION

P. O. BOX 217
NORRIS, TENNESSEE

REGISTERED MAIL

July 30, 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-E982, Docket No. DMEA-4286 - Zinc, The New Jersey Zinc Company, Hawkins and Hancock Counties, Tennessee

A Report of Review in Lieu of Final Audit is requested on the subject contract. The following documents are attached hereto:

1. Original MF-104, MF-104a and attachments covering final voucher

2. Memorandum from Executive Officer, Region V, Knoxville, Tennessee, regarding completion of work

3. Invoices covering previously paid documents (total of 32 invoices)

Helen R. Miller

Helen R. Miller

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 3 1959

DATE	INITIALS	CODE
8-3	gad	VVO
		800

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

CIAL FILE COPY O. M. E. RECEIVED AUG 3 1959		
DATE	INITIALS	CODE
8-3	gad	rvo
		800
		~~500~~

July 29, 1959

Memorandum

To: E. D. Talbert, Contract Administration and Audit Division, OME - Washington

From: Executive Officer, OME Region V- Knoxville, Tenn.

Subject: Termination of Contract Idm-E982, DMEA-4286-zinc. The New Jersey Zinc Company, Hawkins & Hancock Counties, Tennessee.

Work on the subject contract was terminated May 29, 1959.

The following units of work have been acceptably performed, as verified by our Field Examiners:

1 - 29,951 feet of diamond drilling has been completed.

2 - 90 core samples have been analyzed.

The Operator's final engineering and geological report has not yet been received.

Operator's Monthly Report and Voucher for May 1959, is attached. A Report of Review is requested.

Robert A. Laurence

Robert A. Laurence

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

NOV 1 1959 PAID ON VOUCHER & SCHEDULE OF PAYMENTS O.M.E. 15

FINAL

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May 195 9 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

Contract Amount, $ 107,150.00 Government Participation: 50 % Amount, $ 53,575.00

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:	3738.60	79,459.30	83,197.90			
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	368.82	7,717.95	8,086.77			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	3.00	87.00	90.00			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	4110.42	87,264.25	91,374.67	4110.42	87,264.25	91,374.67

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

Date 6/1/59 *Payee The New Jersey Zinc Company

Per [signature] Title Asst. to Gen. Supt.

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

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

(Instructions on reverse)

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

$ 2055.21

Signature Helen R. Miller (Authorized Certifying Officer)

Date NOV 17 1959 Vou. No. 24

(See other side)

21 of 7

T 5/29/59 2055.21

(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-282 in accordance with the terms of the contract.

Signature [illegible] Title GEOLOGIST, U. S. G. S. Date JUN 10 1959

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title ACTING EXECUTIVE OFFICER OME - REGION V Date JUN 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

NOV 19 1959
O.M.E.

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

Month of May 195 9 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals

Address Jefferson City, Tennessee

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 EX	Ft.	474.35	179	2,546.65	961	2.65		2.65
Winzes 0-1000	"	3264.25	1187	69,506.25	25,275	2.75	30,000	2.75
Drilling: Core 1000-1500	"	-	-	11,145.00	3,715	3.00	5,000	3.00
Churn Assays	Ea.	3.00	3	90.00	90	1.00	200	1.00
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails Tech. Serv.	Ft.	368.82	1366	8,086.77	29,951	0.27	35,000	0.27
Total Distributed Costs		4110.42		91,374.67				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		4110.42		91,374.67				

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

Date 6/1/59 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to Gen. Supt.

Remarks: This report includes BW-56 BW-57

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)

[signature]
GEOLOGIST, U. S. G. S.
JUN 10 1959

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

Report for May, 1959

Big War Creek Area DMEA 4286

Contract Idm E 982 (Zinc)

One drill operated on this project this month and completed two holes for a total of 1366' of drilling. These holes are shown in green on the accompanying map, AX-TENN-B-100.

Hole BW-56 - N.J.Z. M & M - Price Surface

Coordinates: 62,107.50 N; 31,398.16 E
Elevation: 1728.10

Results:

0- 51	Clay
51-315	Mascot dolomite
315-526	Upper Kingsport dolomite
526	TR
526-617	Lower Kingsport dolomite Scattered traces of sphalerite 599-607
617-618	1' - estimated at 4% zinc
618-639	Lower Kingsport dolomite
639-641	2' - estimated at 2% zinc
641-695	Lower Kingsport limestone and dolomite
695-705	(Bottom) Longview dolomite

Hole BW-57 - N.J.Z. M & M - Bloomer surface

Coordinates: 61,999.35 N; 31,232.30 E
Elevation: 1713.57

Results:

0- 54	Clay
54-299	Mascot dolomite
299-484	Upper Kingsport dolomite
484	TR
484-529	Lower Kingsport dolomite Traces of sphalerite 492,519-525
529-533	4' - 3.63% zinc
533-535	2' - 3.18% zinc
535-538	Lower Kingsport dolomite
538-540	2' - 1.96% zinc
529-540	11' - 2.25% zinc
540-661	(Bottom) Lower Kingsport limestone and dolomite

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

Budget Bureau No. 42-R1036.5

MAY 21 1959
O.M.E.

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

Month of April, 1959 Docket No. DMEA 4286 Contract No. Idm E 982
Operator's Name The New Jersey Zinc Company Minerals Zinc
Address Jefferson City, Tennessee
Contract Amount, $ 107,150.00 Government Participation: 50% Amount, $ 53,575.00

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	-	79,459.30	79,459.30			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services	-	7,717.95	7,717.95			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	-	87.00	87.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	-	87,264.25	87,264.25		87,264.25	87,264.25

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

Date 5/1/59 *Payee The New Jersey Zinc Company

Per [signature] Title Asst. to Gen. Supt.

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

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

(Instructions on reverse)

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

$

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-982 in accordance with the terms of the contract.

Signature [illegible] Title GEOLOGIST, U. S. G. S. Date MAY 14 1959

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: ACTING EXECUTIVE OFFICER

Signature [illegible] Title OMEA [illegible] V Date MAY 14 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

OPERATOR'S UNIT COST AND PROGRESS REPORT

O.M.E. MAY 21 1959

Month of April 1959 Docket No. DMEA 4286 Contract No. Idm E 982
Operator's Name The New Jersey Zinc Co. Minerals Zinc
Address Jefferson City, Tennessee

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 Ex	ft.	-	-	2,072.30	782	2.65		2.65
Drilling: Core 0 - 1000	ft.	-	-	66,242.00	24,088	2.75	30,000	2.75
Churn 1000-1500	ft.	-	-	11,145.00	3,715	3.00	5,000	3.00
Auger Assays	ea.	-	-	87.00	87	1.00	200	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Tech. Serv.	ft.	-	-	7,717.95	28,585	0.27		0.27
Total Distributed Costs				87,264.25				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs				87,264.25				

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 5/1/59 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to Gen. Supt.

Remarks: No Holes reported this month.

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)

[signature]
GEOLOGIST, U. S. G. S.

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

Report for April 1959

Big War Creek Area DMEA 4286

Contract Idm E 982 (Zinc)

One drill operated on this project during the month. Due to operating difficulties and cavernous ground no holes were completed. The totals reported this month are the same as those reported last month.

EXTRA COPY
O. M. E.
RECEIVED APR 30 1959

DATE	INITIALS	CODE
		800

April 29, 1959

Memorandum

To: Operating Committee, OME, Washington 25, D. C.

From: Field Team, OME, Region V, Knoxville 2, Tennessee

Subject: Docket No. DMEA-4286, Contract No. Idm-5982 (Zinc)
The New Jersey Zinc Company, New York, New York
Big War Creek Area, Hawkins and Hancock Counties, Tennessee

References: Mr. Talbert's memo of April 23, 1959 to Mr. Grimwold.

Review of the log of hole BM55 indicates that the "TR" zone was cut at 1440 feet depth; therefore it was necessary to exceed 1500 feet in order to assure full penetration of the ore zone. This may also be necessary in other holes on this project.

The stratigraphic interval between "TR" (top of "R" bed) and footwall is about 120 feet; where vertical holes penetrate steeply dipping beds, the drill-hole distance may exceed 150 feet.

Therefore, we recommend an amendment authorizing drilling beyond 1500 feet, as suggested by Mr. Talbert. Unit cost for this deeper drilling would be at the the same rate as the 1000 to 1500 foot category, $3.00 per foot. We do not anticipate a very large total of below -1500 drilling.

Robert A. Laurence
Executive Officer

V. J. Lynch
Member, Bureau of Mines

RAL/mg
cc - Operating Committee (2)
Mr. V. J. Lynch
Mr. L. E. Shirley
Finance Office
File

APR 23 1959

Memorandum

To: Mr. W. R. Griswold, Chief
Division of Base Metals

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

Subject: Docket No. DMEA-4286 (Zinc)
The New Jersey Zinc Company
Big War Creek Area
Hawkins and Hancock Counties, Tennessee
Contract No. Idm-E982

Exhibit "A" of the subject contract estimates that "the maximum depth of any hole will be approximately 1300 feet". Amendment No. 3 provides maximum unit costs of $3.00/ft AX size and $2.90/ft. EX size for "diamond drilling from 1,000-foot to 1,500-foot depth".

No costs are authorized for drilling beyond 1,500 depths. However, the Operator's March 1959 MF-104, as approved by the Field Team, includes contribution by the Government to the entire cost of hole BW-55, which bottomed at 1,580 feet.

If it was the intent of the contract to allow costs for drilling to depths beyond 1,500 feet, an amendment setting forth the allowable unit costs for such depths is required. Mere deletion of the words "to 1,500-foot depth" apparently would suffice.

EDTalbert/ama
April 23, 1959

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

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

APR 22 1959
O.M.E.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

Budget Bureau No. 42-R1036.5

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1959 Docket No. DMEA 4286 Contract No. Idm E 982
Operator's Name The New Jersey Zinc Company Minerals Zinc
Address Jefferson City, Tennessee
Contract Amount, $ 107,150.00 Government Participation: 50% Amount, $ 53,575.00

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	4490.00	74,969.30	79,459.30			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services	426.60	7,291.35	7,717.95			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	5.00	82.00	87.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	4921.60	82,342.65	87,264.25	4921.60	82,342.65	87,264.25

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

Date 4/1/59 *Payee The New Jersey Zinc Company

Per _____ Title Asst. to Gen. Supt.

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

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

(Instructions on reverse)

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

$ 2460.80

Signature Peter R. Meter
(Authorized Certifying Officer)

Date APR 20 1959 Vou. No. 103
(See other side)

2460.80

(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-982 in accordance with the terms of the contract.

Signature [illegible] Title GEOLOGIST, U. S. G. S. Date APR 16 1959

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title ACTING EXECUTIVE OFFICER OME - REGION V Date APR 16 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

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1959 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

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 EX	Ft.			2,072.30	782	2.65		2.65
Churn 0-1000	"	2750.00	1000	66,242.00	24,088	2.75	30,000	2.75
Auger 1000-1500	"	1740.00	580	11,145.00	3,715	3.00	5,000	3.00
Stripping Assays	Ea.	5.00	5	87.00	87	1.00	200	1.00
Trenching								
Test Pits								
Roads and Trails								
Tech. Serv.	Ft.	426.60	1580	7,717.95	28,585	0.27		0.27
TOTAL DISTRIBUTED COSTS		4921.60		87,264.25				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		4921.60		87,264.25				

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 4/1/59 Operator The New Jersey Zinc Co.

Per _____ Title Asst. to Gen. Supt.

REMARKS: This report includes Hole BW-55

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 Wedon

GEOLOGIST, U. S. G. S.

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

Report for March 1959

Big War Creek Area DMEA 4286

Contract Idm E 982 (Zinc)

One drill operated on this project during the month and completed one hole for a total of 1580' of drilling. The accompanying map, AX-TENN-B-100 shows this hole in green. Also included is a dip section showing holes BW-53, BW-54, and BW-55.

<u>Hole BW-55</u> - N.J.Z. M & M - Amyx surface

Coordinates: 60,779.88 N; 31,146.49
Elevation: 1585.12

Results:

0- 547	- - Chickamauga limestone
547-1230	- - Mascot dolomite
1230	- - Chert Matrix
1230-1362	- - Upper Kingsport dolomite. Scattered traces of sphalerite 1355-1362
1362-1367	- - 5' - 4.00% Zinc
1367-1372	- - 5' - 2.18% zinc
1372-1378	- - 6' - 3.10% zinc (5' core recovered)
1378-1382	- - 4' - 1.63% zinc
1382-1387	- - 5' - 1.50% zinc
<u>1362-1387</u>	<u>- 25' - 2.48% zinc</u>
1387-1404	- - Upper Kingsport dolomite
1404	- - TR
1404-1580	- - (Bottom) Lower Kingsport dolomite and limestone

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 53

MAR 23 1959

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1959 Docket No. DMEA 4286 Contract No. Idm E-982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

Contract Amount, $ 107,150.00 Government Participation: 50 % Amount, $ 53,575.00

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	3890.00	71,079.30	74,969.30			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services	372.60	6,918.75	7,291.35			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	-	82.00	82.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	4262.60	78,080.05	82,342.65	4262.60	78,080.05	82,342.65

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

Date 3/1/59 *Payee The New Jersey Zinc Company

Per [signature] Title Asst. To Gen. Supt.

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

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

(Instructions on reverse)

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

$ 2131.30

Signature Helen R. Miller (Authorized Certifying Officer)

Date MAR 20 1959 Vou. No. 98

(See other side)

2131.30

(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-982 in accordance with the terms of the contract.

Signature [illegible] Title MINING ENGINEER U. S. BUREAU OF MINES Date MAR 1[illegible] 1959

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER OME FIELD TEAM REGION V Date MAR 19 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

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1959 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

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 EX	Ft.	-	-	2,072.30	782	2.65	30,000	2.65
Drilling: Core 0-1000	"	2750.00	1000	63,492.00	23,088	2.75	5,000	2.75
Churn 1000-1500	"	1140.00	380	9,405.00	3,135	3.00	200	3.00
Auger Assays	Ea	-	-	82.00	82	1.00		1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Sup. & Tech. Serv.	Ft.	372.60	1380	7,291.35	27,005	0.27		0.27
Total Distributed Costs		4262.60		82,342.65				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		4262.60		82,342.65				

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: This report includes Hole DW-54

Date 3/1/59 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to Gen. Supt.

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

(Instructions on reverse)

(For Government use only)

[signature]
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

Report for February 1959

Big War Creek Area DMEA 4286

Contract Idm E 982 (Zinc)

One drill operated on this project during the month and completed one hold for a total of 1380' of drilling. The accompanying map, AX-Tenn-B-100 shows this hole in green.

Hole BW-54 - N.J.Z. M & M - Amyx Surface

Coordinates: 60,950.34 N; 31,046.59 E
Elevation: 1607.23

Results:

0 - 2	Clay
2 - 346	Chickamauga limestone
346 -1023	Mascot dolomite
1023	Chert Matrix
1023 -1206	Upper Kingsport dolomite
1206	TR
1206 -1365	Lower Kingsport dolomite and limestone. Scattered traces and shines 1235-1238, 1260-1283, 1343-1356
1365 -1380	(Bottom) Longview dolomite 83% dolomite in R & S Beds.

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

Budget Bureau No. 42-R1036.5

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

FEB 18 1959 D.M.E.

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 67

Month of January, 1959 Docket No. DMEA 4286 Contract No. Idm E 982
Operator's Name The New Jersey Zinc Company Minerals Zinc
Address Jefferson City, Tennessee
Contract Amount, $ 107,150.00 Government Participation: 50% Amount, $ 53,575.00

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	3383.00	67,696.30	71,079.30			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services	326.97	6,591.78	6,918.75			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	-	82.00	82.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
				3709.97	74,370.08	78,080.05
TOTALS	3709.97	74,370.08	78,080.05			

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 2/1/59 *Payee The New Jersey Zinc Company
Per [signature] Title Asst. to Gen. Supt.

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

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

(Instructions on reverse)

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

$ 1854.99

Signature Helen R. Miller
(Authorized Certifying Officer)
Date FEB 16 1959 Vou. No. 38
(See other side)

1854.98

(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-982, in accordance with the terms of the contract.

Signature H. Lawson Title MINING ENGINEER GEOLOGIST, U. S. G. S. U. S. BUREAU OF MINES Date FEB 13 1959

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE

Signature V. J. Lynch Title ACTING EXECUTIVE OFFICER OME FIELD TEAM REGION V Date FEB 13 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

FEB 18 1959 O.M.E.

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

Month of Jan. 195 9 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

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 EX	Ft.			2,072.30	782	2.65		2.65
Winzes 0-1000	"	2750.00	1000	60,742.00	22,088	2.75	30,000	2.75
Drilling: Core 1000-1500	"	633.00	211	8,265.00	2,755	3.00	5,000	3.00
Churn Assays	Ea.	-	-	82.00	82	1.00	200	1.00
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Sup. & Tech. Serv.	Ft.	326.97	1211	6,918.75	25,625	0.27		0.27
Total Distributed Costs		3709.97		78,080.05				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		3709.97		78,080.05				

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 2/1/59 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to Gen. Supt.

Remarks: This report includes hole BW-53

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)

[signature]
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

Report for January 1959

Big War Creek Area DMEA 4286

Contract Idm E 982 (Zinc)

One drill operated on this project during the month and completed one hole for a total of 1211 feet. The accompanying map AX-TENN-B-100 shows this hole in green.

Hole BW-53 - N.J.Z. M & M - Amyx Surface

Coordinates: 61,125.80 N; 30,435.00 E
Elevation: 1659.13

Results:

0- 41	Clay
41- 171	Chickamauga belt
171- 898	Mascot dolomite
898	Chert Matrix
898-1052	Upper Kingsport dolomite. Trace of sphalerite 1011
1052	TR
1052-1209	Lower Kingsport dolomite Traces of sphalerite 1067, 1173-1183
1209-1211	(Bottom) Longview dolomite R and S beds 100% dolomite

Form 7-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAY VOUCHER & SCHEDULE OF PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

Idm E 982
Zinc

Month of December 1958 Docket No. DMEA 4206

Operator's Name The New Jersey Zinc Company
Address Jefferson City, Tennessee

Contract No. 107,150.00
Minerals 53,575.00

Contract Amount, $ Government Participation: 50 % Amount, $

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:	2332.00	65,364.30	67,696.30			
Drilling						
Bulldozing						
Crosscutting						
Drifting						
	228.96	6,362.82	6,591.78			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		82.00	82.00			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
	2560.96	71,809.12	74,370.08			
TOTALS				$2,560.96	$71,809.12	$74,370.08

I certify that the above bill is correct and just, and that payment therefor has been received.

Date 1-19-59 *Payee The New Jersey Zinc Company

Per Asst. to Gen. Supt. Title

*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)

1280.48

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

$1,280.48

Signature Walter R. Miller
(Authorized Certifying Officer)

Date JAN 19 1959 Vou. No. 78

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm E982 in accordance with the terms of the contract.

Signature W. A. Beck Title U. S. BUREAU OF MINES MINING ENGINEER Date JAN 16 1959

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER OME FIELD TEAM REGION V Date JAN 16 1959

MONTHLY REPORT OF OPERATOR

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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.

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

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

Month of December 195 8 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

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 EX	Ft.			2,072.30	~~658~~ 782	2.65		
Drilling: Core 0-1000	"	2,332.00	848	57,992.00	21,088	2.75		
Churn 1000-1500	"			7,632.00	2,544	3.00		
Auger Assays	Ea.			82.00	82	1.00		
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Sup. & Tech. Serv.	Ft.	228.96	848	6,591.78	24414	0.27		
TOTAL DISTRIBUTED COSTS		2,560.96		74,370.08				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2,560.96		74,370.08				

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

Date Jan. 1, 1959 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to Gen. Supt.

REMARKS: This report includes hole BW-52

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)

[signature]

MINING ENGINEER
U. S. BUREAU OF MINES

JAN 16 1959

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

Report for December 1958

Big War Creek Area DMEA 4286

Contract Idm E 982 (Zinc)

One drill operated on this project during the month and completed one hole for a total of 848 feet. The accompanying map AX-TENN-B 100 shows this hole in green. Sections AX-TENN-C 1395 and C-1412 show all holes drilled on project during October, November and December.

<u>Hole BW-52</u> - N.J.Z. Mineral and mining rights - A. Helton surface

Coordinates: 60,902.89 N; 30,159.46

Elevation: 1487.17'

Results:

0- 2	- -	Clay
2-509	- -	Mascot dolomite
509	- -	Chert Matrix marker
509-689	- -	Upper Kingsport dolomite
689	- -	TR marker
689-848	- -	(Bottom) Lower Kingsport limestone and dolomite 44% dolomite in R & S beds

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 22 1959

DATE	INITIALS	CODE
		800

January 20, 1959

Mr. Johnson Crawford
General Superintendent
The New Jersey Zinc Company
Jefferson City, Tennessee

Re: DMEA-4266, Idm-8982-zinc
Big Mac Creek area
Hawkins & Hancock Counties,
Tennessee

Dear Mr. Crawford:

In reviewing the monthly vouchers and progress reports (MF-104 and MF104A) on the subject contract it was found that several errors have been made in the "Units To Date Column" on forms MF-104A.

In the March 1958 report the figure 17,457 for "Supervision and Technical Services" should have been 17,451.

In the April 1958 report the figure for XI drilling should have been 782 instead of 656. This error has been carried on in all the reports to date.

The correct figures in the "Units to Date" column for December 1958 should have been: Drilling XI - 782; 0 to 1000 - 21,088; 1000 to 1500 - 2,344; Assays - 62; and Supervision & technical Services- 24,414.

Please correct your copy of the December MF-104A to conform with the above.

Sincerely yours,

Robert A. Lawrence
Executive Officer, OME
Region V

WAR/mm
cc
Finance Office
Lynch
Files

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

RECEIVED DEC 22 1958

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1958 Docket No. DMEA 4126 Contract No. Idm E 982
Operator's Name The New Jersey Zinc Company Minerals Zinc
Address Jefferson City, Tennessee
Contract Amount, $107,150.00 Government Participation: 50 % Amount, $53,575.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	1,925.00	63,439.30	65,364.30			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	189.00	6,173.82	6,362.82			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	-	82.00	82.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2,114.00	69,695.12	71,809.12	2114.00	69,695.12	71,809.12

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 12/1/58 *Payee The New Jersey Zinc Company
Per [signature] Title Asst. to Gen. Supt.

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 1057.00
Signature [signature]
(Authorized Certifying Officer)
Date DEC 17 1958 Vou. No. 71
(See other side)

1057.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-982 in accordance with the terms of the contract.

Signature [illegible] Title MINING ENGINEER U. S. BUREAU OF MINES Date DEC 17 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title ACTING EXECUTIVE OFFICER OME - REGION V Date DEC 17 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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED AUG 22 1958 O.M.E.

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 8, 1958 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

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 EX	Ft.	-	-	2,072.30	658	2.65		
Drilling: Core 0-1000	"	1,925.00	700	55,660.00	20,240	2.75		
Core 1000-1500	"	-	-	7,632.00	2,544	3.00		
Assays	Ea.	-	-	82.00	82	1.00		
Stripping								
Trenching								
Test Pits								
Supts. and Tech. Ser.	Ft.	189.00	700	6,362.82		0.27		
Total Distributed Costs		2,114.00		71,809.12				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		2,114.00		71,809.12				

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 12/1/58 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to Gen. Supt.

Remarks: This report includes hole BW-51

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)

[signature]
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

Report for November 1958

Big War Creek Area DMEA 4286

Contract Idm E 982 (Zinc)

One drill operated on this project during the month and completed one hole for a total of 700 feet. The accompanying map, AX-TENN-B-100 shows this hole in green.

<u>Hole BW-51</u> - N.J.Z. Mineral and Mining rights - A. Helton surface

Coordinates: 61,076.53 N; 30,049.64 E
Elevation: 1491.19

Results:

0- 1	- - Clay
1-320	- - Mascot dolomite
320-512	- - Upper Kingsport dolomite Trace sphalerite 509-512
512	- - TR ?
512-700	- - (Bottom) Lower Kingsport dolomite and limestone. Traces of sphalerite 512-525, 539-541, 606-616 93% dolomite in R & S beds.

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

Budget Bureau No. 42-R1036.5

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

REGION 4 NOV 26 1958 O.M.E.

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 30

Month of October 195 Docket No. DMEA 4256 Contract No. Idm E 982
Operator's Name The New Jersey Zinc Company Minerals Zinc
Address Jefferson City, Tennessee
Contract Amount, $ 107,150.00 Government Participation: 50 % Amount, $ 53,575.00

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	6,092.75	57,346.55	63,439.30			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	588.87	5,584.95	6,173.82			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	6.00	76.00	82.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	6,687.62	63,007.50	69,695.12	6,687.62	63,007.50	69,695.12

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

Date 11/1/58 *Payee The New Jersey Zinc Company

Per [signature] Title Asst. to Gen. Supt.

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

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

(Instructions on reverse)

3343.81

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

$ 3,343.81

Signature Helen R. Miller
(Authorized Certifying Officer)

Date NOV 24 1958 Vou. No. 59

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 1Am-5982 in accordance with the terms of the contract.

Signature W. A. Beck Title MINING ENGINEER U. S. BUREAU OF MINES Date NOV 21 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lemmen Title EXECUTIVE OFFICER OME FIELD TEAM REGION V Date NOV 21 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-R1151.1
Approval expires 6-30-53.

RECEIVED NOV 26 1958 O.R.E.

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

Month of October 1958 Docket No. DMEA 4286 Contract No. Idm E 982
Operator's Name The New Jersey Zinc Company Minerals Zinc
Address Jefferson City, Tennessee

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 EX	Ft.	-	-	2,072.30	658	2.65		2.65
Drilling: Core 0-1000	"	4952.75	1801	53,735.00	19,540		30,000	2.75
Churn 1000-1500	"	1140.00	380	7,632.00	2,544		5,000	3.00
Auger Assays	Ea.	6.00	6	82.00			200	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Sup.& Tech.Serv.	Ft.	588.87		6,173.82				0.27
Total Distributed Costs		6687.62		69,695.12				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		6687.62		69,695.12				

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 11/1/58 Operator The New Jersey Zinc Co.
Per [signature] Title Asst. to Gen. Supt.

Remarks: This report covers BW-49 BW-50

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)

[signature]
GEOLOGIST, U. S. G. S.

NOV 21 1958

INSTRUCTIONS

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

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

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

GPO 83-38475

Report for October 1958

Big War Creek Area DMEA 4286

Contract Idm # 982 (Zinc)

One drill operated on this project during the month and completed two holes for a total of 2181'. The accompanying map, AX-TENN-B-100 shows these holes in green.

Hole BW-49 - N.J.Z. Mineral and mining rights
George Amyx surface

Coordinates: 60,840.42 N; 30,860.59 E
Elevation: 1602.11

Results:

0- 3 - - Clay
3- 184 - - Chickamauga limestone
184- 258 - - Transitional zone
258- 980 - - Mascot dolomite. Abundant faulting and fracturing
980- 997 - - Fragments of chert matrix in fault zone. Scattered shines sphalerite 983-991
997-1144 - - Upper Kingsport dolomite. Scattered traces of sphalerite 1008-1113
1144-1154 - - 10' - 1.43% zinc (5' core)
1154-1160 - - 6' - 2.28% zinc (5' core)
1160-1164 - - 4' - 1.80% zinc (4' core)
1164-1170 - - 6' - 1.92% zinc (3' core)

1144-1170 - - 26' - 1.80% zinc

1170-1207 - - Upper Kingsport dolomite. Scattered traces of sphalerite
1207 - - TR
1207-1380 - - (Bottom) Lower Kingsport dolomite. Scattered traces and shines of sphalerite 1207-1259 100% dolomite in R and S beds

Hole BW-50 - N.J.Z. Mineral and Mining Rights
H. Helton surface

Coordinates: 60,987.90 N; 30,104.82 E
Elevation: 1488.75

Results:

0-411 - - Mascot dolomite
411-573 - - Upper Kingsport dolomite
573 - - TR ?

573-601 - - Lower Kingsport dolomite breccia.
Scattered traces of sphalerite 583-598
601-606 - - 5' - 1.43% zinc
606-611 - - 5' - 1.43% zinc
611-778 - - Lower Kingsport dolomite and limestone
778-801 - - (Bottom) Longview dolomite
63% dolomite in R and S beds.

Form MF-104 (Rev. 4) (April 1952)

RECEIVED OCT 20 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- 23

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1958 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

Contract Amount, $ 107,150.00 Government Participation: 50 % Amount, $ 53,575.00

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	3287.00	54,059.55	57,346.55			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	318.33	5,266.62	5,584.95			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	-	76.00	76.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	3,605.33	59,402.17	63,007.50	3605.33	59402.17	63,007.50

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

Date 10/1/58 *Payee The New Jersey Zinc Company

Per [signature] Title Asst. to Gen. Supt.

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

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

(Instructions on reverse)

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

$ 1802.66

Signature Helen R. Miller (Authorized Certifying Officer)

Date OCT 17 1958 Vou. No. 49

(See other side)

1802.67

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E 982 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title MINING ENGINEER U. S. BUREAU OF MINES Date OCT 16 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER OME FIELD TEAM REGION V Date OCT 16 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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Sept. 195 8 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

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 DX	Ft.	-	-	2,072.30	658	2.65		2.65
Churn 0-1000	"	2750.00	1000	48,782.25	17,739	2.75	30,000	2.75
Auger 1000-1500	"	537.00	179	6,492.00	2,164	3.00	5,000	3.00
Stripping Assays	Ea.	-	-	76.00	76	1.00	200	1.00
Trenching								
Test Pits								
Roads and Trails								
Sup. & Tech. Ser.	Ft.	318.33		5,584.95		0.27	35,000	0.27
TOTAL DISTRIBUTED COSTS		3605.33		63,007.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		3605.33		63,007.50				

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: This report covers BW-48

Date 10/1/58 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to Gen. Supt.

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

(Instructions on reverse)

(For Government use only)

[signature]
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

Report for September 1958

Big War Creek Area DMEA 4286

Contract Idm E 982 (Zinc)

One drill operated on this project during the month and completed one hole for a total of 1179'. The accompanying map, AX-TENN-B-100, shows this hole in green.

Hole BW-48 - Annis Melton property

Coordinates: 60,774.65 N; 30,460.91 E
Elevation: 1581.15

Results:

0- 5	Clay
5- 112	Chickamauga limestone. Blebs sphalerite in fractures 90,100
112- 827	Mascot dolomite
827	Chert Matrix
827-1013	Upper Kingsport dolomite Rare traces sphalerite 945, 966 Shines sphalerite 990-998
1013	TR
1013-1174	Lower Kingsport limestone and dolomite
1174-1179	(Bottom) Longview dolomite R and S beds 42% dolomite

Note:

A surveying error was discovered affecting six previously drilled holes. Corrected coordinates and elevations are:

BW-29	60,893.47 N	30,619.85 E	1610.36'
BW-30	60,983.99 N	30,563.95 E	1637.39'
BW-32	61,076.65 N	30,512.52 E	1656.99'
BW-33	60,805.18 N	30,670.07 E	1590.20'
BW-36	60,762.08 N	30,662.39 E	1585.56'
BW-39	60,626.07 N	30,799.84 E	1560.00'

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April 1958 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

Contract Amount, $ 107,150.00 Government Participation: 50 % Amount, $ 53,575.00

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	5,694.15	48,365.40	54,059.55			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	554.85	4,711.77	5,266.62			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	1.00	75.00	76.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	6,250.00	53,152.17	59,402.17	6250.00	53,152.17	59,402.17

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

Date 5/1/58 *Payee The New Jersey Zinc Company

Per [signature] Title Asst. to Gen. Supt.

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

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

(Instructions on reverse)

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

$ 3125.00

Signature [signature]
(Authorized Certifying Officer)

Date JUN 2 1958 Vou. No. 174

(See other side)

13

3125.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-982 in accordance with the terms of the contract.

Signature [illegible] Title MINING ENGINEER U. S. BUREAU OF MINES Date MAY 20 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date MAY 20 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
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

RECEIVED JUN 5 1958

Month of April 1958 Docket No. DMEA 4286 Contract No. Idm E 982
Operator's Name The New Jersey Zinc Company Minerals Zinc
Address Jefferson City, Tennessee

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 Ex	Ft.	1,049.40	396	2,072.30	658	2.65		2.65
Churn 0-1000	"	3,654.75	1329	46,032.25		2.75	30,000	2.75
Auger 1000-1500	"	990.00	330	5,955.00		3.00	5,000	3.00
Stripping Assays	Ea.	1.00	1	76.00	76	1.00	200	1.00
Trenching								
Test Pits								
Roads and Trails								
Sup. & Tech. Serv.	Ft.	554.85	2055	5,266.62		0.27	35,000	0.27
TOTAL DISTRIBUTED COSTS		6,250.00		59,402.17				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		6,250.00		59,402.17				

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 5/1/58 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to Gen. Supt.

REMARKS: This report covers BW-46 and BW-47

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)

[signature]
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

Report for April 1953

Big War Creek Area DMA 4236

Contract Idn E 952 (Zinc)

Two drills operated on this project during the month and two holes were completed.

Hole BW-46 - Cameron Short property - 950 feet northeast of BW-39 on strike

Coordinates: 61,223.31N; 31,439.93E
Elevation: 1636.23

0 - 13	Clay
13 - 276	Chickamauga limestone
276 - 975	Mascot dolomite
975 - 1153	Upper Kingsport dolomite. Trace sphalerite 1121
1153 - 1155	2' mineralization estimated at 3% Zinc
1155 - 1159	Upper Kingsport dolomite
1159	TB marker
1159 - 1303	Lower Kingsport dolomite and limestone
1303 - 1330	(Bottom) Longview dolomite

Hole BW-47 - Guy Seals property - New Jersey Zinc Company mineral and mining rights - 100' SW of BW-45 on strike

Coordinates: 62,211.62N; 31,558.06E
Elevation: 1710.15

0 - 37	Clay
37 - 400*	Mascot dolomite
400 - 551	Upper Kingsport dolomite, scattered traces sphalerite 524-525
551	TB marker
551 - 656	Lower Kingsport dolomite. Trace sphalerite at 655
656 - 661	5' assaying at 4.47% Zinc
661 - 637	Lower Kingsport dolomite, scattered traces sphalerite 661-637
637 - 725	(Bottom) Longview dolomite

* The chert matrix (top of Kingsport formation) was not developed in this hole.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5
PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 54

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March 8 1958 Docket No. DMEA 4286
Operator's Name The New Jersey Zinc Company
Address Jefferson City, Tennessee
Contract Amount, $ 107,150.00 Government Participation: 50 %

Contract No. Idm E 982
Minerals Zinc
Amount, $ 53,575.00

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:	2063.80	46,301.60	48,365.40			
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:	205.20	4,506.57	4,711.77			
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	-	75.00	75.00			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2269.00	50,883.17	53,152.17	2269.00	50,883.17	53,152.17

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

Date 4/1/58 *Payee The New Jersey Zinc Company

Per [signature] Title Asst. to Gen. Supt.

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

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

(Instructions on reverse)

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

$ 1134.50

Signature [signature] (Authorized Certifying Officer)

Date APR 24 1958 Vou. No. 163

(See other side)

1134.50

(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-982 in accordance with the terms of the contract.

Signature T. J. Lynch. Title EXECUTIVE OFFICER DMEA REGION V Date APR 22 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title MINING ENGINEER U. S. BUREAU OF MINES Date APR 22 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
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 195 8 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

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 EX	Ft.	694.30	262	1,022.90	386	2.65		2.65
Drilling: Core 0-1000	"	1369.50	498	42,377.50	15,410	2.75	30,000	2.75
Churn 1000-1500	"	-	-	4,965.00	1,655	3.00	5,000	3.00
Auger Assays	Ea.	-	-	75.00	75	1.00	200	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Sup. & Tech. Ser.	Ft.	205.20	760	4,711.77	17,457	0.27	35,000	0.27
Total Distributed Costs		2269.00		53,152.17				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		2269.00		53,152.17				

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: This report covers hole BW-45

Date 4/1/58 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to Gen. Supt.

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

(Instructions on reverse)

(For Government use only)

[signature]
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

Report for March, 1958

Big War Creek Area DMEA 4286

Contract Idm E 982 (Zinc)

Two drills operated on this project during the month and one hole was completed.

<u>Hole BW-45</u> - Guy Seals property. NJZ mineral and mining rights. 100' SW of BW-41 on strike

Coordinates: 62,259.37 N; 31,653.19 E
Elevation: 1752.26

0- 40	- - Clay
40-420	- - Mascot dolomite
420-564	- - Upper Kingsport dolomite. Shine sphalerite 515. Trace sphalerite 547
564-572	- - 8' mineralization estimated @ 1% zinc
572-585	- - Upper Kingsport dolomite. Trace sphalerite 584
585	- - TR marker
585-589	- - Lower Kingsport dolomite
589-592	- - 4' mineralization estimated @ 1/2% zinc
593-754	- - Lower Kingsport dolomite
754-760	- - (Bottom) Longview dolomite

Map AX-TENN-100 showing the location of drill holes and the general geologic relations is attached to this report. Also included are sections AX-TENN-C-1269, B-1338, and B-1358 showing details of all holes drilled during the first quarter of 1958.

Report for February 1958

Big War Creek Area DMEA 4286

Contract Idm E 982 (Zinc)

Two drills operated on the project during the month. Due to mechanical difficulties and unusually adverse weather, no holes were completed.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 42

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of January, 195 8 Docket No. DMEA 428 S Contract No. Idm E 982
Operator's Name The New Jersey Zinc Company Minerals Zinc
Address Jefferson City, Tennessee
Contract Amount, $107,150.00 Government Participation: 50 % Amount, $ 53,575.00

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	5500.00	40,801.60	46,301.60			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	540.00	3,966.57	4,506.57			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis		75.00	75.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	6040.00	44,843.17	50,883.17	6040.00	44 843.17	50 883.17

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 2/1/58 *Payee The New Jersey Zinc Company
Per [signature] Title Asst. to Gen. Supt.

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 3020.00
Signature [signature]
(Authorized Certifying Officer)
Date FEB 25 1958 Vou. No. 130
(See other side)

11th

3020-00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-982 in accordance with the terms of the contract.

Signature R. J. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date FEB 19 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date FEB 19 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
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

RECEIVED FEB 27 1958 D.M.E.A.

Month of January 1958 Docket No. DMEA 4286 Contract No. Idm E 982
Operator's Name The New Jersey Zinc Company Minerals Zinc
Address Jefferson City, Tennessee

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 EX	Ft.			328.60	124	2.65		2.65
Churn 0-1000	"	5500.00	2000	41,008.00	14,912	2.75	30,000	2.75
Auger 1000-1500	"	-	-	4,965.00	1,655	3.00	5,000	3.00
Assays	Ea.	-	-	75.00	75	1.00	200	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Sup. & Tech. Ser.		540.00	2000	4506.57	16,691	0.27	35,000	0.27
TOTAL DISTRIBUTED COSTS		6040.00		50,883.17				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		6040.00		50,883.17				

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 2/1/58 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to Gen. Supt.

REMARKS: This report covers holes BW-42, 43, 44

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)

[signature]
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

Report for January 1958

Big War Creek Area DMEA 4286

Contract Idm E 982 (Zinc)

Two drills operated on the project during the month and three holes were completed.

Hole BW-42 - Annis Helton property - NJZ mineral and mining rights - 300 feet updip from BW-32

Coordinates: 61,370.23 N; 30,345.24 E
Elevation: 1642.94

0- 23 - - Clay
23-391 - - Mascot dolomite
391-535 - - Upper Kingsport dolomite & limestone
535 - - TR marker
535-643 - - Lower Kingsport dolomite & limestone
643-710 - -(Bottom) Longview dolomite & limestone

Hole BW-43 - Guy Seals property - NJZ mineral and mining rights. 100' NE of BW-41 on strike

Coordinates: 62,364.93 N; 31,827.31 E
Elevation: 1747.33

0- 52 - - Clay
52-403 - - Mascot dolomite
403-654 - - Upper Kingsport dolomite
654 - - TR marker. Scattered traces sphalerite 575-593
654-850 - - (Bottom) Lower Kingsport dolomite and limestone

Hole BW-44 - Annis Helton property. NJZ mineral & mining rights. 300 feet updip from BW-42

Coordinates: 61,617.66 N; 30,197.28 E
Elevation: 1642.14

0- 8 - - Clay
8-108 - - Mascot dolomite
108-255 - - Upper Kingsport dolomite
255 - - TR marker. Trace of sphalerite 153
255-410 - - Lower Kingsport dolomite & limestone Trace sphalerite @ 281
410-440 - - (Bottom) Longview dolomite

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

RECEIVED JAN 20 1958 D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 36

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December 1957 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

Contract Amount, $ 107,150.00 Government Participation: 50 % Amount, $ 53,575.00

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	2090.00	38,711.60	40,801.60			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision / Technical Services	205.20	3,761.37	3,966.57			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	-	75.00	75.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2295.20	42,547.97	44,843.17	2295.20	42547.97	44843.17

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

Date 1/1/58 *Payee The New Jersey Zinc Company

Per [signature] Title Asst. to Gen. Supt.

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

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

(Instructions on reverse)

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

$ 1147.60

Signature Helen R. Miller
(Authorized Certifying Officer)

Date JAN 17 1958 Vou. No. 118

(See other side)

1147.60

(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-282 in accordance with the terms of the contract.

Signature W. J. Lynch Title MINING ENGINEER U.S. BUREAU OF MINES Date JAN 16 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Rennie Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date JAN 16 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
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED JAN 20 1958 DMEA

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 195 7 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

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 EX	Ft.	-	-	328.60	124	2.65		2.65
Churn 0-1000	"	2090.00	760	35,508.00	12,912	2.75	30,000	2.75
Auger 1000-1500	"	-	-	4,965.00	1,655	3.00	5,000	3.00
Stripping		-	-	75.00	75	1.00	200	1.00
Trenching								
Test Pits								
Roads and Trails								
Sup. & Tech.Ser.	"	205.20	760	3,966.57	14,691	0.27	35,000	0.27
TOTAL DISTRIBUTED COSTS		2295.20		44,843.17				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2295.20		44,843.17				107,150.00

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 1/1/58 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to Gen.Supt.

REMARKS: This report covers Hole BW-41

→ 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)

[signature]

GEOLOGIST, U. S. G. S.

JAN 16 1958

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

Report for December, 1957

Big War Creek Area DMEA 4286

Contract Idm E 982 (Zinc)

Two drills operated on the project during the month and one hole was completed. The location of this hole is shown in green on the accompanying map. Sections of all holes drilled during the last quarter are attached.

Hole BW-41 - Guy Seals property - NJZ mineral and mining rights - 300' downdip from BW-37

Coordinates: 62,315.25N; 31,738.23E
Elevation: 1753.01

0- 50 - - Clay
50-409 - - Mascot dolomite
409-553 - - Upper Kingsport dolomite. Traces sphalerite 539, 541-551
553-558 - - 5' mineralization estimated @ 1% Zn
558-563 - - Upper Kingsport dolomite. Trace sphalerite 562
563 - - TR marker
563-698 - - Lower Kingsport dolomite Traces sphalerite 565, 566-567, 576
698-742 - - Longview dolomite
742-746 - - 4' mineralization estimated @ 1% Zn
746-760 - - (Bottom) Longview dolomite.

The following 19 assays from hole BW-40 were inadvertently omitted from last months report:

Footage	Core Recov.	% Ox. Zn	% Total Zn
262-263 -	1	1.45	2.90
275-285	1		9.20
285-291	1	0.40	2.61
291-293	1	0.32	1.85
343-352	7	0.45	1.03
358-363	5	1.57	9.05
363-369	4	0.40	4.79
369-371	1½	0.10	2.24
371-375	4		0.50
375-379	4		0.10
379-382	3		9.84
382-386	4		5.50

Weighted Averages of Total Zinc

275-293 - - 18' @ 6.19% Zn
358-386 - - 28' @ 4.73% Zn

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

Budget Bureau No. 42-R1036.5

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

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-32

Month of November, 1957 Docket No. DMEA 4286 Contract No. Idm E 982
Operator's Name The New Jersey Zinc Company Minerals Zinc
Address Jefferson City, Tennessee
Contract Amount, $107,150.00 Government Participation: 50 % Amount, $53,575.00

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	5209.50	33,502.10	38,711.60			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	501.93	3,259.44	3,761.37			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	19.00	56.00	75.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	5730.43	36,817.54	42,547.97	5730.43	36,817.54	42,547.97

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

Date Dec. 19, 1957 *Payee The New Jersey Zinc Company

Per Johnson Crawford Title Supt. for Tennessee

*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:

$ 2865.21

Signature Helen R. Miller
(Authorized Certifying Officer)

Date DEC 24 1957 Vou. No. 105

(See other side)

2865.22

(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-982 in accordance with the terms of the contract.

Signature S. C. Bergman Title GEOLOGIST, U. S. G. S. Date DEC 23 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. J. Lyznicki Title ACTING EXECUTIVE OFFICER DMEA - REGION V Date DEC 23 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 195 7 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

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 EX	Ft.	-	-	328.60	124	2.65		2.65
Churn 0-1000	Ft.	4042.50	1470	33,418.00	2152	2.75	30,000	2.75
Auger 1000-1500	Ft.	1167.00	389	4,965.00	1655	3.00	5,000	3.00
Stripping Assays	Ea.	19.00	19	75.00	75	1.00	200	1.00
Trenching								
Test Pits								
Roads and Trails								
Sup. & Tech. Ser.	Ft.	501.93	1859	3,761.37	13931	0.27	35,000	0.27
Total Distributed Costs		5730.43		42,547.97				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		5730.43		42,547.97				107,150.00

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: This report covers holes BW-39 40

Date Dec. 19, 1957 Operator The New Jersey Zinc Co.

Per Johnson Crawford Title Supt. for Tenn.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 872894

Report for November 1957

Big War Creek Area DMEA 4286

Contract Idm E 982 (Zinc)

Hole BW-39 - Annis Helton property - NJZ mineral and mining rights - 100' downdip from BW-36

Approx. Coordinates: 60,295.00N; 30,660.00 E
Approx. Elevation: 1575.00

0- 8	- - Clay
8- 396	- - Chickamauga limestone
396-1066	- - Mascot dolomite
1066-1246	- - Upper Kingsport dolomite
1246	- - TR marker
1246-1389	- - (Bottom) Lower Kingsport dolomite

Hole BW-40 - Guy Seals property - NJZ mineral and mining rights - 100' SW of BW-37 on strike

Approx. Coordinates: 62,505.00N; 31,495.00E
Approx. Elevation: 1805'

0- 60	- - Clay
60- 238	- - Upper Kingsport dolomite, good core recovery
238- 262	- - Cavernous ground, only 11 feet of core recovered
262- 263	- - 1' ore estimated @ 4% Zn
263- 275	- - Cavernous, no core recovered
275- 285	- - 10' ore estimated @ 15% Zn Only 1' of core recovered
285- 291	- - 6' ore estimated @ 6% Zn TR marker is in this zone but was not identified
291- 294	- - Lower Kingsport dolomite
294- 316	- - Cavernous, no core recovery
316- 343	- - Lower Kingsport dolomite. Local cavities
343- 352	- - Oxidized mineralized zone; however, core recovery was 80%
352- 358	- - Cavernous, no core recovery
358- 386	- - 28' ore estimated @ 4½% Zn Trace Galena @ 380
386- 433	- - Lower Kingsport dolomite. Traces sphalerite 389, shine sphalerite 410
433- 435	- - 2' ore estimated @ 4% Zn
435- 444	- - Lower Kingsport dolomite. Local cavities
444- 450	- - 6' ore estimated @ 6% Zn
450- 470	- - (Bottom) Longview dolomite.

Form MR-104 (Rev. April 1952)

RECEIVED DEC 6 1957 D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 28

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1957 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

Contract Amount, $ 107,150.00 Government Participation: 50 % Amount, $ 53,575.00

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	6344.00	27,158.10	33,502.10			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	614.52	2,644.92	3,259.44			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	35.00	21.00	56.00			
Payroll Taxes						
Liability Insurance						
Plus error from Sept. 1957	5.50		5.50			
(8) Contingencies (specify):						
					29,818.52	29,818.52
TOTALS	6999.02	29,824.02	36,823.04	6999.02	29,824.02	36,823.04

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

Date Nov. 15, 1957 *Payee The New Jersey Zinc Company

Per [signature] Title Assistant to the Supt.

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

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

(Instructions on reverse)

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

$ 3499.51

Signature [signature] (Authorized Certifying Officer)

Date DEC 4 1957 Vou. No. 90

(See other side)

3499.51

(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 982 in accordance with the terms of the contract.

Signature [illegible] Title GEOLOGIST, U. S. G. S. Date NOV 26 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title ACTING EXECUTIVE OFFICER REGION V Date NOV 26 1957

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

RECEIVED DEC 6 1957 D.M.E.A.

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

Month of October 1957 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

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 EX	Ft.	-	-	328.60	124	2.65		2.65
Churn 0-1000	Ft.	532400	1936	29,375.50	10,682	2.75	30,000	2.75
Auger 1000-1500	Ft.	1020.00	340	3,798.00	1,266	3.00	5,000	3.00
Stripping Assays	Ea.	35.00	35	56.00	56	1.00	200	1.00
Trenching								
Test Pits								
Roads and Trails								
Sup. & Tech. Ser.	Ft.	614.52	2276	3,259.44	12,072	0.27	35,000	0.27
TOTAL DISTRIBUTED COSTS		6993.52		36,817.54				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		6993.52		36,817.54				107,150.00

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

Date Nov. 15, 1957 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to the Supt.

REMARKS: This report covers drill holes:
BW-36
37
38

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)

[signature]
GEOLOGIST, U. S. G. S.

NOV 26 1957

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

Report for October, 1957

Big War Creek Area BMMA 4286

Contract Idn E 982 (Zinc)

<u>Hole BW-36</u> - Annie Helton property - HJZ Company mineral and mining rights - 100' downdip from BW-33

Coordinates: 60,752.08 N; 30,662.39 E
Elevation: 1595.56

0- 3 - - Clay
3-303 - - Chickamauga limestone
303-690 - - Mascot dolomite. Traces & shines sphalerite 679-687
690-695 - - 5' mineralization averaging 1.27% Zn
695-793 - - 98' ore averaging 4.52% Zn
695-701 - - 6.55% Zn (5' core)
701-705 - - 4.12 "
707-712 - - 9.67 "
712-718 - - 0.25 " (5' core)
718-723 - - 1.40 "
723-728 - - 8.87 "
728-733 - - 0.77 "
733-738 - - 5.77 "
738-743 - - 6.05 "
743-748 - - 8.42 "
748-755 - - 2.72 " (4' core)
755-761 - - 1.10 " (5' core)
761-766 - - 6.55 "
766-771 - - 2.35 "
771-776 - - 6.85 "
776-782 - - 6.97 " (5' core)
782-788 - - 4.35 " (5' core)
788-793 - - 1.57 "
793-821 - - 28' mineralization averaging 1.45% Zn
Mineralized Fa 820-821
793-800 - - 0.32% Zn (5' core)
800-807 - - 0.42 " (5' core)
807-812 - - 2.54 "
812-816 - - 4.37 "
816-821 - - 1.87 "
821-833 - - Mascot dolomite
Traces sphalerite 821-823
833-853 - - 20' mineralization averaging 2.18% Zn
833-838 - - 4.05% Zn
838-843 - - 1.07 "
843-848 - - 0.95 "
848-853 - - 2.64 "
853-983 - - Mascot dolomite
Trace sphalerite 952
983-986 - - 3' mineralization estimated @ 8% Zn
986-1006 - Mascot dolomite
1006-1011 - 5' mineralization averaging 0.52% Zn
1011-1012 -- Mascot dolomite
1012-1021 - Upper Kingsport dolomite

1021-1026 - - 5' mineralization averaging 1.57% Zn
1026-1153 - - Upper Kingsport dolomite
1153-1323 - - Lower Kingsport dolomite & limestone
1323-1340 - - (Bottom) Longview dolomite & limestone

R and S bed 51% dolomite.

Hole BW-37 - Guy Seals property - BJZ Company mining and mineral rights - 200' NE of BW-31 on strike

Coordinates: 62,500.53 N; 31,612.03 E
Elevation: 1806.50

0- 80 - - Clay
80-246 - - Upper Kingsport dolomite
Trace sphalerite 243
246-257 - - 11' mineralization estimated @ 1.50% Zn
257-296 - - Upper Kingsport dolomite
Shines sphalerite 262,267,271,276
296-299 - - Lower Kingsport dolomite
299-305 - - 6' mineralization estimated @ 0.50% Zn
305-330 - - 25' mineralization averaging 2.28% Zn
305-311 - - 1.32% Zn (5' core)
311-316 - - 3.87 "
316-321 - - 0.92 "
321-325 - - 2.45 "
325-330 - - 3.10 "
330-441 - - Lower Kingsport dolomite & limestone
Shine sphalerite 333
441-456 - - (Bottom) Longview limestone & dolomite

R and S Bed 96% dolomite

Hole BW-38 - Guy Seals property - BJZ Company mining and mineral rights - 100' NE of BW-37 on strike

Coordinates: 62,585.00 N; 31,618.00 E)Approx.
Elevation: 1805

0- 94 - - Clay
94-303 - - Upper Kingsport dolomite
Shine sphalerite 262-263, 285, 287
303-305 - - 2' mineralization estimated @ 2% Zn
305-307 - - Upper Kingsport dolomite
307-450 - - Lower Kingsport limestone & dolomite
450-480 - - (Bottom) Longview limestone & dolomite

R and S beds - 53% dolomite.

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

RECEIVED OCT 25 DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 21

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September 1957 Docket No. DMEA 4206 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

Contract Amount, $ 107,150.00 Government Participation: 50% Amount, $ 53,575.00

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	6130.00	21,040.50	27,150.10			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	594.00	2,050.92	2,644.92			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	15.00	6.00	21.00			
Payroll Taxes						
Liability Insurance						
Total	6739.00					
Less correction for August	12.40					
(8) Contingencies (specify):						
				6721.10		29,818.50
Totals	6726.60	23,097.42	29,824.02	6726.60	23097.42	29,824.02

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

Date 10-1-57 *Payee The New Jersey Zinc Company

Per [signature] Title Asst. to the Supt.

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

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

(Instructions on reverse)

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

$ 3360.85 ~~3363.30~~

Signature Helen R. Miller
(Authorized Certifying Officer)

Date OCT 23 1957 Vou. No. 72
(See other side)

3363.30

(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-982 in accordance with the terms of the contract.

Signature V. J. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date OCT 18 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date OCT 18 1957

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

RECEIVED OCT 25 1957 D.M.E.A.

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

Month of Sept. 1957 Docket No. DMEA 4286 Contract No. Idm E 962
Operator's Name The New Jersey Zinc Company Minerals Zinc
Address Jefferson City, Tennessee

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 EX	Ft.	-	-	328.60	124	2.65		2.65
Churn 0-1000	"	5170.00	1880	24,051.50	8746	2.75	30,000	2.75
Auger 1000-1500	"	960.00	320	2,778.00	926	3.00	5,000	3.00
Stripping Assays	Ea.	15.00	15	21.00	21	1.00	200	1.00
Trenching								
Test Pits								
Roads and Trails								
Sup.& Tech. Ser.	Ft.	594.00	2200	2,644.92	9796	0.27	35,000	0.27
Total Distributed Costs		6739.00		29,824.02				Total Costs Authorized by Contract
Less correction for Aug.		12.40						
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		6726.60		29,824.02				

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 10-1-57 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to the Supt.

Remarks: This report covers drill holes BW-33
BW-34
BW-35

Note:
Correction is made for 124' of EX @ 2.65 per foot which was charged at AX rate of 2.75 per foot in August report.

→ 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)

[signature]
GEOLOGIST, U. S. G. S.

OCT 18 1957

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

Report for September 1957

Big War Creek Area DMEA 4286

Contract Idm E 982 (Zinc)

Two drills worked on the Big War project the first part of September and only one operated during the latter part of the month. Three holes were completed, a summary log of which follows:

Hole BW-33 - Mrs. Annis Helton property, N.J.Z. Company mineral and mining rights
100' downdip from BW-29

Coordinates: 60,859.51; 30,598.12
Elevation: 1601.50

0-	23	Clay
23-	209	Chickamauga limestone
209-	845	Mascot dolomite
845-	873	28' - mineralization estimated @ ½% Zn
873-	881	8' - averaging 1.21% Zn
873-	877	1.36% Zn
877-	881	1.11% Zn
881-	913	32' ore averaging 6.68% Zn
881-	886	12.58% Zn
886-	891	7.07% Zn
891-	897	2.31% Zn (5' of core)
897-	901	1.55% Zn
901-	906	13.44% Zn
906-	913	4.04% Zn (5' of core)
913-	938	Mascot dolomite
938-	946	Upper Kingsport dolomite
946-	974	28' mineralization averaging 1.38% Zn
946-	951	0.68% Zn
951-	956	1.53% Zn
956-	961	2.50% Zn
961-	966	1.73% Zn
966-	970	0.83% Zn
970-	974	0.80% Zn
974-	1099	Upper Kingsport dolomite Shines Sp. 980-999. Local shines sp. 1013, 1016, 1031
1099-	1105	6' mineralization avg. 1.53% Zn (5' core)
1105-	1127	Upper Kingsport dolomite
	1127	TR. Shines sp. 1108-1116
1127-	1320	(Bottom) Lower Kingsport dolomite and limestone.

Hole BW-34 - Guy Seals property- N.J.Z.Company mineral and mining rights. 500' NE on strike from BW-31

Coordinates: 62,696.01; 31,902.39
Elevation: 1775.01

Hole BW-34 - Continued

0- 87 - - Clay
87-227 - - Upper Kingsport dolomite
227 - - TR
227-371 - - Lower Kingsport dolomite
371-410 - - (Bottom) Longview dolomite and limestone

Hole BW-35 - Eugene Clonce property (300' NE on strike from BW-34)

Coordinates: 62,884.54; 32,115.40
Elevation: 1757.95

0- 16 - - Clay
16-273 - - Upper Kingsport dolomite
273 - - TR
273-444 - - Lower Kingsport dolomite & limestone
444-470 - - (Bottom) Longview dolomite and limestone

P. O. Box 217
Norris, Tennessee
October 23, 1957

The New Jersey Zinc Company

Jefferson City, Tennessee

Gentlemen:

Reference is made to your September Voucher covering contract Idm-F982, Docket No. DMEA-4286, in the amount of $6726.60.

An overpayment of $2,75 was made on your August voucher and is therefore being deducted from your September voucher. Your August MF-104A shows the following unit cost:

0-1000 ft. 1465 feet at $2.75/ft. = $4,028.75

However, Longyear's invoices show the following totals:

	$ 151.25
	45.75
	745.25
	328.60
	71.50
	12.20
	12.20
	2,656.50
0-1000 ft.	$ 4,023.25 Grand Total (difference of $5.50)

Your September voucher is being processed in the amount of $3360.55, which is 50 percent of the approved monthly total as follows:

	$ 6786.60	
	- 5.50	(above differences)
50% of	$ 6721.10	= $3360.55

Very truly yours,

Helen R. Miller
Personal Assistant

Copies to R. A. Laurence
V. J. Lynch
Jay L. Chambers

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER NO. ___ SCHEDULE OF PAYMENTS KEPT

RECEIVED SEP 19 1957 DMEA

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1957 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

Contract Amount, $107,150.00 Government Participation 50 % Amount, $53,575.00

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	4283.75	16,756.75	21,040.50			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services	418.50	1,632.42	2,050.92			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	6.00	-	6.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	4708.25	18,389.17	23,097.42	4708.25	18,389.17	23,097.42

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

Date 9/1/57 *Payee The New Jersey Zinc Company

Per [signature] Title Asst. to the Supt.

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

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

(Instructions on reverse)

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

$2,354.13

Signature Helen R. Miller (Authorized Certifying Officer)

Date SEP 17 1957 Vou. No. 54

(See other side)

6

2,354.12

(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. Tdm E982 in accordance with the terms of the contract.

Signature [illegible] Title MINING ENGINEER U. S. BUREAU OF MINES Date SEP 16 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date SEP 16 1957

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

RECEIVED SEP 19 1957 D.M.E.A.

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

Month of August 195 7 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

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 0-1000	Ft.	4028.75	1465	19,222.50	6990	2.75	30,000	2.75
1000-1500	"	255.00	85	1,818.00	606	3.00	5,000	3.00
Churn								
Auger								
Assays	Ea.	6.00	6	6.00	6	1.00	200	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Super & Tech. Serv.	Ft.	418.50	1550	2,050.92	7596	0.27	35,000	0.27
TOTAL DISTRIBUTED COSTS		4708.25		23,097.42				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		4708.25		23,097.42				

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 9/1/57 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to the Supt.

REMARKS: This report covers drill holes BW-31 and BW-32

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)

[signature]
GEOLOGIST, U. S. G. S.
SEP 16 1957

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

Report for August 1957

Big War Creek Area DMEA 4286

Contract Idm E-982 (Zinc)

During August, 2 drills operated in the Big War Creek area and 2 holes, totalling 1550' were completed. Log summaries of these holes follow:

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 19 1957

DATE	INITIALS	CODE

Hole BW-31 - Guy Seals property, New Jersey Zinc Company mineral rights
2250' northeast of BW-12

Coordinates: 62,479.34 N; 31,449.58 E
Elevation: 1786.00'

0- 55 - - Clay
55-294 - - Upper Kingsport dolomite
294 - - TR
294-447 - - Lower Kingsport dolomite, local limestone. 94% dolomite
Trace of sphalerite 299
447-465 - - (Bottom) Longview dolomite and limestone

Hole BW-32 - Mrs. Annis Helton property, New Jersey Zinc Company mineral rights
100' updip from BW-30

Coordinates: 61,133.82 N; 30,429.82 E
Elevation: 1672.56'

0- 26 - - Clay
26- 699 - - Mascot dolomite
699- 905 - - Upper Kingsport dolomite
905 - - TR
905- 995 --- Lower Kingsport dolomite
995-1051 - - Lower Kingsport limestone
1051-1085 - - (Bottom) Longview dolomite

Assay results from BW-29, not previously reported:

986- 990 - - - 4' - - - 1.18
990- 995 - - - 5' - - - 1.33
995-1000 - - - 5' - - - 1.76
1000-1005 - - - 5' - - - 0.15
1005-1010 - - - 5' - - - 0.95
1010-1015 - - - 5' - - - 1.56

Weighted average:

986-1015 - - 29' - - - 1.15% Zn

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PA[illegible]ON VOUCHER & SCHEDULE OF PAYMENTS K- 3

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July 195 7 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

Contract Amount, $ 107,150.00 Government Participation: 50 % Amount, $ 53,575.00

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	3248.00	13,508.75	16,756.75			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision	314.82	1,317.60	1,632.42			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	3562.82	14,826.35	18,389.17	3562.82	14826.35	18,389.17

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

Date 8-1-57 *Payee The New Jersey Zinc Company

Per [signature] Title Asst. to the Supt.

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

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

(Instructions on reverse)

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

$ 1781.41

Signature [signature] (Authorized Certifying Officer)

Date AUG 29 1957 Vou. No. 39

(See other side)

1781.41

(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-982 in accordance with the terms of the contract.

Signature P. J. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date AUG 28 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date AUG 28 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 7 1957 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

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 0-1000	Ft.	2750.00	1000	15,193.75	5525	2.75	30,000	2.75
Drilling: Core 1000-1500	"	498.00	166	1,563.00	521	3.00	5,000	3.00
Churn								
Aug Assay	Ea.	-	-	-	-	-	200	1.00
Stripping								
Trenching								
Test Pits								
Redrend Tails Supervision and Technical services	Ft.	314.82	1166	1,632.42	6046	0.27	35,000	0.27
Total Distributed Costs		3562.82		18,389.17				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		3562.82		18,389.17				

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: This report covers Hole BW-30

Date 8-1-57 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to the Supt.

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

(Instructions on reverse)

(For Government use only)

[signature]
GEOLOGIST, U. S. G. S.
AUG 20 1957

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

Report for July 1957

Big War Creek Area DMEA 4286

Contract Idm E 982 (Zinc)

In July a second drill was added to the Big War Area. Only one hole, BW-30, was completed during the month. A summary log of this hole follows:

<u>Hole BW-30</u> - Mrs. Annis Helton, New Jersey Zinc Company Mineral and Mining rights, 100 feet updip from hole BW-29.

Approx. Coordinates: 61,030 N; 30,500 E
" Elevation: 1640'

0- 21	- - Clay
21- 58	- - Chicamauga limestone
58- 793	- - Mascot dolomite
793-977	- - Upper Kingsport dolomite, local traces of sphalerite at 935' and 941'. TR at 977'
977-1052	- - Lower Kingsport dolomite
1052-1059	- - 7' - estimated at 1½% Zn
1059-1111	- - Lower Kingsport dolomite
1111-1166	- - (Bottom) Longview formation.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June 7 1957 Docket No. DMEA 4286 Contract No. Idm E-982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

Contract Amount, $ 107,150.00 Government Participation: 50 % Amount, $ 53,575.00

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:	3365.00	10,143.75	13,508.75			
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor / Supervision	325.35	992.25	1,317.60			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	- -	- -	- -			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	3690.35	11,136.00	14,826.35	3690.35	11,136.00	14 826.35

RECEIVED AUG 9 1957 D.M.E.A.

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

Date 8/1/57 *Payee The New Jersey Zinc Company

Per [signature] Title Asst. to the Supt.

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

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

(Instructions on reverse)

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

$ 1845.17

Signature [signature] (Authorized Certifying Officer)

Date AUG 5 1957 Vou. No. 19

(See other side)

4

1845.18

(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-982 in accordance with the terms of the contract.

Signature W. F. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date JUL 30 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date JUL 30 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of: June 7 195 Docket No. DMEA 4286 Contract No. Idm E-982

Operator's Name: The New Jersey Zinc Company Minerals: Zinc

Address: Jefferson City, Tennessee

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 0-1000	Ft.	2750.00	1000	12,443.75	4525	2.75	30,000	2.75
Drilling: Core 1000-1500	"	615.00	205	1,065.00	355	3.00	5,000	3.00
Churn								
Auger								
Assay	Ea.	- -	-	- -	-	-	2.00	1.00
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Supervision & Tech. Services	Ft.	325.35	1205	1,317.60	4880	0.27		0.27
Total Distributed Costs		3690.35		14,826.35				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		3690.35		14,826.35				

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: This report covers Hole DW-29

Date 7-1-57 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to the Supt.

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

(Instructions on reverse)

(For Government use only)

RECEIVED AUG 9 1957 D.M.E.A.

[signature]
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

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 9 1957
DATE | INITIALS | CODE

Report for June 1957

Big War Creek Area DMEA [illegible]

Contract Idm B 982 (Zinc)

During June, one drill operated in the Big War Creek area and only one hole was completed.

Attached, hereto, are a plan map and two sections showing the location and structural details of the drill holes completed on this project to date. A summary log of hole BW-29, completed in June follows:

Hole BW-29 - Mrs. Annis Helton property, New Jersey Zinc Company Mineral rights, 500 feet northeast of BW-19

Coordinates: 60,953.99 N; 30,541.84 E
Elevation: 1625.05'

0- 20 - - Clay
20-118 - - Chicamauga limestone
118-839 - - Mascot dolomite
839-955 - - Upper Kingsport dolomite
955-959 - - 4' - estimated 1% Zn
959-986 - - Upper Kingsport dolomite, local traces of Zn
986-1015 - 29' estimated 1½% Zn
1015-1022 - -Upper Kingsport dolomite, local traces of Zn
1022 - -TR marker
1022-1205 - -(Bottom) Lower Kingsport dolomite and limestone, possibly Longview near bottom. "R" and "S" beds, 93% dolomite.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS-K 79

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1957 Docket No. DMEA 4286 Contract No. Idm E-982
Operator's Name The New Jersey Zinc Co. Minerals Zinc
Address Jefferson City, Tenn.
Contract Amount, $ 107,150.00 Government Participation: 50 % Amount, $ 53,575.00

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	5,812.50	4,331.25	10,143.75			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	567.00	425.25	992.25			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	–	–	–			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	6,379.50	4,756.50	11,136.00	6379.50	4756.50	11,136.00

RECEIVED JUL 1 1957 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 6-1-57 *Payee The New Jersey Zinc Co.
Per [signature] Title Asst. to the Supt.

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 3189.75
Signature Helen R. Miller (Authorized Certifying Officer)
Date JUN 27 1957 Vou. No. 210
(See other side)

3189.75

(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-982 in accordance with the terms of the contract.

Signature [illegible] Title MINING ENGINEER U. S. BUREAU OF MINES Date JUN 24 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date JUN 24 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1957 Docket No. DMEA 4286 Contract No. Idm E-982

Operator's Name The New Jersey Zinc Co. Minerals Zinc

Address Jefferson City, Tennessee

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 0-1000	Ft.	5,362.50	1,950	9,693.75	3,525	2.75	30,000	2.75
Churn 1000-1500	"	450.00	150	450.00	150	3.00	5,000	3.00
Auger								
Stripping Assay	ea.	-	-	-	-	-	200	1.00
Trenching								
Test Pits								
Roads and Trails								
Supervision and Tech. Services	Ft.	567.00	2,100	992.25	3,675	0.27		
TOTAL DISTRIBUTED COSTS		6,379.50		11,136.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date 6-1-57 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to the Supt.

REMARKS: This report covers drill holes BW-27 BW-28

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)

RECEIVED JUL 1 1957 DMEA

[signature]
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

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 1 1957

DATE	INITIALS	CODE

Report for May 1957

Big Mar Creek Area DMEA 4236

Contract Idn B-962 (Zinc)

During May one drill operated on the Big Mar Creek project and two holes totalling 2,100 feet were completed. Log summaries of these holes are given below:

<u>Hole BM-27</u> - Mrs. Annie Melton property, New Jersey Zinc Co. mineral rights - 200' downlip from BM-26

Coordinates: 60,316.61 N; 29,996.66 E
Elevation: 1672.27'

0 -	63	Clay
63 -	523	Nasset dolomite
523 -	779	Upper Kingsport dolomite
	779	Tl Marker
779 -	935	Lower Kingsport limestone and dolomite, 505 dolomite. Shows of sphalerite at 842', 843', and 846'
935 -	950	(Bottom) Longview limestone and dolomite.

<u>Hole BM-28</u> - Mrs. Annie Melton property, New Jersey Zinc Company mineral rights - 200' downlip from BM-27.

Coordinates: 60,155 N; 29,105 E
Elevation: 1,670'

0 -	23	Clay
23 -	791	Nasset dolomite
791 -	936	Upper Kingsport dolomite
	936	Tl Marker
936 -	1145	Lower Kingsport limestone and dolomite, 735 dolomite
1145 -	1150	(Bottom) Longview limestone.

A. D. Engelund/dm

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-70

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April 195 7 Docket No. DMEA 4286 Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

Contract Amount, $ 107,150.00 Government Participation: 50 % Amount, $ 53,575.00

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:	1993.75	2337.50	4331.25			
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	195.75	229.50	425.25			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2189.50	2567.00	4756.50	2189.50	2567.00	4756.50

RECEIVED MAY 20 1957 D.M.E.A.

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

Date 5/16/57 *Payee The New Jersey Zinc Co.

Per [signature] Title Asst. to the Supt.

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

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

(Instructions on reverse)

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

$ 1094.75

Signature Helen R. Miller
(Authorized Certifying Officer)

Date MAY 16 1957 Vou. No. 191

(See other side)

2

1094.75

(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-982 in accordance with the terms of the contract.

Signature Kenneth Lucas Jr. Title GEOLOGIST, U. S. G. S. Date MAY 15 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature N. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA - REGION V Date MAY 15 1957

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1957 Docket No. DMEA 4286 Contract No. Idm E-982

Operator's Name The New Jersey Zinc Company Minerals Zinc

Address Jefferson City, Tennessee

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 0-1000	Ft.	1993.75	725	4331.25	1575	2.75	30,000	2.75
Churn 1000-1500	"	- -	-	- -	-	-	5,000	3.00
Auger								
Stripping								
Trenching Assay	Ea.	- -	-	- -	-	-	200	1.00
Test Pits								
Roads and Trails								
Supervision and Technical Services	Ft.	195.75	725	425.25	1575	0.27	35,000	0.27
TOTAL DISTRIBUTED COSTS		2189.50		4756.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2189.50		4756.50				

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: This report covers drill hole BW-26

Date 5/1/57 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to the Supt.

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

(Instructions on reverse)

(For Government use only)

RECEIVED MAY 20 1957 DMEA

[signature]

GEOLOGIST, U. S. G. S.

MAY 15 1957

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 20 1957
DATE | INITIALS | CODE

Report for April, 1957

Big War Creek Area DMEA 4286

Contract Idm E-982

One drill operated on the Big War Creek Project in April and only one hole, BW-26, was completed. A summary of this hole follows:

Hole BW-26 - N.J.Z. Co. property - 200' downdip from BW-24.

Coordinates: 60,485.23 N; 28,887.44 E
Elevation: 1680.21'

Depth		Remarks
0- 64'		Clay
64-283'		Mascot dolomite
283-566'		Upper Kingsport dolomite
566'		TR marker
566-708'		Lower Kingsport, 62% dolomite
708-725'	(Bottom)	Longview dolomite.

A. D. Hoagland/jf

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

64

OPERATOR'S MONTHLY REPORT AND VOUCHER

March 7 4286 Idm E-982

Month of The New Jersey Zinc Company DMEA — Contract No. Zinc
Operator's Name Jefferson City, Tennessee — Minerals
Address
Contract Amount, $ 107,150.00 — Government Participation: 50 % — Amount, $

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:	2337.50		2337.50			
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor / Supervision / Technical Services	229.50	-	229.50			
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	-	-	-			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	~~2567.00~~		~~2567.00~~	2567.00	-	2567.00

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

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 4-1-57 *Payee The New Jersey Zinc Company
Per [signature] Title Asst. to the Supt.

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 1283.50
Signature [signature] (Authorized Certifying Officer)
Date APR 19 1957 Vou. No. 176
(See other side)

1283.50

(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-982 in accordance with the terms of the contract.

Signature [illegible] Title MINING ENGINEER U. S. BUREAU OF MINES Date APR 10 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V MINING ENGINEER U. S. BUREAU OF MINES Date APR 18 1957

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.

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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.

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 195 7 Docket No. 4286 DMEA

Contract No. Idm E 982

Operator's Name The New Jersey Zinc Company

Minerals Zinc

Address Jefferson City, Tennessee

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 0-1000	Ft.	2337.50	850	2337.50	850	2.75	30,000	2.75
Drilling: Core 1000-1500	"	-	-	-	-	-	5,000	3.00
Churn								
Auger								
Stripping								
Trenching Assays	Assay	-	-	-	-	-	200	1.00
Test Pits								
Roads and Trails								
Supervision and Technical service	Ft.	229.50	850	229.50	850	0.27	35,000	0.27
TOTAL DISTRIBUTED COSTS		2567.00		2567.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2567.00		2567.00				

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 4-1-57 Operator The New Jersey Zinc Co.

Per [signature] Title Asst. to the Supt.

Remarks: This report covers BW-24 BW-25

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)

RECEIVED APR 18 1957 D.M.E.A.

Helmuth Wedow Jr.
GEOLOGIST USGS
APRIL 18, 1957

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

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DATE	INITIALS	CODE

Report for March, 1957

Big War Creek Area DMEA 4286

Contract Idm E-982

Drilling with one drill began on the Big War Creek project during March. Two holes, totalling 850 feet, were completed. Log summaries of these holes follow:

Hole BW-24 - N.J.Z. Co. property - 600' southwest of BW-4

Coordinates: 60,816.64 N; 28,666.06 E
Elevation: 1639.91

Depth	Remarks
0- 50	Red Clay
50-357	Mascot and Upper Kingsport dolomites. Contact not recognized but possibly at 163'
357	TR marker
357-504	Lower Kingsport dolomite
504-511	Longview dolomite (T bed)
511-515	Longview limestone

Hole BW-25 - N.J.Z. Co. property - 200' updip from BW-24

Coordinates: 60,650.82 N; 28,777.91 E
Elevation: 1662.82'

0- 25	Red Clay
25-178	Upper Kingsport dolomite
178	TR marker
178-247	Lower Kingsport dolomite
247-308	Lower Kingsport limestone
308-335	(Bottom) Interbedded limestone and dolomite of Longview.

T. E. Wayland/jf

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT UNDER
AN EXPLORATION PERMIT CONTRACT

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

Pursuant to the provisions of Exploration Permit Contract No. Ide-[illegible], dated July 30, 1956, Docket 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 thereon 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 briefly or indicated as follows:

Diamond drilling has proved the existence of zinc ores occurring as fracture fillings and replacements in the lower Manock and Kingsport formations.

Date: NOV 2 4 1959

THE UNITED STATES OF AMERICA

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

WHagriswold/gla
11-17-59
cc to: Operator
Clarence A. Fredell, Div.
Tech. Res. & Dev. Div.
BMI, GSA
GSA Field Team, Region V (2)
Contract Adm. & Audit Division
Finance Office
Director's Reading File
Operating Committee
Frank K. Johnson
Frank D. Lamb, WSEM
Harold Kirkham, WSGS
Docket
Code 500
Chron

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

NOV 25 1959

Mr. S. S. Goodwin
Vice President
The New Jersey Zinc Company
160 Front Street
New York 38, New York

Re: Docket No. MMA-4236 (Zinc)
The New Jersey Zinc Company
Big Sam Creek Area
Hawkins and Hancock Counties, Tennessee
Contract No. Ln-2962

Dear Mr. Goodwin:

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 minerals mined or produced from July 30, 1956, to July 30, 1958, are subject to the Government's percentage royalty as set forth in the contract until the sum of $45,687.33 is repaid to the Government.

Royalty payments should be made to the Executive Officer, OME 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 change in ownership or production rights that may have any effect on the Government's right to the 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.

Sincerely yours,

Frank E. Johnson

Acting Director

Enclosure

Original/file 11-17-59
cc to: Director's Reading File
Frank E. Johnson
Operating Committee
Frank B. Lamb, USGS
Harold Kirkham, USGS
Div. of Contract Adm. & Audit
OME Field Team, Region V (2)
Docket
Code 300

Audit's copy

TERMINATION AGREEMENT

It is agreed this 10th day of July, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and the New Jersey Zinc Company, hereinafter called the "Operator," parties to that certain Exploration Project Contract Ida-2982, (Docket No. DMEA-4286), dated July 30, 1956, as amended, hereinafter called the "Contract," that:

1. Effective May 29, 1959, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and hereby terminated.

2. The Government shall contribute only to the actual costs and fixed unit costs of work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

4. All rights of the Government respecting certification of discovery or development, percentage royalty and liens to secure the payment thereof, reports (including preservation of the Operator's records), accounts, audits, and the right to recover any overpayment are hereby preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this Termination Agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

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

THE NEW JERSEY ZINC COMPANY

By [illegible]

Title VICE PRESIDENT

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

July 24, 1959

~~OFFICIAL~~ FILE COPY
O. M. E.
RECEIVED JUL 27 1959

DATE	INITIALS	CODE
		800

Memorandum

To: Operating Committee, OME - Washington, D. C.

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

Subject: DMEA-4286, Idm-E982-Zinc. The New Jersey Zinc Co.
Hancock & Hawkins Counties, Tennessee

Enclosed are the fully executed copies of Amendment No. 11, and the Termination Agreement for the subject contract, except for the Audit Copy of Amendment No.11, which the Operator failed to sign. This copy has been returned for signature and will be forwarded to you when we receive it.

The usual distribution of the other copies has been made.

Robert A. Laurence, Executive Officer
OME Region V

V. J. Lynch, Member
Bureau of Mines

RAL/sm
cc
Finance
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 JUL 27 1959

DATE	INITIALS	CODE
		80 c

July 24, 1959

Mr. F. H. Main
Assistant Manager of Exploration
The New Jersey Zinc Company
160 Front Street
New York 38, New York

Re: DMEA-4286 (zinc)
Big War Creek area
Hancock & Hawkins Counties
Contract Idm-E982

Dear Mr. Main:

The signed copies of the Termination Agreement and Amendment No. 11, sent with your letter of July 17, have been distributed to the various offices concerned. However, the Audit Copy, enclosed herewith was overlooked and was not signed for the Company.

Will you please have this copy signed by Mr. Goodwin, and return it to us.

Sincerely yours,

Robert A. Laurence
Executive Officer, OME
Region V

RAL/sm
cc
Lynch
Laurence
Operating Committee

Auditor's copy

EXPLORATION PROJECT CONTRACT
THE NEW JERSEY ZINC COMPANY
DOCKET NO. DMEA-4286

AMENDMENT NO. 11

It is agreed this 10th day of July, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and the New Jersey Zinc Company, hereinafter called the "Operator," that Exploration Project Contract No. Idm-8982 (Docket No. DMEA-4286), dated July 30, 1956, as amended, hereinafter called the "Contract," is further amended, effective May 28, 1959, as follows:

The following land parcel is hereby deleted from the land referred to in Amendment No. 5 of the Contract and designated on the map AL-TENN-101 which is a part of the Contract as "Sam Price and Orville Helton 197A". The land is further identified as follows:

Name of Property Owner	Approximate Acreage
Sam Price and Orville J. Helton	197 acres

The Operator:

(a) certifies that the land has no known value for mineral production;

(b) has, prior to the execution of this amendment, surrendered or otherwise disposed of all its interest, title, and equity in such land, and any minerals produced therefrom, including any option, lease or permit thereto, without any consideration whatsoever, including future compensation, for such surrender or disposition, other than relief from the cost of maintaining such interest;

(c) agrees that no benefit from such land or any production of minerals therefrom will accrue to the Operator or to any of its subsidiaries, directly or indirectly, during the period expiring thirty-two years from the date of this Contract;

(d) agrees that if the Operator or any of its subsidiaries acquires any interest, title, or equity in such land or any minerals produced therefrom, or derives any benefit therefrom, before the expiration of thirty-two years from the date of this Contract, the land with respect to which such interest, title, or equity is acquired, and any minerals produced therefrom shall be deemed subject to this Contract and any certification from the date that the Operator or its subsidiaries acquired such interest, title, or equity, or any benefit therefrom, until the expiration of thirty-two years from the date of this Contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

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

THE NEW JERSEY ZINC COMPANY

By M Bardwell

Title VICE PRESIDENT

RECEIVED
JUL 17 1959
NEW JERSEY ZINC CO.
EXPLORATION DEPT.
NEW YORK

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

July 30, 1959

Memorandum

To: Operating Committee, OME - Washington, D. C.

From: Executive Officer, OME - Region V - Knoxville, Tenn.

Subject: DMEA-4286, Idm-E982-zinc. The New Jersey Zinc CO. Amendment No. 11. Signed Audit Copy.

Attached is the signed Audit copy of the subject amendment which was returned to the company for signature on July 24.

Robert A. Laurence

xm.
cc
Lynch
Files

EXTRA COPY
O. M. E.
RECEIVED AUG 3 1959

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Audit's copy

EXPLORATION PROJECT CONTRACT
THE NEW JERSEY ZINC COMPANY
DOCKET NO. DMEA-4[illegible]

AMENDMENT NO. 10

It is agreed this 8th day of May, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and the New Jersey Zinc Company, that Exploration Project Contract IdA-[illegible], Docket No. DMEA-4[illegible], dated July 30, 1956, as amended, is further amended, effective March 1, 1959, as follows:

In Amendment No. 3, dated September 18, 1957, item 2 "Estimated Cost of the Project" contains the following stipulation:

"3000 feet of diamond drilling from 1000-foot to 1500-foot depth:

AX size @ $3.00/ft. $15,000.00
EX size @ $2.90/ft."

The above stipulation is deleted and the following is substituted:

"3000 feet of diamond drilling at depths in excess of 1000 feet:

AX size @ $3.00/ft. $15,000.00
EX size @ $2.90/ft."

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 specified herein, 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 Francis E. Johnson
Acting Director, Office of Minerals Exploration

THE NEW JERSEY ZINC COMPANY

By J. Bordeau

Title VICE PRESIDENT

Audit's copy

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 15 1958

DATE	INITIALS	CODE

EXPLORATION PROJECT CONTRACT
THE NEW JERSEY ZINC COMPANY
DOCKET NO. DMEA-4286

AMENDMENT NO. 9

It is agreed this 26th day of September 1958, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, and The New Jersey Zinc Company, that Exploration Project Contract No. Idm-X982 (Docket No. DMEA-4286), dated July 30, 1956, as amended, is further amended, effective July 30, 1956, as follows:

1. In Annex I of the Contract, a portion of the land described under "Excluded Land" in Annex I is hereby added as land which is the subject of the Contract, as follows:

"Beginning at a point in the center of the Big War Creek road 1750' N 58° W from the intersection of Big War Creek and Clinch Valley Roads; thence S 61° W 170' to a point; thence N 29° W 700' to a point; thence N 61° E 380' to a point; thence S 29° E 700' to a point; thence S 61° W 210' to the beginning containing 6.1 acres more or less."

2. In Annex I, under "Excluded Land", the description of the land is revised to read as follows:

""(A point in the center of the Big War Creek road 1750' N 58° W from the intersection of Big War Creek and Clinch Valley Roads was used as the beginning of the original excluded area. The excluded area, as hereby revised, refers to this point.) Beginning at a point S 61° W 170' of the point in the center of Big War Creek road referred to above; thence N 29° W 700' to a point; thence N 61° E 380' to a point in the original excluded boundary; thence with the original boundary four courses as follows N 29° W 575' to a point; thence S 51° W 1080' to a point; thence S 29° E 1275' to a point; thence N 61° E 700' to the beginning containing 24 acres more or less."

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, or the fixed unit cost of any unit of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mittendorf
ACTING Director, Office of Minerals Exploration

THE NEW JERSEY ZINC COMPANY

By J. Goodwin

Title VICE PRESIDENT

Audit copy

EXPLORATION PROJECT CONTRACT
THE NEW JERSEY ZINC COMPANY
DOCKET NO. DMSA-4886

AMENDMENT NO. 2

It is agreed this 1st day of May, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and The New Jersey Zinc Company, hereinafter called the "Operator," that Exploration Project Contract Ldm-[illegible], Docket No. DMSA-4886, dated July 30, 1956, as amended, hereinafter called the "Contract," is further amended, effective April 1, 1958, as follows:

1. (a) Work under the Contract shall be suspended during the period beginning May 1, 1958, and ending not later than November 1, 1958.

(b) The Government will not contribute to any costs incurred by the Operator during the period of suspension or to any costs of rehabilitation or repair which in its opinion would not have occurred if there had been no suspension of work.

(c) The Operator at its own cost and expense, without contribution by the Government, during the period of suspension shall preserve and protect the project work and any property in which the Government has an interest.

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

THE NEW JERSEY ZINC COMPANY

By [signature]

Title VICE PRESIDENT

By [signature]
Administrator, Defense Minerals
Exploration Administration

RECEIVED
DATE | CODE

April 10, 1958

Mr. Johnson Crawford, General Superintendent
The New Jersey Zinc Company
Jefferson City, Tennessee

Re: Docket No. DMEA-4286 (Zinc)
Big War Creek Area
Hawkins and Hancock Counties,
Tennessee
Contract No. Idm-5982

Dear Mr. Crawford:

This letter provides authorization to reduce the size of hole BW-47 to EX size below 329 feet, as provided in item 1 of Amendment No. 3.

Sincerely yours,

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

RAL/mg
cc - Operating Committee (2)
Finance Office
Mr. V. J. Lynch
Mr. L. E. Shirley
File

Audit Copy

EXPLORATION PROJECT CONTRACT

THE NEW JERSEY ZINC COMPANY

DOCKET No. DMEA-4286

Amendment No.7

It is agreed this 20th day of March 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 Contract Idm-E982 (Docket No. DMEA-4286), dated July 30, 1956, as amended, is further amended as follows:

In Annex I of the contract, there is added the following parcel of land, designated on the map AX-TENN-101 as "AMYX", and further identified as follows:

Name of Property Owner	Approximate Acreage
George L. Amyx, et al (Surface) The New Jersey Zinc Co., (Mineral and mining rights)	38.45

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, or the fixed unit cost of any item, or the cost of any item designated as "maximum."

Executed in quintuplicate the day and year first above written.

THE NEW JERSEY ZINC CO.

By: [signature]

Title: VICE PRESIDENT

THE UNITED STATES OF AMERICA

By: [signature]
Executive Officer, Field Team
Defense Minerals Exploration
Administration, Region V

z

Audit's copy

EXPLORATION PERMIT AGREEMENT
THE NEW JERSEY ZINC COMPANY
PERMIT NO. [illegible]

AMENDMENT NO. 1

It is agreed this 21st day of March, 1958, between the United States of America, as [illegible] through the Superintendent of the Navajo Indian Agency, hereinafter sometimes referred to as the "Government", and the New Jersey Zinc Company, hereinafter sometimes referred to as "Permittee", that Exploration Permit No. [illegible], dated July 31, 1956, as amended, is hereby amended as follows:

1. The date fixed in Article 1 for completion of the work is extended from May 1, 1958, to July 1, 1959.

2. The minimum payment for annual payments and the lump sum payment for annual payments, provided for in Article 2(a)(1) of the Permit, is increased from [illegible] (3) to [illegible] (3) dollars from the date of the Contract.

This Amendment shall not be construed to increase the authorized acreage of the Permit, the acreage total thereof which the Government may be required to specify-limit, or the amount of the Plan contemplated in Article [illegible].

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Superintendent, Navajo Indian Agency
Exploration Administration

THE NEW JERSEY ZINC COMPANY

By R. F. Johnson
VICE PRESIDENT

Title

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March 11, 1958

Mr. Johnson Crawford
General Superintendent
The New Jersey Zinc Company
Jefferson City, Tennessee

Re: Docket No. DMEA-1286 (Zinc)
Big Mar Creek Area
Hancock and Hawkins Counties,
Tennessee
Contract No. Ide-2982

Dear Mr. Crawford:

This will confirm the verbal approval given by Mr. Shirley for reducing hole No. BW-45 to EX size below 498 feet, as provided in paragraph 1 of Amendment No. 3.

Sincerely yours,

Robert A. Laurence
Executive Officer
DMEA Field, Region V

RAL/mg
cc - Mr. V. J. Lynch
Finance Office
Operating Committee (2)
Mr. L. E. Shirley
File

Audit Copy

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EXPLORATION PROJECT CONTRACT

THE NEW JERSEY ZINC COMPANY

Docket No. DMEA-4286

AMENDMENT No.5

It is agreed this 2nd day of December 1957, 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 Contract Idm-E982 (Docket No. DMEA-4286), dated July 30, 1956, as amended, is further amended as follows:

In Annex I of the contract, there is added the following parcel of land, designated on the map AX-TENN-101 which is a part of the contract as "Sam Price & Orville Helton 197A" and further identified as follows:

Name of Property Owner	Approximate Acreage
Sam Price and Orville J. Helton	197 acres

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, or the fixed unit costs or of any item designated as "maximum."

Executed in quintuplicate the day and year first above written.

THE NEW JERSEY ZINC CO.

By [signature]

Title: VICE PRESIDENT

THE UNITED STATES OF AMERICA

By Robert A. Lawrence

Executive Officer, DMEA
Field Team, Region V

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Audit's Copy

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EXPLORATION PROJECT CONTRACT
THE NEW JERSEY ZINC COMPANY
DOCKET NO. DMEA-4286

AMENDMENT NO. 4

It is agreed this 25th day of October, 1957, 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 Idm-E982, Docket No. DMEA-4286, dated July 30, 1956, as amended is further amended as follows:

In Exhibit "A" under the heading, Description of the Work:

1. The second paragraph,

"Zinc ores in the Copper Ridge Belt occur in the Mascot and Kingsport limestones and dolomites of the Knox formation. In the area in which the project work is to be performed dips are southeasterly at an angle of approximately 40 degrees and it is believed that ores may exist in elongated forms roughly parallel to the strike of the beds."

is revised to read:

"Zinc ores in the Copper Ridge Belt occur in the Mascot and Kingsport limestones and dolomites of the Knox formation. In the area in which the project work is to be performed, dips are southeasterly at an angle of approximately 40 degrees and it is believed that ores may exist in elongated forms roughly parallel to the strike of the beds or plunging at a high angle to the strike into the dip of the beds."

2. The third paragraph (as revised by Amendment No. 1),

"A series of widely spaced dip fences shall be drilled, with holes spaced not closer than 100 feet on the fences."

is further revised to read:

> "A series of widely spaced dip and strike fences shall be drilled, with holes spaced not closer than 100 feet on the fences."

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 Mittendorf
Administrator, Defense Minerals
Exploration Administration

THE NEW JERSEY ZINC COMPANY

By N Bodwin

Title _____

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

RECEIVED
DATE

800

November 7, 1957

Mr. Johnson Crawford, Superintendent
The New Jersey Zinc Company
Jefferson City, Tennessee

Re: DMEA-4286 (Zinc)
Big War Creek Area
Hawkins and Hancock Counties,
Tennessee
Contract No. Idm-5982

Dear Mr. Crawford:

This will constitute advance authorization (as required by Exhibit "A", fourth paragraph) to locate a strike fence beginning with a hole 300 feet southeast (down dip) from Hole No. 37, as discussed with Mr. Hoagland yesterday.

This spacing is approved in order to avoid the excessive footage which would be required if the fence was located 500 feet down the dip from Hole No. 37.

Sincerely yours,

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

RAL/mg
cc - Operating Committee (2)
Mr. V. J. Lynch
Mr. L. E. Shirley
Finance Office
File

Audit Copy
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EXPLORATION PROJECT CONTRACT
THE NEW JERSEY ZINC COMPANY
DOCKET NO. DMEA-4286

AMENDMENT NO. 3

It is agreed this 18th day of September, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government", and The New Jersey Zinc Company, hereinafter called the "Operator", that Exploration Project Contract Idm-5982, Docket No. DMEA-4286, dated July 30, 1956, as amended, hereinafter called the "Contract", is further amended, effective July 30, 1956, as follows:

1. In Exhibit "A", under Description of the Work, the ninth paragraph is deleted, and the sixth paragraph is revised to read as follows:

"Diamond drilling shall be done with AX size, or larger, coring bits, except when it is not feasible to complete a hole with AX size. With Government approval, the hole may be reduced with EX casing and completed with EX size bits. The Government will not contribute to the cost of drilling any hole which is not completed. All drill holes shall be logged and all drill core shall be made available to the Government for examination. All significantly mineralized core shall be split and one half thereof shall be properly sampled and the samples assayed for zinc; no sample shall be taken representing more than five feet of core length. All assays shall be submitted monthly to the Government, together with the logs of the drill holes and proper plan maps and sections showing the progress of the work and the sample locations. The remaining half of all significantly mineralized core shall be furnished to the Government upon request."

2. Under Estimated Cost of the Project, Category (1), Independent Contracts is revised to read as follows:

"30,000 feet of overburden drilling and diamond drilling to 1,000-feet depth:

AX size @ $2.75/ft.	$82,500.00	
EX size @ $2.65/ft.		

"5,000 feet of diamond drilling from 1,000-feet to 1,500-foot depth:

AX size @ $3.00/ft.	15,000.00	$97,500.00
EX size @ $2.90/ft.		

"The above rates include charges for reaming, cementing, water supply, casing, changing of locations, and all other charges which may be incurred by the diamond drill contractor.

"Neither the cost nor value of casing left in drill holes at option of Operator will be accepted as a charge to the contract."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, the amount of any item designated 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 Frank P. Johnson
ACTING Administrator, Defense Minerals
Exploration Administration

THE NEW JERSEY ZINC COMPANY

By [illegible]

Title VICE PRESIDENT

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

EXTRA COPY
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RECEIVED SEP 6 1957

DATE	INITIALS	CODE
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September 4, 1957

Memorandum

To: Operating Committee, DMEA, Washington 25, D. C.

From: Field Team, DMEA, Region V, Knoxville, Tennessee

Subject: DMEA-4286, Idm-E982 (Zinc)
The New Jersey Zinc Company, New York, New York
Big War Creek area, Hancock and Hawkins Counties, Tenn.

Reference is made to the last paragraph of interim report of August 29.

Enclosed are three copies of a letter from the Operator, requesting approval for location of three drill holes on a strike fence, as indicated on their maps. Also enclosed are copies of the Executive Officer's approval of these holes. Actually holes BW 31 and BW 34, which are almost 500 feet apart, probably do not require special approval, as they could be (and may turn out to be) initial holes on two dip fences 500 feet apart, but BW 35 is less than 500 feet from BW 34.

We are in agreement with the geologic reasoning advanced by both Mr. Wedow and Mr. Crawford in support of this modification of the original dip-fence plan. As we interpret the third, fourth and eighth paragraphs of Exhibit "A" to the contract, this slight modification of the plan does not require an amendment. If this is wrong, please advise us so that we may prepare recommendations for an amendment.

Robert A. Laurence
Executive Officer

W. A. Beck for V. J. Lynch
Member, Bureau of Mines

RAL/mg
cc - Operating Committee (2)
Lynch
Wedow
File

X 10866 24M 12-55

Jefferson City, Tennessee

COPY

THE NEW JERSEY ZINC COMPANY

EXPLORATION DEPARTMENT

EXTRA COPY
DMEA
RECEIVED SEP 6 1957

DATE	INITIALS	CODE

Jefferson City, Tennessee
September 3, 1957

RECEIVED
SEP 4 - 1957

Mr. R. A. Laurence, Executive Officer
DMEA Field Team, Region V
Room 13, Post Office Building
Knoxville 2, Tennessee

Subject: DOCKET DMEA-4286, Idm E 982 (ZINC)
BIG WAR CREEK AREA
HAWKINS AND HANCOCK COUNTIES, TENNESSEE

Dear Mr. Laurence:

In the subject contract, provision is made for drilling exploration fences of holes at right angles to strike with holes on the fences to be not closer than 100 feet apart and fences to be not closer than 500 feet apart. This pattern of drilling is premised on the concept that the major controlling elements for the ore trends in the Copper Ridge Belt are roughly parallel to formation strike.

In the first phase of our work under DMEA contract at Big War, a fence of holes was drilled southwest of the Big War ore zone. No ore was found and the evidence was strengthened for a dominantly dip direction to this orebody.

Recent auger drilling has shown strong subsurface zinc mineralization in the soils on the Seals property (see map AX-TENN-100 attached hereto). By analogy with the indicated trend of the Big War orebody as drilled out, a strong dip component might be expected with the ore related to the soil zinc on the Seals property. In any case, the most efficient manner of testing such a well defined target as this, is to drill a line of holes parallel to strike, just far enough down dip to penetrate the favorable horizon safely below the weathered zone. This is shown by the proposed fence including holes BW-31, BW-34 and BW-35 on AX-TENN-100. You will note that such a fence of holes will test a wide angle of possible

trend directions with a minimum of drill hole footage at the closest possible points to the actual target. Drilling at a spacing of 100 feet, especially in the central area of the fence, is required to test for ore zones which may be as narrow as 100 feet wide.

Permission is requested to drill, under the subject contract, the fence of holes essentially as shown on the attached map.

Yours very truly,

THE NEW JERSEY ZINC COMPANY

Johnson Crawford

Superintendent for Tennessee

A.D.Hoagland/jf
In quadruplicate

RECEIVED
SEP 4 - 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

EXTRA COPY
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RECEIVED SEP 6 1957

DATE	INITIALS	CODE

September 4, 1957

Mr. Johnson Crawford
Superintendent for Tennessee
The New Jersey Zinc Company
Jefferson City, Tennessee

Re: Docket No. DMEA-4286 (Zinc)
Big War Creek Area
Hawkins and Hancock Counties,
Tennessee
Contract No. Idm-2982

Dear Mr. Crawford:

This letter will constitute Government approval of the location of holes BW 31, BW 34 and BW 35, as requested in your letter of September 3. The Field Team, after discussion with Mr. Hoagland and Mr. Wedow, agrees with the strike-fence approach to the area covered by these holes.

For the present, at least, no amendment is required to authorize these locations; if the results of these three holes indicate that there should be a major departure from the original plan in the location of future holes, we will then consider such an amendment.

Sincerely yours,

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

RAL/mg
cc
Operating Committee (2)
Finance Office
Lynch
Wedow
File

Government Copy

EXPLORATION PROJECT CONTRACT

THE NEW JERSEY ZINC COMPANY

Docket No.4286

AMENDMENT No.2

It is agreed this 16th day of August 1956, 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 Idm-E982, Docket No.DMEA-4286, dated July 30, 1956, is hereby further amended as follows:

In Article 3, the dates for beginning and completing the work are changed from September 1, 1956 and September 1, 1957, respectively, to May 1, 1957 and May 1, 1958 respectively.

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, nor the amount of any item designated as "maximum."

Executed in sextuplicate the day and year first above written.

THE NEW JERSEY ZINC CO.

By J Boodwin

Title VICE PRESIDENT

THE UNITED STATES OF AMERICA

By Robert A. Lawrence
Executive Officer, Defense Minerals Exploration Administration, Region V

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FX 1086G 24M 1-54

COPY

Jefferson City, Tennessee

THE NEW JERSEY ZINC COMPANY

EXPLORATION DEPARTMENT

Jefferson City, Tennessee
August 15, 1956

Mr. Robert A. Laurence, Executive Officer
DMEA Field Team, Region V
Room 13, Post Office Building
Knoxville 2, Tennessee

Re: DOCKET NO. DMEA 4286 (Zinc)
THE NEW JERSEY ZINC COMPANY
BIG WAR CREEK PROJECT
HAWKINS AND HANCOCK COUNTIES,
TENNESSEE

Dear Mr. Laurence:

The contract covering the cited project specifies starting and completion dates as September 1, 1956 and September 1, 1957. It is now evident that we will be unable to comply with these dates, and we, hereby, request that the contract be amended to provide for a starting date of May 1, 1957 and a completion date of May 1, 1958.

Yours very truly,

THE NEW JERSEY ZINC COMPANY

Johnson Crawford

Superintendent for Tennessee

A.D.Hoagland/jf
In Quadruplicate

RECEIVED
AUG 16 '56

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 13 POST OFFICE BLDG
KNOXVILLE 2, TENN.

August 27, 1956

Memorandum

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

From: Field Team, DMEA, Region V, Knoxville, Tennessee

Subject: DMEA-4266, Idm-8982 (Zinc)
The New Jersey Zinc Co., New York, N. Y.
Big War Creek Area, Hawkins and Hancock Counties, Tennessee

Enclosed are the original and two copies of Amendment No. 2 to the subject contract. Also, enclosed are three copies of the Operator's request for the amendment. Because of the difficulty of obtaining enough drill crews, we are in agreement with the Operator's request to delay start of this project until after completion or near-completion of their other Copper Ridge projects.

Robert A. Laurence
Executive Officer

Wm. A. Beck for V. J. Lynch
Member, Bureau of Mines

RAL/mg
Enclosures 6
cc
Operating Committee (2)
Lynch
Finance Office
File

Government's Copy

EXPLORATION PROJECT CONTRACT
THE NEW JERSEY ZINC COMPANY
DOCKET NO. DMEA-4286

Amendment No. 1

It is agreed this 13th day of August, 1956, 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 Idm-E982, Docket No. DMEA-4286, dated July 30, 1956, is amended as follows:

On page one of Exhibit "A", the third paragraph which reads as follows:

> "A series of widely spaced dip fences shall be drilled, with holes spaced at between 200-and 300-foot intervals on the fences, unless in the opinion of the Government spacing as close as 100 feet is a necessity."

is deleted and the following paragraph is substituted:

> "A series of widely spaced dip fences shall be drilled, with holes spaced not closer than 100 feet on the fences."

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, nor the amount of any item designated as "maximum."

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C Mitterdorf
Administrator, Defense Minerals
Exploration Administration

THE NEW JERSEY ZINC COMPANY

By J Bordeum

Title VICE PRESIDENT

RECEIVED
AUG 2 1956

MME Form 14
Sept. 1958

Contract No. Idm-E) 14-23) ~~982~~

Docket No. DMEA) MME) ~~4286~~

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
July 30, 1956	V	Tennessee	Zinc

	Reserve	Obligation
Prior Amount	0	$53,575.00
Increase	0	0
Decrease	~~0~~	~~7,887.67~~
Revised Amount	0	$45,687.33

Remarks:

cc: 800
210

43244

Contract No. Idm-E 982

Docket No. 4286

DEPARTMENT OF THE INTERIOR **Executed contract**

DEFENSE MINERALS EXPLORATION ADMINISTRATION

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
July 30, 1956	**V**	**Tennessee**	**Zinc**

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

	Reserve	Obligation
Prior Amount	0	0
Increase	0	$53,575.00
Decrease	0	0
Revised Amount	0	$53,575.00

Remarks:

(Name)
Robert E. Adams, Chief
Operations Control and
Statistics Division
(Title)

Date Delivered to Bureau of Mines, Washington 7/30/56

98963

Government Copy

RECEIVED
JUL 24 1956

MF-200
(Revised June 1954)

Docket No. DMEA 4286

Commodity Zinc

Contract No. Idm-E 982

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this JUL 30 1956 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] THE NEW JERSEY ZINC COMPANY, a New Jersey corporation, whose mailing address is 160 Front Street, New York 38, N. Y., 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 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 Tennessee, County~~s~~ies of Hawkins, Hancock, and is described in Annex I.[3]

(b) The Operator represents and undertakes that: (See Annex I)

(1) The Operator is the [4] owner and optionee/ of [5] in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] See Annex I, [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: Interests of owners of optioned tracts

(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: Consents to Lien of owners of optioned tracts 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). See Annex I.

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Zinc. The work to be performed is described in Exhibit "A." The Operator on or before September 1, 1956 shall commence the work, and on or before September 1, 1957 (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall ~~either~~ have completed the work ~~or shall have incurred allowable costs (see Article 6) in a sum not less than the estimated total allowable cost set forth in Exhibit "A."~~ See Article 13.

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 $107,150.00. The Government shall contribute 50 percent of the allowable costs as they are incurred in a total sum not in excess of $53,575.00: *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; [redacted]. See Article 13.

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 9.

See Article 13.

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~~ 30 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. See Article 13.

(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. See Article 13.

(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.*— (a) Categories (2) through (7) of Article 6(a) are deleted. (b) To the extent that costs are set forth in Exhibit "A" as "Fixed Unit Costs" they are in lieu of the actual costs that otherwise would be allowable costs of the project under Article 6 of the contract. The Government will contribute to the fixed unit costs as they accrue, on the basis of units of work actually performed. The fixed unit costs include all costs of the work necessary to complete the project. (c) That part of the last sentence in the first paragraph of Article 6(a) commencing after the semicolon, is deleted. (d) In Article 6(c), the reference to Article 9 is changed to Article 8. (e) In Article 8(b): (1) the word "minerals" includes limestone and dolomite products produced in processing ore; and (2) the words "ten years" are changed to "thirty years." (f) The following clause is added to Article 8(c): Provided, however, That so long as the Operator operates smelting facilities as an integrated part of its business, the settlement made by the Operator's smelter to its mine or mill on the ore or concentrates subject to the Government's royalty shall be, for the purpose of calculating the royalty payable to the Government under this contract, on the same settlement basis that the said smelter makes to its independent suppliers under the schedule most favorable to any independent supplier, or should gross income from mining operations for percentage depletion purposes in Federal income tax determination show a greater value for ore or concentrate sales than that value which would result from applying the smelter schedule most favorable to an independent supplier, the greater value will be used as the basis for calculating royalty payable to the Government. (g) In Article 3 the alternative to completing the work is deleted.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. O. Mitteudorf

Administrator, Defense Minerals
Exploration Administration

THE NEW JERSEY ZINC COMPANY
(Operator)

By S. S. Goodwin

VICE PRESIDENT

I, Walter R. Anyan, 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.

Walter R. Anyan

[CORPORATE SEAL]

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

RECEIVED
JUL 24 1956

EXPLORATION PROJECT CONTRACT
THE NEW JERSEY ZINC COMPANY
DOCKET NO. DMEA-4286

ANNEX I

The land referred to in Article 2 consists of certain tracts in Hawkins and Hancock Counties, Tennessee. Some of the tracts are owned in fee simple by the Operator, in some tracts the Operator owns the mineral and mining rights, and in still other tracts the Operator has the right to explore for minerals under lease-option contracts, which provide that it may purchase all mineral and mining rights (including limited surface privileges). The tracts are listed as follows:

A. Land Owned in Fee Simple by Operator

1. Approximately 37.8 acres of land described in the Abstractor's Certificate of Title dated October 11, 1955, in behalf of Myrtle Drinnon (single).

2. Approximately 1.99 acres of land described in the Warranty Deed dated October 14, 1953, between Birdie Smith (widow) and the New Jersey Zinc Company.

B. Land in which the Operator Owns the Mineral and Mining Rights

1. Approximately 139.4 acres of land described in a Warranty Deed dated June 23, 1955, between I. D. Price, Jr. and wife, Katherine, and Ruble Price and wife, Carolyn, and the New Jersey Zinc Company.

2. Approximately 1.26 acres of land described in a Warranty Deed dated October 14, 1953, between Birdie Smith (widow) and the New Jersey Zinc Company.

C. Lands on which the Operator has Right to Prospect for Minerals, plus Option to Purchase Mineral and Mining Rights

1. Approximately 46 acres owned by Eugene Clonce (single), described in Contract and Agreement dated February 28, 1956, between the owner and the Operator.

2. Approximately 60 acres owned by Guy Seals and wife, Virgie Richardson, described in Contract and Agreement dated April 2, 1952, between the owners and the Operator.

3. Approximately 25 acres owned by Sam H. Price and wife, Victoria W., described in Contract and Agreement dated March 27, 1952, between the owners and the Operator.

4. Approximately 25 acres owned by Ruth Short Bloomer and husband, Ellahugh, described in Contract and Agreement dated January 28, 1956, between the owners and the Operator.

5. Approximately 25 acres owned by Cameron Short and wife, Winnie Pearson, described in Contract and Agreement dated January 28, 1956, between the owners and the Operator.

6. Approximately 100 acres owned by O. M. Swaney and wife, Bonnie Brewer, described in Contract and Agreement dated September 29, 1955, between the owners and the Operator.

7. Approximately 400 acres owned by Harve Lawson and wife, Nancy, described in Contract and Agreement dated March 27, 1952, between the owners and the Operator.

8. Approximately 86 acres owned by Ephriam Clonce and wife, Virginia, described in Contract and Agreement dated March 10, 1956, between the owners and the Operator.

9. Approximately 80 acres owned by Lewis Setsor and wife, Mary, described in Contract and Agreement dated September 5, 1951, between the owners and the Operator.

Copies of all instruments listed above are contained in Docket No. DMEA-4286, and the land descriptions therein are incorporated herein by reference.

All of the tracts of land referred to in Annex I appear on the attached map entitled "The New Jersey Zinc Company, Big War Creek Area, Rogersville, Tennessee." On this map, the lands owned in fee simple by the Operator are outlined in yellow color, the lands in which the Operator owns the mineral and mining rights are outlined in orange color, and the lease-option lands are outlined in blue color.

Excluded Land

The map referred to in this Annex I shows a tract outlined in brown color, labelled "Area to be excluded from DMEA contract." This area has already been diamond drilled by the Operator, no work under the contract will be performed within its boundaries, and it is specifically excluded from the "land" referred to in Article 2 of this contract. The boundaries of this excluded tract are as follows:

> "BEGINNING at a point in the center of the Big War Creek road 1750 feet N 58° W from the intersection of the Clinch Valley and Big War Creek road; thence 210 feet N 61° E to a point; thence 1275 feet N 29° W to a point; thence 1080 feet S 61° W to a point; thence 1275 feet S 29° E to a point; thence 870 feet N 61° E to the BEGINNING, containing 31 acres, more or less."

Special Agreement Concerning Land

1. In the event the Operator or any subsidiary thereof at any time during the period expiring ten years from the date of this contract acquires any interest, title, or equity, in any lands contiguous to the premises described in this contract, it is agreed that such contiguous lands shall thereupon become subject to the provisions of this contract, and the parties hereto shall promptly execute amendments to this contract listing such contiguous lands as lands included in this contract.

2. It is further agreed that the Operator may, at any time before the expiration of sixty days following the conclusion or termination of exploration work performed pursuant to the terms of this contract, request the Government to delete from this contract such of the land described in the lease-option contracts listed in this Annex I, or in any amendments thereto, as has no known value for mineral production. The Government will promptly prepare amendments removing the specified land from the contract, which amendments shall provide that the Operator:

(a) certifies the lands have no known value for mineral production;

(b) has, prior to the execution of the respective amendment, surrendered or otherwise disposed of all its interest, title, and equity in such land, and any minerals produced therefrom, including any option, lease, or permit thereto, without any consideration whatsoever, including future compensation, for such surrender or disposition, other than relief from the cost of maintaining such interest;

(c) agrees that no benefit from such land or any production of minerals therefrom will accrue to the Operator or to any of its subsidiaries, directly or indirectly, during the period expiring thirty years from the date of this contract; and

(d) agrees that if the Operator or any subsidiary thereof acquires any interest, title, or equity in such land or any minerals produced therefrom, or derives any benefit therefrom, before the expiration of thirty years from the date of this contract, the land with respect to which such interest, title, or equity is acquired, and any minerals produced therefrom, shall be deemed subject to this contract and any certification from the date that the Operator or any subsidiary thereof acquired such interest, title, or equity, or any benefit therefrom, until the expiration of thirty years from the date of this contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

EXPLORATION PROJECT CONTRACT
THE NEW JERSEY ZINC COMPANY
DOCKET NO. DMEA-4286

RECEIVED
JUL 24 1956

EXHIBIT "A"

Description of the Work

The purpose of the project is to explore for ores of zinc by diamond drilling (and such churn drilling of overburden as may be required).

Zinc ores in the Copper Ridge Belt occur in the Mascot and Kingsport limestones and dolomites of the Knox formation. In the area in which the project work is to be performed dips are southeasterly at an angle of approximately 40 degrees and it is believed that ores may exist in elongated forms roughly parallel to the strike of the beds.

A series of widely spaced dip fences shall be drilled, with holes spaced at between 200- and 300-foot intervals on the fences, unless in the opinion of the Government spacing as close as 100 feet is a necessity.

The space intervals between the various fences shall not be less than 500 feet, except upon written approval in advance by the Government.

It is estimated that the average depth of the drill holes will be approximately 800 feet and that the maximum depth of any hole will be approximately 1300 feet. It is believed that approximately 44 holes will be required. Not more than 35,000 feet of drilling shall be performed: Provided, however, That the Operator may, upon the written approval of the Government, perform more than 35,000 feet of drilling so long as the total cost of all drilling work allowable under the contract is not exceeded.

All diamond drilling shall be done with AX size, or larger, core recovering drills and coring bits.

The initial holes to be drilled under the contract are roughly indicated on the attached map.

All diamond drilling, including the locations and depths of holes are subject to prior Government approval.

All drill holes shall be logged geologically and all drill core shall be made available to the Government for examination. All significantly mineralized core shall be properly sampled and the samples assayed for zinc. Assays, together with the geological logs of drill holes, shall be reported to the Government, together with proper plan maps and sections showing the progress of the work.

Drilling will not be done at locations closer than 200 feet from property lines.

The project work shall be supervised at all times by competent engineers or geologists.

Estimated Cost of the Project

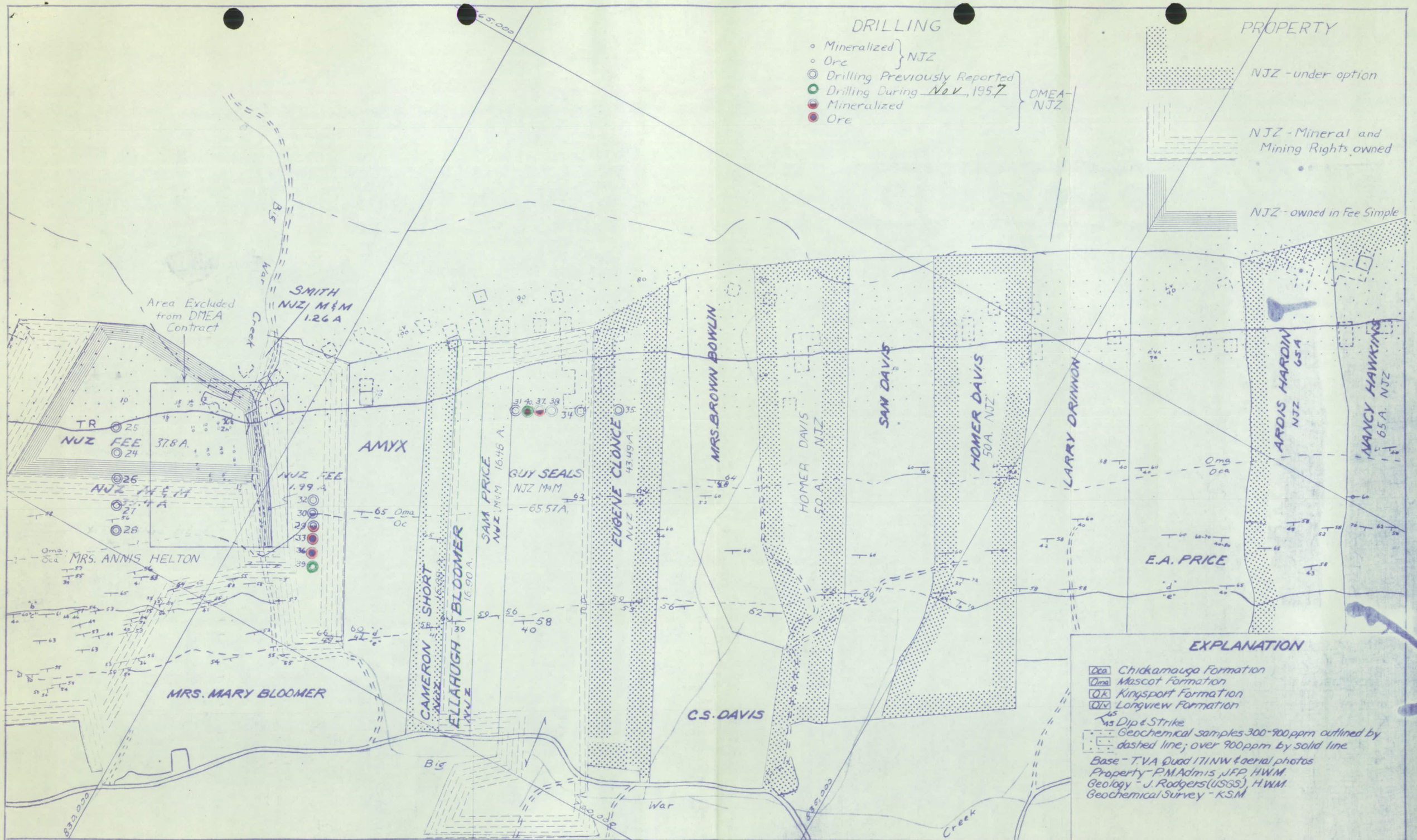
Actual Costs

Category (1) Independent Contracts

Overburden drilling and diamond drilling to 1000-foot depth, 30,000 feet @ $2.75/ft.	$82,500.00	
Diamond drilling from 1000-foot to 1500-foot depth 5000 feet @ $3.00	15,000.00	
The above rates include charges for reaming, cementing, water supply, casing, changing of locations, and all other charges which may be incurred by the diamond drill contractor.		
Neither the cost nor value of casing left in drill holes at option of Operator will be accepted as a charge to the contract.		$97,500.00
Categories (2) through (7)	None	

Fixed Unit Costs (See Article 13 of the contract)

Incidental allowance for each foot of drilling completed, 35,000 feet @ $0.27/ft.	9,450.00	
200 Samples assayed @ $1.00/each sample	200.00	9,650.00
Estimated Total Cost of Project		$107,150.00
Government Participation @ 50%		$ 53,575.00


DRILLING
Mineralized
Ore
NJZ
Drilling Previously Reported
Drilling During Nov., 1957
Mineralized
Ore
DMEA-NJZ
PROPERTY
NJZ - under option
NJZ - Mineral and Mining Rights owned
NJZ - owned in Fee Simple
Area Excluded from DMEA Contract
SMITH NJZ M&M 1.26 A
TR NJZ FEE 37.8 A.
NJZ M&M 21 A
NJZ FEE 1.99 A
AMYX
MRS. ANNIS HELTON
MRS. MARY BLOOMER
CAMERON SHORT NJZ
ELLAUGH BLOOMER NJZ 16.90 A.
SAM PRICE NJZ M&M 16.46 A.
GUY SEALS NJZ M&M 65.57 A.
EUGENE CLONCE NJZ 43.49 A.
MRS. BROWN BOWLIN
HOMER DAVIS NJZ 50 A.
SAM DAVIS
HOMER DAVIS 50 A. NJZ
LARRY DRINNON
C.S. DAVIS
E.A. PRICE
ARDIS HARDIN NJZ 65 A
NANCY HAWKINS 65 A. NJZ
Big War Creek
EXPLANATION
Oca Chickamauga Formation
Oma Mascot Formation
Ok Kingsport Formation
Olv Longview Formation
Dip & Strike
Geochemical samples 300-900 ppm outlined by dashed line; over 900 ppm by solid line
Base - T.V.A. Quad 171 NW & aerial photos
Property - P.M. Adams, J.F.P., H.W.M.
Geology - J. Rodgers (USGS), H.W.M.
Geochemical Survey - K.S.M.
POSTED TO DATE
1-56 TEN
THE NEW JERSEY ZINC COMPANY
ROGERSVILLE TENNESSEE
DRAWN J.F.P. DATE 4-25-53
TRACED SJL, JFP SCALE 1" = 660'
COPPER RIDGE BELT
SECTOR II SHEET 4 NE
HAWKINS, HANCOCK CO'S, TENN.
FILE NO. AX-TENN 100

Chickamauga
Mascot Formation
Kingsport Formation
Longview Formation
Dip & Strike
Geochemical samples 300-900 ppm outlined in dashed line, over 900 ppm by solid line
Base TVA Quad & aerial photos
Property - P.M. Admis, J.F.P., H.W.M.
Geology - J. Rodgers (USGS), H.W.M., R.S.M.
Geochemical survey R.S.M.

Under Option
Mineral Rights Owned
Owned in Fee
Ore
Sub-Ore
Proposed

Area to be excluded from DMEA contract

Holes too close to property line

T.R.
SEE FIG. 4
E. CLONCE NUZ 86A
LEWIS SETSOR NUZ 80A
HARV LAWSON NUZ 400 A
SAM PRICE & ORVILLE HELTON 197 A
GWINN
NUZ 100 A MRS. O.M. SWANEY
Anticlinal Axis
Synclinal Axis
SMITH NUZ M&M 1.26 A
TR
NUZ FEE 37.8 A
M. DRINNON
NUZ M&M 139.1 A
SEE FIG. 3
MRS. ANNIS HELTON
NUZ FEE 19 A
AMYX
MRS. MARY BLOOMER
CAMERON SHORT NUZ 2.5 A
ELLAHUGH BLOOMER NUZ 2.8 A
SAM PRICE NUZ 2.5 A
GUY SEALS NUZ 60 A
EUGENE CLONCE NUZ
CLINCH VALLEY ROAD
Big War Creek

DMEA 4286

THE NEW JERSEY ZINC COMPANY ROGERSVILLE TENNESSEE	DRAWN SJL, JFP DATE 10-8-52 TRACED SCALE 1"=660'	COPPER RIDGE BELT SECTOR II SHEET 3NE	HANCOCK, HAWKINS CO'S, TENN. FILE NO. AX-TENN 101

POSTED TO DATE
T-56 TEN

THE NEW JERSEY ZINC COMPANY
ROGERSVILLE Big War Creek Area TENN.