UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (~~or cancelled~~) without certification. DMEA No. 107

This is the official contract file containing all official records of the project. Duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

- ✓ Certificate of Audit (Final).
- Interim Audit(s).
- Report of Review.
- ✓ Termination Notice or Agreement.
- Recision Notice.
- Assignment of Contract.
- ✓ Contract Amendments (latest on top).
- ✓ Contract with all exhibits and annexes.
- Owner's Consent to Lien.
- Subordination Agreement.
- Leases and assignments of leases.
- ✓ Application and attachments.
- Schedule of Collections.
- ✓ Operator's monthly reports and all attachments (latest on top).

Right Side

- ✓ Project summary.
- ✓ Work completed analysis.
- ✓ All other material is filed in chronological order with correspondence including the following reports as checked:
  - ✓ Final Field Team Report. (Tab)
  - ✓ Operator's Final Report.
  - Interim Reports.
  - On-site Exam Report(s). (Tab)
  - Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number # 3

Operator's Monthly Reports in folder number # 2

7973

Reviewer's Initials

Perm file

DEFENSE MINERALS EXPLORATION ADMINISTRATION

CONTRACT ADMINISTRATION AND AUDIT DIVISION

RECEIVED
JUN 20 1955

AUDIT CERTIFICATE

I have examined the records and transactions of the

New Park Mining Co.
Keetley, Utah

pertaining to Exploration Project, Contract Idm-E5, Docket No. DMA 107, dated May 31, 1951, including Amendments Nos. 1 through 18, covering a project of exploration for Zinc, Lead, Gold, Silver and Copper, located in Wasatch County, Utah, commonly known as Projects Nos. 1 and 2, Mayflower Tunnel; and Project No. 3, as Star Tunnel, for the period June 1, 1951 to January 31, 1954, and the subsequent disposition of project property.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

The audit disclosed the following facts in regard to the amount to be paid the Contractor:

Total cost as billed by Contractor		$202,095.78
Less: Proceeds from disposition of property		9,222.62
Net Claimed Cost		$192,873.16
Exceptions: (See Audit Report for details)		
Prior to this audit	$3,357.23	
During this audit	55.58	
Mill Adjustment - Finance Officer	.03	3,412.84
Total Accepted Cost		$189,460.32

The contract calls for a 50 per cent participation of exploration expenses by the United States Government. Therefore, payment to the Contractor by the Government in the amount of Ninety-four thousand, seven hundred thirty, and 16/100ths dollars

— $94,730.16 —

is valid and proper.

This Certificate is issued on the provision that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the Contract.

May 17, 1955

T. H. Brading

AUDIT REPORT

RECEIVED
JUN 20 1955

I INTRODUCTION

On March 22, 23 and 24, 1955 a final audit (covering operations for the period June 1, 1951 to January 31, 1954) was made of the records and accounts of operations pertaining to Contract Idm-E5, Docket No. DMA 107, dated May 31, 1951, including Amendments Nos. 1 to 18, with the

New Park Mining Company

Keetley, Utah

covering a project of exploration for Zinc, Lead, Gold, Silver and Copper, located in Wasatch County, Utah, commonly known as Projects Nos. 1 and 2, Mayflower Tunnel; and Project No. 3, as Star Tunnel.

The accounting records under this contract are located in the mine office at Keetley, Utah, which is approximately 35 miles east and south of Salt Lake City, Utah, on Federal Highway No. 40. The contract covers three separate projects. These project sites are located one to two miles from the mine office.

Mr. M. M. Gilkey, Mining Engineer, collaborated in the audit.

During the course of the audit the following officers and employees of the Company were consulted as required:

Mr. W. H. H. Cranmer, President
Mr. Carl D. Harper, Accountant and Purchasing Agent
Mr. Francis Smith, Time Clerk

Their cooperation and assistance greatly facilitated the audit.

Prior to the time of the audit, considerable time was spent in the office in preparing preliminary working papers and schedules.

II GENERAL INFORMATION ON RECORDS

The accounting records for the exploration projects are summarized in general ledger accounts maintained for each project. These accounting records are complete and are in good condition.

The source documents covering the costs of each project are accumulated on monthly cost cards, which are the basis for the preparation of the monthly MF-104 reports. This audit, therefore, involved, in general, a check of the source documents against the monthly cost cards, and a reconciliation of the amounts shown on the cost cards with the proper general ledger accounts. With minor exceptions, project costs are recorded on an accrual basis.

The accounts of the company are audited annually by Lincoln G. Kelley and Company, Certified Public Accountants, Salt Lake City, Utah.

III SCOPE OF AUDIT AND FINDINGS

The audit was limited to ascertaining the accuracy, propriety and validity of the costs as shown in the "Totals To Date" column of Form MF-104, Operator's Monthly Report Form and Voucher for the latest month filed for each project as follows:

Project No. 1	December, 1952
Project No. 2	January, 1954
Project No. 3	December, 1952

but including the subsequent settlement on April, 1955 of the Government's equity in certain project property. This settlement was approved by the Executive Officer, DMEA Field Team, Region III, in a letter to the Operator dated May 4, 1955.

In view of the previous audit by Donald T. Finch, DMEA Auditor, covering periods as follows:

Projects Nos. 1 and 3	July, 1952
Project No. 2	Sept. 1952

except as otherwise indicated, this audit was restricted to the costs claimed by the Operator since those latter dates. On Project No. 1, a corrected MF-104 dated December, 1952 was submitted. This document did not cover operations, but gave effect to disallowances as covered in the Audit Report dated December 12, 1952.

1. Independent Contracts

	PRIOR AUDIT	THIS AUDIT	TOTAL
Project No. 1	None	None	None
Project No. 2	$2,610.90	$2,394.50	$5,005.40
Project No. 3	None	2,594.90	2,594.90
Total	$2,610.90	$4,989.40	$7,600.30
Disallowed	-	2,075.85	2,075.85
Accepted Cost	$2,610.90	$2,913.55	$5,524.45

In January, 1954 on Project No. 2 the Operator filed claim for reimbursement on the amount of $2,075.85 for 454 feet of diamond drilling. Amendment No. 14 provides in part as follows: "Exploratory diamond drilling, to an extent and at locations as approved in writing by the Government prior to commencing such work shall be considered as part of the allowable cost of Project No. 2." The Operator failed to obtain the required permission in writing prior to commencing work, for which claim was filed in January. The Finance Officer disallowed the claim, which disallowance is approved by this auditor.

Invoices from Jay Manufacturing Company reflected that approved costs claimed for diamond drilling for the period under review were made up of the following elements:

Project No. 2	
11 Ft. BX Drilling @ $6.25 per Ft.	$ 68.75
5-1/8 Shifts - Delay at $40.00 per Shift	205.00
1/3 of Supplies	44.90
Total Project No. 2	$318.65
Project No. 3	
199 Ft. of AX Drilling @ $5.65 per Ft.	$1,124.35
101 Ft. of BX Drilling @ $6.25 per Ft.	631.25
8-5/8 Shifts Reaming and Casing at $40.00 per Shift	345.00
Supplies	432.20
2 Shifts of Delay at $27.00 per Shift	54.00
Insurance	8.10
Total Project No. 3	$2,594.90
Total Accepted Costs Sept., 1952 to Jan., 1954	$2,913.55
Accepted Costs Prior Audit	2,610.90
Total Acceptable Costs	$5,524.45

2. Labor and Supervision

(A) Labor

All charges for labor were checked from payroll records to monthly costs sheets. Labor time and rates were verified as follows:

Project No. 2 - All individual time cards approved by the shift boss for the months of January, February, April and October, 1953 were checked to the payroll records. Rates for the entire period under review were checked by visual inspection.

Project No. 3 - Individual time cards for the entire period of three months, approved by the shift boss, were traced to the payroll records. Rates were verified by visual inspection.

Total acceptable corrected labor costs are summarized as follows:

	PRIOR AUDIT	SEPT., 1952 to JAN., 1954	DISALLOWED	APPROVED BY AUDIT
Project No. 1	$13,016.77			$ 13,016.77
Project No. 2	36,811.62	$ 9,045.23	$185.49	45,671.36
Project No. 3	39,832.51	2,356.26	743.60	41,445.17
	$89,660.90	$11,401.49	$929.09	$100,133.30

Disallowances as follows were made by the Finance Officer on Project No. 2: - December, 1952 - $2.16. Error in rate on wages of underground oiler (Wheelwright): January, 1954 - Total labor claimed in connection with diamond drilling in the amount of $183.33 disallowed because diamond drilling was completed before written approval was obtained from the Government.

On Project No. 3 the Finance Officer disallowed the entire amount claimed on the December, 1952 MF-104, as the work was not in conformance with the contract. The amount disallowed for labor was $743.60. All disallowances are approved by this auditor.

(B) Technical Services

Claims for engineering and geological services, as follows, were filed by the Operator. These amounts are less than approved by Contract and Amendments.

PROJECT NO. 1

Prior Audit
Ray E. Gilbert, Geologist
Total Claimed
4 days per month for the period from June, 1951 to April, 1952, inclusive; total - 40 days at $18.00 per day $720.00

PROJECT NO. 2

Ray E. Gilbert, Geologist	
June, 1951 - one day	
July and August, 1951 - three days each, 6 days	
September, 1951 through April, 1952 four days each, 32 days	
Total: 39 days at $18.00 per day	$702.00
Peter Joralemon, Geologist	
May and June, 1952 - four days each, 8 days at $18.00 per day	144.00
July through November, 1952 - four days each, 20 days at $20.57 per day	411.40
Walter E. Bauer, Geologist	
December, 1952 - four days at $20.57	82.28
January, 1953 and February, 1953 - four days each, 8 days at $18.97 per day	151.76
F. A. Kuhlman, Geologist	
March, 1953 through July, 1953 - four days each	
October, 1953 through December, 1953 - four days each	
Total: 32 days at $18.97 per day.	607.04
TOTAL PROJECT NO. 2	$2,098.48

PROJECT NO. 3

Ray Gilbert, Geologist	
June through August, 1951 - three days each, 9 days at $18.00 per day	$162.00
September, 1951 through April, 1952 - six days each, 40 days at $18.00 per day	720.00
Peter Joralemon, Geologist	
May, 1952 - five days. 5 days at $18.00 per day	90.00
October through December, 1952 - five days each 10 days at $20.57 per day (Disallowed 5 days in December $102.85. See Comments above.)	205.70
TOTAL PROJECT NO. 3	$1,177.70

Summary of Allowable Costs - Technical Services

Project No. 1	$ 720.00
Project No. 2	2,098.48
Project No. 3	1,177.70
Total Allowable Cost	$2,996.18

In the opinion of the examining engineers and the Executive Officer, DMEA Field Team, Region III, the charges for technical services are reasonable.

(C) Supervision

Charges as filed for supervision, which are based on corrected distribution, are as follows:

PROJECT NO. 1

A. W. Larsen, Shift Boss	
July, 1951	$ 48.12
Sept., 1951 through April, 1952 8 months @ $48.12 per month	384.96
A. Anderson	
August, 1951	48.12
Total Allowable Supervision	$481.20

PROJECT NO. 2

(Shift Bosses)	A.W.Larsen	Lee Mayo	A. Anderson	C. Turnbow	Total
June, 1951 1 Mo. @ $32.00	$ 32.00	$ 32.00			$ 64.00
July & Aug., 1951 2 Mos. @ $48.12		96.24			96.24
Sept. and Oct., 1951 2 Mos. @ $36.09	72.18	72.18			144.36
Nov., 1951 thru April, 1952 6 Mos. @ $36.04	216.24	216.24			432.48
May and June, 1952 2 Mos. @ $48.12	96.24	96.24			192.48
July and August, 1952 2 Mos. @ $54.99		109.98			109.98
Sept. 1952 thru July, 1953 11 Mos. @ $54.99			$604.89		604.89
Oct. thru December, 1953 3 Mos. @ $54.99			164.97		164.97
Dec., 1952; Feb. and Mar. 1953 - 3 Mos. @ $54.99				$164.97	164.97
TOTALS	$416.66	$622.83	$769.86	$164.97	$1,974.37

Summary Supervision (Shift Bosses):

Project No. 1	$ 481.20
Project No. 2	1,974.37
Total Allowable Supervision	$2,455.57

Mr. Carl D. Harper, Accountant, stated that on Project No. 3 the lead miner acted as shift boss but actually was a working miner on an hourly rate; therefore, no charge was made to supervision.

Charges for supervision were less than that allowed by Contract and Amendments, and in the opinion of the examining engineer and the Executive Officer of the DMEA Field Team, Region III, the charges made are reasonable and proper.

3. Operating Materials and Supplies

All charges for subject category were checked against the monthly cost cards. Purchases of timber and explosives were examined in detail for the months of June, July and August, 1953, to verify prices as charged. Voucher checks attached to invoices were examined and traced to voucher register to verify payments. Charges are at the same rates as charged to Company operations; i.e., cost plus freight and sales tax.

An analysis of charges for the period under review and total charges are shown in the following summary:

	Prior Audit	Sept., 1952 Jan., 1954	Property Disposal	Allowed By Audit
(A) TIMBER				
Project No. 1	$ 527.73	$ -		$ 527.73
Project No. 2	4,639.79	2,033.23		6,673.02
Project No. 3	7,661.54	282.93		7,944.47
Totals	$12,829.06	$2,316.16		$15,145.22
(B) EXPLOSIVES				
Project No. 1	$ 2,603.98	$ -		$ 2,603.98
Project No. 2	5,095.19	1,537.31		6,632.50
Project No. 3	686.19	-		686.19
Totals	$ 8,385.36	$1,537.31		$ 9,922.67
(C) PIPE				
Project No. 1	$ 1,215.00	$ -	$ 353.97	$ 861.03
Project No. 2	2,310.90	594.02	846.28	2,058.64
Project No. 3	538.65	-	155.96	382.69
Totals	$ 4,064.55	$ 594.02	$1,356.21	$3,302.36
(D) TRACK				
Project No. 1	$ 1,557.01	$ -	$ 465.55	$1,091.46
Project No. 2	2,961.78	761.33	1,113.05	2,610.06
Project No. 3	690.28	-	205.13*	485.15
Totals	$ 5,209.07	$ 761.33	$1,783.73	$4,186.67

* Gives effect to disallowance of $54.81 made on December, 1952 MF-104. Work not in conformance with contract; disallowance approved by auditor.

(E) SMALL TOOLS AND LAMPS

	Prior Audit	Sept., 1952 Jan., 1954	Allowed By Audit
Project No. 1	$ 237.26	$ -	$ 237.26
Project No. 2	503.17	171.58	674.75
Project No. 3	219.67	-	219.67
Totals	$ 960.10	$171.58	$1,131.68

(F) BITS AND STEEL

Project No. 1	$ 767.38	$ -	$ 767.38
Project No. 2	1,500.31	383.24	1,883.55
Project No. 3	418.66	-	418.66
Totals	$2,686.35	$383.24	$3,069.59

Small Tools and Lamps, and Bits and Steel are charged to the projects on the basis of tonnage broken. This procedure is a very fair basis of charging the DMEA portion. Costs were test-checked from cost summary to vendor's invoices to determine that basis of charge was cost plus transportation and sales tax. Procedure was approved by Executive Officer, DMEA Field Team, Region III.

(G) POWER

Project No. 1	$1,439.48	$ -	$1,439.48
Project No. 2	3,005.03	1055.79	4,060.82
Project No. 3	1,254.17	-	1,254.17
Totals	$5,698.68	$1055.79	$6,754.47

Charges to DMEA projects are based on tons of rock moved and appears to be very fair and equitable. This procedure was approved by the examining engineers and later by the Executive Officer, DMEA Field Team, Region III.

Invoices from Utah Power and Light Company which showed total charges for electric current furnished to the company for the period under review, were examined, and the amount charged to the project was verified by calculation.

4. Operating Equipment

(A) RENTAL (September, 1952 to December, 1953)
(Project was recessed from July through September, 1953)

	PROJECT #1	PROJECT #2	PROJECT #3	TOTAL ALLOWED BY AUDIT
PRIOR AUDIT	$1,678.50	$1,414.20	$2,098.89	$5,191.59
Ventilating Fan		83.50		83.50
10 Mine Cars		167.00		167.00
Drill Jumbo		520.00		520.00
2 Drill Machines		408.00		408.00
Total Allowed	$1,678.50	$2,592.70	$2,098.89	$6,370.09

Monthly rates which are in line with Contract and Amendments are as follows:

DESCRIPTION	RATE PER MONTH
Ventilating Fan	$ 8.35
10 Mine Cars	16.70
Drill Jumbo	52.00
2 Drill Machines	40.80

A daily time log or other record covering the usage on the project of the subject equipment was not maintained. However, the examining engineer who inspected the project each month indicated in his narrative report that he approved the charge that month. Total allowable charges for the period under review and also to date from commencement of work on the project are shown in the foregoing analysis.

(B) PURCHASED

Total equipment purchased was verified during the prior audit. Details of this equipment and final allowable cost to the projects is shown in the following summary:

	Project #1	Project #2	Total	Property Disposal	Allowed By Audit
1 Locomotive Battery	$1,149.59	$1,149.59	$ 2,299.18		
1 Manchu Locomotive Less Battery	3,437.40		3,437.40		
1 Manchu Locomotive and 1-3 K.W. Heitner Motor Generator less Battery		4,540.28	4,540.28	$5,232.27	$5,044.59
1 Eimco 12-B-5S Rocker-shovel		3,001.35	3,001.35	850.41	2,150.94
TOTALS	$4,586.99	$8,691.22	$13,278.21	$6,082.68	$7,195.53

5. Initial Rehabilitation and Repairs

Not applicable to this contract

6. New Buildings, Improvements, etc.

Not applicable to this contract.

7. Miscellaneous

(A) Repairs to Equipment

	Project #1	Project #2	Project #3	Allowed By Audit.
Prior Audit	$629.18	$507.77	$460.40	$1,597.35
September, 1952 to January, 1954 Mucking Machine	———	48.30	———	48.30
Totals	$629.18	$556.07	$460.40	$1,645.65

Invoices for the major portion ($46.10) were examined and found to be in order.

(B) Workmen's Compensation Insurance

All charges for this type of insurance were verified by computation at the rates shown to be in effect by the company's files. These rates which are applicable to all three projects are as follows:

For the year 1951	$5.348 per hundred
January and February, 1952	$6.602 per hundred
March to December, 1952	$5.013 per hundred
January to December, 1953	$5.814 per hundred

	Project #1	Project #2	Project #3	Total
Prior Audit	$808.74	$2,181.63	$2,278.01	$5,268.38
September, 1952 to December, 1953	-	692.94	145.62	838.56
	$808.74	$2,874.57	$2,423.63	$6,106.94
Deduct Disallowances	-	11.65 *	46.44	58.09
Total Approved	$808.74	$2,862.92	$2,377.19	$6,048.85

* Disallowances on labor in the amount of $2.16 and $183.33 made by Finance Officer on Project #2; and on labor of $743.60 on Project #3. Disallowances are approved by Auditor.

(C) Other Insurance

Project #1:

	Prior Audit	Sept., 1952 Jan., 1954	Disallowed	Allowed By Audit
F.I.C.A.	$222.23			$222.23
State Unemployment	118.53			118.53
Federal Unemployment	44.45			44.45
Hospital	154.52			154.52
Life	404.17			404.17
Totals	$943.90			$943.90

Project #2:

F.I.C.A.	$ 603.32	$138.76	$34.82	$ 707.26
State Unemployment	321.76	74.00	18.57	377.19
Federal Unemployment	120.62	27.75	6.96	141.41
Hospital	419.50	128.59	1.91	546.18
Life	1,202.11	452.55	6.87	1,647.79
Totals	$2,667.31	$841.65	$69.13	$3,419.83

Project #3:

		Sept., 1952 Dec., 1952		
F.I.C.A.	$ 629.71			$ 629.71
State Unemployment	335.84			335.84
Federal Unemployment	125.93			125.93
Hospital	437.60	$ 30.30	$ 9.66	458.24
Life	1,170.79	104.46	33.32	1,241.93
Totals	$2,699.87	$134.76	$42.98	$2,791.65

An analysis of disallowances ($112.11) made, follows:

	By Finance Officer	By Auditor	Total
F.I.C.A.	$ 2.75	$32.07	$ 34.82
State Unemployment	1.47	17.10	18.57
Federal Unemployment	.55	6.41	6.96
Hospital	11.57		11.57
Life	40.19		40.19
Totals	$56.53	$55.58	$112.11

On Project #2, in filing claims for payroll taxes for the months of October, November and December, no consideration was given to the fact that salaries of many of the employees involved had reached statutory limits, after which no deductions are made. This item was reviewed in detail with Mr. Carl D. Harper, Accountant, who agreed and accepted the disallowance of $55.58 as made.

On Project #3, the disallowance of $51.76 applies to labor charge of $743.60 disallowed by Finance Officer. Disallowance approved by Auditor.

SUMMARY:

	Project #1	Project #2	Project #3	Allowed By Audit
F.I.C.A.	$222.23	$ 707.26	$ 629.71	$1,559.20
State Unemployment	118.53	377.19	335.84	831.56
Federal Unemployment	44.45	141.41	125.93	311.79
Hospital	154.52	546.18	458.24	1,158.94
Life	404.17	1,647.79	1,241.93	3,293.89
Totals	$943.90	$3,419.83	$2,791.65	$7,155.38

All charges for insurance as scheduled above were verified by computation. Rates were established from files of the company. These rates were: F.I.C.A. 1.5%; State Unemployment .8%; Federal Unemployment .3%; Hospital 1.043%; Life, October through December, 1952, 3.596%; 1953, 3.696%; 1954, 3.696%.

8. Contingencies

(A) Tunnel Maintenance

All charges to tunnel maintenance were allocable to Project No. 3 and were verified during the prior audit. The total cost of $121.35 is considered as reasonable and allowable under the terms of the contract.

(B) Diamond Drilling by Company

A total of 324 feet of diamond drilling was performed by the Company on Project No. 3. All costs in connection with the phase of the operation were verified during the prior audit. The total cost of $1,134.00 is considered to be reasonable and allowable under the terms of the contract and amendments.

(C) Accounting

Total charges for accounting services on which the distribution was corrected during this audit are as follows:

	Total Chgs.	Average Per Mo.	Allowed By Contract
PROJECT #1:			
July 1951 to April 1952 10 Months	$ 598.00	$ 59.80	$ 73.00
PROJECT #2:			
June 1951 thro' June 1952 13 Months	953.00	73.31	95.00
July 1952 thro' July 1953 13 Months	1,341.97	103.23	105.89
Oct. 1953 thro' Dec. 1953 3 Months	322.35	107.45	105.89
	$2,617.32	$ 90.25	$101.01
PROJECT #3:			
June 1951 thro' May 1952 12 Months	$ 792.00	$ 66.00	$ 73.00
Octo 1952 thro' Nov. 1952 2 Months	160.02 *	80.01	83.44
	$ 952.02	$ 68.00	$ 75.09
SUMMARY:			
Total 53 Months	$4,167.34	$ 78.42	$ 89.62

The total cost of $4,167.34 is considered as reasonable and allowable under the terms of the contract.

* Gives effect to disallowance of $ 80.01 made by Finance Officer December, 1952, as work was not in conformance with the contract. Disallowance approved by auditor.

IV CONCLUSIONS

The audit disclosed that all costs charged to these projects, with the exceptions of disallowances aggregating $3,412.81 as itemized in a previous section of this report, are reasonable and proper under the terms of the contract.

The adjustment between items of costs as shown on the December, 1952 MF-104 for Project No. 1 is shown on Schedule 1 attached; for Project No. 2 on the January, 1954 MF-104 on Schedule 2 attached; and for Project No. 3 on the December, 1952 MF-104 on Schedule 3 attached.

Exhibit A attached is a consolidation of the summaries for all three projects.

At the conclusion of the audit the findings were discussed with Mr. Carl D. Harper, Accountant, on March 23, 1955, and on March 24, 1955, with Mr. W. H. H. Cranmer, President, in Salt Lake City. On that same day the findings were discussed with Mr. Stephen R. Wilson, Supervising Mining Engineer, Salt Lake City office, representing the Executive Officer of DMEA Field Team, Region III. There were no unused materials, supplies, or other property to be disposed of for the joint account of the Contractor and the Government, other than that covered by waiver or liquidation.

May 17, 1955

T. H. Brading, Auditor

SCHEDULE 1

NEW PARK MINING COMPANY

PROJECT NO. 1

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JUN 20 1955

	Totals To Date MF-104 Dec., 1952	Distribution Corrected	Disposal of Property	Allowed By Audit
2. Labor and Supervision				
Labor	$14,815.97	$13,016.77		$13,016.77
Technical Services		720.00		720.00
Supervision		481.20		481.20
3. Operating Mat'ls & Supplies				
Timber	527.73	527.73		527.73
Explosives	2,603.98	2,603.98		2,603.98
Other Supplies	3,776.65			
Pipe		1,215.00	$ 353.97	861.03
Track		1,557.01	465.55	1,091.46
Small Tools & Lamps		237.26		237.26
Bits and Steel		767.38		767.38
Power	1,439.48	1,439.48		1,439.48
4. Operating Equipment				
Rental	1,678.50	1,678.50		1,678.50
Purchased	4,586.99	4,586.99	2,098.52	2,488.47
7. Miscellaneous				
Repairs to Equipment	629.18	629.18		629.18
Workmen's Compensation	817.99	808.74		808.74
O. A. B.		222.23		222.23
State Unemployment		118.53		118.53
Federal Unemployment		44.45		44.45
Hospital Insurance		154.52		154.52
Life Insurance		404.17		404.17
Other Insurance	934.65			
8. Accounting		598.00		598.00
	$31,811.12	$31,811.12	$2,918.04	$28,893.08

This MF-104 submitted to pick up disallowances made in audit report dated December 12, 1952.

SCHEDULE 2

NEW PARK MINING COMPANY

PROJECT NO. 2

	Totals To Date MF-104 Jan., 1954	Distribution Corrected	Disallowed Prior	Disallowed Audit	Disposal of Property	Allowed By Audit.
1. Independent Contract						
Diamond Drilling	$ 5,005.40	$ 5,005.40	$2,075.85			$ 2,929.55
2. Labor and Supervision						
Labor	52,547.02	45,856.85	185.49			45,671.36
Technical Services		2,098.48				2,098.48
Supervision		1,974.37				1,974.37
3. Operating Materials and Supplies						
Timber	6,673.02	6,673.02				6,673.02
Explosives	6,632.50	6,632.50				6,632.50
Other Supplies	9,186.33					
Pipe		2,904.92			$ 846.28	2,058.64
Track		3,723.11			1,113.05	2,610.06
Small Tools & Lamps		674.75				674.75
Bits and Steel		1,883.55				1,883.55
Power	4,060.82	4,060.82				4,060.82
4. Operating Equipment						
Rental	2,592.70	2,592.70				2,592.70
Purchased	8,691.22	8,691.22			3,984.16	4,707.06
7. Miscellaneous						
Repairs to Equipment	556.07	556.07				556.07
Workmen's Compensation	2,874.57	2,874.57	11.65			2,862.92
O. A. B.		742.08	2.75	$32.07		707.26
State Unemployment		395.76	1.47	17.10		377.19
Federal Unemployment		148.37	.55	6.41		141.41
Hospital Insurance		548.09	1.91			546.18
Life Insurance		1,654.66	6.87			1,647.79
Other Insurance	3,488.96					
8. Accounting		2,617.32				2,617.32
	$102,308.61	$102,308.61	$2,286.54	$55.58	$5,943.49	$94,023.00

SCHEDULE 3

NEW PARK MINING COMPANY

PROJECT NO. 3

	Totals to Date MF-104 Dec., 1952	Distribution Corrected	Disallowed Prior	Disposal of Property	Allowed By Audit
1. Independent Contract					
Diamond Drilling	$ 2,594.90	$2,594.90			$ 2,594.90
2. Labor and Supervision					
Labor	44,501.35	42,188.77	$ 743.60		41,445.17
Technical Services		1,280.55	102.85		1,177.70
Supervision					
3. Operating Mat'ls & Supplies					
Timber	7,999.28	7,999.28	54.81		7,944.47
Explosives	686.19	686.19			686.19
Other Supplies	1,867.26				
Pipe		538.65		$155.96	382.69
Track		690.28		205.13	485.15
Small Tools & Lamps		219.67			219.67
Bits and Steel		418.66			418.66
Power	1,254.17	1,254.17			1,254.17
4. Operating Equipment					
Rental	2,098.89	2,098.89			2,098.89
Purchased					
7. Miscellaneous					
Repairs to Equipment	460.40	460.40			460.40
Workmen's Compensation	2,423.63	2,423.63	46.44		2,377.19
Other Insurance	2,834.63				
O.A.B.		629.71			629.71
State Unemployment		335.84			335.84
Federal Unemployment		125.93			125.93
Hospital Insurance		467.90	9.66		458.24
Life Insurance		1,275.25	33.32		1,241.93
8. Contingencies					
Tunnel Maintenance	121.35	121.35			121.35
Diamond Drilling	1,134.00	1,134.00			1,134.00
Accounting		1,032.03	80.01		952.02
	$67,976.05	$67,976.05	$1,070.69	$361.09	$66,544.27

EXHIBIT "A"

NEW PARK MINING COMPANY

CONSOLIDATION OF PROJECTS NOS. 1, 2, AND 3

CONTRACT IDM-E5, DOCKET NO. DMA-107

	Totals To Date MF-104	Distribution Corrected	Disallowed Prior	Disallowed Audit	Disposal of Property	Allowed By Audit
1. Independent Contracts						
Diamond Drilling	$ 7,600.30	$ 7,600.30	$2,075.85			$ 5,524.45
2. Labor and Supervision						
Labor	111,864.34	101,062.39	929.09			100,133.30
Technical Services		4,099.03	102.85			3,996.18
Supervision		2,455.57				2,455.57
3. Operating Materials and Supplies						
Timber	15,200.03	15,200.03	54.81			15,145.22
Explosives	9,922.67	9,922.67				9,922.67
Other Supplies	14,830.24					
Pipe		4,658.57			$1,356.21	3,302.36
Track		5,970.40			1,783.73	4,186.67
Small Tools & Lamps		1,131.68				1,131.68
Bits and Steel		3,069.59				3,069.59
Power	6,754.47	6,754.47				6,754.47
4. Operating Equipment						
Rental	6,370.09	6,370.09				6,370.09
Purchase	13,278.21	13,278.21			6,082.68	7,195.53
7. Miscellaneous						
Repairs to Equipment	1,645.65	1,645.65				1,645.65
Workmen's Compensation	6,116.19	6,106.94	58.09			6,048.85
Other Insurance	7,258.24					
O.A.B.		1,594.02	2.75	$32.07		1,559.20
State Unemployment		850.13	1.47	17.10		831.56
Federal Unemployment		318.75	.55	6.41		311.79
Hospital Insurance		1,170.51	11.57			1,158.94
Life Insurance		3,334.08	40.19			3,293.89
8. Contingencies						
Tunnel Maintenance	121.35	121.35				121.35
Diamond Drilling	1,134.00	1,134.00				1,134.00
Accounting		4,247.35	80.01			4,167.34
	$202,095.78	$202,095.78	$3,357.23	$55.58	$9,222.62	$189,460.35

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

AUDIT CERTIFICATE

I have examined the records and transactions of:

New Park Mining Company

Keetley, Utah

pertaining to Exploration Projects Contract No. I-DMA-E5, Docket No. DMA 107 for the period June 1, 1951, to September 30, 1952.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

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

Total Cost as billed by Contractor			$173,637.69
Exceptions: (See Audit Report for details)			
During the Audit		$1000.25	
Prior to the Audit	$1255.81		
Less: Amounts determined to be allowable	596.34	659.47	1,659.72
Total Accepted Cost			$171,977.97

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Eighty five Thousand Nine hundred eighty eight and 98/100 Dollars

-$85,988.98-

is valid and proper.

This certificate is issued on the provision that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the projects as having otherwise met the terms of the contract.

December 12, 1952

Donald T. Finch
Donald T. Finch
Auditor

I. INTRODUCTION

On November 20 to 24, 1952, an interim audit (covering the period of June 1, 1951 to September 30, 1952) was made of the records and accounts of operations pertaining to Contract I-DMA-E5, Docket No. DMA-107, dated May 31, 1951 and as amended with the

New Park Mining Company

Keetley, Utah

covering a project of exploration for zinc-lead, gold, silver and copper. The contract was amended on the following dates:

Amendment No.	Date	Effective Date
No. 1	October 15, 1951	Not indicated, therefore, Oct.15,1951
No. 2	November 30,1951	Not indicated, therefore, Nov.30,1951
No. 3	March 25, 1952	Not indicated, therefore, Mar.25,1952
No. 4	March 25, 1952	May 31, 1951
No. 5	April 29, 1952	May 31, 1951
No. 6	June 16, 1952	Various
No. 7	June 16, 1952	May 31, 1951
No. 8	June 18, 1952	May 1, 1952
No. 9	June 3, 1952	May 3, 1952
No. 10	July 30, 1952	July 21, 1952
No. 11	September 18,1952	July 1, 1951
No. 12	November 10,1952	May 31, 1951

The accounting records under this contract are located in the mine office at Keetley, Utah which is approximately 45 miles east and south of Salt Lake City, Utah on Federal Highway No. 40. The contract involves three separate projects. These project sites are all located within approximately one to two miles from the mine office in the Park City Mining district, Wasatch County, Utah.

Mr. F. L. Wideman, mining engineer, assisted part of the time in the audit.

During the course of the audit, the following officers and employees of the company were consulted as required:

Mr. W. H. H. Cranmer, President & General Manager
Mr. C. L. Wilson, Vice President and Manager of Operations
Mr. Carl D. Harper, Accountant and Purchasing Agent
Mr. James Simpson, Storekeeper
Mr. Francis Smith, Time Clerk

Their cooperation and assistance greatly facilitated the audit.

II. GENERAL INFORMATION ON RECORDS

The accounting records for the exploration projects are summarized in general ledger accounts maintained for each project numbered one to three. The accounting records of the company are complete and in good condition.

The source documents covering the costs of each project are accumulated on monthly cost cards, which form the basis of the monthly MF-104 reports. This audit, therefore, involved in general, a check of the source documents against monthly cost cards, and reconciliation of the cost cards with the general ledger accounts. Project costs with minor exceptions are recorded on an accrual basis.

The company's accounts are audited annually by Lincoln G. Kelley and Company, Certified Public Accountants, Salt Lake City, Utah.

III. SCOPE OF AUDIT AND FINDINGS

The audit was limited to ascertaining the accuracy, propriety and validity of the costs as shown in the "Totals to Date" column of Form MF-104, Operator's Monthly Report and Voucher for the latest month filed for each project. The latest monthly MF-104 reports for Projects Nos. 1 and 3 were July, 1952 and for Project No. 2, the latest report was for September, 1952. The extent of the audit and the findings under each of the "Items of Cost" follow:

(1) Independent Contracts:

Project No. 1, none
Project No. 2, Diamond Drilling
Project No. 3, none

Exploratory diamond drilling, to a maximum of 800 feet, on project No. 2 was authorized by Amendment No. 10 to the contract.

On September 16, 1952, the Executive Officer, approved a sub-contract for diamond drilling dated 8-1-52, between the New Park Mining Company and Joy Manufacturing Company.

An examination of all diamond drilling invoices disclosed this cost was composed of the following elements which were according to the terms of the sub-contract:

75 Ft. BX Drilling at 6.25 ----------	$ 468.75
325 Ft. AX Drilling at 5.65----------	1836.25
Reaming, Casing and Cementing----------	165.20
1AX Bortz Casing Shoe----------	135.50
Pulling Casing----------	5.20
	$2610.90

(2) Labor and Supervision:

All charges under this item were checked against the Payroll records of the company. Labor time and rates were sampled by checking all individual daily time cards which were signed by the shift foreman to the payroll journal for the months of October, 1951 and March, 1952. In addition, random sampling of rates of pay throughout the entire period under audit were compared with the rates authorized by the contract and amendments.

Claims for retroactive pay as authorized by Amendment No. 11, dated September 18, 1952, effective July 1, 1951 were reviewed and test checks were made of sundry individual employee's time records for the entire period.

Items of incentive pay for the entire period under audit were checked in detail and compared with the rates authorized in Amendment No. 11.

The following amounts of excessive incentive pay are excepted because of excess rate or because the type of operation was not authorized in the contract or amendments:

Project No. 1

September, 1951		
40 cu. ft. cribbing (charged at $.078) overcharge $.039		$ 1.56
December, 1951		
1280 cu. ft. mucking & tramming (charged at $.137) overcharge $.067	$85.76	
Installing one Switch (Ex contract)	21.57	107.33
April, 1952		
1 Timber Post with Hitch (Ex contract)	3.70	
1 Timber Post without hitch (Ex contract)	1.26	4.96
Total Excess Incentive Pay - Project 1		$113.85

Project No. 2

July, 1951		
188 cu. ft. slabbing at $.153 (ex contract)		28.76
September, 1951		
40 cu. ft. cribbing (charged at $.078) overcharge $.039		1.56
October, 1951		
21 ft. cap at $.80 (ex contract)	16.80	
1 switch at 21.57 (ex contract)	21.57	38.37
December, 1951		
2 double upsets at 9.00 (ex contract)	18.00	
2 Bridge caps at 3.00 (ex contract)	6.00	24.00
January, 1952		
2 switches at 21.57 (ex contract)	43.14	
15 ft. curved track (charged at $.62) overcharge .413	6.20	
2 double upsets at 9.00 (ex contract)	18.00	
1 Bridge set (ex contract)	15.00	
384 cu. ft. cribbing (charged .078) overcharge .039	14.98	
40 ft. pipe trench at $.25 (ex contract)	10.00	107.32

February, 1952		
20 ft. track in and out at .62 (ex contract)	12.40	
1 Fan Stand (ex contract)	25.00	
3 Bridge Caps at 3.00 (ex contract)	9.00	
24 ft. sill at $.37 (ex contract)	8.88	55.28
May, 1952		
100 ft. pipe out at .207 (ex contract)		20.70
Total Excess Incentive Pay Project 2		$275.99

Project No. 3

June, 1951		
7364 cu. ft. mucking (charged at $.08) overcharge $.01	73.64	
220 cu. ft. cribbing (charged at .078) overcharge .039	8.58	82.22
July, 1951		
5173 cu. ft. mucking (charged at $.08) overcharge $.01		51.73
August, 1951		
9849 cu. ft. mucking (charged at $.08½) overcharge .01½	147.73	
200 cu. ft. cribbing (charged at $.078) overcharge .039	7.80	155.53
September, 1951		
3826 cu. ft. mucking (charged at $.09) overcharge $.02		76.52
October, 1951		
11 Timber sets (charged at 18.00) overcharge $6.00		66.00
April, 1952		
6 ft. extra caps at $.80 (ex contract	4.80	
3 Boom sets at $5.00 (ex contract)	15.00	
126 ft. cribbing (charged at .078) overcharge .039	4.91	24.71
Total Excess Incentive Pay Project No. 3		$456.71
Total Excess Incentive Pay		$846.55

Included in the labor item were the following charges for Supervision:

	Project 1	Project 2	Project 3	Total
Geologist	$720.00	$1175.12	$972.00	$2867.12
Bookkeeper	360.00	686.56	432.00	1478.56
Clerk	168.00	473.20	240.00	881.20
Stenographer	70.00	140.72	120.00	330.72
Total	$1318.00	$2475.60	$1764.00	$5557.60

The foregoing charges were authorized by amendment No. 11 and were at established rates. Charges for Bookkeeper, Clerk and Stenographer were at amounts below the monthly maxima established by the amendment. Previous to the audit, the Finance Officer had disallowed charges for labor of $2.52 on Project No. 2 and $28.32 on Project No. 3. On Project No. 3, Diamond Drill Wages of $26.60 were disallowed in April, 1952. This amount should be reinstated pursuant to authorization in amendment No. 11.

(3) Operating Materials and Supplies:

All charges against this category were checked against the monthly cost cards. An analysis was made to determine propriety of the items charged. Purchases for October, November, 1951 and April, May, 1952 were examined in detail. Voucher checks attached to invoices were examined and checked with the Voucher register to verify payments.

A random test was made of charges to operations by examination of requisitions and Stores Records. Individual items were charged out of Stores on an average cost basis plus freight and sales taxes.

An analysis was also made of the components charged to "Other Supplies" which showed the following items:

	Project 1	Project 2	Project 3	Total
Track	$1557.01	$2961.78	$690.28	$5209.07
Pipe	1215.00	2310.90	538.65	4064.55
Small Tools & Lamps	237.26	503.17	219.67	960.10
Bits & Steel	767.38	1500.31	418.66	2686.35
Totals	$3776.65	$7276.16	$1867.26	$12920.07

It was necessary to reduce the total of "Other Supplies" and to increase the charge for Timber on Project No. 2 by 30 cents to correct a bookkeeping error.

Electric Power is purchased from the Utah Power and Light Company. This item was allocated to the exploration projects on a rock ton basis at the lowest applicable minimum rate. An examination was made of all applicable power invoices.

(4) Operating Equipment:

(a) Rental

All charges for operating equipment were analyzed. This analysis disclosed that during the early months of the contract, the contractor claimed rentals and repairs to equipment on the basis of so much per foot of advance as outlined in Exhibit C of the contract. The Finance Officer disallowed all machine rentals claimed for November and December, 1951. On March 25, 1952, amendment No. 4 was issued and on April 25, 1952 amendment No. 5 was issued. The effective date of both of these amendments was the date of the original contract. These amendments established allowable monthly rates and the type of machines for each project. A tabulation of allowable monthly rates as finally authorized follows:

	Project No. 1	Project No. 2	Project No.
Ventilating Fan	$ 8.35	$ 8.35	$ 8.35
10 Mine Cars	16.70	16.70	16.70
Charging Panel	8.00		8.00
Drill jumbo	52.00	52.00	52.00
2 Drill Machines	40.80	40.80	40.80
Mucking Machine	50.00		50.00
Locomotive			36.80
Compressor			20.83
Monthly Total	$175.85	$117.85	$233.48

A careful review of the contractor's operations was made with Mr. Wideman, mining engineer who inspected the project each month. The following tabulation reflects the conclusions of the auditor and the mining engineer concerning the present status of the charges for rental. There were no daily time logs or other records covering the use on the project of company equipment; therefore, the tabulation below is based on the contractor's apparent use of the indicated equipment at rates established by the amended contract.

	Project 1	Project 2	Project 3	Total
Ventilating Fan	$ 83.50	$100.20	$100.20	$283.90
10 Mine Cars	167.00	200.40	200.40	567.80
Charging Panel			96.00	96.00
Drill Jumbo	520.00	624.00	572.00	1716.00
2 Drill Machines	408.00	489.60	448.80	1346.40
Mucking Machine	500.00		550.00	1050.00
Locomotive			441.60	441.60
Compressor			249.96	249.96
Total Allowable Rental	$1678.50	$1414.20	$2658.96	$5751.66
Total Rentals claimed by Contractor:	$1842.35	$1960.85	$2098.89	$5902.09
Disallowed by Finance Officer:	388.17	491.06	345.42	1224.65
Balance	$1454.18	$1469.79	$1753.47	$4677.44

	Project 1	Project 2	Project 3	Total
Recommended Reinstatement	$224.32		$345.42	$569.74
Disallowance		($55.59)		(55.59)
Allowed by Audit	$1678.50	$1414.20	$2098.89	$ 5191.59
Allowable Rental not claimed by Contractor			$ 560.07	$ 560.07

(b) Purchased

All invoices and cancelled bank checks applicable to equipment purchases were examined. These purchases which consisted of the following equipment were authorized in Exhibit C of the original contract and amendment No. 5 dated April 29, 1952.

	Project 1	Project 2	Project 3	Total
1 Locomotive Battery	$1149.59	$1149.59	None	$2299.18
1 Manchu Locomotive Less Battery	3437.40		None	3437.40
1 Manchu Locomotive and 1-3KW Heitner Motor generator Less Battery		4540.28	None	4540.28
1 Eimco 12B-55 Rockershovel		3001.35	None	3001.35
Totals	$4586.99	$8691.22	None	$13278.21

(5) Initial Rehabilitation and Repairs:

Not applicable to this contract.

(6) New Buildings, Improvements, etc.:

Not applicable to this contract.

(7) Miscellaneous:

(a) Repairs to Equipment

All charges to this category were checked to the monthly cost cards, all stores requisitions for repairs for the period July 1,

1951 through January 31, 1952 were examined.

Random check was made of purchase invoices and cancelled checks applicable to the acquisition of repair parts.

An analysis of this item disclosed the following application of repair parts.

	Project 1	Project 2	Project 3	Total
Mine Cars	$ 98.05		$131.41	$229.46
Jumbo Drill	75.89			75.89
Drill Machines	211.62	$273.98	191.30	676.90
Mucking Machine	243.62	199.53	60.78	503.93
Vent System		34.26		34.26
Locomotive			76.91	76.91
	$629.18	$507.77	$460.40	$1597.35

(b) Workmen's Compensation Insurance

All charges for this item were checked by computation at the rates shown to be in effect by the company's files. The rates applicable to all three projects were as follows:

For year 1951,	$5.348 per hundred
Jan. & Feb., 1952	6.602 per hundred
Bal. of 1952 to date	5.013 per hundred

This item was adjusted as follows to reflect applicable reductions because of disallowances of labor charges:

	Project 1	Project 2	Project 3	Total
Charged	$814.81	$2198.50	$2302.85	$5316.16
Disallowed	6.07	16.87	24.84	47.78
Allowable	$808.74	$2181.63	$2278.01	$5268.38

(c) Other Insurance

All charges for this item were checked by computation at the rates shown to be in effect by the company's files. The results of this computation are shown in the following tabulation which also reflects applicable reductions because of disallowances of labor charges.

Project No. 1	Charged	Disallowed	Allowable
O.A.B. 1.5%	$223.94	$1.71	$222.23
State Unemployment .8%	119.44	.91	118.53
Federal Unemployment .3%	44.79	.34	44.45
Hospital Insurance 1.043%	155.71	1.19	154.52
Life Insurance (June 1951 to Mar.1,) (1952 2.107%, March) (1952 to date, 3.796%)	406.65	2.48	404.17
Total	$950.53	$6.63	$943.90

Project No. 2			
O.A.B. 1.5%	$607.48	$4.16	$603.32
State Umemployment .8%	323.98	2.22	321.76
Federal Unemployment .3%	121.45	.83	120.62
Hospital Insurance 1.043%	422.40	2.90	419.50
Life Insurance (See Project No.1)	1209.34	7.23	1202.11
Total	$2684.65	$17.34	$2667.31

Project No. 3			
O.A.B. 1.5%	$636.41	$6.70	$629.71
State Unemployment .8%	339.41	3.57	335.84
Federal Unemployment .3%	127.27	1.34	125.93
Hospital Insurance 1.043%	442.51	4.91	437.60
Life Insurance (See Project No.1)	1180.95	10.16	1170.79
Total	$2726.55	$26.68	$2699.87

Total All Three Projects:	Charged	Disallowed	Allowed
O.A.B. 1.5%	$1467.83	$12.57	$1455.26
State Unemployment .8%	782.83	6.70	776.13
Federal Unemployment .3%	293.51	2.51	291.00
Hospital Insurance 1.043%	1020.62	9.00	1011.62
Life Insurance (See Project No.1)	2796.94	19.87	2777.07
Total	$6361.73	$50.65	$6311.08

(d) Tunnel Maintenance

All charges to Tunnel Maintenance were verified. This item is applicable to project 3. An analysis of this charge showed the following components:

	Labor	Fringe Benefits	Supplies	Total
New Park Mining Co.	$76.29	$9.50	$33.07	
Park Utah Mining Co.	68.44	5.75	49.64	
Total Cost	$144.73	$15.25	$82.71	
Fifty percent of above applicable to Exploration	$ 72.37	$ 7.63	$41.35	$121.35

Tunnel maintenance is shared equally between Contractor and Park Utah Mining Company. Each company bills the other for fifty percent of its costs of tunnel maintenance and checks are exchanged.

(e) Diamond Drilling by Company

An analysis of the charges to this account disclosed the following elements of costs for 324 ft. of diamond drilling which the company performed on Project No. 3.

Labor	$372.40	
Power	379.08	
Rental	6.33	
Diamonds and Bits, Expended	183.02	
Rods, Expended	132.00	
Gloves	1.12	
Hip Boots	19.55	
Rubber Clothes	40.50	
Total		$1134.00

The labor charge was checked to the payroll register, the allocation of power was reviewed with the mining engineer and requisitions for materials and supplies were random checked.

IV. CONCLUSIONS AND RECOMMENDATIONS

This audit has disclosed that all costs, as charged to these projects, with the exception of the disallowances itemized under (2) Labor, 4, (a) Operating Equipment Rental, 7(b) Workmen's Compensation Insurance, 7(c) Other Insurance, of preceding sections of this report, are reasonable and proper under the the terms of the contract.

The adjustments between Items of Cost as shown on the July MF-104's for projects No. 1 and No. 3 and on the September 104 for project No. 2 are summarized in Exhibits A-1 through A-3. Exhibit A is a consolidation of the summaries for each project.

At the conclusion of the audit, the findings were discussed with Mr. Clark L. Wilson, mine superintendent and Mr. Carl D. Harper, accountant and purchasing agent.

December 12, 1952

Donald T. Finch
Donald T. Finch
Auditor

NEW PARK MINING COMPANY

Consolidation of Projects Nos. 1, 2 and 3, Exploration Contract I-DMA-E5

Exhibit A

	Totals to Date MF-104	Distribution Corrected	Previous Disallowances	Disallowances by Audit	Reinstatements	Allowed by Audit
Independent Contracts:						
Diamond Drilling	$2610.90	$2610.90				$2610.90
Labor & Supervision:						
Labor	97482.73	91925.13	$ 30.84	$846.55	$26.60	91074.34
Supervision		5557.60				5557.60
Operating Materials & Supplies:						
Timber	12829.06	12829.06				12829.06
Explosives	8385.36	8385.36				8385.36
Other Supplies	12920.07					
Track		5209.07				5209.07
Pipe		4064.55				4064.55
Small Tools & Lamps		960.10				960.10
Bits and steel		2686.35				2686.35
Power	5698.68	5698.68				5698.68
Operating Equipment:						
Rental	5902.09	5902.09	1224.65	55.59	569.74	5191.59
Purchased	13278.21	13278.21				13278.21
Miscellaneous:						
Repairs to Equipment	1597.35	1597.35				1597.35
Workmen's Compensation Insurance	5316.16	5316.16	.13	47.65		5268.38
Other Insurance	6361.73					
O.A.B.		1467.83		12.57		1455.26
State Unemployment		782.83		6.70		776.13
Federal Unemployment		293.51		2.51		291.00
Hospital Insurance		1020.62		9.00		1011.62
Life Insurance		2796.94	.19	19.68		2777.07
Tunnel Maintenance	121.35	121.35				121.35
Diamond Drilling by Company	1134.00	1134.00				1134.00
Totals	$173637.69	$173637.69	$1255.81	$1000.25	$596.34	$171977.97

NEW PARK MINING COMPANY

Project No. 1. Exploration Contract I-DMA-E5

Exhibit A-1

7/52	Totals to Date MF-104	Distribution Corrected	Previous Disallowances	Disallowances by audit	Reinstatements	Allowed by Audit
Independent Contracts:						
None						
Labor & Supervision:						
Labor	$14929.82	$13611.82		$113.85		$13497.97
Supervision		1318.00				1318.00
Operating Materials and Supplies:						
Timber	527.73	527.73				527.73
Explosives	2603.98	2603.98				2603.98
Other Supplies	3776.65					
Track		1557.01				1557.01
Pipe		1215.00				1215.00
Small Tools & Lamps		237.26				237.26
Bits & Steel		767.38				767.38
Power	1439.48	1439.48				1439.48
Operating Equipment:						
Rental	1842.35	1842.35	$388.17		$224.32	1678.50
Purchased	4586.99	4586.99				4586.99
Miscellaneous:						
Repairs to Equipment	629.18	629.18				629.18
Workmen's Compensation Insurance	814.81	814.81		6.07		808.74
Other Insurance	950.53					
O.A.B.		223.94		1.71		222.23
State Unemployment		119.44		.91		118.53
Federal Unemployment		44.79		.34		44.45
Hospital Insurance		155.71		1.19		154.52
Life Insurance		406.65		2.48		404.17
Totals	$32101.52	$32101.52	$388.17	$126.55	$224.32	$31811.12

NEW PARK MINING COMPANY

Project No. 2. Exploration Contract I-DMA-E5

Exhibit A-2

	Totals to Date Sept.1952 MF-104	Distribution Corrected	Previous Disallowances	Disallowances by Audit	Allowed by Audit
Independent Contracts:					
Diamond Drilling	$ 2610.90	$ 2610.90			$ 2610.90
Labor & Supervision:					
Labor	40497.97	38022.37	$ 2.52	$275.99	37743.86
Supervision		2475.60			2475.60
Operating Materials and Supplies:					
Timber	4639.49	4639.79			4639.79
Explosives	5095.19	5095.19			5095.19
Other Supplies	7276.46				
Track		2961.78			2961.78
Pipe		2310.90			2310.90
Small Tools & Lamps		503.17			503.17
Bits & Steel		1500.31			1500.31
Power	3005.03	3005.03			3005.03
Operating Equipment:					
Rental	1960.85	1960.85	491.06	55.59	1414.20
Purchased	8691.22	8691.22			8691.22
Miscellaneous:					
Repairs to Equipment	507.77	507.77			507.77
Workmen's Compensation Insurance	2198.50	2198.50	.13	16.74	2181.63
Other Insurance:	2684.65				
O.A.B.		607.48		4.16	603.32
State Unemployment		323.98		2.22	321.76
Federal Unemployment		121.45		.83	120.62
Hospital Insurance		422.40		2.90	419.50
Life Insurance		1209.34	.19	7.04	1202.11
Totals	$79168.03	$79168.03	$493.90	$365.47	$78308.66

NEW PARK MINING COMPANY

Project No. 3. Exploration Contract I-DMA-E5

Exhibit A-3

	Totals to Date 7/52 MF-104	Distribution corrected	Previous Disallowances	Disallowances by Audit	Reinstatements	Allowed by Audit
Independent Contracts:						
None						
Labor & Supervision:						
Labor	$42054.94	$40290.94	$ 28.32	$456.71	$ 26.60	$39832.51
Supervision		1764.00				1764.00
Operating Materials and Supplies:						
Timber	7661.54	7661.54				7661.54
Explosives	686.19	686.19				686.19
Other Supplies	1867.26					
Track		690.28				690.28
Pipe		538.65				538.65
Small Tools & Lamps		219.67				219.67
Bits & Steel		418.66				418.66
Power	1254.17	1254.17				1254.17
Operating Equipment:						
Rental	2098.89	2098.89	345.42		345.42	2098.89
Purchased	None					None
Miscellaneous:						
Repairs to Equipment	460.40	460.40				460.40
Workmen's Compensation Insurance	2302.85	2302.85		24.84		2278.01
Other Insurance	2726.55					
O.A.B.		636.41		6.70		629.71
State Unemployment		339.41		3.57		335.84
Federal Unemployment		127.27		1.34		125.93
Hospital Insurance		442.51		4.91		437.60
Life Insurance		1180.95		10.16		1170.79
Tunnel Maintenance	121.35	121.35				121.35
Diamond Drilling by Company	1134.00	1134.00				1134.00
Totals	$62368.14	$62368.14	$373.74	$508.23	$372.02	$61858.19

Government's Copy

Defense Minerals Administration
APR 15 1955

TERMINATION AGREEMENT

It is agreed this 28th day of March, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and New Park Mining Company, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E5, Docket No. DMA-107, dated May 31, 1951, as amended, hereinafter called the "Contract," that:

1. Effective February 1, 1954, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute to allowable costs incurred prior to said effective date; and shall contribute to allowable costs incurred or to be incurred beginning with said effective date in performing winding-up and settlement actions provided for in the contract, including (a) the preservation and disposal of property to the cost of which the Government has contributed, and (b) the making and rendering of reports and accounts.

3. Any work or operations prosecuted or costs incurred by the Operator beginning with said effective date, except as otherwise provided in this termination agreement, shall be for the sole account of the Operator without contribution by the Government.

4. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including (a) the disposal of any facilities, buildings, fixtures, equipment, or other items to the cost of which the Government has contributed; and (b) the rendering of the final report and final account.

5. All rights of the Government provided for in the Contract with respect to a certification of discovery or development and a percentage royalty and lien for its payment are preserved.

6. 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.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Administrator, Defense Minerals
Exploration Administration

NEW PARK MINING COMPANY

By _____
President

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

224 New Customhouse
Denver 2, Colorado

April 12, 1955

Mr. Clark L. Wilson
Vice President
New Park Mining Company
Keetley, Utah

Re: Docket DMEA-107 (Lead-Zinc-Copper)
Contract Idm-E5

Dear Mr. Wilson:

Enclosed is the "Operator's Copy" of the Termination Agreement which has been executed to effect termination of Contract Idm-E5 by mutual agreement.

By the terms of the exploration project contract the Government acquires an interest in property purchased for use on the project which is "...paid for or purchased with funds contributed jointly by the operator and the Government...". Such property includes any individual items of equipment and facilities, buildings, or other fixtures costing more than $50.00 each. It also includes materials and supplies considered in groups or categories (such as pipe, explosives, rails, drill steel), if the original cost of the remaining unexpended portion of any such category of materials or supplies exceeded $50.00. As to any facility, building, fixture, or piece of equipment, and as to any such group or category of materials or supplies the original cost of which or the unexpended portion of which did not exceed $50.00, the Government does not assert any claim or interest under the terms of the contract.

The effect of the contract provisions is to make you the agent of the Government for the disposition of its interest in such property. Therefore it is your responsibility to make the best possible disposition of the property for the benefit of the Government. Every reasonable effort must be made to realize its full value. Such reasonable efforts might include: (1) Advertising in newspapers, periodicals, and posting notices in public places; (2) canvassing users of and dealers in such property; and (3) negotiating with the original vendor for the repurchase of the property.

Records in this office indicate that the following listed property is subject to liquidation of the Government's interest:

Item	Cost to Project			
	Project 1	Project 2	Project 3	Total
Pipe and Fittings	$1,215.00	$ 2,904.92	$ 538.65	$ 4,658.57
Track and Accessories	1,557.01	3,723.11	690.28	5,970.40
Operating Equipment				
Manchu Trammer	3,437.40			3,437.40
Manchu Trammer with Hartner Motor Generator		4,540.28		4,540.28
Trammer Battery	1,149.59	1,149.59		2,299.18
Rimco 12-B Loader		3,001.35		3,001.35
Total	$7,359.00	$15,319.25	$1,228.93	$23,907.18

Should you wish to retain the property or, in effect, sell it to yourself, you may do this only after first having made every reasonable effort to procure a price higher than you yourself are willing to pay or you may buy the Government's equity by paying for it either on the basis of the original cost or at a price higher than the highest bid obtainable from two independent bidders. In bidding on the property for yourself you should give consideration to the fact that the property in place is worth considerably more to you than if dismantled and disposed of elsewhere.

The undersigned is authorized to approve of and to join in the sale of such property for the joint account of the operator and the Government. You are requested to advise this office in advance of the proposed disposition of any such property so that we may advise you if the Government will approve thereof and join in the transaction. Please supply this office with the original and five copies of your liquidation proposal and all documents and other material relative to the property disposition.

Very truly yours,

W. M. TRAVER

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

JWT:jp
cc Subject
Chron
Chairman, Op. Comm. (3)
Brading
Wilson
Harshman
Osterstock
Townsend

Government's copy

EXPLORATION PROJECT CONTRACT
NEW PARK MINING COMPANY
DOCKET NO. DMA-107

AMENDMENT NO. 18

It is agreed this 25th day of October, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and New Park Mining Company, that Exploration Project Contract I-DMA-E5 (Docket No. DMA-107), dated May 31, 1951, as amended, is further amended as follows:

In Amendment No. 17:

(a) In paragraph 1, substitute the date "December 31, 1954," for the date "July 1, 1954."

(b) In paragraph 3, substitute "48 months" for "41 months," and substitute May 31, 1955," for "October 31, 1954."

This amendment shall not be construed to increase the estimated total cost of the project nor the aggregate total amount which the Government may be required to contribute.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mitchell Dow
Administrator, Defense Minerals
Exploration Administration

NEW PARK MINING COMPANY

By W.H.H. Cranmer
W.H.H. Cranmer,
President

Government's Copy

EXPLORATION PROJECT CONTRACT
NEW PARK MINING COMPANY
DOCKET NO. DMA-107

AMENDMENT NO. 17

It is agreed this 5th day of May, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and New Park Mining Company, that Exploration Project Contract I-DMA-E5, Docket No. DMA-107, dated May 31, 1951, between the parties hereto, as heretofore amended, shall be and is hereby further amended as follows:

1. The current suspension of work from February 1, 1954, is approved, and it is agreed that the suspension shall continue to July 1, 1954. No costs incurred by the Operator during the period of suspension shall be allowable for contribution by the Government; the Operator, at its own cost and expense, shall preserve the project work and any property in which the Government has an interest, during the period of suspension; and the Government shall not contribute to any costs of rehabilitation or repair which in its opinion would not have occurred if there had been no such suspension.

2. All work provided for in Exhibit "A" under the designation "Project No. 2," as amended, shall be suspended as of the date of this amendment.

3. The time for completion of the work set forth in Article 3 of the contract form as 20 months (extended by previous amendments to 36 months) shall be and is hereby changed to 41 months, i.e., to October 31, 1954.

4. As of the date of the contract, May 31, 1951, Article 14 of the contract form, entitled "Repayment by Operator" shall be and is hereby stricken out and replaced by the provisions of Annex "A" attached hereto as a part of this amendment.

This amendment shall not be construed to increase the estimated total cost of the project nor the aggregate

total amount which the Government may be required to contribute.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C O Mittendorf
Administrator, Defense
Minerals Exploration
Administration

NEW PARK MINING COMPANY

By

EXPLORATION PROJECT CONTRACT
NEW PARK MINING COMPANY
DOCKET NO. DMA-107

Bureau Mines Administration
RECEIVED
MAY 21 1954

ANNEX "A"

The following provisions are in lieu of Article 14 :

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

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

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

*The period "twelve years" is substituted for the period "ten years."

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

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

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

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

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

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

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

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

No. 16

AMENDMENT OF CONTRACT: No. I-DMA-E5

Contract Docket No. DMA-107, dated May 31, 1951, between the United States of America and New Park Mining Company is hereby amended as follows:

> Referring to the work operations under Exploration Project Contract I-DMA-E5, execution of this Amendment constitutes an agreement between the parties concerned that said work operations will be recessed from July 7, 1953 to October 9, 1953 contingent on the following condition:
>
> > The New Park Mining Company hereby releases and agrees to save harmless the Government from all claims and demands under the terms of said Exploration Project Contract during the period work operations thereunder are recessed.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form.

Dated: DEC 9 1953

NEW PARK MINING COMPANY

By [signature]

UNITED STATES OF AMERICA

By [signature]
W. H. King, Executive Officer
DMEA Field Team, Region IV

C
O
P
Y

NEW PARK MINING COMPANY
KEETLEY, UTAH

November 18, 1953

Mr. W. H. King, Executive Officer
DMEA Field Team, Region IV
224 New Customhouse
Denver 2, Colorado

Re: Docket #DMEA 107
Contract I-DMA-E5

Dear Mr. King:

I wish to refer to a letter of October 22 written to me by Mr. John F. Shaw with reference to Amendment #16 of Contract I-DMA-E5.

I am enclosing the copies of this amendment unsigned. You will notice that the amendment recites a recession of work from July 3, 1953 to October 12, 1953 in Project 2 of this contract. In checking our records, we find that the July account included work by Earl Crandall and Guy Larson on July 6, which applied to the work applicable to this project, and was not a part of the installation of the water door, which was disallowed by your office. We, therefore, think that the date of July 3 should be replaced by July 7.

I am aware that our Superintendent sent Mr. S. R. Wilson a letter indicating that operations would be commenced on this project on October 12. In order to resume this work we had two men at a half shift each on October 9 and one man with a full shift on October 11 repairing the ventilation equipment so that work in the heading could be resumed on October 12. We, therefore, feel that the date of October 9 should replace the date of October 12.

If these changes meet with your approval, please return the amendments to us with these changes and they will be signed and forwarded to you immediately.

Thanking you, I am,

Yours very truly,

(signed) Clark L. Wilson
Vice President

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

October 14, 1953

Memorandum

To: W. H. King, Executive Officer, DMEA Field Team, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: Docket No. DMA-107 (Copper-lead-zinc), Contract Idma-E5, New Park Mining Co., Wasatch County, Utah

Attached are six copies of a letter received from New Park Mining Co. concerning a request for recessing project operations during the period of installation of a water door. A memorandum from this office dated September 25, 1953, pointed out that no formal request had been received from the operator asking permission for the recess period. The operator's present letter should serve to clarify the duration of the recess period. The letter states that the recess period began July 3, 1953, and operations were resumed October 12, 1953.

Stephen R. Wilson

Stephen R. Wilson

Enclosure

NEW PARK MINING COMPANY

P. O. Box 929
Park City, Utah

Mr. S. R. Wilson
U. S. Bureau of Mines
1600 East 1st South
Salt Lake City, Utah

Dear Mr. Wilson:

Clark Wilson asked me to notify you of actual dates of leaving and returning to the 8-602 drift. On July 3, 1953, a heavy flow of water was intersected in the drift and work was postponed pending the moving and installation of a water door. This move was deemed necessary because the tunnel ditch was at that time carrying a capacity load and any increase in water flow would overflow the ditch, drain down through the stopes in the west end of the mine, increasing maintenance costs prohibitively.

Work was started on July 7th to remove the water door on the 1020 Level and move it to the 800 Level. The foundation was poured for the door and the door was mounted when we ran into a snag in trying to obtain a particular type of 8-inch valve for the door. More than a month was spent awaiting this valve. The door was completed last week and work on Project 2 is resuming today, October 12th. We regret the delay, but we felt that we could not risk the entire mine flooding.

Yours very truly,

NEW PARK MINING COMPANY

/S/ Peter Joralemon
Superintendent

COPY

No. 15

AMENDMENT OF CONTRACT: No. I-DMA-E5

Contract Docket No. DMA-107, dated May 31, 1951, between the United States of America and New Park Mining Company is hereby amended as follows, effective as of the date of said contract:

> Referring to EXHIBIT "A" attached to Exploration Project Contract Form MF-200, caption "Question No. 3, Form MF-200", subheading "This project will consist of the following:", add the following after the matter pertaining to sub-item "Project 3":
>
> > "The rehabilitation of existing drifts leading to the site of work authorized under Projects 1, 2 and 3, and maintenance of those drifts while authorized exploration work is in progress is an allowable cost of the projects, to the extent deemed necessary by the DMEA representative. Reimbursement to the operator for costs incurred under the terms of the contract shall constitute the Government's approval of the rehabilitation and maintenance work."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form.

Dated JUN 15 1953 1953

NEW PARK MINING COMPANY

By Clark Wilson

UNITED STATES OF AMERICA

By W. H. King

W.H. King, Executive Officer
DMEA Field Team, Region IV

Seal

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

May 26, 1953

Memorandum

To: W. H. King, Chief, Mining Division, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: DMA-107, Contract Idma-E5, New Park Mining Co., Keetley, Utah

Enclosed are six copies of a letter received from the subject company concerning an amendment to the contract. Also included are copies of a memorandum prepared by the inspecting engineer.

It is recommended that the amendment be allowed as set forth in the engineer's memorandum.

Stephen R. Wilson
Stephen R. Wilson

Enclosure

S. R. Wilson

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

May 25, 1953

M. M. Gilkey

DMA-107, Contract No. Idms-E5, New Park Mining Co., Keetley, Utah. Request for an amendment to the contract.

An original and five copies of a letter dated May 20, 1953, from the New Park Mining Co. to W. H. King, requests an amendment to the subject contract.

The amendment requested by the operator would make an allowable cost of the projects the "rehabilitation of existing drifts leading to the site of work authorized under Projects Nos. 1, 2 and 3 and maintenance of those drifts while authorized exploration work is in progress."

Rehabilitation and maintenance of existing drifts leading to the site of the project work should be authorized as an allowable cost, but only to the extent deemed necessary by the DMEA representative.

Therefore, it is recommended that, in lieu of "Exhibit E" of the contract, there be approved an amendment to read as follows:

"The rehabilitation of existing drifts leading to the site of work authorized under Projects Nos. 1, 2 and 3 and maintenance of those drifts, while authorized exploration work is in progress, is an allowable cost of the exploration projects to the extent deemed necessary by the DMEA representative. Reimbursement to the operator for costs incurred under the terms of the contract shall constitute the Government's approval of the work."

M. M. Gilkey

M. M. Gilkey

May 20, 1953

Mr. W. H. King, Executive Officer
D.M.E.A.
Field Team, Region IV
224 New Customhouse
Denver 2, Colorado

Re: Docket DMA 107
Contract I-DMA-B5

Dear Mr. King:

It has been called to our attention that our contract never specifically authorized rehabilitation and preparatory work for Projects 1, 2 and 3 under the above named contract. At this time we request the following amendment to clarify this problem.

We request the approval for rehabilitation of existing drifts leading to the site of work authorized under Projects 1, 2 and 3 and maintenance of those drifts while authorized exploration work is in progress.

Thanking you, I am,

Yours very truly,

Clark L. Wilson

CLARK L. WILSON,
Vice President

CLW:FZ

cc: Mr. Carl Harper

VP

Government's Copy

NEW PARK MINING COMPANY
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-107

AMENDMENT NO. 14

It is agreed this 29th day of May, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and the New Park Mining Company, each acting in consideration of the agreement of the other to the terms hereinafter set forth, that Exploration Project Contract I-DMA-E5, Docket No. DMEA-107, dated May 31, 1951, between the parties hereto, as amended, be further modified and amended as follows:

1. Effective as of May 29, 1953, Amendment No. 11, dated September 18, 1952, is further amended to include on the third page before the last paragraph thereof, the following:

> The Government will also consider as an allowable cost of the project, payments made to employees under the bonus plan outlined in the letter dated April 7, 1953, from the Operator to the Executive Officer, Field Team Region IV, copy of which is attached hereto and made a part hereof.

2. Exploratory diamond drilling, to an extent and at locations as approved in writing by the Government prior to commencing such work, shall be considered as part of the allowable cost of Project 2. Core from such holes shall be split and one half retained and properly stored for Government inspection or use. Logs of all holes drilled shall be submitted as support of claim for reimbursement.

3. In Article 3 of the Exploration Project Contract, delete the words "twenty (20) months" and substitute therefor the words "thirty-six (36) months".

This amendment shall not be construed to increase the estimated total cost of the project, nor the aggregate total amount which the Government may be required to contribute.

NEW PARK MINING COMPANY

By Charles S. Wilson

THE UNITED STATES OF AMERICA

By O. Meitzendorf
Administrator, Defense
Minerals Exploration
Administration

C
O
P
Y

April 7, 1953.

Mr. W. H. King, Executive Officer
Field Team, Region IV
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Re: DMA - 107, Contract I-DMA-E5

Dear Mr. King:

I have been informed through your Salt Lake Office that additional information has been requested regarding the incentive plan that is now in force at New Park Mining Company. As you know, we requested that the incentive cost be allowed as a part of the charge on our DMA contracts.

Briefly, the plan has been set up as follows:

We wish to use some type of incentive system that would cover all phases of our business. In other words, we must consider tons mined, the grade of the ore and the labor and supply cost of the operation. The only possible way to consider all these things is to base the incentive plan on the over-all net profit derived from the mining operation. We have analyzed our costs in the past with regards to contract mining payments compared to profits and decided it was fair to the stockholders to take 25% of net profit each month as the fund to be distributed in our incentive plan. We wish to consider individual initiative as well as time worked in the distribution of this fund, and, accordingly, we have set up a personal rating system for each individual. This rating considers three factors - quantity of work, quality of work and adaptability to the general mine operation. Each of these factors is judged according to the following ratings: outstanding, satisfactory and unsatisfactory. These ratings have point values of 8, 4 and 0, respectively. Each month an employee is rated by his supervisor and all of these ratings are compared by a rating board. Each employee receives a bonus rating based on the product of shifts worked times the points he has received under his personal rating. The bonus fund is distributed to all employees based on this individual hour rate product, and, naturally, there is a consideration

included in this payment for overtime hours worked.

It is quite apparent that the bonus will vary from month to month, depending upon the success of our operation.

To date we have not included this bonus in any reports on our DMA projects, but work sheets indicate that for the month of January the total bonus charged to Project 2 would have amounted to $25.82, or approximately 50¢ a foot for the advance during that period. During February the bonus charge would have amounted to $31.28, or approximately 30¢ per foot. The average bonus paid to all employees in January amounted to $7.72. For February it was $9.04. With an improvement in our efficiency or an increase in metal prices, the bonus would, naturally, increase. We feel that this is a legitimate charge as it is comparable to the contract mining procedure and again request that this be allowed as a part of the cost of the projects.

Our records indicate that this DMA contract will expire on May 31, 1953. As you know, Project 1 has been completed. We are continuing operations on Project 2 and Project 3 has been temporarily suspended. We now feel that due to physical difficulties, particularly, a large flow of water at present, that we should abandon Project #3 and use all our financing and effort to further Project #2. This shows considerable promise and is definitely a worthwhile piece of exploration. As you know, we have had mechanical problems also in Project 2 with reference to necessary diamond drilling to protect our mine from a large influx of water contained in the fissures, and as a result, our progress has been slower than anticipated. We, therefore, request that all funds available under this contract be allocated to Project 2 and the time limit for the contract be extended for an additional year.

Our progress maps on Project 2 will indicate that we are now drifting on a fissure structure and geology indicates that other parallel fissures do exist. We think it would be advisable to use some of these funds for diamond drilling the present drift walls to determine any changes in geology and the mineralization of these parallel structures.

We would appreciate receiving approval of this type of work.

Yours very truly,

NEW PARK MINING COMPANY

CLW:FZ

Clark L. Wilson, Vice President

No. 13

AMENDMENT OF CONTRACT: No. I-DMA-E5

Contract Docket No. DMA-107, dated May 31, 1951 between the United States of America and New Park Mining Company is hereby amended as follows; effective February 3, 1952:

> Referring to "EXHIBIT A" attached to Exploration Project Contract Form MF-200, caption "Question No. 3, Form MF-200", heading "This project will consist of the following:" sub-heading "Project 2", following the paragraph beginning with the words "900 feet of drifting west - - -", add the following:
>
> The portions of the above authorized footage of drifting and crosscutting that are unused, may be expended in drifting and for crosscutting elsewhere on the 800 level to explore favorable mineralized zones, or as geological conditions indicate. Such drifting and/or crosscutting shall be at locations acceptable to and to the extent approved by the DMEA Representative. Exploratory diamond core drilling ahead of headings to determine the presence of heavy flows of water is an allowable cost of the drifting and crosscutting. Locations of holes and extent of drilling must be acceptable to the DMEA Representative.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form.

Dated March 23, 1953.

NEW PARK MINING COMPANY

By Clark L. Wilson

~~W. H. Cranmer, President and General Manager~~

Clark L. Wilson, Vice President

(SEAL)

UNITED STATES OF AMERICA

By W. H. King

Executive Officer - DMEA Field Team, Region IV

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

February 3, 1953

Memorandum

To: W. H. King, Chief, Mining Division, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: DMA-107, Contract I-DMA-55, New Park Mining Co., Keetley, Utah. Changes requested by contractor regarding work under Projects 2 and 3

Enclosed are six copies of a letter received from the subject contractor requesting certain changes in contract work under projects 2 and 3. A memorandum prepared by F. L. Widenan describes the requests contained in the contractor's letter.

It is recommended that the changes be made as outlined in Widenan's memorandum.

Stephen R. Wilson
Stephen R. Wilson

Enclosure

S. R. Wilson

February 2, 1953

F. L. Wideman

DMA-107, Contract I-DMA-E5, New Park Mining Co., Keetley, Utah. Requested changes in contract provisions regarding project No. 2 and permission to recess project No. 3.

Reference is made to a letter from the New Park Mining Co. dated January 21, 1953, requesting changes to be made on contract provisions regarding project No. 2, as follows:

Request No. 1

The company requests permission to substitute a company-owned 5-ton battery locomotive, battery, charger, and panel for the two type "B" battery trammers, batteries, charger, and panel purchased under DMA contract. The company proposes to use the jointly-owned equipment elsewhere in the mine and to consider their use as payment for depreciation on the company-owned locomotive. The company bases its request on the long haul of waste from the project heading to the dumping area and the almost equal value of the equipment. At the present time, the waste is being used to fill stopes that are between the waste pocket of the Mayflower shaft and the project. When these stopes are filled, it will be necessary to haul the waste to the Mayflower shaft or to the dump at the portal of the Mayflower tunnel.

The following table shows the comparative costs of the equipment:

Company-owned equipment (from company books):

1 GE IFB 2C5 locomotive	$5,200.00	
1 50-cell battery	3,530.00	
1 charger and panel	1,836.00	
Total		$10,566.00

Jointly owned Equipment (from vendors' invoices):

2 locomotives (Little Mancha)	$6,874.80	
2 20-cell batteries	2,299.18	
1 generator set, 3 KV with panel	1,102.88	
Total		$10,276.86

Request No. 2

The company requests permission to change the footage of the items of drifting and crosscutting as specified in the contract and

substitute in lieu thereof drifting along and/or crosscutting to structures that have been, or may be, encountered during the life of the project. The 801A heading, which is referred to as a drift in the contract, has been reported as a crosscut on the MF-104 forms. In accordance with definitions of drift and crosscut, the latter nomenclature is the better of the two. Geologic information obtained by core drilling indicates that it will not be advisable to crosscut a total of 1,500 feet from the 801A heading. If the flow of water from the drill hole in 8-630 crosscut subsides, the crosscut should be extended 10 or 12 feet to intersect the structure from which the water is flowing.

It is recommended that the contract be amended in accordance with request No. 2.

Request No. 3

The company requests permission to core drill ahead of any exploration heading, should it become apparent that water flows will be developed. Experience has shown that heavy water flows can be developed which would jeopardize producing areas in the mine.

It is recommended that the contract be amended to permit the company to core drill ahead of the exploratory headings if it should be necessary to indicate water flows or obtain geologic information.

The letter requests that project No. 3 be recessed until it can be determined if the water flow will decrease sufficiently to permit the exploratory headings to be driven. It is recommended that a recess be permitted.

F L Wideman

F. L. Wideman

COPY

NEW PARK MINING COMPANY

KEETLEY, UTAH
Jan. 21, 1953

Mr. W. H. King, Executive Officer
Field Team
Region IV
Defense Minerals Exploration Administration
224 New Customhouse
Denver, Colorado

Re: DMA-107, Contract I-DMA-E5

Dear Mr. King:

We have some requested changes in the contract provisions regarding Project No. 2, as approved under the above referred to contract number.

This contract provided for the joint purchase of two type "B" Goodman Battery Trammers that were to be used in Projects 2 and 3. As project 3 has not been operating for several months, both trammers have been placed in use at Project No. 2.

We now find that due to the long haul from the working face to the dumping area that we are not able to handle the trains of waste from this project, using the two small motors. At this time, we request that we be allowed to use a large 5-ton motor in this project in place of the two small ones. The two small ones would be used by us in other working places, and we would consider that the charges for the use of the large motor would be off-set by the two smaller ones. I am sure this will expedite the operation and should not complicate our accounting procedures.

Under the terms of the contract, we were allowed 900 feet of drifting in the 801-A drift, 1,500 feet of cross-cutting north and south from 801-A, and an additional 500 feet of drifting on any favorable structure. To date we have accomplished the following work:

900 feet advance in the 801-A, which, incidentally, has been referred to as cross-cutting rather than drifting; 431 feet advance in the 8-628 cross-cut and 299 feet advance in the 8-630 cross-cut. We also show 175 feet advance in the 8-613 drift, 4 feet advance in the 8-602 east drift and 5 feet advance in the 8-602 west drift. This makes a total of 1,630 feet of cross-cutting and 184 feet of drifting, or a total advance of 1,814 feet as compared to the 2,900 feet of combined drifting and cross-cutting approved in the contract.

Copy

As you know, we have experienced some trouble with water, which has changed the plans as far as the original cross-cut program was outlined. Diamond drilling has further supplemented the geological information. It now appears that our future developement program here will consist of additional drifting to prove structures that were developed in the cross-cuts and in the diamond drill holes.

At this time we wish to request that the balance of the footage remaining under the 2,900 feet approved be allowed for drifting and, perhaps, some cross-cutting as geological conditions will indicate.

There are indications that this particular project might enter sedimentary formations. This, again, raises the possibility of developing large flows of water as shown in the diamond drilling program completed in this area. We, therefore, request that should water conditions begin to appear in this project, that we be permitted to use our own diamond drill equipment for exploratory work to facilitate the advance of the drift or cross-cut headings. This request would be similar to that made for Project 3 and approved by you under date of May 8, 1952.

Our reports have indicated that progress in Project 3 has been stopped due to excessive amounts of water developed by diamond drilling work in that area. We still feel that this project, as originally approved, has merit and we would like to continue work there, but at the present time must wait until further draining has been accomplished through diamond drill holes. We also anticipate some Spring run-off beginning in the month of March, so we anticipate that work in this area should be temporarily suspended for a matter of two or three months.

In the meantime, our crews will maintain the present openings to keep them available for further work.

Yours very truly,

New Park Mining Company

/S/ Clark L. Wilson
Clark Wilson
Vice President

No. 12

AMENDMENT OF CONTRACT: No. I-DMA-E5

Contract Docket No. DMA 107, dated May 31, 1951, between the United States of America and New Park Mining Company is hereby amended as follows, effective as of the date of said contract:

> Referring to article "3. Exploration Project" of Exploration Project Contract Form MF-200, delete the following: "twenty (20) months", and in lieu thereof substitute "twenty-four (24) months".

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form.

Dated November 10 1952.

NEW PARK MINING COMPANY

By W.H.H. Cranmer, President and General Manager

UNITED STATES OF AMERICA

By W. S. King
Executive Officer, DMEA
Field Team, Region IV

October 29, 1952

Memorandum

To: W. H. King, Acting Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA 107, Contract I-DMA-E5, New Park Mining Co., Keetley, Utah. Amendment request submitted by Company

Attached are six copies of a letter received from the subject company in which a request for extension of time has been made. Copies of a memorandum prepared by F. L. Wideman commenting on the amendment request are enclosed.

It is recommended that the amendment be granted.

Stephen R. Wilson

Stephen R. Wilson

Enclosures 2

S. R. Wilson

October 24, 1952

F. L. Wideman

DMA-107, Contract I-DMA-E5, New Park Mining Co., Keetley, Utah.
Extension of time of the contract.

Reference is made to a letter from the company dated October 18, 1952, requesting an amendment to extend the time of the contract.

As stated in the letter, work on projects Nos. 2 and 3 has been hampered by labor shortages, water flows, and other conditions which made it necessary to change the plans of exploration. It will not be possible to complete the projects within the allotted time of 20 months.

It is recommended that the contract be amended to extend the contract time to 24 months, if permissible.

F L Wideman

F. L. Wideman

October 18, 1952

Mr. W. N. King, Executive Officer
Field Team, Region IV
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Re: DMA - 107
Contract I-DMA-E5

Dear Mr. King:

The above contract was dated May 31, 1951, at the time it was approved by the United States of America and accepted by New Park Mining Company. It was also stipulated in paragraph 3 that the work was planned for completion within a period of 20 months from the date of this contract.

Due to extenuating circumstances of labor shortages, changes in plans, etc. it will not be possible to complete Projects 2 and 3 within the alloted time of 20 months. We therefore request that the contract be amended to permit the full 24 month period which we understand is permissible under this type of exploration project contract.

Very truly yours,

NEW PARK MINING COMPANY

By Clark Wilson
Clark L. Wilson,
Vice President &
Manager of Operations

CLW:sh

No. 11

AMENDMENT OF CONTRACT: No. I-DMA-E5

Contract Docket No. DMA 107, dated May 31, 1951, between the United States of America and New Park Mining Company is hereby amended as follows, effective July 1, 1951:

Referring to Amendment No. 7, dated June 16, 1952 which amended "EXHIBIT A" and "EXHIBIT D" attached to Exploration Project Contract Form MF-200, void said Amendment No. 7 in its entirety and in lieu there of substitute the following:

Referring to "EXHIBIT A" and "EXHIBIT D" attached to Exploration Project Contract Form MF-200, wherein and wherever reference is made to the numbers, classes and maximum base pay rates of labor, accounting, and supervisory personnel, said reference is amended herewith to be in conformance with the following schedules and matter pertaining to said personnel which may be employed for part or whole time in numbers as needed for efficient performance of the work authorized under said EXHIBIT A on Projects 1, 2, and 3.

For the purpose of clarification and to facilitate audit the old job description and maximum base pay rates which are effective prior to July 1, 1951 are shown in relation to the new job descriptions and maximum base rates of pay for 8-hour shift which are effective beginning July 1, 1951.

Labor old job description	Old Maximum Base Rate of Pay per 8-hour shift	New Job Description	New Maximum Base rate of pay per 8-hour shift
Lead Miner	$12.55	Lead Miner	$14.66
Lead Miner	12.55	Timber Repairman	14.38
Miner	12.05	Miner	14.16
Mucker	11.55	Underground Helper	12.40
Motorman	12.05	Tunnel Motorman	13.94
Ventilation Man	12.80	Underground Repairman	14.60
Ventilation Man Helper	11.55	Underground Helper	12.40
Pipe & Track Man	12.05	Mechanic Intermediate	12.84
Pipe & Track Man	12.05	Pipe & Track	13.50
Shaft Maintenance Man	13.30	Underground Repairman	14.60
Maintenance Man	13.30	Chute Puller Motorman	13.28
Maintenance Man	13.50	Underground Helper	12.69

Labor Old Job Description	Old Maximum Base Rate of Pay per 8-hour Shift	New Job Description	New Maximum Base Rate of Pay per 8-hour Shift
Maintenance Man	$13.30	Timber Repairman	$14.38
Compressor Man	12.05	Compressor Man	12.19
Machinist	12.80	Machinist	14.60
Mechanic	12.80	Welder Mechanic	14.38
Blacksmith	12.55	Blacksmith	13.94
Toolsmith	12.55	Mechanic Intermediate	12.94
Toolsmith	12.55	Welder Combination	13.94
Oiler	12.05	Underground Oiler	12.69
Electrician	12.80	Electrician 1st	14.60
Electrician	12.80	Electrician 2nd	14.16
Electrician	12.80	Electrician 3rd	13.50
Caterpillar Operator	12.55	Truck & Tractor Operator	13.72
Truck Driver	12.05	Truck Driver	13.06
Dumpman	12.05	Waste Dumpman	13.06
		Diamond Drill	13.50

In addition to the indicated maximum base pay, other allowable costs to the project will be, time and one-half for overtime, incentive bonus, nightshift differential, (afternoon shift - 4¢ per hour, nightshift - 6¢ per hour, graveyard shift - 8¢ per hour), and such labor charges as vacation pay, group insurance, Workmens Compensation, life insurance, F.I.C.A., and unemployment insurance.

Incentive bonus payments may be determined on the basis of the following rates per unit of work performed:

Work		
Breaking ground for timber	$0.067 to $0.076	per cu. ft.
Mucking and Tramming	0.07	per cu. ft.
Cribbing	0.039	per cu. ft.
Pipe and Track Installation	0.826	per lin. ft.
Curved Track Installation	0.207	per lin. ft.
Ditching	1.50	per lin. ft.
Timber Installation (New)	12.00	per set
Timber Replacement	6.00	per set
Lacing or Lagging Timber Sets	1.50	per set
Replacing Broken Caps	1.50	per cap
Drifting and Crosscutting	8.60 to 10.88	per lin. ft.

The above rates are those generally in effect for all company operations. However, slight variations are made effective when difficulty of work conditions warrants an increase or decrease.

Supervision Class	Old Maximum Base Wage Rate	Authorized Increase	New Maximum Base Wage Rate
Shift Foreman	$401.00 per Mo.	14.3%	$458.34
Engineer-Geologist	18.00 per day	14.3%	20.57
+ Bookkeeper	18.00 per day	14.3%	20.57
+ Clerk	12.00 per day	14.3%	13.72
+ Stenographer	10.00 per day	14.3%	11.43

\+ Payment for work of the indicated personnel is limited to the maximum for the three projects as follows:

Project No. 1—Maximum $83.44 per month
Project No. 2—Maximum $108.59 per month
Project No. 3—Maximum $83.44 per month

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form.

Dated September 18, 1952

NEW PARK MINING COMPANY

By W. H. H. Cranmer
President and General Manager

UNITED STATES OF AMERICA

By W. H. King
Executive Officer - DMEA
Field Team, Region IV

August 19, 1952

Memorandum

To: W. H. King, Acting Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA-107, Contract I-DMA-E5, New Park Mining Co., Keetley, Utah

Enclosed are the original and five copies of a letter from the subject company requesting an amendment to the contract to change wage rates of employees. Comments by F. L. Wideman are included in an attached memorandum.

Stephen R Wilson

Stephen R. Wilson

Enclosures 2

S. R. Wilson

August 18, 1952

F. L. Wideman

DMA-107, Contract I-DMA-E5, New Park Mining Co., Keetley, Utah.
Request for an amendment.

Transmitted herewith are the original and 5 copies of a request for an amendment that has been submitted by the company. The request, which concerns changing the wage rates of employees, is self-explanatory.

It is recommended that the request be approved and an amendment prepared to cover the wage rates established by the contract negotiations between the company and the labor union.

F L Wideman
F. L. Wideman

August 15, 1952

Mr. W. H. King,
Executive Officer, Field Team
Region IV, DMEA
224 New Customhouse
Denver 2, Colorado

Re: DMA Docket 107
Contract I-DMA-E5

Dear Mr. King:

The wage contract negotiations between the Local Union 4264 and New Park Mining Company for wage rates effective July 1, 1951 has been settled by a WSB decision under Case #D-22-V under the date of June 19, 1952. We have indicated in the previous correspondence that upon the settlement of this wage dispute, we would submit supplemental payrolls to reflect the increased costs of the projects under the above contract, due to the payment of retroactive pay to July 1, 1951.

These costs will be submitted on the MF-104 forms at the time we report our July, 1952 costs. At this time I would like to submit for amendment a revised list of job descriptions and wage rates that will cover the retroactive payrolls and will also apply in the future to the projects that have not been completed. For your information the WSB decision stated that we should pay an 8 hour daily straight time wage of $11.30 for those classifications falling in job description 1. We also had to pay the minimum of 8¢ an hour to each employee regardless of his new job class. The increment between job classes was set at 2-3/4¢ per hour or 22¢ per job class per day. You will note on the attached amendment request that there are several red circle rates. The 64¢ guaranteed each employee brought employees in the particular cases above the regularly established rate that would naturally occur under the job evaluation scale. I am also attaching a tabulation indicating job classes from 1 through 16 and the corresponding daily straight time wage.

The number of allowable straight time shifts per month may appear large in some categories, particularly in Project No. 3. It should be explained that due to the nature of the operation, we may have to change our employees from one job description to another, depending upon the particular operation and we feel it will simplify matters to have an adequate number of shifts approved in case of such emergencies.

We also request the maximum base wage rates and the maximum charge per month for shift foreman, engineer geologists, bookkeeper, clerk and stenographer for the three projects be increased in the amount of 14.3%, which was the wage increase approved for salaried personnel.

I trust these amendments will complete the necessary adjustments on the particular matter.

Very truly yours,

NEW PARK MINING COMPANY

By Clark L. Wilson

Clark L. Wilson,
Vice President &
Manager of Operations

CLW:sh
Enclosures

COPY

Tabulation of Job Classes and Wage Scales at New Park Mining Company
According to Wage Settlement Approved by the
Wage Stabilization Board
June 19, 1952.

Job Class	Base Rate Per 8 Hour Shift
1	$11.30
2	11.52
3	11.74
4	11.96
5	12.18
6	12.40
7	12.62
8	12.84
9	13.06
10	13.28
11	13.50
12	13.72
13	13.94
14	14.16
15	14.38
16	14.60

COPY

PROJECT NO. 1

Old Job Description	Old Wage Base Pay Per 8 Hour Shift	New Job Class	New Job Description	New Wage Base Pay Per 8 Hour Shift	Allowable Straight Time Shifts Per Month
Miner	$12.05	14	Miner	$14.16	65
Mucker	11.55	6	Underground Helper	12.40	5
Motorman	12.05	13	Tunnel Motorman	13.94	15
Ventilation Man	12.80	16	Underground Repairman	14.60	6
Ventilation Man Helper	11.55	6	Underground Helper	12.40	6
Pipe & Track	12.05	11	Track & Pipe	13.50	12
Machinist	12.80	16	Machinist	14.60	2
Mechanic	12.80	15	Welder Mechanic	14.38	4
Blacksmith	12.55	13	Blacksmith	13.94	2
Oiler	12.05	7	Underground Oiler	12.69	2 (Red Circle 7¢)
Electrician 1st	12.80	16	Electrician 1st	14.60	2
Electrician 2nd	12.55	14	Electrician 2nd	14.16	2
Electrician 3rd	12.05	11	Electrician 3rd	13.50	2
Shaft Repair	12.80	16	Underground Repairman	14.60	1

PROJECT NO. 2

Old Job Description	Old Wage Base Pay Per 8 Hour Shift	New Job Class	New Job Description	New Wage Base Pay Per 8 Hour Shift	Allowable Straight Time Shifts Per Month
Miner	$12.05	14	Miner	$14.16	150
Mucker	11.55	6	Underground Helper	12.40	5
Motorman	12.05	13	Tunnel Motorman	13.94	25
Motorman	12.05	10	Chute Puller Motorman	13.28	10
Ventilation Man	12.80)	16	Underground Repairman	14.60	10
Lead Ventilation Man	13.30)				
Ventilation Man Helper	11.55)	6	Underground Helper	12.40	10
Ventilation Man Helper	11.80)				
Pipe & Track	12.05	11	Track & Pipe	13.50	45
Pipe & Track Helper	11.55	6	Underground Helper	12.40	5
Shaft Maintenance	12.80	16	Underground Repairman	14.60	5
		(10	Chute Puller Motorman	13.28	5
Maintenance	12.05	(6	Underground Helper	12.69	10(Red Circle 29¢)
		(15	Timber Repairman	14.38	20
Machinist	12.80	16	Machinist	14.60	4
Mechanic	12.80	15	Welder Mechanic	14.38	10
Blacksmith	12.55	13	Blacksmith	13.94	4
Oiler	12.05	7	Underground Oiler	12.69	4(Red Circle 7¢)
Electrician 1st	12.80	16	Electrician 1st	14.60	2
Electrician 2nd	12.55	14	Electrician 2nd	14.16	4
Electrician 3rd	12.05	11	Electrician 3rd	13.50	4

PROJECT NO. 3

Old Job Description	Old Wage Base Pay Per 8 Hour Shift	New Job Class	New Job Description	New Wage Base Pay Per 8 Hour Shift	Allowable Straight Time Shifts Per month
Lead Miner	$12.55	14	Lead Miner	$14.66	30
Lead Miner	12.55	15	Timber Repairman	14.38	30
Miner	12.05	16	Miner	14.16	90
Mucker	11.55	6	Underground Helper	12.40	55
Motorman	12.05	13	Tunnel Motorman	13.94	60
Ventilation Man	12.80	16	Underground Repairman	14.60	5
Ventilation Man Helper	11.55	6	Underground Helper	12.40	5
Pipe & Track	12.05	8	Mechanic Intermediate	12.94	5
Pipe & Track	12.05	11	Track & Pipe	13.50	7
Compressorman	11.80	4	Compressorman	12.19	55(Red Circle 23¢)
Machinist	12.80	16	Machinist	14.60	4
Mechanic	12.80	15	Welder Mechanic	14.38	10
Blacksmith	12.55	13	Blacksmith	13.94	4
Toolsmith	12.30	8	Mechanic Intermediate	12.94	3(Red Circle 10¢)
Toolsmith	12.55	13	Welder Combination	13.94	2
Oiler	12.05	7	Underground Oiler	12.69	4(Red Circle 7¢)
Electrician 1st	12.80	16	Electrician 1st	14.60	4
Electrician 2nd	12.55	14	Electrician 2nd	14.16	3
Electrician 3rd	12.05	11	Electrician 3rd	13.50	3
Caterpillar Operator	12.55	12	Truck & Tractor Operator	13.72	5
Truck Driver	12.05	9	Truck Driver	13.06	5
Dumpman	12.05	9	Waste Dumpman	13.06	55
Diamond Drill	12.05	11	Diamond Drill	13.50	55

No. 10

AMENDMENT OF CONTRACT: No. I-DMA-E5

Contract Docket No. DMA 107, dated May 31, 1951, between the United States of America and New Park Mining Company is hereby amended as follows; effective July 21, 1952.

> Referring to "EXHIBIT A", attached to Exploration Project Contract Form MF-200, under caption, "This project will consist of the following:", Subheading, "Project 2", add the following after the second paragraph:
>
> Exploratory diamond drilling, to a maximum of 800 feet, to determine structure and extent of water flow which will be encountered preliminary to further advance of headings in crosscuts 8-628 and 8-630 is an allowable cost of the crosscuts.
>
> Core from holes shall be split and one-half retained and properly stored for Government inspection or use. Logs of all holes drilled shall be submitted as support of claim for reimbursement.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form.

Dated July 30, 1952

NEW PARK MINING COMPANY

By [signature]
President

UNITED STATES OF AMERICA

By W. H. King
Executive Officer - DMEA

July 8, 1952

Memorandum

To: W. H. King, Acting Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA-107, Contract I-DMA-E5, New Park Mining Co., Keetley, Utah - your memorandum of June 12, 1952.

Enclosed are copies of a memorandum prepared by F. L. Wideman concerning the contractor's request for diamond drilling on project 2 under the subject contract.

Recommendation is made that the company be permitted to substitute diamond drilling for crosscutting to obtain maximum information.

Stephen R. Wilson

Stephen R. Wilson

Enclosure

S. R. Wilson

June 23, 1952

F. L. Wideman

DMA-107, Contract IDMA-E5, New Park Mining Co., Keetley, Utah.
Request for an amendment to diamond drill in project 2.

Reference is made to a letter from the operator to the executive officer, Region IV, dated June 7, 1952, requesting an amendment to core drill on project 2.

The project was inspected on June 17, 1952. Project work at the present time consists of drifting along a mineralized structure which was encountered in the 8-628 crosscut. There is some question as to whether or not this structure is the objective of the 8-628 crosscut. The company is requesting permission to core drill ahead of the crosscut to determine if there are other structures within the footage set up in the contract for the 8-628 crosscut. Work has been recessed in the 8-630 crosscut because any water in addition to that already developed by the project might flood workings below the 800 level. Most of the mine's production is coming from these lower levels.

Both the 8-628 and 8-630 crosscuts are in essentially unexplored ground. Any structures, as well as the country rock, are potential sources of large flows of water.

It is recommended that (1) The contract be amended to permit the operator to core drill ahead of both crosscuts to obtain information on geology and water conditions, and (2) The lowest bid for drilling be accepted.

Naturally, the company is desirous of notification of approval as quickly as possible in order to complete negotiations for drilling.

F. L. Wideman

F. L. Wideman

S. R. Wilson June 20, 1952

F. L. Wideman

DMA-107, Contract IDMA-E5, New Park Mining Co., Keetley, Utah.
Request to temporarily recess work on project 3.

Reference is made to a letter from the operator to the Executive Officer, Region IV, dated June 7, 1952.

The work accomplished and water flow conditions as stated in the last paragraph of the above-mentioned letter were investigated and verified on June 17, 1952. The flow of water developed by the project has not decreased as anticipated. As stated in a letter from the operator dated May 3, 1952, additional water flow would jeopardize the project work done to date and also complicate work being done by the Naildriver Mining Co. under DMA-1094X, Contract I-DMA-E16.

The property is presently closed by a labor strike.

F. L. Wideman
F. L. Wideman FLW

NEW PARK MINING COMPANY

/C
O
P
Y/

KEETLEY, UTAH

June 7, 1952

Mr. J. H. East, Jr.
Executive Officer, Region IV
Defense Minerals Administration
224 New Customhouse
Denver 2, Colorado

Re: Docket DMA-107
Contract I-DMA-E5

Dear Mr. East:

We have encountered some unforeseen difficulties in Projects 2 and 3 under the above named contract. We feel that certain changes in our program should be made, and I wish to make the following suggestions and requests at this time.

Project 2 has involved two crosscuts numbered 8-628 and 8-630. These are being driven in opposite directions from a more or less common starting point to crosscut a westerly extension of the Mayflower fissure system over a distance of 1,500 feet. In driving these crosscuts we have encountered a water flow that is endangering the haulage in the Mayflower tunnel, and also is a source of potential flooding of other underground workings. To avert this danger we have started a drift on a mineralized structure that was encountered in the 8-628 Crosscut. The work in this drift is according to procedure authorized under the contract. There still remains approximately 400 feet of crosscutting to be completed in each crosscut for a total of 800 feet. Rather than continue these crosscuts and increase the water hazard, we wish to have the contract amended to provide for 800 feet of diamond drilling to be done from the face of each crosscut to provide information on potential water flows, as well as provide geological information to help in deciding whether or not the crosscuts should be continued according to the plan originally outlined in this contract. We have requested bid information on diamond drilling from three companies, namely the E. J. Longyear Company of Minneapolis, Boyles Bros. Drilling Company of Salt Lake City and the Joy Manufacturing Company of Salt Lake City. The Longyear Company has indicated that they are not able to bid on this work at this time. Boyles Bros. and Joy Manufacturing Co. submitted bids. The Joy Manufacturing Company is the low bidder and I quote their bid as follows:

BX Drilling	$6.25 per foot
AX Drilling	$5.65 per foot
EX Drilling	$5.40 per foot

Minimum guaranteed footage 800 feet.
Maximum depth of each hole 400 feet.
Reaming, casing and cementing $40.00 per 8 hour shift plus cost of materials used.
Customer to furnish air and water for the drill.
Casing lost or ordered left in place at cost.
Delays in air, water, etc. $40.00 per 8 hour shift.
Customer to furnish sufficient head room so drill rods Can be handled in at least 10 foot sections.
Customer to move equipment into the mine between holes and out of the mine upon completion of the drilling.
If water is encountered in the drill holes and the customer desires that we place a valve on the casing to shut off the water, we can arrange to do so, and all such time involved would be invoiced at $40.00 per 8 hour shift.
We would expect the customer to furnish the necessary valves.
Joy Manufacturing Company has indicated that they can proceed with this work within 30 to 45 days upon notification that their bid has been accepted.

As indicated by this bid there will be some New Park expense for labor, air and water, casing, cement, etc.

The rates quoted by Boyles Bros. were approximately $1.50 per foot higher for drilling and the cementing or grouting time is quoted at $8.00 per hour plus cost of materials.

We feel that this proposed drilling procedure is the only practical method of approaching this problem in line with the water hazard involved.

During the month of May we have proceeded with diamond drilling in Project 3 to determine the water hazard involved in this work. Five short holes, each less than 100 feet in length, were drilled and each one developed additional water flow. The total water developed was so great that it exceeded the ditch capacity and flooded the track in several areas in the Star of Utah Tunnel. Due to the extent of this water flow we have found it necessary to temporarily abandon the work in the project. There is some indication that the total flow may be decreasing, and we hope that as the spring water run-off passes it may be possible to again resume this work. We request your approval on the temporary suspension of operations in Project No. 3.

Very truly yours,

NEW PARK MINING COMPANY

By /s/ Clark L. Wilson
Clark L. Wilson,
Superintendent

No. 9

AMENDMENT OF CONTRACT: No. I-DMA-E5

Contract Docket No. DMA 107, dated May 31, 1951, between the United States of America and New Park Mining Company is hereby amended as follows, effective May 3, 1952:

> Referring to "EXHIBIT A" attached to Exploration Project Contract Form MF-200, under caption "Question No. 3, Form MF-200", heading "This project will consist of the following:", subheading "Project 3", add the following to the first paragraph: Exploratory diamond drilling preliminary to advance of the crosscut heading is an allowable cost of the crosscutting. Locations of the holes and extent of drilling must be acceptable to the DMEA Representative.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form.

Dated June 3, 1952.

NEW PARK MINING COMPANY

By President

UNITED STATES OF AMERICA

By W. H. King
Executive Officer - DMEA

JUN 6 1952

Government Copy
Upper, Lead Line

No. 8

AMENDMENT OF CONTRACT: No. I-DMA-E5

Contract Docket No. DMA 107, dated May 31, 1951, between the United States of America and New Park Mining Company is hereby amended as follows, effective May 1, 1952:

Referring to "EXHIBIT A" attached to Exploration Project Contract Form MF-200, under caption "Question No. 3, Form MF-200", with reference to funds allocated to Projects 1, 2 and 3, the funds allocated to a specific Project may be augmented by unexpended funds from either of the other two Projects, provided the funds were not needed to complete the specified work under the Project to which they were allocated.

Referring to "EXHIBIT C" attached to said Form MF-200, and Amendment No. 4, dated March 25, 1952, pertaining to matter under the caption "Equipment", as amended by Amendment No. 5 dated April 29, 1952, the locomotive purchased for Project No. 1 when no longer needed thereon, will be substituted for the company-owned locomotive used on Project No. 3. Thereafter, depreciation of the company-owned locomotive will not be an allowable cost to Project No. 3.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form.

Dated June 18, 1952.

NEW PARK MINING COMPANY

By [signature]
President

UNITED STATES OF AMERICA

By [signature]
Executive Officer A/DMEA

Government Copy
Copper, Lead, Zinc

No. 7

AMENDMENT OF CONTRACT: No. I-DMA-E5

Contract Docket No. DMA 107, dated May 31, 1951, between the United States of America and New Park Mining Company is hereby amended as follows, effective as of the date of said Contract:

Referring to "EXHIBIT A" and "EXHIBIT D" attached to Exploration Project Contract Form MF-200, wherein and wherever reference is made to the numbers, classes and maximum pay rates of labor and supervisory personnel, said reference is amended herewith to be in conformance with the following schedules and matter pertaining to said personnel which may be employed for part or whole time in numbers as needed for efficient performance of the work authorized under said "EXHIBIT A" on Projects 1, 2 and 3.

LABOR

Class	Maximum Base Rate of Pay
Lead Miner	$12.55 per 8-hour shift
Miner	12.05 per 8-hour shift
Mucker	11.55 per 8-hour shift
Motorman	12.05 per 8-hour shift
Ventilation Man	12.80 per 8-hour shift
Ventilation Man Helper	11.55 per 8-hour shift
Pipe and Track Man	12.05 per 8-hour shift
Shaft Maintenance Man	13.30 per 8-hour shift
Maintenance Man	13.30 per 8-hour shift
Compressor Man	12.05 per 8-hour shift
Machinist	12.80 per 8-hour shift
Mechanic	12.80 per 8-hour shift
Blacksmith	12.55 per 8-hour shift
Toolsmith	12.55 per 8-hour shift
Oiler	12.05 per 8-hour shift
Electrician	12.80 per 8-hour shift
Caterpillar Operator	12.55 per 8-hour shift
Truck Driver	12.05 per 8-hour shift
Dumpman	12.05 per 8-hour shift

In addition to the indicated maximum base pay other allowable costs to the project will be time and one-half for overtime, incentive bonus, nightshift differential, (afternoon shift - 4¢ per hour, nightshift - 6¢ per hour, graveyard shift - 8¢ per hour), and such labor charges as vacation pay, group insurance, Workmens Compensation, life insurance, F.I.C.A., and unemployment insurance.

Incentive bonus payments may be determined on the basis of the following rates per unit of work performed:

Work

Breaking ground for timber	$0.067 to $0.076	per cu. ft.
Mucking and Tramming	0.07	per cu. ft.
Cribbing	0.039	per cu. ft.
Pipe and Track Installation	0.826	per lin. ft.
Curved Track Installation	0.207	per lin. ft.
Ditching	1.50	per lin. ft.
Timber Installation (New)	12.00	per set
Timber Replacement	6.00	per set
Lacing or Lagging Timber Sets	1.50	per set
Replacing Broken Caps	1.50	per cap
Drifting and Crosscutting	8.60 to 10.88	per lin. ft.

The above rates are those generally in effect for all company operations. However, slight variations are made effective when difficulty of work conditions warrants an increase or decrease.

SUPERVISION

Class	Maximum Base Wage Rate
Shift Foreman	$401.00 per month
Engineer-Geologist	18.00 per day
*Bookkeeper	18.00 per day
*Clerk	12.00 per day
*Stenographer	10.00 per day

*Payment for work of the indicated personnel is limited to the maximum for the three projects as follows:

Project No. 1 - Maximum $73.00 per month
Project No. 2 - Maximum $95.00 per month
Project No. 3 - Maximum $73.00 per month

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form.

Dated June 16, 1952.

NEW PARK MINING COMPANY

By [signature]
President and General Manager

UNITED STATES OF AMERICA

By W. H. Kenny
Executive Officer - DMEA

Government Copy
Copper, Lead, Zinc
No. 6

AMENDMENT OF CONTRACT: No. I-DMA-E5

Contract Docket No. DMA 107, dated May 31, 1951, between the United States of America and New Park Mining Company is hereby amended as follows:

Referring to "EXHIBIT A" and "EXHIBIT D" attached to Exploration Project Contract Form MF-200, as amended by the Amendment dated October 15, 1951, void said Amendment effective as of its effective date.

Referring to "EXHIBIT D" attached to Exploration Project Contract Form MF-200, as amended by the Amendment dated November 30, 1951, which said Amendment was subsequently amended, to be effective as of the date of said Contract, by Amendment No. 3 dated March 25, 1952, both of said Amendments are herewith voided effective as of their respective effective dates.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form.

Dated June 16, 1952.

NEW PARK MINING COMPANY

By [signature]
President and General Manager

UNITED STATES OF AMERICA

By W. H. King
Executive Officer - DMEA

No. 5

APR 30 1952

AMENDMENT OF CONTRACT: No. I-DMA-E5

Contract Docket No. DMA-107, dated May 31, 1951, between the United States of America and New Park Mining Company is hereby amended as follows, effective as of the date of said contract:

Referring to Exhibit C attached to Exploration Project Contract Form MF-200, matter following the caption Equipment, first line, delete the following: "Project No. 1" and in lieu thereof insert "Project No. 2", fourth line, delete the following: "Project No. 3" and in lieu thereof insert "Project No. 1".

Referring to amendment No. 4 to said contract dated March 25, 1952, under the caption, Project No. 1, Equipment delete the following: "Locomotive 4407 10-years 36.80". Insert in lieu thereof the following: Mucking Machine, value $3000., Life 5-years, Depreciation rate per month $50.00.

Further referring to said amendment, under caption Project No. 2, Equipment, delete the following: "Mucking Machine 3000 5-years 50.00."

Further referring to said amendment, under caption Project No. 3, Equipment add the following: Locomotive, Value $4407., Life 10-years, Depreciation Rate per Month $36.80.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form.

Dated April 29, 1952.

NEW PARK MINING COMPANY

By [signature]
President

UNITED STATES OF AMERICA

By [signature]
Executive Officer - DMA

No. 4

AMENDMENT OF CONTRACT: No. I-DMA-E5

Contract Docket No. DMA 107, dated May 31, 1951, between the United States of America and New Park Mining Company is hereby amended as follows; effective as of the date of said contract:

Referring to "EXHIBIT C" attached to Exploration Project Contract, Form MF-200, delete "EXHIBIT C" beginning with the following paragraph: "Following is a list of operating equipment to be furnished by the operator with the allowable monthly rental and repair costs per foot of exploration advance"; and in lieu thereof insert the following: Operating equipment to be furnished by the operator for use on Project 1, 2, and 3.

MAR 3 - 1952

Project No. 1

Equipment	Value	Life	Depreciation Rate per Month
Ventilation Fan	$1000	10-years	$ 8.35
10 Mine Cars	2000	10-years	16.70
Locomotive	4407	10-years	36.80
Charging Panel	959	10-years	8.00
Drill Jumbo	3120	5-years	52.00
2 Drill Machines	2450	5-years	40.80

Project No. 2

Equipment	Value	Life	Depreciation Rate per Month
Ventilation Fan	$1000	10-years	$ 8.35
10 Mine Cars	2000	10-years	16.70
Drill Jumbo	3120	5-years	52.00
2 Drill Machines	2450	5-years	40.80
Mucking Machine	3000	5-years	50.00

Project No. 3

Equipment	Value	Life	Depreciation Rate per Month
Compressor	$2500	10-years	$ 20.83
Ventilation Fan	1000	10-years	8.35
10 Mine Cars	2000	10-years	16.70
Charging Panel	959	10-years	8.00
Drill Jumbo	3120	5-years	52.00
2 Drill Machines	2450	5-years	40.80
Mucking Machine	3000	5-years	50.00

Depreciation for each item of the above listed equipment is allowable only for the months during which the equipment is used for the benefit of the Project.

Operation and repair costs of operating equipment furnished by the operator, or purchased under the terms of the contract, are allowable costs of the project on the basis of actual costs incurred through operations benefiting the project work.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form.

Dated March 25, 1952

NEW PARK MINING COMPANY

By

UNITED STATES OF AMERICA

By

Executive Officer - DMEA

No. 3.

AMENDMENT OF CONTRACT: No. I-DMA-E5

Contract Docket No. DMA 107, dated May 31, 1951, between the United States of America and New Park Mining Company is hereby amended as follows:

> The Amendment dated November 30, 1951 pertaining to Bookkeeping, Clerical Work, and Stenographic help, which amended "Exhibit D" attached to Exploration Project Contract, Form MF-200, is hereby amended to be effective as of the date of said contract. Furthermore with reference to the fourth paragraph, of said amendment, delete the figure "$73.00" and in lieu thereof insert the figure $95.00.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form.

Dated March 25, 1952

NEW PARK MINING COMPANY

By President

UNITED STATES OF AMERICA

By
Executive Officer, DMEA

Contracts, Academic Div.

AMENDMENT OF CONTRACT: I-DMA-E5

Contract Docket No. DMA-107, dated May 31, 1951, between the United States of America and New Park Mining Company is hereby amended as follows:

> Referring to Exhibit "D" attached to the Exploration Project Contract, under the title "Following is a schedule of labor by numbers and classes with wage or salary schedules for each project", subtitle "Project No. 1", add the following:
>
> "Bookkeeping, clerical work, and stenographic help is an allowable cost but not to exceed $73.00 per month."
>
> Under the same title, subtitle "Project No.2", add the following:
>
> "Bookkeeping, clerical work, and stenographic help is an allowable cost but not to exceed $73.00 per month."
>
> Under the same title, subtitle "Project No. 3", add the following:
>
> Bookkeeping, clerical work, and stenographic help is an allowable cost but not to exceed $73.00 per month."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form.

Dated November 30, 1951.

NEW PARK MINING COMPANY

By President

UNITED STATES OF AMERICA

By

Executive Officer - DMA

pte

AMENDMENT OF CONTRACT: No. I-DMA-E5

Contract Docket No. DMA 107, dated May 31, 1951, between the United States of America and New Park Mining Company (a Nevada Corporation) is hereby amended as follows:

> In Exhibits "A" and "D" attached to the contract, any reference to maxima which may be paid for labor are considered to be amended to provide that the maximum rates to be paid for labor shall be the prevailing rates of the district. The operator shall notify the Government immediately upon any changes in these prevailing rates. If miners and motormen are employed in less numbers than those specified in Exhibit "D", the rate of work specified for Project No. 1 may be reduced, provided that the work may be accomplished within the time limitation of twenty months fixed by Article 3 of the contract form.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 11 of the contract form.

Dated October 15, 1951.

NEW PARK MINING COMPANY

By _____
President

UNITED STATES OF AMERICA

By _____
Executive Officer - DMA

MF-200
(April 1951)

IdM-E-5

Docket No. DMA 107

Commodity Zinc-Lead, Gold, Silver, and Copper

I-DMA-E-5

Index
No. Card
Card
Reviewed 7/16/51

RECEIVED JUN 15 1951 G.A.O.

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

It is agreed this 31st day of May, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and[2] New Park Mining Company (a Nevada corporation) Keetley, Utah (Park City Mining District)

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Utah, County of Wasatch described as follows:[3] See Annex 2, attached.

with respect to which the Operator represents and undertakes:[4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: Project No.2 - "Lookout No.2", "Ethel", and "Poor Man"; Project No.3 - "Silver Shield". These mining claims are all owned by the United States Smelting & Refining Co., and leased to the New Park Mining Company. Annex 1

(*b*) That he is a lessee, in possession and entitled to possession, and ~~the subordination~~ agreement of the ~~lessor~~ lessee is attached.

3. *Exploration project.* The Operator, within 15 days from the date of this contract shall commence work on a project of exploration for[5] zinc, lead, copper, gold, and silver; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of[6] twenty (20) months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Attached hereto, marked "Exhibit 'B'," is a detailed list of additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute its agreed pro-rata share of the cost. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

6. *Operating equipment.* Attached hereto, marked "Exhibit 'C'," is a detailed list of operating equipment divided into categories of items to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or rental value, as the case may be, annexed to each. As to equipment purchased for the project, the Government will contribute its agreed pro-rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro-rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* Attached hereto, marked "Exhibit 'D'," is an itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project.

9. *Rehabilitation and repairs.* Attached hereto, marked "Exhibit 'E'," is a detailed schedule of existing facilities, buildings, installations, and fixtures, with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition, which cost shall be allowed as a cost of the project.

10. *Allowable costs of the project.* The allowable costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in the contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, or any other indirect costs not expressly allowed by these regulations, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Participation by the Government.* At the end of the first full calendar month after the Operator has commenced work under the project, and at the end of each succeeding calendar month, the Operator shall submit to the Government a voucher for payment with a detailed statement of work done and allowable costs (as defined in Article 10 of this agreement) incurred, in a form and with supporting data acceptable to the Government. After approving the voucher, the Government shall pay to the Operator 50 percent of the sum of such costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $ 117,197.60, which is 50 percent of the agreed estimated total cost of this project, $ 234,395.20.

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

13. *Progress reports.* The Operator shall provide the Government with monthly reports of progress in form and content satisfactory to the Government, and upon the completion of the project or termination of the contract shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

14. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent additional for each full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the property which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

15. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

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

Executed in triplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____

NEW PARK MINING COMPANY
(Operator)

By _____
W. H. H. Cranmer,
President and General Manager

U. S. GOVERNMENT PRINTING OFFICE 16—64066-1

ANNEX 1

WHEREAS, the subordination agreement of the lessor, required by paragraph numbered 2(b) of the annexed contract, has not been obtained; and

WHEREAS, the United States of America has agreed to waive requirement of the lessor's subordination agreement.

NOW THEREFORE, in consideration of said exploration project contract and of the foregoing, the Operator hereby undertakes and agrees to pay all sums that may fall due and owing to the United States of America under the terms of said contract in the same manner and to the same extent as if the subordination agreement of the lessor had been given. If for any reason the net smelter returns from operations that would be subject under said contract to such payments to the Government are not available as a means of measuring the amount of such payments, then the Operator agrees and undertakes to make such payments according to the best estimates of the amounts that can reasonably be made, and in the event of dispute as to such estimates, the Operator agrees that the determination thereof by either the Administrator of Defense Minerals Administration or by the Director of the United States Bureau of Mines shall be final and binding upon the Operator.

ANNEX 2

Those certain mining claims known and described as -

Project No. 1 "George H. C.", Survey 2956, Patented.
"Rosebud" Lot No. 201 "
"Johnson" Survey 6810 "
"Rosebud Fraction" Unpatented.

Blue Ledge Mining District T-2-S - R4E SLM Section 26

Project No. 2 "Phylis" Survey 6810 - Patented.
"Lookout Mountain No. 2" Survey 7130 - Unpatented.
"Ethel" Survey 7130 - Unpatented.
"Poor Man" Survey 5128 - Patented.

Blue Ledge Mining District T-2-S - R4E SLM Section 34

Project No. 3 "Miriam" Lot 206, Patented.
"Gold Standard" Lot 205, Patented.
"Silver Shield" Survey 5128, Patented.

Blue Ledge Mining District T-2-S - R4E SLM Section 34

Docket DMA-107

NEW PARK MINING COMPANY

Exploration Project Contract

"EXHIBIT A"

Question No. 3, Form MF-200

This project will consist of the following:

Project 1. 900 feet of crosscutting and 360 feet of timbering North of the Pearl Fissure Mayflower tunnel (800 level), to explore the west extensions of the Red Pine, Mountaineer, and Homestake fissures.

900 feet at an estimated cost of $33.88 per foot - $30,490.20
(See map project 1, sheet No. 1 attached.)

Project 2. 2900 feet of drifting and crosscutting; and 1400 feet timbering.

900 feet of drifting west along the 801-A fissure (800 level), then crossing North 750 feet and South 750 feet from the extended face of the 801-A drift and 500 feet of drifting along favorable mineralized zone exposed in these advances.

2900 feet of crosscutting and drifting at an estimated cost of $34.61 per foot - - - - - - - - - - - - - $100,383.50

Project 3. 1800 feet of drifting and crosscutting, 900 feet of timbering, 1650 feet of drift repair, and 1750 feet of ditching.

Exploration of the Star of Utah mineralization westward extension:

400 ft.	Drifting @ $31.11/ft.	$12,444.00
1400 ft.	Crosscutting @ $31.11/ft.	43,554.00
900 ft.	Timbering @ $7.07/ft.	6,363.00
1650 ft.	Drift repair @ $15.55/ft.	25,657.50
1750 ft.	Ditch cleaning @ $1.56/ft.	2,730.00
	Total	$90,748.50

Attached hereto are sheets showing estimated cost breakdown and maps indicating the exploration program.

"EXHIBIT A" - Contd.

Summary

Cost per foot for Each Project

Items	Project 1	Project 2	Project 3
Labor	$16.51	$16.51	$16.51
Supplies	7.75	7.75	7.75
Rental and Repairs	2.27	2.30	2.33
*Overhead	4.52	4.52	4.52
	$31.05	$31.08	$31.11

In addition to the above costs the following charges are estimated for portions of the drifts that must be timbered:

Items	Cost per Foot
Labor	$2.60
Supplies	4.47
Total	$7.07

Following are estimated costs of drift repair and ditch cleaning:

Repair timber and drift clean-up - 50% of $31.11	$15.55
Cleaning ditch and track ballast - 5% of $31.11	1.56

Project 1. 900 feet of crosscutting (cross-section size 8' x 6.5') at an average driving rate of 200 feet per month.

Labor (4 men at a base pay rate of $12.05 8 hours/shift; 2 motormen 1 hour/shift, base pay rate of $12.05/8 hour shift; 2 shift bosses, 1 hour/shift, basis $401 per month. An additional cost for night shift differential work, vacations, group insurance, workmen's compensation, and life insurance, F.O.A.B. contract bonus and unemployment insurance will be in addition to the base pay. Estimated labor cost is $16.51/ft. - 900 feet	$16.51
Supplies, including explosives, small tools, estimated to be $7.75/foot	7.75
Rental and repairs estimated to be $2.27/foot	2.27
*Overhead; engineering, sampling, surveying, assaying, warehousing, handling supplies, and compressed air, estimated to be $4.52/foot	4.52
	$31.05

Estimated 40% of the crosscut must be timbered @ $7.07/foot - 360 feet

900 feet crosscut @ $31.05	$27,945.00
360 feet timbering @ $7.07	2,545.20
	$30,490.20

Project 2. 2900 feet of drifting and crosscutting (cross-section size 8 ft. x 6.5 ft.) at an average monthly advance rate of 200 feet.

Labor (4 men at a base rate of $12.05/8 hour shift; 2 mototmen at a base rate of $12.05/8 hour shift working one hour/shift; and 2 shift bosses at a rate of $401/month, working one hour/shift. Additional costs to be added for night shift differential, contract bonus, overtime, vacation, insurance, etc. to be added.) Total estimated labor cost is $16.51/foot	$16.51
Supplies - including explosives, small tools, etc., is estimated at $7.75/foot	7.75
Rental and repairs on equipment is estimated at $2.30/foot	2.30
*Overhead; including warehousing, assaying, shops, handling supplies, engineering, and compressed air. This cost is estimated at $4.52/foot	4.52
	$31.08

It is estimated that 50% of this drifting and crosscutting will require timbering at $7.07/foot.

2900 feet of crosscut and drifting @ $31.08/ft.	$90,132.00
1450 feet of timbering @ $7.07	10,251.50
	$100,383.50

Project 3. 1800 feet of drifting and crosscutting, 900 feet of timbering, 1650 feet of drift repair, and 1750 feet of ditching. Driving of the crosscut and drift (cross-section), size to be 8 x 6.5 ft.

Labor (4 men at a base rate of $12.05/8 hours; 2 motormen each working 2 hours/shift at a base rate of $12.05/8 hours; 2 compressor men, each working 2 hours/shift at a rate of $11.80/8 hour shift; 2 shift bosses each working 2 hours/shift. Additional cost to be added to the above base rates include insurance, night shift differential, vacation, contract bonus, overtime, etc.) Total estimated labor cost is $16.51/foot drift and crosscut.	$16.51
Supplies - including explosives, small tools, etc., are estimated at $7.75/foot.	7.75
Rental and repairs on equipment is estimated at $2.33/foot	2.33
*Overhead; including warehousing, assaying, shops, handling supplies, engineering, and compressed air, is estimated at $4.52/foot	4.52
	$31.11

It is estimated that 900 feet of timbering in the crosscuts and reopening the old drifts will cost $7.07/foot.

1650 feet of drift repair and clean-up is estimated to be required at $15.55/foot.

1750 feet of ditching and track ballasting is estimated to be required to reach the present face of the 6456 crosscut, at a cost of $1.56/foot.

1800 feet of crosscut and drift: $31.11/foot	$55,998.00
900 feet of timbering @ $7.07/foot	6,363.00
1650 feet of drift repair @ $15.55/foot	25,657.50
1750 feet of ditching @ $1.56/foot	2,730.00
	$90,748.50

Summary

Project No. 1	$30,490.20
Project No. 2	100,383.50
Project No. 3	90,748.50
Machinery	12,773.00
Total cost of projects	$234,395.20

EXHIBIT B

No additional facilities, buildings, or fixtures are to be purchased, installed or erected by the Operator.

EXHIBIT C

Following is a list of additional facilities (equipment) to be purchased for operating the three proposed Projects:

	Equipment		Cost
Project No. 1	One model 12B Eimco Mucker	-	$ 3,000.00
Project No. 2	One type B Goodman Battery Trammer	-	4,407.00
	One Goodman Panel Generator	-	959.00
Project No. 3	One type B Goodman Battery Trammer	-	4,407.00
			$12,773.00

Note: The cost estimate of the Eimco Mucker is approximately the current price. The cost estimates of the Goodman generator panel and trammers were current at the time of the original application.

"Exhibit C"

Following is a list of operating equipment to be furnished by operator with the allowable monthly rental and repair costs per foot of exploration advance.

Project No. 1

Equipment	Value	Life	Monthly Depreciation	Repair Cost Per Foot Advance
Ventilation Fan	$1000	10 years	$ 8.35	$ 0.04
10 Mine Cars	2000	10 years	16.70	0.17
Locomotive	4407	10 years	36.80	0.65
Charging Panel	959	10 years	8.00	--
Drill Jumbo	3120	5 years	52.00	0.04
2 Drill Machines	2450	5 years	40.80	0.39
* Mucking Machine	--	--	--	0.17
			$ 162.65	$ 1.46

Equipment Rental Cost per Foot Advance $162.65/200 Ft.	0.81
Repair Cost per Foot Advance	1.46
Total Equipment Cost per Foot Advance	$ 2.27

* Note: Mucking Machine is to be a joint purchase of the Government and operator as indicated in "Exhibit B." Repair cost per foot advance is shown as a charge against this project.

Project No. 2

Equipment	Value	Life	Monthly Depreciation	Repair Cost Per Foot Advance
Ventilation Fan	$ 1000	10 years	$ 8.35	$0.04
10 Mine Cars	2000	10 years	16.70	0.17
Drill Jumbo	3120	5 years	52.00	0.04
2 Drill Machines	2450	5 years	40.80	0.39
Mucking Machine	3000	5 years	50.00	0.17
* Locomotive and Generator	--	--	--	0.65
			$ 167.85	$1.46

Equipment Rental Cost per Foot Advance $167.85/200 Ft.	-	$0.84
Repair Cost per Foot Advance	-	1.46
Total Equipment cost per Foot Advance	-	$2.30

* Note: Locomotive and generator is to be a joint purchase of the Government and operator as indicated in "Exhibit B." Repair cost per foot advance is shown as a charge against this project.

Project No. 3

Equipment	Value	Life	Monthly Depreciation	Repair Cost per Foot Advance
Ventilation Fan	$1000	10 years	$ 8.35	$0.04
10 Mine Cars	2000	10 years	16.70	0.17
Charging Panel	959	10 years	8.00	-
Drill Jumbo	3120	5 years	52.00	0.04
2 Drill Machines	2450	5 years	40.80	0.39
Mucking Machine	3000	5 years	50.00	0.17
* Locomotive	--	--	--	0.65
			$175.85	$1.46

Equipment Rental Cost per Foot Advance $175.85/200 Ft.	$0.87
Repair Cost per Foot Advance	1.46
	$2.33

* Note: Locomotive is to be a joint purchase of the Government and operator as indicated in "Exhibit B." Repair cost per foot advance is shown as a charge against this project.

"Exhibit D"

Following is a schedule of labor by numbers and classes with wage or salary schedules for each project.

Project No. 1

Number	Class	Wage[1]
4	Miners	Base Pay - $12.05 per 8 hr. shift
2	Motormen[2]	Base Pay - $12.05 per 8 hr. shift
1	Shift Boss[2]	$401 per month

Note [1] In addition to the indicated base pay, operator must pay time and one-half (overtime for Saturday) contract bonus earned in driving projects, night shift differentials and such labor charges as vacations, group insurance, Workmens Compensation, life insurance, F.O.A.B. and unemployment insurance. (current rate approximate 11% of wages)

Note [2] Note 1 also applies to labor charge on motormen. The motormen and shift boss will each be charged to this project at the rate of one hour per shift.

"EXHIBIT D"

Project No. 2

Number	Class	Wage
4	Miners	Base Pay - $12.05 per 8 hr. shift
2	Motormen	Base Pay - $12.05 per 8 hr. shift
1	Shift Boss	$401 per month

Notes 1 and 2 of Project No. 1 also apply to Project No. 2.

"EXHIBIT D"

Project No. 3

Number	Class	Wage
4	Miners	Base Pay - $12.05 per 8 hr. shift
2	Motormen [2]	Base Pay - $12.05 per 8 hr. shift
2	Compressormen [2]	Base Pay - $11.80 per 8 hr. shift
1	Shift Boss [2]	$401 per month

Note 1 of Project No. 1 applies to Project No. 3.

Note 2 - The motormen, compressormen and shift boss will each be charged against this project at the rate of 2 hours per shift.

"Exhibit E"

There is no rehabilitation or repairs of existing facilities, buildings, installations and fixtures needed or allowed as a cost of these projects.

NEW PARK MINING COMPANY
KEETLEY, UTAH
MAY 19, 1951

Project No. 1:

Objective: Exploration of area north of the Mayflower and Pearl veins for similar parallel ore bodies.

Work to be done: From the Pearl fissure drift on the 800 level and crosscut N.15° W. a distance of 900 feet to the north boundary of New Park's property. It is estimated that timbering may be necessary for 40 percent of the total distance or 360 feet.

Rate of Work: Two crews averaging 200 feet advance per month will complete the project in 4½ months.

Project No. 2:

Objective: Exploration of western extension of Mayflower and Pearl fissure systems and of downward extension of mineralized fissures exposed on the Star of Utah tunnel level.

Work to be Done: Extend the 801-A Drift west a distance of 900 feet then crosscut northwest and southeast a total distance of 1500 feet and drift on favorable structures a minimum of 500 feet. This total advance is 2900 feet. It is estimated that timbering may be necessary for 50 percent of the total distance, or 1450 feet.

Rate of Work: Two crews averaging 200 feet advance per month will complete the project in 14½ months.

Project No. 3:

Objective: Exploration on the Star of Utah tunnel level of the westward extension of mineralized fissures cut by the 6961 Crosscut.

Work to be Done: Drive 400 feet of new timbered Crosscut around an old crooked caved section where the Star South Crosscut leaves the main Star of Utah tunnel (Sheet 1). Clean up and re-timber 3,350 feet on the south crosscut and excavate a ditch large enough to carry the flow of water coming from the western part of the level. New timber would be required for an estimated 1650 feet of this distance then driving a new crosscut southeast 1400 feet of which it is estimated that 50 percent, or 700 feet would require timber.

Rate of Work: Driving the first 400 foot section of crosscut at the rate of 200 feet per month would require 2 months to complete. Cleaning up and re-timbering the old crosscut is estimated to proceed at an average rate of 400 feet per month requiring 8½ months to complete. The new crosscut advancing 200 feet per month will require an additional 7 months making a total of 17½ months for the complete project.

NEW PARK MINING COMPANY
KEETLEY, UTAH
MAY 19, 1951

GEOLOGY:

Project No. 1: (For Map refer to Project No. 1 - Sheet No. 1) Of four nearly identical fissures cut in the General Connor tunnel, one, the Park-Bingham fissure, can be followed west in the Mayflower tunnel for 3,500 feet to where it merges with the Pearl fissure. It is believed that the other three, the Red Pine, Mountaineer, and Homestake fissures continue to parallel the Park-Bingham fissure on their westward extensions, and that they are present north of the Pearl ore body. Because of the location of a number of major ore bodies in a north-south belt through the eastern part of the Park City district (Introductory Sheet 2), it is thought that any fissuring crossing into this belt is a potential ore producer. A crosscut (8-975 N. Crosscut) is therefore planned to explore the area immediately north of the Mayflower and Pearl ore bodies, where the Red Pine, Mountaineer, and Homestake fissures are expected to be cut. The country rock is expected to be diorite, and any ore found will probably be fissure ore similar to that of the Mayflower and Pearl veins.

Project No. 2: (For Map refer to Project No. 2 - Sheet No. 1): Diamond drilling, drifting and crosscutting in an area west of the main producing stopes of the Mayflower mine have proved that the Pearl and Mayflower fissures do extend southwesterly into an area that has been developed 800 feet higher in elevation by the Star of Utah tunnel. Fissures exposed in the Star of Utah tunnel are well mineralized with lead and zinc and there has been one railroad car of ore shipped from the 6961 Crosscut shown on Sheet No. 1 of Project No. 2.

The purpose of this project is to crosscut the southwesterly striking fissures in an area of known mineralization and in a zone of rock exposures that may produce fissure ore deposits in diorite and limestone and replacement ore deposits in the sedimentary rocks. The accompanying stratagraphic section illustrates that this Project has possibilities of developing ore horizons in the lowest stratagraphic area yet exposed in the Park City District. The possibilities of ore occurrence in the area of this Project are favorable as the geological conditions are similar to those in the Mayflower Mine to the east.

Project No. 3 (Refer to Project 3, Sheets 1 and 2) - Work done on the Star Tunnel level in the area shown on Sheet 2 has exposed a number of quartz veins carrying some lead-zinc values, in fissures in both diorite and the Humbug formation. The strongest mineralization was found in 6365 Drift from 6961 Crosscut, from which a shipment of

of 48 tons of ore was made, averaging .025 oz. gold per ton, 4.6 oz. silver per ton, 3.5 percent lead, 0.2 percent copper, and 4.6 percent zinc. Only a small amount of drifting was done on these veins that may very well carry commercial ore at other points along their strikes. Rather than to try to re-open 6961 Crosscut, which is now caved, it is planned to drive a new crosscut about 1,000 feet west of 6961, and parallel to it, to intersect the same veins and also to continue farther southeast to crosscut the westward extension of the Mayflower fissure system. Both diorite and portions of the Humbug formation are expected in this area, so that fissure ore and replacement ore may be developed by this work.

This project will be exploring the same fissure systems that Project No. 2 will, but at a much higher elevation, and also farther west. The Star level work will be in a similar geological situation as the work in Project No. 2, but will be exploring a higher stratographic sedimentary rock section (Humbug - See accompanying Stratographic Section) that is host rock for bedded ores in this area of the Park City Mining District.

Correlation of sediments and ore horizons in the Park City and Cottonwood districts with the Carboniferous formations as they are believed to occur in the New Park Mining Company's Star and Mayflower mines.

Shown on the accompanying chart are the stratigraphic sections it is estimated will be explored by Project No. 2, west on the 800 level of the Mayflower mine, and Project No. 3, south on the tunnel level of the Star Mine. It is anticipated that the irregular diorite intrusives will have created some gaps in these sections. Project No. 2 will be crosscutting lower Humbug and most of the Deseret formations, mostly at deeper horizons than have previously been explored in the Park City district. Project No. 3 will be exposing beds of the upper Humbug that contain at least two horizons favorable to replacement ore, and will also make the lower Morgan formation accessible by means of raises on any ore shoots found on the tunnel level.

Displacement, truncation, and alteration of the sediments by diorite intrusives in the southeastern part of the Park City district makes it extremely difficult to piece together a complete stratigraphic section and to correlate it with the Carboniferous section found in nearby areas. Very few fossils have been found underground in the formations below the Park City formation, so that the correlations shown on the chart are based almost entirely on stratigraphic position and lithology.

Detailed mapping of sediments in the Star and Mayflower mines, together with a study of poor exposures on the surface, has provided the information about thickness and lithology of the Weber, Morgan, Great Blue, and upper Humbug formations. Comparison of this information with the stratigraphic sections given in Calkins and Butter, Geology and ore deposits of the Cottonwood-American Fork area, Utah: U. S. Geol. Survey Prof. Paper 201, 1943, and Baker, Stratigraphy of the Wasatch Mountains in the vicinity of Provo, Utah: U. S. Geol. Survey Oil and Gas Inv., Preliminary chart 30, 1947, has led to the construction of the section presented here. The positions of known bedding ore horizons within the Morgan and Humbug formations are based primarily on their distances below the base of the Weber quartzite and secondarily on lithology.

The description of the Park City formation and its ore horizons is taken from Boutwell, Geology and ore deposits of the Park City district, Utah: U. S. Geol. Survey Prof. Paper 77, 1912.

Estimated thicknesses of the Humbug, Deseret, and Madison formations are taken from Baker's Preliminary Chart 30, and positions of known ore horizons in the Deseret and Madison limestones are from Prof. Paper 201.

Ray E. Gilbert

Ray E. Gilbert,
Chief Geologist
New Park Mining Company

May 19, 1951

RECONCILIATION OF CONTRACT I-DMA-E-5
NEW PARK MINING COMPANY

	November	December	January	Total	
Disallowances which have not been reclaimed or allowed:					
Project No. 1	$227.00	$161.17			
Project No. 2	270.26	220.80			
Project No. 3	233.10	112.32			
	$730.36	$494.29		$1,224.65	
Disallowances which have been allowed but not taken up in revised cumulative total:					
Project No. 1			$50.00		
Project No. 3			36.80		
			$86.80	86.80	$ 1,311.45
Correct cumulative total					$112,647.46
Cumulative total was reported					$113,958.91

CARBONIFEROUS SYSTEM

Series	Formation	Section	Thickness	Kind of Rock	Known Bedding Ore Horizons: Section	Known Bedding Ore Horizons: Mine & District
Permian	Park City formation		590'	Limestone with interbedded quartzite, sandstone, shale, & a little phosphate rock.		Silver King, Ontario, Daly, & Judge mines, Park City district
Pennsylvanian	Weber quartzite		± 2000'	Fine-grained, homogeneous quartzite, with a few thin beds of calcareous sandstone and limestone	← Horizons that will be explored in Star & Mayflower tunnels	
	Morgan formation		400'	Limestone, interbedded with hard siliceous limestone & some shale		Mayflower mine, Park City dist.
Mississippian	Great Blue (?) limestone		150'	Limestone, thick bedded		
	Humbug formation		650'	Interbedded gray limestone, sandstone, black shaley limestone	Project No. 3	Wasatch mine, Park City dist.
						Wasatch & Park Utah mines, Park City dist. (Believed to be deepest horizon explored in district)
	Deseret limestone		600'	Limestone & dolomite, black shaly beds at base	Project No. 2	Columbus-Rexall, South Hecla, & Alta Con. mines, Little Cottonwood district.
	Madison limestone		650'	Limestone, lite to dark gray		Maxfield mine, Big Cottonwood district

Generalized stratigraphic section showing tentative correlation of sediments and ore horizons in the Park City and Cottonwood districts with the Carboniferous formations as they are believed to occur in the New Park Mining Company's Star and Mayflower mines.

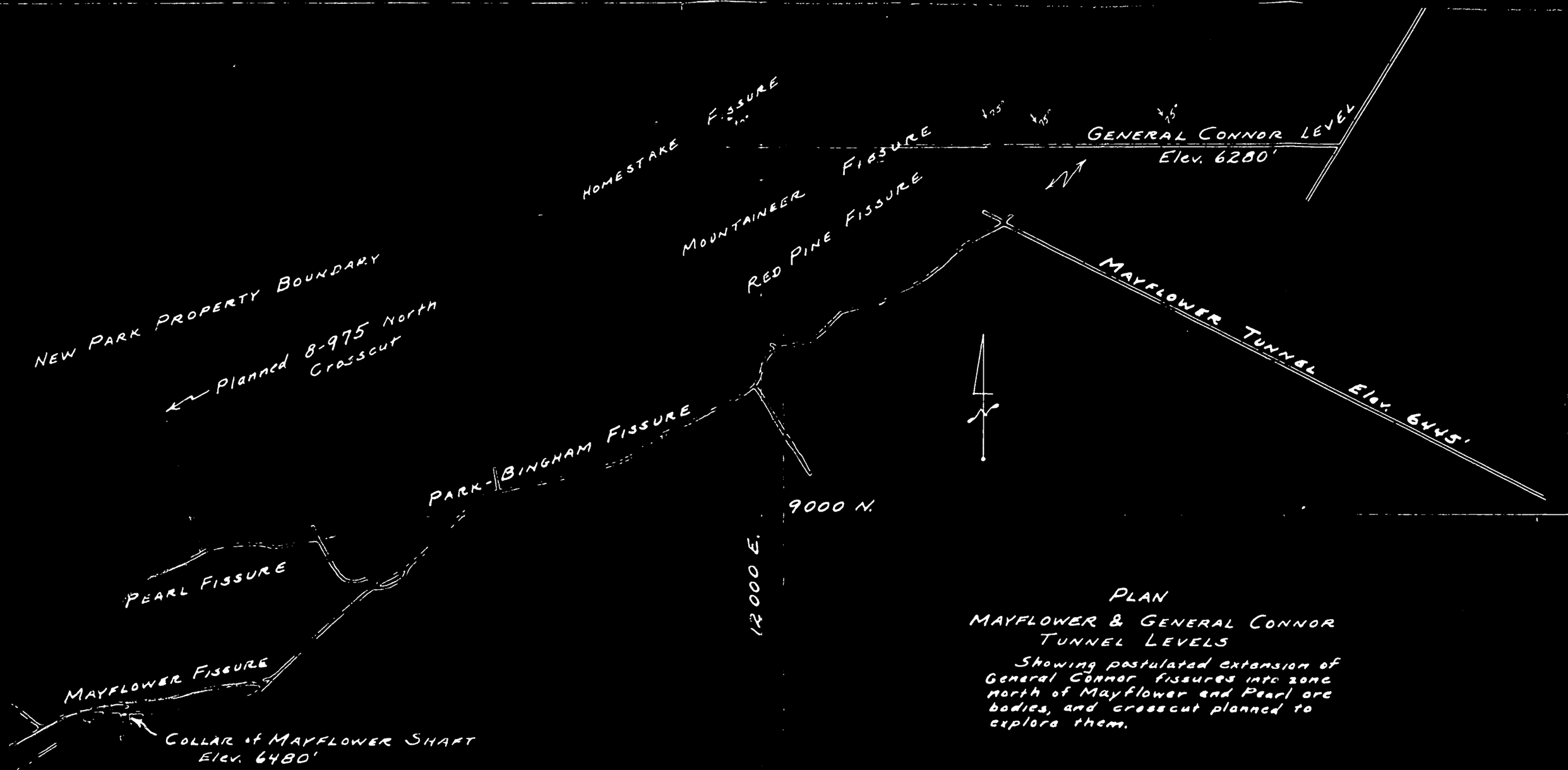
Refer to accompanying text for sources of information.

New Park Mining Company
Keetley, Utah - May, 1951

MAP

BELONGS

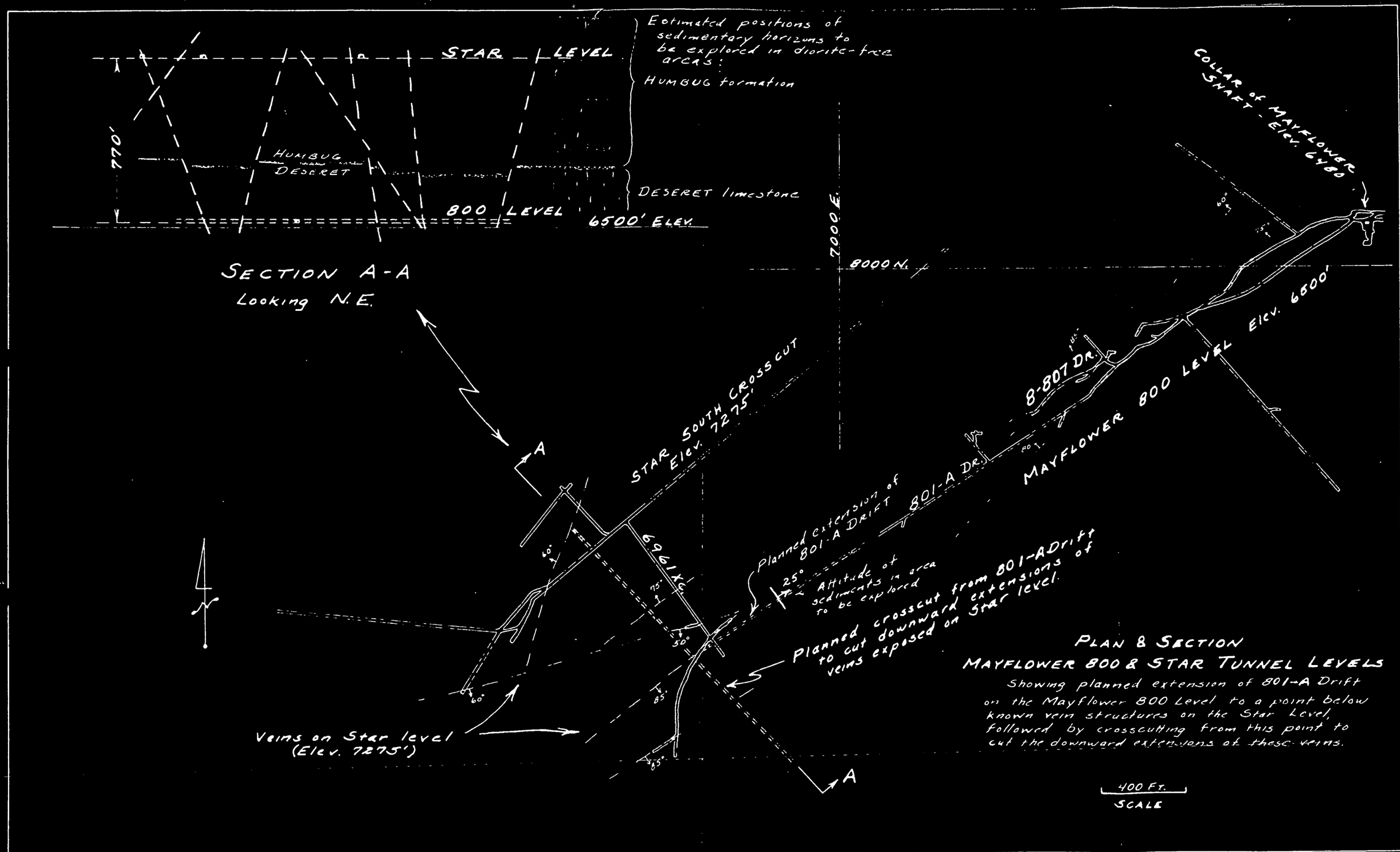
HERE



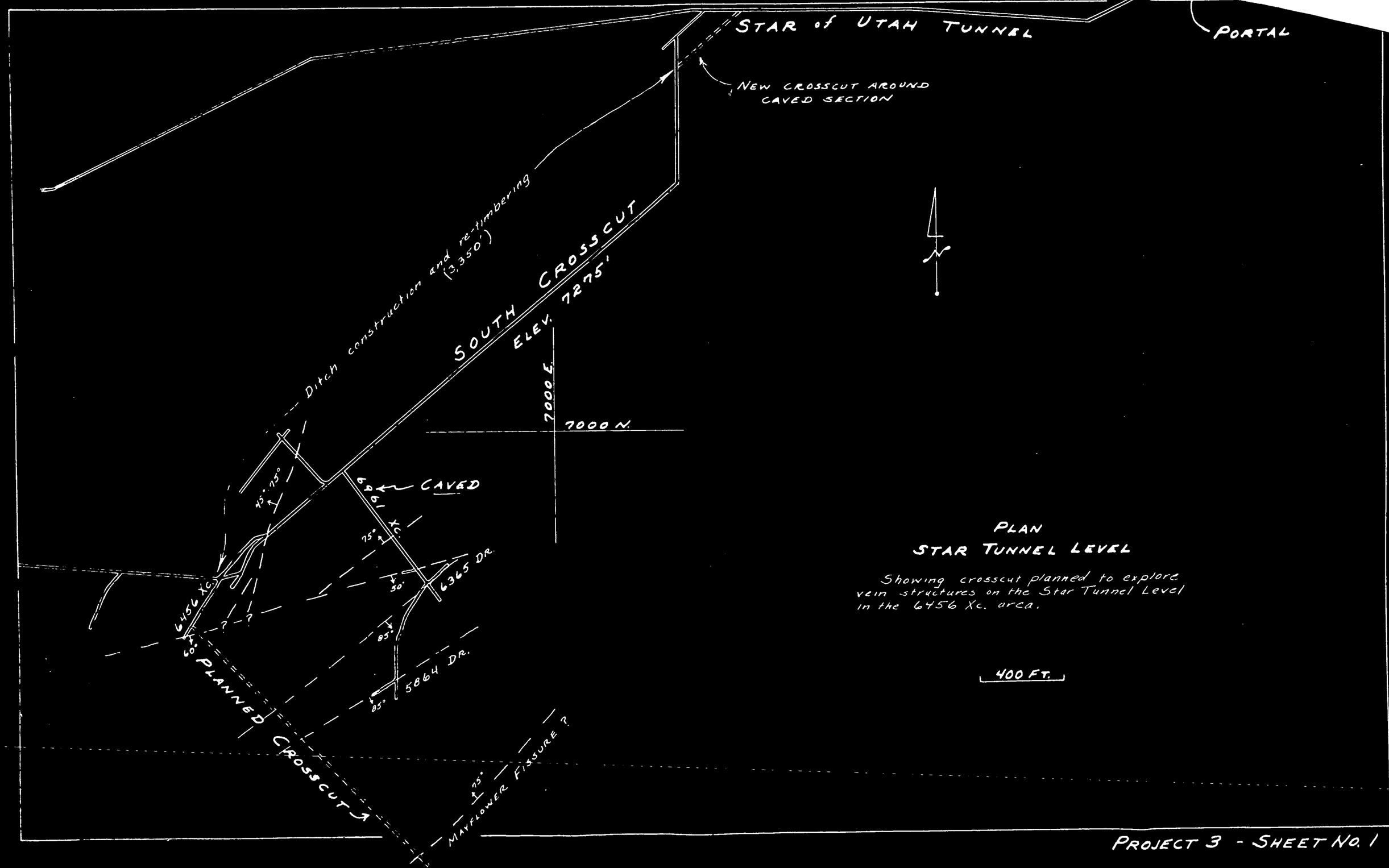
PLAN
MAYFLOWER & GENERAL CONNOR
TUNNEL LEVELS

Showing postulated extension of General Connor fissures into zone north of Mayflower and Pearl ore bodies, and crosscut planned to explore them.

BY RCB DATE 11/1/60 SUBJECT EXPLORATION PROJECT N. 1950-2 SHEET NO.
CHKD. BY DATE JOB NO.



PROJECT 2 - SHEET NO. 1


STAR of UTAH TUNNEL
PORTAL
NEW CROSSCUT AROUND CAVED SECTION
Ditch construction and re-timbering (3,350')
SOUTH CROSSCUT
ELEV. 7275'
7000 E.
7000 N.
CAVED
6961 Xc.
75°
45°
75°
50°
6365 DR.
6456 Xc.
60°
85°
5864 DR.
85°
PLANNED CROSSCUT
75°
MAYFLOWER FISSURE ?
PLAN
STAR TUNNEL LEVEL
Showing crosscut planned to explore vein structures on the Star Tunnel Level in the 6456 Xc. area.
400 FT.

MAP

BELONGS

HERE

2

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. .....

Date received .....

Participation .....

NEW PARK MINING COMPANY
KEETLEY, UTAH

Name and address of applicant

Date May 19, 1951

FILL IN THIS BLOCK

Date of application November 28, 1950

Estimated cost $234,395.20

Mineral or metal Copper, lead and zinc

Percentage of Government participation 50%

Location of mine Blue Lodge Mining District
~~T2S R4E - SLM Section 26~~
Wasatch County, State of Utah
~~Park City Mining District~~

Date of filing MF-100 May 14, 1951

DMA Docket Number, if available 107

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.
*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.
*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.
*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.
15. State in detail how the ore could be shipped and how and where milled.
*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.
*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.
19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?
21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.
22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.
24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

NEW PARK MINING COMPANY
(Name of company)

By [signature]
(Signature of authorized official)

May 19, 1951
(Date)

W. H. H. Cranmer
President & General Manager
(Title)

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

Supplemental Data
Form MF-103
(April 1951)

NEW PARK MINING COMPANY
KEETLEY, UTAH
May 19, 1951

*1. *2. *3. *4. - Refer to MF-100

*5. OWNERSHIP OF PROPERTY:

Project No. 1: Exploration north of Pearl fissure Mayflower tunnel (800 level)-New Park Mining Company is owner of all property.

Project No. 2: Exploration west of Pearl and Mayflower fissures (800 level). A portion of this project will be in New Park Mining Company property. The greater part of this work will be on leased premises owned by U. S. Smelting Refining & Mining Company.

Project No. 3: Exploration of Star fissures (Star tunnel level). Area to be explored by this Project is in property owned by New Park Mining Company and on property leased from the U.S. Smelting Refining & Mining Company.

6. There are no claims, liens, or encumbrances against property of the New Park Mining Company.

7. A copy of the Lease and Landlord's Subordination Agreement will be forwarded.

8. See enclosed Annual Report - pages 5, 16 & 17.

9. New Park Mining Company is prepared to invest **$117,197.60**, which is one-half the estimated cost of these projects.

10. DESCRIPTION OF PROPERTY:

Project No. 1 - (a): This project will be operated from the Mayflower tunnel of the New Park Mining Company. This is the operating tunnel of the Mayflower Mine and is fully equipped with respect to haulage equipment, compressed air, electric power and surface facilities.

(b): The mining claims that will be crosscut are as follows:

George H.C. - Survey 2956 - patented
Rosebud - Lot No. 201 - patented
Johnston - Survey 6810 - patented
Rosebud Fraction - unpatented
These are all located in the Blue Ledge Mng.district
T2S R4E - SLM Section 26.

Project No. 2 - (a): This project will be operated from the Mayflower tunnel of the New Park Mining Company. This is the operating tunnel of the Mayflower Mine and is fully equipped with respect to haulage equipment, compressed air, electric power and surface facilities.

(b): The mining claims that will be crosscut are as follows:

10. Description of Property (Cont'd.):

(b) New Park Mining Company owner: Phyllis - Survey 6810 - Patented

U. S. Smelting Refining & Mining Company owner:
Lookout Mountain No. 2 - Survey 7130 - unpatented
Ethel - Survey 7130 - unpatented
Poor Man - Survey 5128 - patented

These claims are located in the Blue Ledge Mining District T2S R4E - SLM Section 34

Project No. 3 (a): This project will be operated through the Star of Utah tunnel property of the New Park Mining Company. The tunnel is equipped with haulage equipment, compressed air, electric power and surface facilities (changeroom, compressor, ore bins, etc.)

(b): The mining claims that will be crosscut are as follows:

New Park Mng. Co. owner: Miriam No. 2 - Lot 206 patented.

Gold Standard - Lot 205 patented.

U. S. Smelting Refining & Mining Company owner:
Silver Shield - Survey 5128 - patented.

These claims are all located in the Blue Ledge Mining District - T2S R4E - SLM Section 34.

*11. New Park Mining Company at the time of incorporation in 1932 was a consolidation of the Mayflower Mines Corporation, Star of Utah Mining Company and the Park Galena Mining Company.

*12. *13. & *14. Refer to MF-100.

15. (a): The ore from all 3 projects applied for would be loaded on railroad cars on trackage of the Union Pacific Railroad Company at the portal of the Mayflower tunnel. The ore developed in Project No. 3 (Star Tunnel) would be trucked from the Star portal ore bin to the railroad cars at the Mayflower tunnel (1 mile haul).

(b): All ores produced from property of the New Park Mining Company would be milled at the Bauer Mill of the Combined Metals Reduction Company. Ores mined from the property of U. S. Smelting Refining & Mng. Company would probably be milled at their own reduction plant at Midvale, Utah.

*16. *17. & *18. Refer to MF-100.

19. New Park Mining Company is supplied with all major items of equipment to perform the work indicated in these 3 projects. It will be necessary to acquire the following items of equipment for use in the projects contemplated (Prices quoted as of November 1950):

1 Model 12B Eimco Mucker - $3000
2 Type B Goodman Battery Trammer with batteries-@$4407 - $8814
1 Goodman Panel Generator for above trammers - $959
TOTAL - $12,733

20. The ore deposits that may be developed should be similar to those in the Mayflower Mine, namely: Fissure deposits in both igneous and sedimentary rocks and bedded deposits in the sedimentary rocks below the Weber quartzite. This is a new ore producing horizon in the Park City District that is proving very productive in both our property and that of the Park Utah Consolidated Mines Company property. Minerals developed will probably be copper, lead and zinc.

21. Project No. 1:

Objective: Exploration of area north of the Mayflower and Pearl veins for similar parallel ore bodies.

Work to be done: From the Pearl fissure drift on the 800 level and crosscut N.15° W. a distance of 900 feet to the north boundary of New Park's property. It is estimated that timbering may be necessary for 40 percent of the total distance or 360 feet.

Rate of Work: Two crews averaging 200 feet advance per month will complete the project in 4½ months.

Project No. 2:

Objective: Exploration of western extension of Mayflower and Pearl fissure systems and of downward extension of mineralized fissures exposed on the Star of Utah tunnel level.

Work to be Done: Extend the 801-A Drift west a distance of 900 feet then crosscut northwest and southeast a total distance of 1500 feet and drift on favorable structures a minimum of 500 feet. This total advance is 2900 feet. It is estimated that timbering may be necessary for 50 percent of the total distance, or 1450 feet.

Rate of Work: Two crews averaging 200 feet advance per month will complete the project in 14½ months.

Project No. 3:

Objective: Exploration on the Star of Utah tunnel level of the westward extension of mineralized fissures cut by the 6961 Crosscut.

21. (Cont'd.) Project No. 3:

Work to be Done: Drive 400 feet of new timbered Crosscut around an old crooked caved section where the Star South Crosscut leaves the main Star of Utah tunnel (Sheet 1). Clean up and re-timber 3,350 feet on the south crosscut and excavate a ditch large enough to carry the flow of water coming from the western part of the level. New timber would be required for an estimated 1650 feet of this distance then driving a new crosscut southeast 1400 feet of which it is estimated that 50 percent, or 700 feet would require timber.

Rate of Work: Driving the first 400 foot section of crosscut at the rate of 200 feet per month would require 2 months to complete. Cleaning up and re-timbering the old crosscut is estimated to proceed at an average rate of 400 feet per month requiring 8½ months to complete. The new crosscut advancing 200 feet per month will require an additional 7 months making a total of 17½ months for the complete project.

22. GEOLOGY: Project No. 1: (For Map refer to Project No. 1 - Sheet No. 1) Of four nearly identical fissures cut in the General Connor tunnel, one, the Park-Bingham fissure, can be followed west in the Mayflower tunnel for 3,500 feet to where it merges with the Pearl fissure. It is believed that the other three, the Red Pine, Mountaineer, and Homestake fissures continue to parallel the Park-Bingham fissure on their westward extensions, and that they are present north of the Pearl ore body. Because of the location of a number of major ore bodies in a north-south belt through the eastern part of the Park City district (Introductory Sheet 2), it is thought that any fissuring crossing into this belt is a potential ore producer. A crosscut (8-975 N. Crosscut) is therefore planned to explore the area immediately north of the Mayflower and Pearl ore bodies, where the Red Pine, Mountaineer, and Homestake fissures are expected to be cut. The country rock is expected to be diorite, and any ore found will probably be fissure ore similar to that of the Mayflower and Pearl veins.

Project No. 2 (For Map refer to Project No. 2 - Sheet No. 1): Diamond drilling, drifting and crosscutting in an area west of the main producing stopes of the Mayflower mine have proved that the Pearl and Mayflower fissures do extend southwesterly into an area that has been developed 800 feet higher in elevation by the Star of Utah tunnel. Fissures exposed in the Star of Utah tunnel are well mineralized with lead and zinc and there has been one railroad car of ore shipped from the 6961 Crosscut shown on Sheet No. 1 of Project No. 2.

The purpose of this project is to crosscut the southwesterly striking fissures in an area of known mineralization and in a zone of rock exposures that may produce fissure ore deposits in diorite and limestone and replacement ore deposits in the sedimentary rocks. The accompanying stratagraphic section illustrates that this

Project No. 2 (Cont'd.):

Project has possibilities of developing ore horizons in the lowest stratagraphic area yet exposed in the Park City District.

The possibilities of ore occurrence in the area of this Project are favorable as the geological conditions are similar to those in the Mayflower Mine to the east.

Project No. 3 (Refer to Project 3, Sheets 1 and 2)-Work done on the Star Tunnel level in the area shown on Sheet 2 has exposed a number of quartz veins carrying some lead-zinc values, in fissures in both diorite and the Humbug formation. The strongest mineralization was found in 6365 Drift from 6961 Crosscut, from which a shipment of 48 tons of ore was made, averaging .025 oz. gold per ton, 4.6 oz. silver per ton, 3.5 percent lead, 0.2 percent copper, and 4.6 percent zinc. Only a small amount of drifting was done on these veins that may very well carry commercial ore at other points along their strikes. Rather than to try to re-open 6961 Crosscut, which is now caved, it is planned to drive a new crosscut about 1,000 feet west of 6961, and parallel to it, to intersect the same veins and also to continue farther southeast to crosscut the westward extension of the Mayflower fissure system. Both diorite and portions of the Humbug formation are expected in this area, so that fissure ore and replacement ore may be developed by this work.

This project will be exploring the same fissure systems that Project No. 2 will, but at a much higher elevation, and also farther west. The Star level work will be in a similar geological situation as the work in Project No. 2, but will be exploring a higher stratographic sedimentary rock section (Humbug - See accompanying Stratographic Section) that is host rock for bedded ores in this area of the Park City Mining District.

23. The 3 Projects proposed in this Application were first prepared for presentation to the Defense Minerals Administration in October and November, 1950. The basic costs of the Project have now been revised due to a wage scale increase of 10¢ per hour after costs were originally calculated. We also have available now the results of a detailed cost summary of 1950 work. Following is a detailed analysis of expected drifting costs:

Itemized Statement of Projects Costs

(The following labor figures include base pay, contract bonus and overtime)

Direct Labor

Item	Cost per Foot
Drilling	$ 4.60
Mucking	2.97
Tramming	2.28
Pipe and Track:	
Installation	0.71
Ventilation	0.67
Vacations	0.69
Group Insurance	1.08
Workmans Comp.	1.60
Life Insurance	0.26
F.O.A.B.	0.39
Unemployment Ins.	0.26
Supervision	1.00
	$16.51

Supplies

Item	Cost per Foot
Track and Ties	$ 1.73
4" Air Line	1.03
2" Water Line	0.32
16" Vent Pipe	1.38
Explosives	1.71
Small Tools	0.04
Lamps and Lights	0.26
Bits and Steel	1.28
	$ 7.75

Rentals and Repairs

Project No. 1

Equipment	Value	Life	Monthly Depreciation	Repair Cost Per Foot Advance
Ventilation Fan	$1000	10 years	$ 8.35	$ 0.04
10 Mine Cars	$2000	10 years	16.70	0.17
Locomotive	$4407	10 years	36.80	0.65
Charging Panel	$ 959	10 years	8.00	-
Drill Jumbo	$3120	5 years	52.00	0.04
2 Drill Machines	$2450	5 years	40.80	0.39
Mucking Machine	-	-	-	0.17
			$162.65	$ 1.46

Equipment Rental Cost per Foot Advance $162.65/200 Ft.	$ 0.81
Repair Cost per Foot Advance	1.46
	$ 2.27

Rentals and Repairs (Contd)

Project No. 2

Equipment	Value	Life	Monthly Depreciation	Repair Cost Per Foot Advance
Ventilation Fan	$1000	10 years	$ 8.35	$ 0.04
10 Mine Cars	$2000	10 years	16.70	0.17
Drill Jumbo	$3120	5 years	52.00	0.04
2 Drill Machines	$2450	5 years	40.80	0.39
Mucking Machine	$3000	5 years	50.00	0.17
Locomotive	-	-	-	0.65
			$167.85	$ 1.46

Equipment Rental Cost per Foot Advance $167.85/200 Ft. - - - - -	$ 0.84
Repair Cost per Foot Advance - - - - - - - - - - - - - - - - - - -	1.46
	$ 2.30

Project No. 3

Equipment	Value	Life	Monthly Depreciation	Repair Cost Per Foot Advance
Ventilation Fan	$1000	10 years	$ 8.35	$ 0.04
10 Mine Cars	$2000	10 years	16.70	0.17
Charging Panel	$ 959	10 years	8.00	-
Drill Jumbo	$3120	5 years	52.00	0.04
2 Drill Machines	$2450	5 years	40.80	0.39
Mucking Machine	$3000	5 years	50.00	0.17
Locomotive	-	-	-	0.65
			$175.85	$ 1.46

Equipment Rental Cost per Foot Advance $175.85/200 Ft. - - - - -	$ 0.87
Repair Cost per Foot Advance - - - - - - - - - - - - - - - - - - -	1.46
	$ 2.33

Overhead

Item	Cost per Foot
Warehouse	$ 0.26
Assaying	0.60
Shops	1.00
Handling Supplies	0.26
Engineering	1.20
Compressed Air	1.20
	$ 4.52

Summary
Cost per Foot for Each Project

Item	Project No. 1	Project No. 2	Project No. 3
Labor	$ 16.51	$ 16.51	$ 16.51
Supplies	7.75	7.75	7.75
Rentals and Repairs	2.27	2.30	2.33
Overhead	4.52	4.52	4.52
	$ 31.05	$ 31.08	$ 31.11

In Addition to the Above Costs
The Following Charges are Estimated for Portions
of the Drifts that must be Timbered:

Item	Cost per Foot
Labor	$ 2.60
Supplies	4.47
	$ 7.07

Following are Estimated Costs of Drift Repair and Ditch Maintenance:

Repairing timber and drift clean up - - - - 50% of $31.11 - $ 15.55
Cleaning ditch and track ballast - - - - - 5% of $31.11 - 1.56

NEW PARK MINING COMPANY
KEETLEY, UTAH
MAY 19,1951

The Requirements and Costs:	Project No. 1			Project No. 2			Project No. 3		
	No.	Class	Wage	No.	Class	Wage	No.	Class	Wage
(a) Labor:	4	Miners	$12.05/8 hr.shift 48 hr.week	4	Miners	$12.05/8 hr.shift 48 hr.week	4	Miners	$12.05/8 hr.shift 48 hr.week
	2	Motor-men	$12.05/8 hr.shift 48 hr.week @ 1 hr/shift	2	Motor-men	$12.05/8 hr.shift 48 hr.week @ 1 hr/shift	2	Motor-men	$12.05/8 hr.shift 48 hr.week
							2	Compres-sormen	$11.80/8 hr.shift 48 hr.week
(b) Supervisors:	1	Shift Boss	$401./mo. @ 1 hr/shift	1	Shift Boss	$401./mo. @ 1 hr/shift	1	Shift Boss	$401./mo. Part time
(c) Cost of Repairs:	None			None			Approx.38% of cost of Project is to rebuild Star Tunnel to enter area of exploration.		
(d) Necessary Construction:	None			None			None		

(e) Equipment to be purchased over $50.:

One Model 12B Eimco Mucker	-	$ 3,000.00
Two Type B Goodman Battery Trammers with batteries, @ $4407	-	8,814.00
One Goodman Panel Generator for above trammers	-	959.00
		$ 12,773.00

(f) Cost of Renting Equipment:	None None None
(g) Rental Value of Equipment:	See previous tabulations - Page -6-
(h) Cost of Equip. & Supplies costing less than $50 ea.:	See previous tabulations - Page -6-
(i) Cost of Power, Water, etc.:	See previous tabulations - Page -6-

NOTE: The above indicated quantity of labor is required for each project. Projects will be driven on a contract basis. Base pay indicated above does not include overtime, contract bonus, and night shift differential.

24. Cost Summary and Time Schedule

Project No. 1

Work and Unit Price	Total Value	Estimated Time to Complete Project
900' Drifting @ $31.05/Ft.	$ 27,945.00	4-1/2 Months
360' Timbering @ $ 7.07/Ft.	2,545.20	-
	$ 30,490.20	4-1/2 Months

Project No. 2

2900' Drifting @ $31.08/Ft.	$ 90,132.00	14-1/2 Months
1450' Timbering @ $ 7.07/Ft.	10,251.50	-
	$ 100,383.50	14-1/2 Months

Project No. 3

400' Drifting @ $31.11/Ft.	$ 12,444.00	2 Months
1400' Drifting @ $31.11/Ft.	43,554.00	7 Months
900' Timbering @ $ 7.07/Ft.	6,363.00	-
1650' Drift Repair @ $15.55/Ft.	25,657.50)	
1750' Ditch Cleaning @ $ 1.56/Ft.	2,730.00)	8-1/2 Months
	$ 90,748.50	17-1/2 Months

Project No. 1	$ 30,490.20
Project No. 2	100,383.50
Project No. 3	90,748.50
Equipment	12,773.00
Total Cost of Projects - - - - -	$ 234,395.20

Form MF-100
(March 1951)

U. DEPARTMENT OF THE INTERI
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. DMA-107

Date received DMA - 0123

68370

NEW PARK MINING COMPANY
KEETLEY, UTAH

Name and address of applicant

Date May 14, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) ~~Necessary Certificate pursuant to the provisions of Sec. [illegible]~~ priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

5 GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced: SEE ACCOMPANYING SHEETS
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings, (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:

   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
W. H. H. Cranmer Keetley, Utah	President & General Mgr. D	$12,140		84,600	None	$20,000	$1,780
R. C. Wilson Salt Lake City, Utah	Vice-President & Treasurer - D	2,428		7,500	None	None	None
Fraser Buck, Park City, Utah	Secretary - D	2,428		9,500	None	None	None
Robert L. Cranmer Salt Lake City, Utah	Assistant Secretary - D	5,210		4,613	None	25,000	650
Orvel J. Bonnett Provo, Utah	- D	750		48,225	None	None	None
Clark L. Wilson Keetley, Utah	Supt. - D	6,480		1,100	None	25,000	826
Fred E. Wise Ouray, Colorado	- D	- -		1,000	None	None	None
	Total	$29,436	x x x x x	156,538	- -	x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$3,500,000	$3,025,228	$1.00	3,025,228	3¢ per share 1st half 1951
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)	Crude non-ferrous ore	$27.48 72,831	$24.09 64,738	$24.39 70,480	$24.00 7,061

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or minera[illegible]posit briefly. Accompany the application by [illegible] available report on the geology and ore reserves.

Supplemental Data
Form MF-100
(March 1951)

NEW PARK MINING COMPANY
KEETLEY, UTAH
May 14, 1951

1. Materials produced:
   (a) The chief products are lead, copper, zinc, gold and silver.
   (b) Cadmium is produced as a byproduct.

2. Names of Properties:

Park-Galena Mayflower Mine: This is the producing area of the New Park Mining Company. Ores are mined from the Park Galena Mayflower fissure and Pearl fissure producing approximately 300 tons per day. Fissures were first developed in 1880. The mine is not flooded. The water flow is 500 gallons per minute pumped against a 700 foot head.

Star of Utah Tunnel: This tunnel has been used for joint operations of New Park Mining Company, Park City Utah Mng. Company and U. S. Smelting Refining and Mining Company. The Park City Utah Mining Company has mined large tonnages of ore from the Wasatch fissure. New Park and the U. S. Company have developed favorable geological mineralized structures. The mine is not flooded. The tunnel has developed a water flow of 800 gallons per minute.

Gold Queen Tunnel: This tunnel was driven to develop known fissures exposed on the surface and to explore the contact of the Park City limestone and Weber quartzite. No ore has been produced. The tunnel is not flooded.

Flagstaff Mine: This was one of the first producing properties in the Park City District. It is now leased to the Flagstaff Bonanza Mining Company of Park City. There is no water problem.

Park-Bingham Tunnel: This tunnel was driven to crosscut the easterly extension of the Park Galena Mayflower fissure and the Park Bingham fissure. Good mineralization was encountered on the Park Bingham fissure. The tunnel crossuct a deposit of halloysite clay used as an oil filtering medium. There is no water problem.

Connor Tunnel: This tunnel was driven originally to develop the East Utah Mining Company. It was later used by Newmont Mining Corporation and New Park Mining Company as a joint project to develop properties adjoining New Park. The tunnel developed water flowing at the rate of approximately 300 gallons per minute.

	Park Galena Mayflower Mine.	Star of Utah Tunnel	Gold Queen Tunnel	Flagstaff Mine	Park Bingham Tunnel	Connor Tunnel
(a) Linear feet of Shafts:	1,360	- -	- -	1,220	- -	- -
(b) Linear feet of Drifts & Crosscuts:	25,000	1,910	1,375	1,850	930	4,120
(c) Linear feet of Tunnels or Adits:	11,750	10,240	1,400	- -	1,730	2,800
	38,110	12,150	2,775	3,070	2,660	6,920

3. Geographical Location:	Park Galena Mayflower Mine	Star of Utah Tunnel	Gold Queen Tunnel	Flagstaff Mine	Park Bingham Tunnel	Connor Tunnel
(a) Distance and direction from nearest town:	10 miles south to Heber; 4 mines NW to Park City	11 miles south to Heber; 3 mi. NW to Park City	5 mi. north to Park City	3 mi. North to Park City	10½ mi. So. to Heber; 3½ mi. NW to Park City	10 mi. So. to Heber; 4 mi. NW to Park Cit;
Shipping point:	Railroad at Portal of Mayflower Tunnel	R.R. at Portal of Mayflower Tunnel	Park City	Park City	R.R. at Portal of Mayflower Tunnel	R.R. at Portal of Mayflower Tunnel
(b) Mining District:	Blue Ledge	Blue Ledge	Snake Creek	Uintah	Blue Ledge	Blue Ledge
(c) Township, Section, Range:	T2S, R4E SlM - Sec. 26	T2S, R4E SLM - Sec. 26	T3S, R4E SLM - Sec.4	T2S, R4E SLM-Sec.33	T2S, R4E SLM-Sec.26	T2S, R4E SLM-Sec.25
(d) County and State:	Wasatch County State of Utah	Wasatch Cnty. State of Utah	Wasatch Cnty. State of Utah	Summit County State of Utah	Wasatch Cnty. State of Ut.	Was. Cnty State of Utah
4. Operation:						
(a)& (b)	Being operated by New Park Mng. Company as owner.	Being operated by New Park Mng. Company as owner.	No operation at present. New Park is owner.	Being operated by Flagstaff Mining Co. as Lessee.	No operation at present. New Park is owner.	Maintenance operation only. New Park is owner.

5. Production: The Park Galena Mayflower Mine has been in production since incorporation of the Company in 1932. Production during the period 1940 thru 1950 has been 661,245 dry tons of non-ferrous ore with net smelter value of $13,385,637. Production from the other properties listed above is dependent on the success of proposed exploration projects.

6. Experience of Operators:

(a) The New Park Mining Company has successfully developed the Park Galena Mayflower Mine into a large producing metal mine in Utah.

6. Experience of Operators (Cont'd.):

(b) Mr. W. H. H. Cranmer, President & General Manager since 1934 to date, has been responsible for this development and his experience record follows:

Graduate of Yale University in Mining Engineering - 1906.

President of Jones, Wheeler, Cranmer Engineering Company - Contractors of re-inforced concrete buildings and bridges.

Captain in Artillery - World War I

Mineral Examiner, U. S. Department of Interior.

Geologist employed by Union Oil Company.

President & General Manager of Navajo Petroleum Corporation.

Organized New Park Mining Company - 1932.

President & General Manager of New Park Mining Company - 1934 to date.

President of Oil Incorporated

President of Utah Mining Association - 1949.

Past-President of Utah Section of A.I.M.E.

Experience record of Clark L. Wilson, Superintendent and Director:

Graduate of University of Utah - Geological Engineering - 1936

Masters Degree - University of Arizona - Geology - 1938

Engineer and Geologist for Missouri Monarch Consolidated Mines Company, Black Forest, Nevada

Engineer for Utah Copper Company at Bingham Canyon, Utah

Employed by New Park Mining Company as Engineer in 1940. Served as Chief Engineer and Geologist. Appointed Superintendent in 1947. Elected a Director in 1948.

Served one year in U. S. Navy - World War II as Electronics Technician.

Mineral Surveyor U. S. Bureau of Mine Management.

Licensed Engineer and Land Surveyor - State of Utah

7. History:

(a) The Park Galena Mayflower fissure has been mined through a vertical distance of 1700 feet by means of 3 adit tunnels 5 vertical and inclined winzes and by drifting and crosscutting. The ore deposits were first discovered on the surface in the 1880's and there was sporadic development by various small stock companies. Since incorporation of the New Park Mining Company in 1932, the property has developed as one of the larger underground mines in Utah. The Pearl fissure has been developed in the last 8 years and has been mined through a vertical producing distance of 800 feet.

This mine is the first in Park City to produce ore from fissures of igneous rock. Production in the District was formerly from fissures and bedded deposits in sedimentary rocks. New Park is now developing bedded ore deposits in sedimentary rocks.

(b) The accompanying Map illustrates our position with reference to the Park Utah Consolidated Mines Company and Silver King Coalition Mines Company that have contributed large tonnages of ore to the Park City Mining District's production of approximately $400,000,000.

8. Officers & Directors: (See Application)

Five Largest Stockholders: W. H. H. Cranmer, Keetley, Utah
J. A. Hogle & Co., 132 South Main Street, Salt Lake City, Utah
Merrill Lynch, Pierce, Fenner & Beane, 70 Pine Street, New York, N. Y.
East Utah Mining Company, Keetley, Utah
Stella Walker Ellis, c/o First Security Trust Co., Salt Lake City, Utah

9. Capital Stock Issues: (See Application)

10. Production: (See Application)

11. The Park Galena Mayflower Mine is being prepared mechanically to handle large ore tonnages. The extent to which production can be increased will depend on results of our requests for aid in exploration projects.

12. Ore or Mineral Reserves:

(a) The ore deposits of the Park Galena Mayflower Mine occur as fissure deposits and replacements in sedimentary beds. The greatest production to date has been from fissure deposits in both igneous rock (diorite) and in sedimentary rocks (limestone, shales, etc.). The fissures strike generally easterly to northeasterly with steep dips to the north and south. The fissures and ore shoots are very persistent both in horizontal and vertical extent. The bedded ore deposits have been developed during the past 4 years and are located in a shaly limestone below the Weber quartzite, a prominent rock formation in the Park City District. These bedded ores are similar to deposits being mined at the Park Utah Consolidated Mines Company property.

12. Ore or Mineral Reserves (Cont'd.):

The property of New Park Mining Company is situated on the south end of the Park City anticline and crosses this structure in an east-west direction parallel to the large fissures of this District.

Mining experience of the New Park Mining Company indicates excellent prospects for mineable ore at depth on the present producing fissures and there are excellent opportunities to develop new producing ore zones on known fissures in other areas of the Company property.

(b)-(1) Accompanying this Report is a generalized section of the Park Galena Mayflower fissure indicating positions of stoped areas and location of proved ore reserves. Ore shoots from the Pearl fissure are similar in occurence to those shown on the Park Galena Mayflower fissure.

(2) Ore reserves have been computed by the New Park Geological Department using weighted averages of samples taken in openings driven to develop the ore. Proved ore reserves are shown below reported as the combined reserve of the Park Galena-Mayflower and Pearl fissures.

Proved Combined Ore Reserves - Jan. 1, 1951

Estimated Tons -	275,900 dry tons
Metal Content -	.25 oz. Au/ton, 6.1 oz. Ag/ton, 3.3% Pb., 0.6% Cu., 5.0% Zn.
Gross Value per ton -	$26.00
Recoverable unit value per ton -	$22.50
Estimated Cost of Production per ton -	$21.00

Ore values are based on the following metal prices:

Au. -$35/oz.	Pb. -17¢/lb.	Zn. -17½¢/lb.
Ag. -$0.90/oz.	Cu. -24½¢/lb.	

Indicated Ore Reserves - 550,000 tons, having approximately the same grade and value as the proved ore.

Indicated ore reserves for both fissures are estimated at approximately 550,000 tons, or double the reserve now proved. This reserve is estimated to have approximately the same grade and value as the proved ore. This estimate is based on the mining experience on these fissures and the geological evidence indicating the continued successful production.

13. Access Roads: A paved road extends 2 miles from U. S. Highway 40 to the portal of the Mayflower tunnel. The Park Bingham, Star of Utah and Connor Tunnels are connected by good dirt roads to this paved road. The shipping point for these 4 tunnels is the railroad at the portal of the Mayflower tunnel. Supplies are delivered to the Mayflower tunnel portal by rail or by truck from Park City, Heber and Salt Lake City.

14. Water Supply: The underground water developed in the Park Galena Mayflower Mine is sufficient for all operating needs and is a constant flow throughout the year.

15. Power: Electric power is purchased at 44,000 volts from the Utah Power & Light Company. Monthly consumption is approximately 400,000 kilowatt houts at .6¢ per kilowatt hour plus a peak load charge.

16. Labor: Following is a breakdown of our payroll by work classifications during the month of April, 1951:

Underground Workers (Miners, Muckers, Timbermen, Hoistmen, Maintenance Men)	-	135
Shops and Surface (Mechanics, Blacksmiths, Tool Sharpeners, Carpenters, etc.)	-	48
Management Supervision, Office and Engineers	-	35
TOTAL	-	218

17. Equipment and Facilities: See accompanying pictures. Facilities at the Park Galena Mayflower Mine include a Carpenter Shop, machine shop, electrical shop, warehouse, assay office, blacksmith shop, compressor room, mine office, miner's changeroom, heating plant, tipple, houses, office, trucks and caterpillar. The mine is equipped with all necessary operating equipment such as drill machines, mucking machines, hoists, slushers, ventilation equipment, pipe and track, haulage equipment, compressors and electrical distribution system.

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)					

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

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

NEW PARK MINING COMPANY
(Name of company)

By _____
(Signature of authorized official)

May 14, 1951
(Date)

W. H. H. Cranmer
President & General Manager
(Title)

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

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
10/7	[illegible]	500
10/9	[illegible]	130
"	Johnson	110
"	Mittendorf	100
10/10	B	220
		225

500

OCT 9 1957

Mr. E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse Bldg.
Denver 2, Colorado

Re: Docket No. DMEA-107 (Lead-Zinc)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract No. Idm-E5

Dear Mr. Harshman:

With reference to your September 25 memorandum regarding the cited project, we have no objection to the releasing of information to the Bureau of Land Management. However, the matter should first be cleared with the New Park Mining Company.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

WRGriswold/er 10/7/57
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

APPROVED:

Frank D. Lamb
Member, Bureau of Mines

W. P. Williams
Member, Geological Survey

8623

Mr. Simmons:

Let's check Dockell and Magee, and then discuss.

FEG

Johnson

It seems to me that we should allow an authorized engineer access to our record in a case like this. (at least answer a specific question - giving facts) M

EXTRA COPY
DMEA
RECEIVED

DATE		CODE
9/30	Conn	100
10/1	uey	500

224 New Customhouse
Denver 2, Colorado

September 25, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Alternate Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMA 107 (Lead-Zinc), Contract No. I-DMA-E5, New Park Mining Company (Mayflower mine - Project 1), Wasatch County, Utah

Enclosed are the original and two copies of a memorandum, dated September 23, 1957, from Stephen R. Wilson, Supervising Mining Engineer, requesting advice as to the course of action to be followed in releasing information to the Bureau of Land Management relative to a claim subordinated under the subject Contract.

Please advise this office in the matter for our forwarding to Mr. Wilson.

Original signed by
J. W. TOWNSEND

J. W. Townsend

Enclosures

JWT:prl
cc: Wilson) w/copy of Wilson's
cc: Harshman) memorandum of
Townsend) September 23.
Corres.)
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

DMEA
DEPARTMENT OF THE INTERIOR
SEP 25 1957
REGION III
DENVER, COLORADO

September 23, 1957

Memorandum

To: E. N. Harshman

From: Supervising Mining Engineer

Subject: Docket No. DMEA-107 (Lead-zinc), Contract Idm-E5, New Park Mining Co. (Mayflower mine), Wasatch County, Utah. Project 1

New Park Mining Co. has applied to the Bureau of Land Management for patent of the Rosebud fraction lode-mining claim, included with other property of the Mayflower mine, Wasatch County, Utah. This claim is encumbered under Contract Idm-E5, and lies between the Johnson claim, Survey 6810, and the Rosebud, Lot No. 201. The two patented claims are also encumbered under the contract.

The Bureau of Land Management, prior to issuing patent, is attempting to appraise the significance of mineral discovery on the Rosebud fraction as claimed by New Park Mining Co. During February 1952, S-P-1000 crosscut, driven under the DMEA contract, passed through the fraction. The claim is approximately 10 feet wide at this point. No mineralization was noted in the operator's narrative report, or in the inspecting engineer's memorandum, accompanying the MF-104 forms for the month. The area is now inaccessible because of caved ground.

The Bureau of Land Management has requested permission to include DMEA data in the patent proceedings involving the Rosebud fraction claim.

Please advise the proper course of action to follow in this case.

Stephen R. Wilson
Stephen R. Wilson

EXTRA COPY
DMEA
RECEIVED 1957
DATE CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado

~~OFFICE~~ FILE COPY DMEA RECEIVED SEP 30 1957		
DATE	[illegible]	CODE
9/30	C	220
		225

September 25, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Alternate Acting Executive Officer, DMEA Field Team, Region III

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Please advise this office in the matter for our forwarding to Mr. Wilson.

J W Townsend
J. W. Townsend

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 12, UTAH

DMEA
DEPARTMENT OF THE INTERIOR
SEP 25 1957
REGION III
DENVER, COLORADO

September 23, 1957

Memorandum

To: E. N. Harshman

From: Supervising Mining Engineer

Subject: Docket No. DMEA-107 (Lead-zinc), Contract Idm-E5, New Park Mining Co. (Mayflower mine), Wasatch County, Utah. Project 1

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The Bureau of Land Management has requested permission to include DMEA data in the patent proceedings involving the Rosebud fraction claim.

Please advise the proper course of action to follow in this case.

Stephen R. Wilson
Stephen R. Wilson

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 30 1957
DATE | CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION 500
WASHINGTON 25, D. C.

PROJECT SUMMARY REPORT

By: W. R. Griswold June 26, 1956

1. Docket No. DMA-107 (Lead-Zinc-Copper)
Contract No. Idm-E5
Property: Mayflower Mine
Wasatch County, Utah

Operator: New Park Mining Company
Keetley, Utah

Operator's Property Rights: Lessee
Subordination Agreement waived.

2. Contract dated May 31, 1951.

Work Authorized

5,600 feet drifting and crosscutting @ $31.08/ft.	$174,075.00
2,710 feet timbering of drifts & crosscuts @ $7.07/ft.	19,159.70
1,650 feet drift repair @ $15.55/ft.	25,657.50
1,750 feet ditch cleaning @ $1.56/ft.	2,730.00
Equipment purchase	12,773.00
Total estimated cost of project	$234,395.20
Government's participation at 50%	$117,197.60

Amendments

Dated October 15, 1951.

Deals with allowable wage rate.

No. 3. Dated March 25, 1952.

Pertains to remuneration for bookkeepers, clerks and stenographers.

No. 4 Dated March 25, 1952.

Establishes depreciation rates for equipment.

Amendments (continued)

Dated April 29, 1952.

Deals with equipment items and depreciation rates.

No. 7 Dated June 16, 1952.

Deals with wage rates, classification and rate of pay for work items and supervision allowances.

No. 8 Dated June 18, 1952.

Permits transfer of funds from one work item to another, also deals with depreciation allowance.

No. 9 Dated June 3, 1952.

Permits diamond drilling as a work items.

No. 10 Dated July 30, 1952.

Provides for specific diamond drill holes.

No. 11 Dated September 18, 1952.

Deals with allowable rates of pay.

No. 12 Dated November 10, 1952.

Extends completion period to 24 months.

No. 13 Dated March 23, 1953.

Permits shifting of work from one location to another, also permits diamond drilling to probe for excessive water conditions.

No. 14 Dated May 29, 1953.

Permits bonus payment to labor. Extends completion time 36 months.

Amendments (continued

No. 15 Dated June 15, 1953.

Permits rehabilitation and maintenance of drifts as a cost to the contract.

No. 16 Dated December 9, 1953.

Provides work recess from July 7, 1953 to October 9, 1953.

No. 17 Dated May 5, 1954.

Recess period continued until July 1, 1954.

Completion time extended to 41 months (October 31, 1954)

Repayment period extended to 12 years.

No. 18 Dated October 25, 1954.

Recess continued to December 31, 1954.

Completion period extended to 48 months. (May 31, 1955)

Mutual termination agreement dated March 28, 1955.

None of the above amendments affected the cost total of the project.

Work Completed

Crosscutting & drifting 3,462 feet @ $40.95/ft.	$141,773.78
Diamond drilling 1,494 feet (approx. $6.00/ft.)	8,964.00
Equipment purchase	13,298.21
Drift repair and ditch cleaning	35,214.88
Total	$199,250.87
Equipment salvage	190,028.25 ?
By Audit adjustment Total cost of project	189,460.32
Government's participation at 50%	94,730.16

Project terminated by agreement March 28, 1955.

3. Audit Certificate dated May 17, 1955.

Operator's final report June 1, 1955.

Field Team final report received August, 1955.

4. Certificate of Discovery - None.

5. Comments:

The mine is located near the axis of the north-northeast trending Park City anticline southeast of Park City, Utah. Three projects were outlined to explore for metallized, east to northeast striking, steeply north dipping veins like those which are productive elsewhere in the mine and in the district. Item I, a crosscut to the northwest from the Pearl vein on the 800-foot level, is reported to have revealed no significantly metallized structures meriting further exploration. Item II, a southwestward extension of the tunnel level with crosscuts northwest and southeast off the end of the drift, exposed several narrow metallized veins but two short drifts along the best of these exposed no mineable widths of ore. Poor core recovery from the diamond drill hole designed to test the downward continuation of these showings leaves such continuation in doubt. Item III, a proposed crosscut southeastward on the Star tunnel level, was abandoned because of a heavy flow of water.

No new ore reserves were established as a result of this work. Additional exploration at this productive mine with DMEA aid may be justified, however, and should be considered if and when requrested by the company.

High- and low-angle faults cut both igneous and sedimentary rocks. Principal production of lead-silver ore for which the Park City district is moted has come from veins on east to northeast striking, steeply dipping faults and from certain favorable strata where they are intersected by the veins. The productive strata include the Mississippian Humbug formation, the Pennsylvanian Morgan formation, (both known locally as the upper Wasatch), Pennsylvanian Weber quartzite, Pennsylvanian-Permian? Park City formation, and Triassic Thaynes formation. More recently considerable production has been realized from lodes and disseminated ores in the intrusive diorites.

It is believed that any future projects in this general area should be most carefully scrutinized and subjected to intensive geologic appraisal prior to project approval. It is obvious that all of the known Utah lead-zinc districts have been intensively exploited and any future exploration programs should be prefaced by a comprehensive study of all of the factors which may be involved.

W R Griswold

W. R. Griswold

WRG/er

Copy to: Docket
Base Metals
Chron.

☒ Audited

☐ Certified

Name NEW PARK MINING CO.

State UTAH

W[redacted]K ANALYSIS SHEET - DMEA PROJECT[redacted]

Analysis as of 3/24/55
Incl. Voucher for Jan 1954, Dec. 1952.

Commodity ZINC, LEAD, COPPER

☒ Actual Cost

☐ Agreed Unit Costs

Docket No. 107

Idm-E No. 5

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	5,392'	$167,609.36	3,462'	$140,747.58	$144,803.17
Raising					
~~Shafts~~ Dr. & XC. Timbering	864'	6,108.48			
Winzes					
Drilling (Specify) Diamond	1,496'	6,465.64	1,494'	6,456.24	6,456.24
Sur[redacted]e Excavation					
Underground Excavation Ditching		2,730.00			
Roads and Trails					
Operating Equipment Purchased		13,280.81		13,278.21	7,195.53
Surface Rehabilitation & Repairs					
Underground Rehabilitation		38,200.91		38,200.91	38,200.91
New Building, Improvements, etc.					
Other (Specify)					
Totals		$234,395.20		$198,682.94	$189,460.32

Termination agreement signed 3/29/55 with effective date of 2/1/54.
Property disposed.
Totals, checks, audit less disallowances.
Audit dated May 3, 1955.

Pipe	$ 1356.21
Track	1783.73
Equip[redacted]ent	6,082.68
	$9,222.62

Prepared by W. P. Hugenschmidt

Terminal Letter written Jan 17, 1956.

Final Field Team Reports received August 8, 1955.
Operator's Final Report received - August 8, 1955.
Project Summary Report written

No Ore Reserves - no certification

71626

To: Bill Grinwold
DMEA

You will recall that we discussed the Park City strike over the telephone and wondered if it was affected in any way by our DMEA work at the mine.

Subsequently I wrote Estabrook for information on the matter and this is his reply. Copies of my letter to Estabrook are attached.

Y. MOR

IN REPLY REFER TO

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Room 208, 222 So. West Temple
Salt Lake City 1, Utah
March 30, 1956

Memorandum

To: E. N. Barshman, DMEA Field Team, Region III

From: R. W. Osterstock

Subject: DMEA Docket 107 (Lead-zinc) Contract I-DMA-E5, New Park Mining Company (Mayflower Mine) Wasatch County, Utah.

DMEA-107

Data on new discovery at Mayflower Mine

In a letter dated March 12, 1956, Thor Kiilsgaard requested additional information on a reported newly discovered ore body in the Mayflower Mine.

The now completed DMEA exploration project at the subject property was terminated without certification of discovery. Several work proposals submitted by the operators as amendment requests following the unsuccessful attempts to find ore under the original contract were denied.

The New Park operation at the Mayflower mine is generally considered to be twofold in the sense that two parallel but distinctly different vein structures have been exploited. The southernmost or Mayflower vein is the locus for the major lead-zinc-silver ore deposits and the northernmost or Pearl vein contains copper-lead-zinc-gold-silver ore bodies.

The "newly discovered" ore body now being exploited is on the 1755 level about 500 feet east and 200 feet north of main shaft. This area has at no time been under consideration for DMEA aid. This "new" ore body is apparently on a strand of the Pearl fissure and is a part of a known ore shoot which extends at least 125 feet above the 1755 level to the next higher level. C. E. Wilson, an officer of the company, reports that the ore shoot has been known for 4 levels above the strike. The 1755 level exposure, however, is wider, longer (strike length), and higher grade than other exposures of the shoot on the higher levels. Wilson has noted that the mineralized zone on the 1755 level is 337 feet along strike and averages 2 1/2 feet wide. Selected high grade samples from this zone have assayed up to 9 percent copper, 10 ounces gold and 100 ounces silver. To date the operators have realized about $100.00 per ton from production in the "strike" zone.

The operators are now driving on the 1880 level toward the downdip extension of the ore shoot but they do not anticipate its intersection for at least three months.

In reality the ore body on a branch of the Pearl fissure at the 1775 level does not constitute a discovery as it has been disclosed as a part of normal development operations in a known ore zone. However, the expansion in size and grade of the ore shoot on the 1755 level has had a very gratifying effect on the operators.

R. W. Osterstock

RWO:dmc

March [illegible]

[illegible]

Mr. R. [illegible]
U. S. Geological Survey
[illegible] Federal [illegible]
Salt Lake City, Utah

Dear Bob:

In [illegible] Mines, I [illegible] New Park Mining [illegible] a low-grade [illegible] in [illegible] City property. [illegible] is important to [illegible] of [illegible] figures [illegible]

I [illegible] contact with this [illegible] No. DML 107) [illegible] a final report on the project, received here [illegible]

Being [illegible] with the mine and with the [illegible] Park City district, I [illegible] to plot the [illegible] this discovery [illegible] ever, if this [illegible] under [illegible] proposed to [illegible] [illegible] Moreover, [illegible] Highlight on [illegible] work in the [illegible] would like to [illegible] more intelligently [illegible] from there in [illegible] future. [illegible] good as they may [illegible] the area for continued exploration in the Park City district.

Sincerely yours,

THKilagaard:ir
G-3/12/56

Thor H. Kilagaard
Staff Assistant for [illegible]

cc: E. N. Bardwell

Director's reading, 4212
Branch reading, 4212

File Copy
Surname
Griswold
Talbutt
Selfridge
Johnson

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

JAN 17 1956

Mr. W. H. H. Cranmer, President
New Park Mining Company
904 Walker Bank Building
Salt Lake City, Utah

Re: Docket No. DMEA-107 (Lead-Zinc-Copper)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract No. Idm-85

Dear Mr. Cranmer:

Reference is made to your terminated exploration contract with the Government.

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

Your interest in the DMEA exploration program and participation therein are fully appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

WRG/er 8/18/55
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Mr. Jay Chambers, DMEA
Chron;
Reg III (2)

R.S.S.

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

RECEIVED
OCT 1 5 1955

224 New Customhouse
Denver 2, Colorado

October 13, 1955

Memorandum

To: Chairman of the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 107 (Lead-Zinc-Copper), Contract I-DMA-E5, New Park Mining Company, Mayflower mine, Wasatch County, Utah

Enclosed find the original and two copies of a joint memorandum, dated October 10, 1955, prepared by the examining team, with initialed approval by the supervisors, relative to your letter of September 2, 1955. It is concluded by the examining team that barren or marginal grade fissures, as the 8-602 structure, have not essentially improved in grade in the eastern Park City district when traced from the intrusives into limestones. They jointly agree that no Certification of Discovery or Development should be issued. We concur.

W. M. Traver

By J. W. Townsend
J. W. Townsend

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MINERAL DEPOSITS
DMEA
RECEIVED
OCT 11 1955

DMEA
File Rec'd.
OCT 12 1955

U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO
RECEIVED
OCT 17 1955

BUREAU OF MINES
Denver, Colorado

Room 208 - 222 So. West Temple
Salt Lake City 1, Utah
October 10, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region III

E.M.H.
SRW by WRD

From: R. W. Osterstock, U. S. Geological Survey
M. M. Gilkey, U. S. Bureau of Mines

Subject: DMEA Docket 107 (lead-zinc-copper) New Park Mining Company, Mayflower Mine, Wasatch County, Utah.

In response to a letter from the DMEA Operating Committee dated September 2, 1955, the following joint memorandum is offered to clarify the government's position relative to possible certification of discovery on the subject property.

Of the three separate items upon which exploration work was authorized, only one, Item II, encountered ore mineralization. Crosscut 8-628 intersected several small southwesterly trending metallized veins, the most promising of which were further explored by the 8-613 drift west and the 8-602 drift west. No encouraging showings were encountered in the 8-613 and these operations were halted. The 8-602 structure averaged about 4 feet wide throughout a 354 foot drift and contained vein quartz, calcite, and abundant fine to coarse grained pyrite. Lead-zinc mineralization along the structure was sporadic and generally quite weak thus indicating that this particular structure had not served as a major ore solution channel. All of the work accomplished on this Item was in diorite porphyry. A diamond drill hole, No. 756, tested the downdip extension of the 8-602 structure about 235 feet vertically below

the 800 foot level where the structure had assayed 3.0 percent lead, 2.8 percent zinc and 4 ounces of silver over a 4 foot width. The drill hole encountered no encouraging signs of mineralization and further exploration of the structure was abandoned.

The Operating Committee has suggested that certification might be in order if the 8-602 structure passed into limestone at a different horizon and thereby formed an ore body in a more favorable host rock. Such an observation would, in most mining districts, be valid, however in the eastern Park City district historical data refute the possibility. Diorite or diorite porphyry are very acceptable host rocks and ore-bearing veins traced from these rock types to limestones have not in the past proved to be appreciably more productive in the limestones. Essentially barren or marginal grade fissures traced from the intrusives into limestones generally do not improve in grade.

It is concluded that the metallization encountered in the 8-602 drift stands little chance of improving in grade in the event that this structure is at some later date followed into a limestone host rock.

It is therefore recommended that no certification of discovery be issued on the subject docket.

R. W. Osterstock

M. M. Gilkey

File Copy
Surname
Summerfield
Selfridge
McTendorff

500

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

SEP - 2 1955

Mr. W. M. Traver
Executive Officer
DMEA Field Team, Region III
224 New Customhouse Bldg.
Denver 2, Colorado

Re: Docket No. DMEA-107 (Lead-Zinc-Copper)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract No. Idm-E5

Dear Mr. Traver:

We have your August 3 memorandum, with enclosures, covering the cited project.

We note in the Final Engineering Report by Mr. M. M. Gilkey the statement:

> "....Although no commercial ore was found as a result of the project work, low-grade lead-zinc mineralization exposed in 8-602 drift west, in the project No. 2 area, may warrant a certification of discovery."

We agree with Mr. Gilkey that such occurrence of low-grade material perhaps presents a certification possibility. However, in view of the shortness of the mineralized lenses and the sparse degree of lead-zinc mineralization, we are in accord with you and Mr. Harshman that a certification is not in order.

We note that Mr. Osterstock is of the same opinion. We also note that a diamond drill hole passed some 235 feet vertically below the low grade material and showed little of promise.

R.S.S.

However, there does exist one possibility which might make us favor a certification of the project. The 8-602 drift was driven in quartz diorite. If you might feel that at a different horizon this vein would pass through a limestone which would be apt to be a more favorable host rock, and liable to contain a significant ore body, perhaps certification might be warranted.

We note Mr. Harshman's statement in his memorandum dated July 29:

> "No diamond drill hole logs have been included in the report. They will be requested and, if available, will be included in a supplement."

Actually the monthly narrative reports of the Operator contain logs covering most of the drilling. The balance of footage for which we do not have log detail is covered by the statement "all drilling was in quartz diorite". Hence, it would appear that our data are reasonably complete. However, if it is convenient for the Operator to submit added information of any significance we assuredly should have it.

In any event we shall delay sending out the final terminal letter to the Operator until we hear from you.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (SHB)

WRGriswold/er 8/31/55

Copy to: Docket
Admr & File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

APPROVED:

P. F. Yopes (SHB)

Member, Bureau of Mines

/s/ N. E. Nelson (SHB)

Member, Geological Survey

IN REPLY REFER TO:

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

RECEIVED
SEP - 1 1955

August 31, 1955

Re: DMA-107, I-DMA-E5
New Park Mining Co.
Mayflower Mine
Wasatch Co., Utah
$189,460.32 - Lead-Zinc-Copper

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Final Field Team Report.

This 3-part large project was planned to explore for, largely by crosscuts and crosscutting diamond drill holes, (~~prospect~~) veins of lead, zinc and copper like the highly productive veins mined in the Mayflower mine of the New Park Mining Co.

The work was to be done in 3 areas as Items I, II and III. Items I and II were completed. Item III was abandoned on account of water.

So far as finding ore is concerned the work was not successful, but it did tend to eliminate large blocks of ground concerning which there was, probably, legitimate curiosity.

No ore having been found the Field Team recommends that no Certificate of Discovery be issued. I concur with the recommendation.

N. E. Nelson

N. E. Nelson

UNITED STATES
DEPARTMENT OF THE INTERIOR 500
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

August 26, 1955

Memorandum for the Files

From: Chief, Base Metals Division

Subject: Docket No. DMEA-107 (Lead-Zinc)Copper), New Park Mining Company, Mayflower Mine, Wasatch County, Utah, Contract No. Idm-E5.

A review has been made of all of the monthly reports covering progress of the cited project.

Apparently the reports are in good order. It is noted that a large volume of sampling and assaying was done; apparently there is no question as to the completeness of the records in this respect.

A total of 1,494 feet of diamond drilling was done. Of this we have logs covering 1,165 feet. Apparently the log of DD hole 728 (reported as barren) was not provided. Actually this hole was drilled to test for water volume and pressure ahead of the heading. The statement is made ". . . . diamond drilling was all in quartz diorite porphyry". Hence, we do not consider the absence of a log for this hole of much importance.

However, we believe there is one item pertaining to this project which should be noted. Generally all results were negative, but there was one short run of drifting which showed some low-grade value. In such area all samples have been expanded to a mining width of five feet and a weighted average calculated. Results are:

Length	40 feet
Width	5.2 feet
Ag.	1.6 oz.
Pb.	2.05%
Zn	1.7%

(See map attached)

While this short lense of definitely off-grade material would scarcely warrant a certification, nevertheless it is advisable to have it on record.

W. R. Griswold

W. R. Griswold

Copy to: Docket
Base Metals
Mr. G. Selfridge
Chron.

MAP

BELONGS

HERE

3

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

RECEIVED
AUG - 8 1955

224 New Customhouse
Denver 2, Colorado

August 3, 1955

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket DMA-107 (Lead-Zinc-Copper), Contract I-DMA-E5, New Park Mining Company, Wasatch County, Utah

Enclosed are the following final reports covering work completed under Contract I-DMA-E5:

1. Original and one copy of the Operator's final report.

2. Original and three copies of the final geologic report by the Geological Survey.

3. Original and three copies of the final engineering report by the Bureau of Mines.

A Termination Agreement was signed on March 28, 1955 which terminated the project effective February 1, 1954. Government contribution in the costs of the exploration project was in accordance with the final Audit Certificate and Report by the Contract Administration and Audit Division released to this office on June 22, 1955. The operator has made final settlement with the Government for the accepted salvage value of jointly purchased equipment and supplies.

The exploration work was completed as three separate projects in three areas of the Mayflower mine. Total project work amounted to 3,400 feet of crosscut rehabilitation, 3,462 feet of drifting and crosscutting, and 1,494 feet of diamond drilling. Total accepted project costs were $189,460.32 with Government participation amounting to $94,730.16. No certification of discovery or development is recommended.

W. M. Traver

Enclosures

W. M. Traver

E. N. Harshman

E. N. Harshman

NEW PARK MINING COMPANY

KEETLEY, UTAH

June 1, 1955

DMEA
Date Rec'd.
JUN 3 1955
BUREAU OF MINES
Denver, Colorado

RECEIVED
AUG - 8 1955

Mr. W. M. Traver
Executive Officer, DMEA
Field Team
Regional III
224 New Customhouse
Denver 2, Colorado

Re: Docket DMA 107
(Lead-Zinc-Copper)
Contract Idm-E5

Dear Mr. Traver:

Following is a final report completing and summarizing the work authorized under the above referred to contract.

EXPLORATION PLAN AND RESULTS

Project No. 1

This project was proposed to explore possible geologic structures and mineralization north of the Pearl Fissure on the 800 Level of the Mayflower Mine. The 8-P-1000 Crosscut was started June 1, 1951 and completed May 1, 1952, and driven a total distance of 900 feet northwesterly.

The entire drift was in diorite and five minor cross structures were crosscut. All of these structures were similar in character, consisting of sericite-quartz-pyrite mineralization along weak fissuring or fracturing. No major cross structures were found, nor could any of the weak structures be correlated or projected to known structures in the area.

Project No. 2

The object of this project was to explore an area west and south of the present Mayflower Mine workings for extensions, parallelization or projection of structures known or implied in workings above this area and from surface indications. Three structures were encountered. Two of these were developed by drifts and one was diamond drilled but found to have excess water which could not be handled, through the Mayflower Tunnel. A total of 1630 feet of crosscutting, 533 feet of drifting, and 865 feet of diamond drilling was done on this project.

The first work done consisted of extending the 801-A crosscut 900 feet into the area to be explored. This work encountered no areas

of interest and only three very narrow, and weakly mineralized structures. From this point two crosscuts were driven; one, the 8-628 crosscut was driven northwesterly, the other crosscut, 8-630, was driven in the opposite direction. The 8-628 crosscut intersected two veins which were drifted on. These drifts showed no commercial ore and consisted of altered diorite, with small amounts of pyrite, calcite and dissemanated galena-sphalerite. Some altered sedimentary rocks were observed in the fissure. Diamond drilling northwesterly and on the same course as the 8-628 crosscut, continued through quartz diorite porphry and went directly into altered limestone. At this contact, minor sulphides were observed in the core which was only about a foot wide. The 8-630 crosscut driven to the southeast encountered no structure of interest except at its end, where a large water course lay ahead. This was later drilled southeast and continued in quartz diorite porphry for 503 feet. One area of calcium silicates 45 feet thick with very little mineralization was encountered, but past this the core consisted of fresh quartz diorite. The estimated water pressure at the collar of this drill hole was in the neighborhood of 400 pounds per square inch.

Project No. 3

The objective of this project was to explore an area in the Star of Utah above and to the southwest of the area being explored by Project No. 2. Some structures here were suspected from previous work in the Star of Utah crosscuts as well as from surface indications. The first step was to drive around a bad section of tunnel, then 3400 feet of tunnel was rehabilitated, next 399 feet of crosscutting was done. Here 500 to 800 gallons of water per minute were encountered, necessitating exploration diamond drilling to determine if more water would be encountered with crosscut progress. All holes drilled showed both volume and high pressure of water ahead so that the project was stopped. No geologic structures of any interest were encountered nor any zones of mineralization. The crosscutting and diamond drilling was all in quartz diorite porphry.

REPORT OF WORK COMPLETED

	Work Authorized	Work Completed
Project No. 1		
Crosscutting	900'	900'
Project No. 2		
Crosscutting	2,400'	1,630'
Drifting	500'	533'
Diamond Drilling	1,900'	865'
Project No. 3		
Crosscutting	1,800'	399'
Diamond Drilling	750'	629'

REPORT OF WORK COSTS

	Expenses Authorized	Actual Cost
Project No. 1	$ 30,490.20	$ 27,224.13
Project No. 2	100,383.50	93,617.39
Project No. 3	90,748.50	67,976.05
Equipment	12,773.00	13,278.21
Total	$234,395.20	$202,095.78

We are enclosing one copy of a general outlay of the three projects, together with one copy of each individual project shown completed. Unfortunately no commercial ore was encountered, but we still feel that this has been a worthwhile undertaking both in the interest of the New Park Mining Company and of the mineral industry as a whole.

We wish to thank you for your cooperation.

Yours very truly,

NEW PARK MINING COMPANY

By W. H. H. Cranmer,
President & Manager

WHHC:jc

Enclosures

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver, Colorado

DMEA
Date Rec'd
AUG 1 1955

BUREAU OF MINES
Denver, Colorado

RECEIVED
AUG - 8 1955

July 29, 1955

Memorandum

To: DMEA Field Team, Region III

From: E. N. Harshman

Subject: DMEA Docket 107 (Lead-zinc), Contract I-DMA-E5, New Park Mining Co., Mayflower mine, Wasatch County, Utah

Enclosed are the original and 8 copies of a final geologic report by R. W. Osterstock, U. S. Geological Survey, covering the results of exploration completed under Contract I-DMA-E5.

The work was done in three areas in the Mayflower mine and did not result in a discovery of mineable lead-zinc ore. All potential ore-bearing areas in the mine have not been completely explored, and, if requested, additional exploration might be approved.

Osterstock concludes that a certification of discovery should not be made.

No diamond drill hole logs have been included in the report. They will be requested and, if available, will be included in a supplement.

E. N. Harshman

E. N. Harshman
Member, Field Team

Enclosures (9)

Reviewed by
DMEA OPERATING COMMITTEE
8-12-55
(date)

F. T. FINAL RPT.

RECEIVED
AUG - 8 1955

NEW PARK MINING COMPANY

WASATCH COUNTY, UTAH

DMEA DOCKET 107

FINAL GEOLOGIC REPORT

By R. W. Osterstock
U. S. Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE
8-12-55
(date)

CONTENTS

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Requested additional exploration	6
Ore reserves	7
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ILLUSTRATIONS

Figure 1. Index map of Utah.

Figure 2. 800 Level (DMEA Item I).

Figure 3. 800 Level (DMEA Item II).

Figure 3a. 800 Level (DMEA Item II and negative anomaly area).

Figure 4. Star Tunnel Level (DMEA Item III).

Figure 5. Longitudinal projection of Stoped areas along Mayflower Fissure.

Figure 6. Geologic map of Gold Queen area.

Figure 7. Contour map of Zinc in PPM, Gold Queen area.

Figure 8. Gold Queen Tunnel Level.

DMEA Docket 107 (Lead-zinc) New Park Mining Company, Wasatch County, Utah

RECEIVED
AUG - 8 1955

FINAL GEOLOGIC REPORT

SUMMARY

The New Park Mining Company was granted a DMEA loan on work totalling $234,395.20 to aid in exploration for lead-zinc-copper-gold-silver ore at the Mayflower mine, Wasatch County, Utah.

The mine is located near the axis of the north-northeast trending Park City anticline southeast of Park City, Utah. Three projects were outlined to explore for metallized, east to northeast striking, steeply north dipping veins like those which are productive elsewhere in the mine and in the district. Item I, a crosscut to the northwest from the Pearl vein on the 800-foot level, is reported to have revealed no significantly metallized structures meriting further exploration. Item II, a southwestward extension of the tunnel level with crosscuts northwest and southeast off the end of the drift, exposed several narrow metallized veins but two short drifts along the best of these exposed no mineable widths of ore. Poor core recovery from the diamond drill hole designed to test the downward continuation of these showings leaves such continuation in doubt. Item III, a proposed crosscut southeastward on the Star tunnel level, was abandoned because of a heavy flow of water.

Two requests for approval of additional exploration projects were denied by DMEA.

No new ore reserves were established as a result of this work. Additional exploration at this productive mine with DMEA aid may be justified, however, and should be considered if and when requested by the company.

INTRODUCTION

On May 31, 1951 the New Park Mining Company was granted a DMEA exploration loan on work totalling $234,295.20 under contract I-DMA-E5. This project was approved in Washington without a field examination. Work began immediately and Item I was completed as planned April 24, 1952. Item III was abandoned November 17, 1952 due to difficulties arising from a heavy flow of water from a drill hole. Item II was terminated December 14, 1953. The contract was terminated by mutual agreement of the Government and the operator on February 1, 1954. Two subsequent company requests for the transfer of unexpended funds to exploration ventures in allied areas were denied by the Government. No certification of discovery has been issued as a result of DMEA exploration.

Location and accessibility

The Mayflower Mine of the New Park Mining Company is situate in the southeastern part of the Park City mining district. This mining district is in the eastern foothills of the Wasatch Mountains. The foothills mark the boundary between a high dissected plateau to the east and the main body of the Wasatch Range to the west. Specifically, the property subordinated to the DMEA project lies within Sections 24 and 26, T. 2 S., R. 4 E., SLB and M.

The property may be reached by travelling 39 miles easterly from Salt Lake City, Utah on paved U. S. Highway 40 thence right (westerly) 2 miles on a black topped mine access road to the Mayflower mine.

History and production

The discovery of ore in this section of the Park City mining district probably did not take place until the 1890's; about 20-30 years after the initial discoveries in the district. Production was intermittent in the area although drain tunnels were driven and extensions of established ore zones were followed.

Prior to the formation of the New Park Mining Company in the early 1930's it had been the widespread belief that the mineable ores in the entire Park City district existed only in the known favorable limestone horizons. New Park proceeded to extract sulfide ores from several of the associated dioritic intrusions and thus became the first major producer in the district to exploit ores from this type of host rock. The company has produced steaily since its inception.

GEOLOGY

Sedimentary rocks in the Park City district range in age from Cambrian through Triassic. These strata have been folded to form the Park City anticline whose axis strikes and plunges north-northeast. Minor flexures have also developed on the flanks of the anticline. Igneous rocks of dioritic composition have intruded the folded sediments effecting some disruption of the strata and some metamorphism. The intrusive masses of dioritic rock are most abundant in the southern and eastern portions of the district, these bodies are generally in the form of irregular stocks and dikes. A few ill-defined sills are also present. Apparently the dioritic rocks were emplaced as multiple intrusions as there are at least three distinctly different rock types which, nonetheless, are believed to have close genetic relationship. These different rock types show considerable textural variance but relatively little compositional variance.

High- and low-angle faults cut both igneous and sedimentary rocks. Principal production of lead-silver ore for which the Park City district is noted has come from veins on east to northeast striking, steeply dipping faults and from certain favorable strata where they are intersected by the veins. The productive strata include the Mississippian Humbug formation, the Pensylvanian Morgan formation, (both known locally as the upper Wasatch), Pennsylvanian Weber quartzite, Pensylvanian-Permian Park City formation, and Triassic Thaynes formation. More

recently considerable production has been realized from lodes and disseminated ores in the intrusive diorites.

DEVELOPMENT

The Mayflower mine of the New Park Mining Company is opened by the generally southwest trending Mayflower tunnel, or 800-foot level, and by an internal shaft collared on this level. Projects I and II as authorized under the contract were accessible from this tunnel. Access to Project III was through the Star of Utah tunnel about 6000 feet westerly from and 800 feet higher than the portal of the Mayflower tunnel. Development work was being conducted along the Mayflower vein system down to the 1700-foot level at the time of the last field examination in February 1954.

ORE DEPOSITS

Lead-zinc-copper-gold-silver ore at the Mayflower mine is found along the steeply north dipping east to northeast trending Mayflower and Pearl fissure zones both in diorite and in the intruded sedimentary rocks.

The Mayflower and Pearl vein systems consist of anastamosing veins and veinlets varying from a few inches to many feet in width. The veins are usually banded more or less symetrically. Quartz and calcite compose the gangue matter in the banded filling with finely to coarsely crystalline sphalerite, galena, pyrite, and some chalcopyrite and some marcasite composing the sulphides. Crystal lined vugs are not uncommon along the vein and rounded boulders of wall-rock showing concentric bands of galena, sphalerite, and pyrite, sometimes with several bands of one or more of these minerals, are locally abundant in the vein matter. Most of the strike length of the veins is in diorite and diorite porphyry, two distinctly different though genetically related rock types. The diorite, in some places, contains isolated blocks of limestone. At the southwest end of

the workings on lower levels the veins enter limestone beds thought to include the Mississippian Humbug formation, Pennsylvanian Morgan formation and Pennsylvanian Weber quartzite. The Weber was also observed near the portal on the tunnel level.

Igneous wallrock along the veins has undergone argillic, chloritic, and pyritic alteration. The limestone has been converted to tactite near the intrusive contact and has been bleached, leached, and pyritized along the veins.

Galena, sphalerite, and chalcopyrite occur mainly as coarsely crystalline vein filling. In hand specimen, chalcopyrite appears to vein sphalerite and, less conspicuously, galena and pyrite. Finely disseminated pyrite appears in the limestone wallrock some inches from the vein. Copper and gold content is reported to be increasing with depth. As suggested by Mr. Joralemon this relative increase in gold and copper with depth along with the more numerous gold and copper prospects and mines in the southern part of the district nearer the heart of the intrusive activity suggests a rudimentary zonal arrangement.

Maximum strike length along which ore bodies have been discovered is 2200 feet (fig. 5). Ore mineralization is known over a dip distance of 1850 feet. Ore shoots in diorite or porphyry tend to pitch nearly vertically and are finger-like in shape, extending for hundreds of feet downdip and measuring tens or hundreds of feet along the strike and averaging perhaps 6-8 feet in width. There appears to be a tendency toward development of bedded replacement ore bodies in the sediments on lower levels.

PROPOSED AND COMPLETED EXPLORATION

Three projects were proposed under the contract. Item I consisted of crosscutting 900 feet N. 15° W. (the 8-P-1000 crosscut) from the 8-P-1023 drift on the 800-foot level. The 8-P-1023 was driven on the Pearl vein system

(fig. 2). The objective of the crosscut was to cut the southwestern extensions of the Red Pine, Mountaineer, and Homestake fissures as well as any other metallized fissures that might exist in the area north of the Pearl fissure. The projections were made from exposures in the General Connor (Cunningham) tunnel. Approximately 900 feet of crosscut was completed through diorite but, it is reported, no significant metallized veins were exposed. This work ended near or at the New Park Mining Company property line.

Item II consisted of extending the 801-A drift southwestward on the tunnel level. It was intended to crosscut any northeast trending veins that might exist in the west end of the workings (fig. 3). Several metallized veins a few inches in width were exposed by this work. Short drifts were driven on two of the best metallized veins and a diamond drill hole tested the downward continuation of showings in the drifts. No material of mineable grade was discovered as a result of this work on the level and poor core recovery in the drill hole leaves the downward continuation of metallization in doubt.

Item III, the S-534 crosscut, was to be driven southeasterly from a crosscut off the Star tunnel. This work was abandoned because of difficulties arising from the large flow of water encountered in the project area. It is reported by the U. S. Bureau of Mines member of the examining team that no ore was encountered in this now inaccessible crosscut (fig. 4).

REQUESTED ADDITIONAL EXPLORATION

At the conclusion of Item II the company applied for an amendment permitting use of remaining funds to diamond drill southward from the 800-foot level to test an electrical self-potential anomaly discovered at the surface over this area. The examining geologists recommended denial of this request in a memorandum dated March 25, 1954. The company subsequently requested permission to use

these funds to explore by diamond drilling the area between the Gold Queen winze and the Skyline shaft. In this area a geochemical anomaly, discovered by company geologists, was thought to originate from concealed veins which would have been tested by the proposed drilling. The examining geologists recommended denial of this request in a memorandum dated June 11, 1954.

ORE RESERVES

No ore reserves were established as a result of the DMEA exploration project.

CONCLUSIONS AND RECOMMENDATIONS

Of the three exploration projects outlined for this property under the DMEA contract, only Item I was completed. Item II was terminated by mutual agreement after being carried sufficiently toward completion to test the west end of the company property. Item III was abandoned after being partially completed due to a heavy flow of water. Of the $234,395.20 authorized under the original contract the total project expenditures were $199,250.87 thus leaving $35,144.33 unexpended. No ore was discovered as a result of any of this work.

Future proposals for the exploration of this highly productive mine may be evaluated if and when submitted by the company. The company longitudinal projection (fig. 5) indicates more nearly continuous ore grade mineralization along the strike of this vein on several of the lower levels. Production now comes from both igneous and sedimentary rocks along the veins. Copper and gold content are reported to increase with depth. Exploration of deeper levels both on the productive veins and in the foot- and hangingwalls of the productive veins at deeper levels by means of crosscuts, drifts, and diamond drill holes may be justified. It is recommended, therefore, that the merit of future applications for aid to explore this property be given serious consideration and field examination by DMEA.

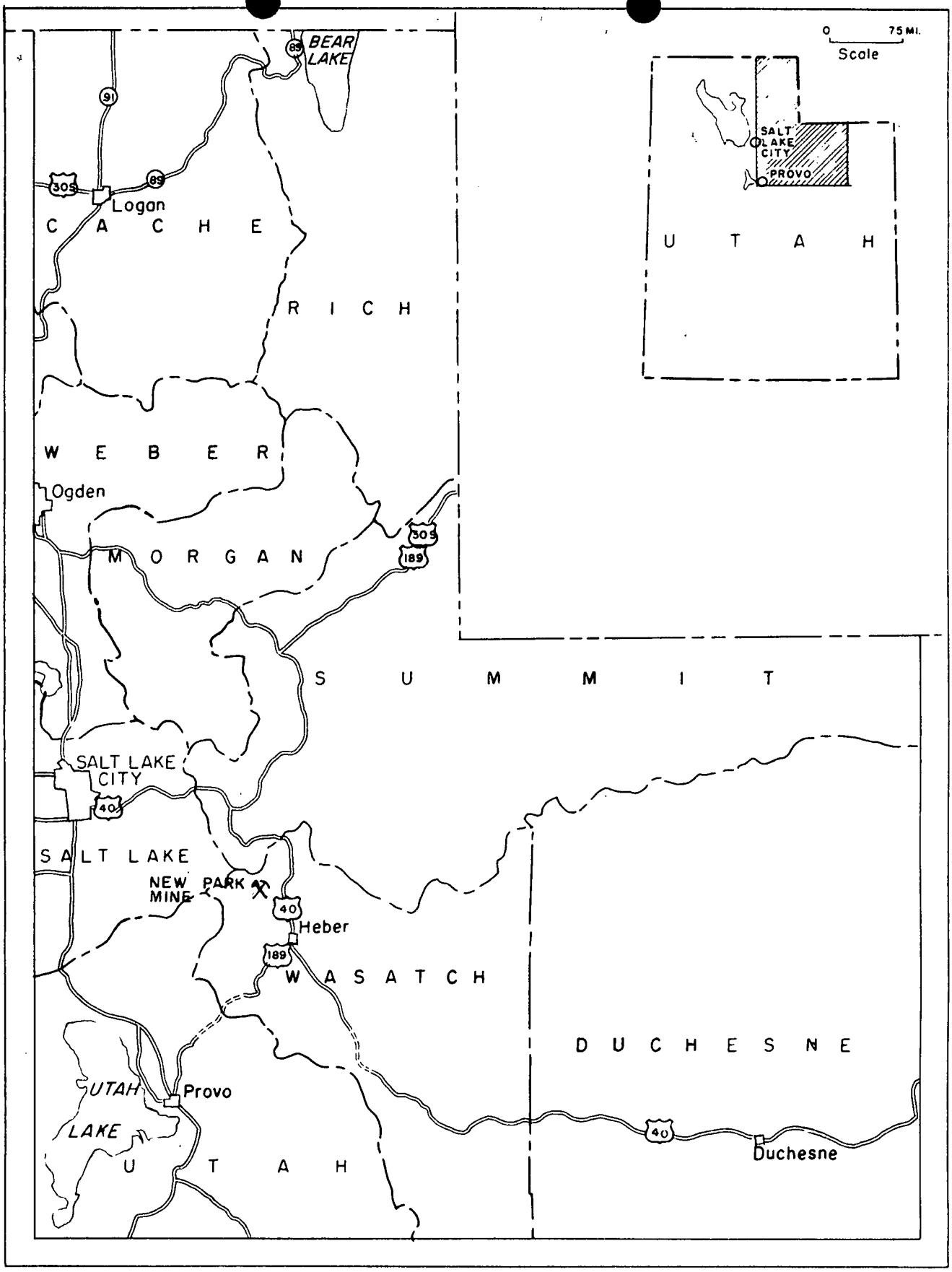

FIG. 1 INDEX MAP OF UTAH

0 24 mi.

Scale 1:1,000,000

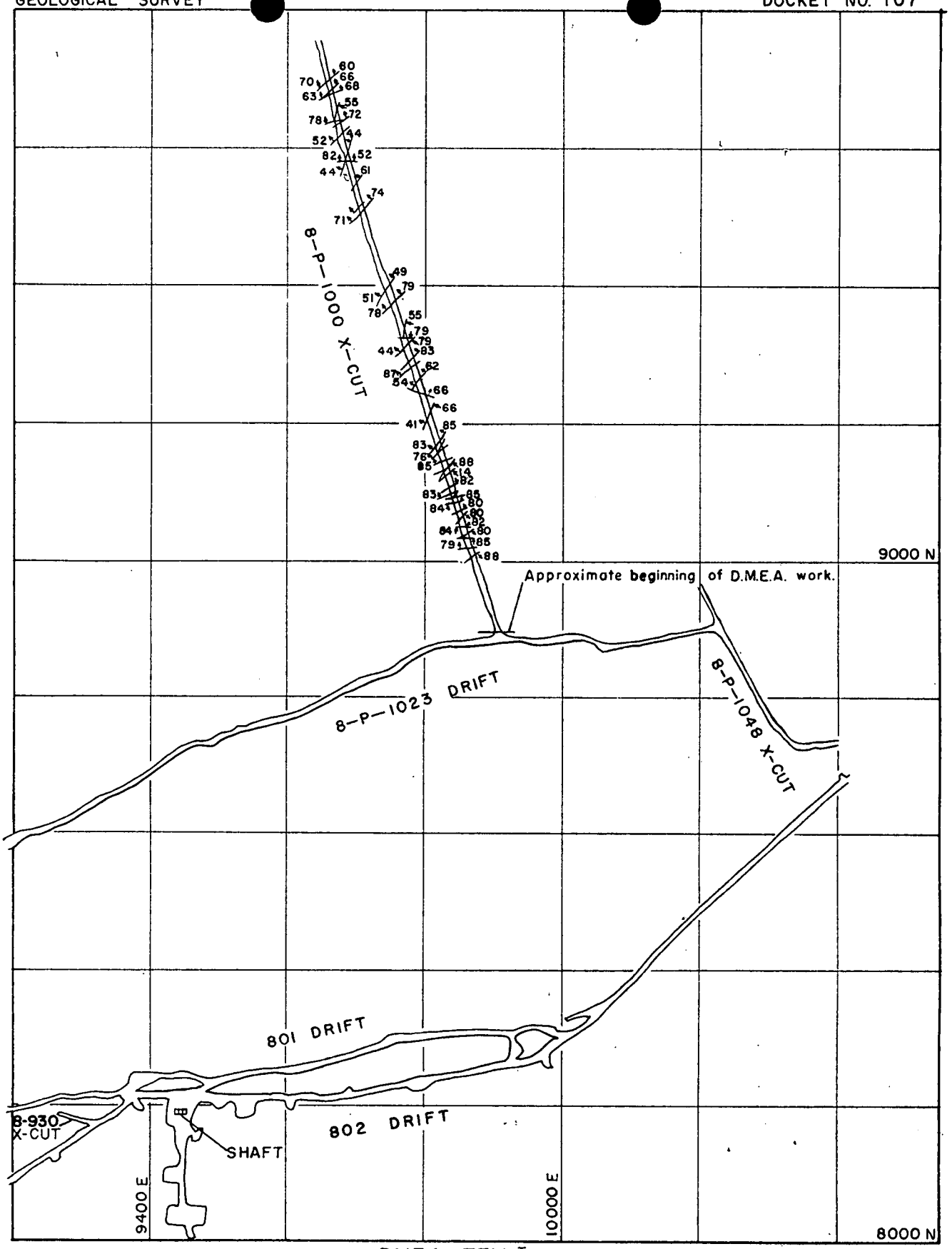

FIG. 2

DMEA ITEM I
800' LEVEL, NEW PARK MINING CO.
WASATCH COUNTY, UTAH

After company map

0 600 FT.
SCALE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

DMEA
Date Rec'd.
JUN 6 1955
BUREAU OF MINES
Denver, Colorado

June 3, 1955

RECEIVED
AUG - 8 1955

Memorandum

To: W. M. Traver, Executive Officer, ~~DMEA Field~~ Team, Region III

From: F. L. Wideman, acting for Stephen R. Wilson

Subject: Docket No. DMEA-107 (Lead-zinc-copper), Contract Idma-E5, New Park Mining Co., Wasatch County, Utah

Enclosed are 9 copies of a final engineering report prepared by M. M. Gilkey. The report details the project work accomplished and expenditures made during the life of the DMEA contract.

F L Wideman
F. L. Wideman

Enclosures
cc: J. Bruce Clemmer

Reviewed by
DMEA OPERATING COMMITTEE
8-12-55
(date)

RECEIVED
AUG - 8 1955

NEW PARK MINING CO.
WASATCH COUNTY, UTAH
DMEA-107
Contract Idma-E5
Lead-zinc-copper

Final Engineering Report

By M. M. Gilkey
Mining Engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
8-12-55
(date)

RECEIVED
AUG - 8 1955

NEW PARK MINING CO.
WASATCH COUNTY, UTAH

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Description of the deposits	6
Description of the project work with estimated costs	7
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Project expenditures	15
Disposal of equipment	16
Conclusions and recommendations	16

ILLUSTRATIONS

Fig. 1 Location map, New Park Mining Co., Wasatch County, Utah
Fig. 2 Composite map, location of project areas
Fig. 3 Project No. 1, plan of exploratory crosscut
Fig. 4 Project No. 2, plan of exploration
Fig. 5 Project No. 3, plan of portion of Star workings, including project crosscut No. S-534

SUMMARY

New Park Mining Co. obtained a loan for exploratory work on lead-zinc-copper property in the Park City district, Wasatch County, Utah, through direct negotiation with the Washington office of DMEA. A long-form project contract was executed May 31, 1951, in the amount of $234,395.20, with Government participation at 50 percent of the total funds, or $117,197.60. By mutual agreement the project was terminated February 1, 1954.

The entire project consists of projects Nos. 1, 2 and 3. Exploratory work began in June 1951 and ended in December 1953. Project No. 1 was completed. Projects Nos. 2 and 3 were terminated before completion of all work originally planned. Although no commercial ore was found as a result of the project work, low-grade lead-zinc mineralization exposed in 8-602 drift west, in the project No. 2 area, may warrant a certification of discovery.

Lead-zinc ores in the Park City district occur as bedded deposits in sedimentary rocks and as lode deposits in both sedimentary and igneous rocks. In the New Park mine the major portion of the ore is of the sulfide type, from the Pearl and Mayflower fissure veins where these veins are in diorite porphyry. The ores are valued chiefly for their contents of lead, zinc and gold.

Work specified in the project contract consists of 5,600 feet of drifting and crosscutting, 2,660 feet of timbering, 1,650 feet of drift

repair, and 1,750 feet of ditch cleaning. In project No. 1 a 900-foot crosscut was driven northerly from the Mayflower tunnel to intersect three veins projected into New Park ground. The veins were not found. Project No. 2 was planned to explore, on the Mayflower tunnel (800-foot) level, the southwesterly extension of the productive Pearl and Mayflower fissures. A total of 2,259 feet of crosscutting and drifting accomplished in this area exposed low-grade lead-zinc mineralization but no ore of minable grade. The purpose of project No. 3 was to explore the Pearl and Mayflower fissure systems at an elevation higher than the site of project No. 2, and farther to the southwest. This work, conducted through the Star (Star of Utah) workings, which are approximately 800 feet higher than the Mayflower tunnel, includes 399 feet of crosscutting and 3,400 feet of crosscut rehabilitation. Work on project No. 3 was discontinued after a large flow of ground water was encountered in a crosscut being driven into the objective area.

Subject to final audit, actual project expenditures total $199,250.87, which leaves $35,144.33 unexpended. The Government's participation in the project expenditures is $99,625.44 and the Government's share of the unexpended balance is $17,572.17.

The operator has been instructed to proceed with disposal, for the joint account of the Government and the operator, of property acquired under the contract at a cost of $23,907.18.

INTRODUCTION

The New Park Mining Co. applied for an exploratory loan on lead-zinc-copper property in the Park City area, Wasatch County, Utah. The loan was obtained through direct negotiation with the Washington office of DMEA. A long-form project contract was executed May 31, 1951, in a total amount of $234,395.20, with Government participation at 50 percent of the total funds, or $117,197.60.

The entire project, which consists of project Nos. 1, 2 and 3, was planned for completion within 20 months. Project work was begun in June 1951. Expiration date of the contract, after four extensions of time, is May 31, 1955. By mutual agreement the Government and the operator terminated the contract as of February 1, 1954.

LOCATION

The New Park Mining Co. property is situated in the southern part of the Park City mining district, Wasatch County, Utah. The Park City district lies on the eastern slope of the Wasatch Range. Claims involved in the DMEA project are in sections 26 and 34, T. 2 S., R. 4 E., S.L.B. and M. (Fig. 1).

The mine is reached by driving approximately 38 miles southeasterly from Salt Lake City, Utah, on U. S. Highway No. 40, thence 2 miles northwesterly on a hard-surfaced side road to the portal of the Mayflower tunnel. The portal is approximately 4 airline miles southeast of the town of Park City.

The Mayflower tunnel, driven in a southwesterly direction, provides access to producing sections of the New Park mine as well as project areas Nos. 1 and 2 (Fig. 2). Project No. 1 is about 6,000 feet from the portal, and to the north of the tunnel. Beyond the end of the Mayflower tunnel, drifts and crosscuts driven farther to the south and west lead into the project No. 2 area, at a distance of about 10,000 feet from the portal.

Access to the project No. 3 area is through the Star (Star of Utah) tunnel, the portal of which is approximately 6,000 feet westerly from the portal of the Mayflower tunnel and about 800 feet higher.

OWNERSHIP AND EXTENT

A total of 11 lode mining claims are involved in the three projects. Seven of the claims are owned by the New Park Mining Co., and four are held under lease from the U. S. Smelting, Refining and Mining Co. The claims are listed below.

	Claim	Number	Status
Project No. 1 -	George H. C.	Survey 2956	Patented
	Rosebud	Lot No. 201	Patented
	Johnson	Survey 6810	Patented
	Rosebud Fraction		Unpatented
Project No. 2 -	Phylis	Survey 6810	Patented
	* Lookout Mountain No. 2	Survey 7130	Unpatented
	* Ethel	Survey 7130	Unpatented
	* Poor Man	Survey 5128	Patented
Project No. 3 -	Miriam No. 2	Lot 206	Patented
	Gold Standard	Lot 205	Patented
	* Silver Shield	Survey 5128	Patented

* Owned by U. S. Smelting, Refining and Mining Co., and leased to New Park Mining Co.

DESCRIPTION OF THE DEPOSITS

The following brief description of the geology and ore deposits of the district is taken from U.S.G.S. Prof. Paper 77; "Geology and Ore Deposits of Park City District, Utah", J. M. Boutwell (1912).

"The ores of the Park City district occur as lode deposits and as bed deposits in sedimentary and intrusive rocks. The two types of deposits are commonly associated throughout the region, though some lodes and veins occur alone. The principal lodes extend northeast through the heart of the district... The fissures trending northeastward carry the lode ores in the intrusives as well as in quartzite and limestone. Rich lode ore has been found to depths of 1,500 feet, and good milling ore to 2,000 feet.

"Diorite porphyry is the largest and most widely extended of the igneous formations. Most of it lies in the eastern and southern parts of the district... The major part of the porphyry takes the form of irregular stocks, and dikes issuing from the stocks. A few sills are present. The principal stocks are the elongated, roughly rectangular masses just south and east and northeast of Bald Mountain." (The New Park mine is in this area.)

In the New Park mine, the ores are valued principally for the lead, zinc and gold contents. The major portion of the ores produced is of the sulfide type, from the Pearl and Mayflower fissure veins where these veins are in diorite porphyry.

DESCRIPTION OF THE PROJECT WORK WITH ESTIMATED COSTS

Work specified in "Exhibit A" of the project contract is as follows:

Project 1 - 900 feet of crosscutting and 360 feet of timbering north of the Pearl fissure, Mayflower tunnel (800 level), to explore the west extensions of the Red Pine, Mountaineer and Homestake fissures.

900 feet at an estimated cost of $33.88 per foot - $30,490.20

Project 2 - 2,900 feet of drifting and crosscutting; and 400 feet of timbering.

900 feet of drifting west (southwest) along the 801-A fissure (800 level), then crossing north 750 feet and south 750 feet from the extended face of the 801-A drift and 500 feet of drifting along favorable mineralized zones exposed in these advances.

2,900 feet of crosscutting and drifting at an estimated cost of $34.61 per foot ---------- $100,383.50

Project 3 - 1,800 feet of drifting and crosscutting, 900 feet of timbering, 1,650 feet of drift repair, and 1,750 feet of ditching.

Exploration of the Star of Utah mineralization, westward extension:

400 feet, drifting at $31.11 per foot ------	$12,444.00
1,400 feet, crosscutting at $31.11 per foot --	43,554.00
900 feet, timbering at $7.07 per foot ------	6,363.00
1,650 feet, drift repair at $15.55 per foot --	25,657.50
1,750 feet, ditch cleaning at $1.56 per foot -	2,730.00
Total ----------	$90,748.50

Summary of Estimated Project Costs

Project No. 1 ----------	$30,490.20
Project No. 2 ----------	100,383.50
Project No. 3 ----------	90,748.50
Machinery to be purchased ----------	12,773.00
Total ----------	$234,395.20

Project No. 1

Four fissures of similar character and attitude were intersected by the General Connor tunnel, on East Utah Mining Co. property northeast of the New Park Mining Co. Mayflower tunnel. One of these fissures, the Park Bingham, has been traced westerly in the Mayflower tunnel (800-foot level) to a point where it merges with the Pearl fissure in a productive part of the New Park mine. The purpose of project No. 1 was to explore the area north of the Pearl fissure, for the extension of the other three fissures. In this area the Pearl fissure has been productive.

Preparatory timbering and track work was begun in June 1951. The first advance in the crosscut, 8-P-1000, was accomplished in July 1951 and the crosscut was completed April 24, 1952 (Fig. 3). Project work was carried to a point near the boundary between property of New Park Mining Co. and that of Park Utah consolidated Mines Co. The objective fissures were not intersected, presumably because a change in strike direction carried them north of the boundary, into Park Utah ground in this vicinity. The entire 900 feet of the crosscut was driven in diorite porphyry. Some timber was needed for ground support, but ground conditions were generally good. Only a small amount of water was encountered.

Project No. 2

Exploratory work in an area southwest of the main producing stopes of the New Park mine has proved that the Pearl and Mayflower fissures extend southwesterly into an area that has been explored 800 feet higher in elevation by the Star tunnel workings. One railroad car of lead-zinc

ore had been shipped from the upper workings. The purpose of project No. 2 was to explore, by crosscutting and drifting, the area to the southwest of the main workings on the Mayflower tunnel level.

Preliminary work on project No. 2 was begun in 801-A crosscut in June 1951 (Fig. 4). The crosscut was extended southwesterly a total distance of 900 feet. This first phase of the project was completed in February 1952. All of the advance is in diorite porphyry. A considerable amount of ground water was encountered and about one-half of the crosscut required timber. A clay seam that first appeared at 60 feet from the starting point widened at 95 feet to a quartz lens 0.4 feet wide. A sample at this point assayed 8.7 percent lead, 0.4 percent copper, 10.7 percent zinc, 0.10 ounce gold and 24.6 ounces silver per ton, across a width of 0.4 feet.

As a second phase of project No. 2, two crosscuts were driven approximately at right angles from 801-A crosscut, from points near the face. Crosscut No. 8-630, started in January 1952, was driven southeasterly to intersect the projected Mayflower fissure; and No. 8-628, started in February 1952, was driven northwesterly to explore the downward projection of other fissures exposed about 800 feet higher in the Star tunnel workings. All of this work was done in diorite porphyry. Ground conditions are fairly good in both crosscuts.

Crosscut No. 8-630 was stopped in May 1952, when a large flow of ground water was encountered at a distance of 399 feet from 801-A crosscut. In October 1952 an attempt was made to explore the area

ahead of this face by diamond drilling, but the hole was abandoned at a distance of 11 feet. Pyrite present in the core indicates that the structure penetrated at 11 feet may be the Mayflower fissure.

Crosscut No. 8-628 was stopped in December 1952, at a distance of 431 feet northwesterly from 801-A crosscut. A horizontal diamond drill hole, drilled 400 feet directly ahead from this face, entered altered limestone at 381 feet from the collar of the hole, and intersected 1 foot of quartz with minor sulfides in the interval from 392 to 393 feet. The identity of the limestone was not determined.

Several southwesterly striking structures, highly mineralized with pyrite but with only minor amounts of galena and sphalerite, were intersected by 8-628 crosscut. Two of these, the 8-613 and 8-602 structures were selected for exploratory drifting.

Drift No. 8-613 west was started in April 1952 and stopped in June 1952, at a distance of 175 feet from 8-628 crosscut, as the mineralization failed to improve sufficiently to warrant further advance.

In December 1952, an attempt to drift easterly on the 8-602 structure was abandoned, after 4 feet of advance, because of difficult ground conditions. Drift No. 8-602 west was started during the same month and completed a year later, in December 1953, at a distance of 354 feet from the 8-628 crosscut. Further advance seemed unwarranted because of unfavorable results obtained. To a distance of 310 feet, the strike of the vein ranges from S. 20° W. to S. 50° W., and dips to the southeast. Average width of the vein in 8-602 drift west is about 4 feet. At 310

feet the 8-602 vein is joined by the 8-613 vein and the drift was turned westerly to follow the latter.

The vein material consists mainly of altered diorite, quartz and calcite, with fairly abundant pyrite. Wall rock on both sides of the vein is diorite porphyry. Low-grade ore mineralization is exposed in several areas along the drift.

Ground conditions in 8-602 drift west were such that timber was required for almost the entire distance. The flow of ground water, however, did not become excessive. A ventilation problem exists in this area, as well as in the New Park mine workings in general. Occasionally, during periods of low barometric pressure, it became necessary to suspend operation of the project. The work done in 8-602 drift west is the last of the exploration for which the New Park Mining Co. was reimbursed by DMEA.

Following suspension of drifting, two diamond drill holes were completed on project No. 2. Contract amendment No. 14 allows exploratory diamond drilling to an extent and at locations approved in writing by the Government prior to commencing such work. As prior written approval was not obtained by the company, claim for reimbursement for this drilling was denied. One of the holes was drilled horizontally ahead in the face of 8-630 crosscut to a reported depth of 400 feet. The other hole was drilled from 8-628 crosscut, at minus 45 degrees, to intersect at approximately 235 feet vertically below the 800-foot level, the downward extension of an ore exposure in 8-602 drift west.

This particular ore exposure is about 140 feet from the 8-628 crosscut. A 4-foot sample taken here assayed 3.0 percent lead, 2.8 percent zinc and 4 ounces of silver per ton. It is reported by the company that no mineralization of commercial significance was observed in the core or cuttings from either of the two diamond drill holes.

Project No. 3

This project was planned to explore, at a higher elevation and farther to the southwest, the fissure systems constituting the objectives of project No. 2. Work previously done on the Star tunnel level exposed a number of quartz veins carrying lead and zinc, in fissures in both diorite and the Humbug formation. The strongest mineralization was found in 6365 drift, from 6961 crosscut, from which a shipment of 48 tons had been made, averaging 3.5 percent lead, 4.6 percent zinc and 4.6 ounces silver per ton (Fig. 5). Inasmuch as only a small amount of drifting had been done on these veins it was planned to drive a new crosscut parallel to, and about 1,000 feet west of the caved 6961 crosscut, to intersect the same veins and also to continue farther southeast to crosscut the southwestward extension of the Mayflower fissure system.

Access to the exploration area is through the Star south crosscut which is caved in the vicinity of the Star tunnel. To gain entrance to the Star south crosscut, a new crosscut, No. S-807, was started from the Star tunnel in June 1951 and was connected with the Star south crosscut in September 1951. A total distance of 314.5 feet has been

driven. Advance was slowed because of the broken, caving ground; nearly all of the crosscut required timber. The rock penetrated is largely diorite.

The second phase of project No. 3, rehabilitation of the Star south crosscut, was begun in September 1951. This work consisted of cleaning ditch, repairing track, hanging power cable, and retimbering where necessary. The total of 3,400 feet of rehabilitation accomplished was completed in February 1952. Approximately 900 feet of the Star south crosscut was retimbered. Several sections were badly caved. Rocks penetrated by the crosscut are mainly diorite, and limestone in irregular blocks.

In March 1952, following completion of the rehabilitation, the third phase of project No. 3 was begun. This consisted of driving a new exploratory crosscut, No. S-534, in a southeasterly direction from the face of the Star south crosscut, to intersect the projection of mineralization exposed in the 6365 drift. As the work progressed, a constantly increasing flow of water was encountered. Late in April 1952, at which time crosscut had been driven a total distance of 84.5 feet, the flow had reached an estimated 500 to 800 gallons per minute and it became apparent that the crosscut should be stopped until information could be obtained as to the flow to be expected in the rocks ahead. Contract amendment No. 9 authorizes exploratory diamond drilling preliminary to advance of the crosscut. Seven holes totaling 629 feet were drilled. The seventh hole was abandoned November 17, 1952, when a

very heavy flow of water was encountered at a distance of 300 feet from the collar. All crosscutting and diamond drilling is in diorite. The entire crosscut was timbered. Ore mineralization encountered in this area consists of a one-half inch stringer cut in the last diamond drill hole at 293 feet from the collar. A sample assayed 2.6 percent lead, 0.2 percent copper, 7.2 percent zinc and 0.02 ounce gold and 1.1 ounces silver per ton. Work on Project 3 was suspended November 17, 1952 because of the water problem. As the flow of water has not decreased appreciably, no further work has been undertaken.

Contract Amendments

The project contract was amended a total of 18 times, mainly to effect changes involving wage rates and life of the contract. Other amendments include the following:

Amendment No. 8, effective May 1, 1952, provides that "...the funds allocated to a specific project may be augmented by unexpended funds from either of the other two projects..."

Amendment No. 13, effective February 3, 1952, provides for flexibility in distribution of drifting and crosscutting footage specified for project No. 2.

Amendment No. 14, effective May 29, 1953, authorizes bonus payments to project employees, in accordance with a plan outlined by the operator.

Amendment No. 15, effective May 31, 1951, makes allowable the cost of rehabilitation and maintenance of existing drifts leading to the site of work on projects Nos. 1, 2 and 3.

Amendment No. 16 authorizes a project recess from July 7, 1953, to October 9, 1953.

Amendment No. 17, (1) approves a recess from February 1, 1954, to July 1, 1954; (4) extends the period during which the operator is subject to royalty payments to the Government, from 10 years to 12 years from the date of the contract, in the event of a certification of discovery.

ORE RESERVES

No minable ore was found as a result of the DMEA project work. Information is lacking for an estimation of the tonnage of the low-grade lead-zinc-silver ore encountered in 8-602 drift west in project No. 2.

PROJECT EXPENDITURES

Funds approved for the entire project total $234,395.20 with Government participation at 50 percent of the funds, or $117,197.60.

Subject to the final audit, the actual expenditures total $199,250.87 and the Government's share is 50 percent of this amount, or $99,625.44.

The following is a breakdown of actual total expenditures:

Project No. 1	$ 31,811.12
Project No. 2	100,024.44
Project No. 3	67,415.31
Total expenditures	$199,250.87

Total footage figures and unit cost figures, disregarding salvage credit on operating equipment purchased, are listed below:

	Total drifting	Cost per foot of drifting	Total crosscutting	Cost per foot of crosscutting
Project No. 1			900 feet	$ 30.25
Project No. 2	533 feet	$ 44.35	1,630 feet	38.67
Project No. 3			399 feet	69.87

Unexpended funds amount to $234,395.20 minus $199,250.87, or $35,144.33, of which the Government's share is $17,572.17.

DISPOSAL OF EQUIPMENT

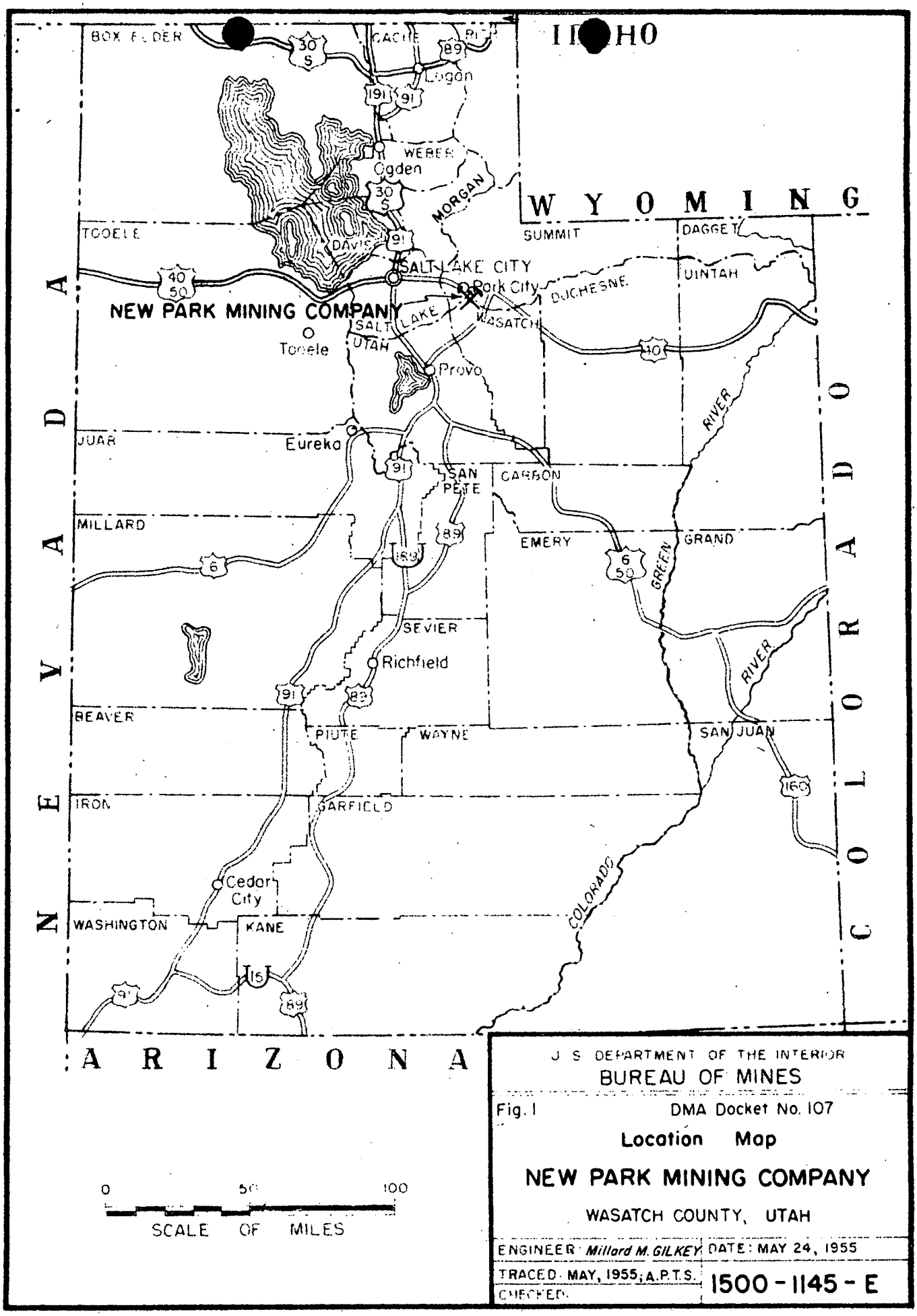
The following list of property was acquired under the contract and is subject to disposal for the joint account of the Government and the operator:

Item	Project No. 1	Project No. 2	Project No. 3	Cost
Pipe and fittings	$1,215.00	$2,904.92	$ 538.65	$ 4,658.57
Track and accessories	1,557.01	3,725.11	690.28	5,970.40
Mancha Trammer	3,457.40			3,457.40
Mancha Trammer with Hertner Motor Generator		4,540.28		4,540.28
Trammer Battery	1,149.59	1,149.59		2,299.18
Eimco 12-B Loader		3,001.35		3,001.35
Totals	$7,359.00	$15,319.25	$1,228.93	$23,907.18

In a letter dated April 12, 1955, the operator was instructed, as agent for the Government, to proceed with disposal of the property.

CONCLUSIONS AND RECOMMENDATIONS

No minable ore was found as a result of the DMEA work and no further exploratory work in the project areas is recommended at the present time. The submarginal lead-zinc-silver ore found in project No. 2, in 8-602 drift west, may warrant a certification of discovery.



U S DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

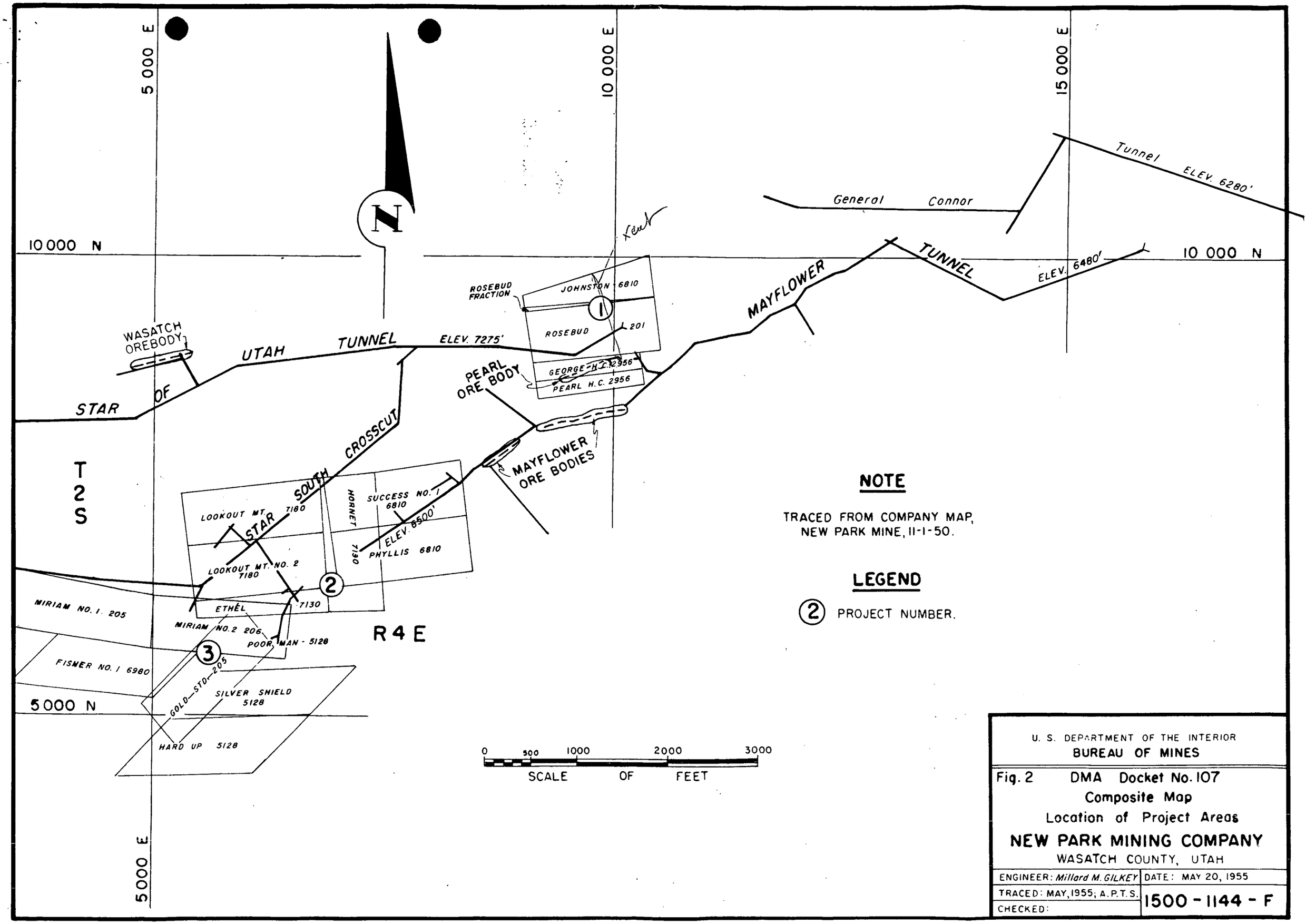
Fig. 1 DMA Docket No. 107

Location Map

NEW PARK MINING COMPANY

WASATCH COUNTY, UTAH

ENGINEER *Millard M. GILKEY*	DATE: MAY 24, 1955
TRACED MAY, 1955; A.P.T.S.	1500 - 1145 - E
CHECKED	



NOTE

TRACED FROM COMPANY MAP, NEW PARK MINE, 11-1-50.

LEGEND

(2) PROJECT NUMBER.

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 2 DMA Docket No. 107
Composite Map
Location of Project Areas
NEW PARK MINING COMPANY
WASATCH COUNTY, UTAH

ENGINEER: *Millard M. GILKEY*	DATE: MAY 20, 1955
TRACED: MAY, 1955; A.P.T.S.	1500 - 1144 - F
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RECEIVED
AUG - 8 1955

MAP

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MAP

BELONGS

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17

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

224 New Customhouse
Denver 2, Colorado

June 23, 1955

Mr. W. H. H. Cranmer, President
New Park Mining Company
904 Walker Bank Building
Salt Lake City, Utah

Re: Docket DMEA-107 (Lead-Zinc-Copper)
Contract Idm-E5

Dear Mr. Cranmer:

The report of audit by the Contract Administration and Audit Division dated May 17, 1955 discloses an overcharge to the project of employment taxes in the amount of $55.58. Reimbursement to you by the Government of 50 percent of the amount constitutes an overpayment, therefore we will appreciate receiving the company's check in refund of the amount of $27.79.

The check should be made in favor of the Defense Minerals Exploration Administration and forwarded to the Executive Officer, DMEA Field Team, Region III, 224 New Customhouse, Denver 2, Colorado.

When we receive your check we will then be in a position to close our files on the project.

Very truly yours,

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

JWT:sr

cc Chairman Op. Comm. (2)
Harshman
Wilson
Osterstock
Townsend
Subject
Chron

Talbert

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

JUN 20 1955

Mr. Thomas H. Brading
DMEA Auditor
224 New Customhouse
Denver 2, Colorado

Re: New Park Mining Co.
Contract Idm-85
Docket No. DMA-107

Dear Mr. Brading:

Receipt is acknowledged of your Audit Certificate and Report covering the above-cited Exploration Project Contract.

The Report is acceptable and may be distributed in the usual manner.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert, Acting Chief
Contract Administration
and Audit Division

WBorovies/wb
June 20, 1955

Copy to: Docket
Admr. Reading File
Mr. Chambers

R.C.J.

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

RECEIVED
JUN 20 1955

224 New Customhouse
Denver 2, Colorado

June 16, 1955

Mr. Jay L. Chambers, Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Washington 25, D. C.

Re: New Park Mining Co.
Contract Idm-E5
Docket No. DMA 107

Dear Mr. Chambers:

Attached are two copies of final audit report and three copies of audit certificate covering subject project.

The overpayment of $27.79 (2 x $27.79 = $55.58) disallowances made on final audit.

The last MF-104 on this project was filed in January, 1954. All of this claim was disallowed. Payment was made on the December, 1953 MF-104 and no withholding was made, as at that time there was no indication that the operator was discontinuing operation.

Operator has forwarded check for $4,611.31 covering his portion of property settlement in which the Government and the contractor have joint interest.

At the time the audit report is released to the operator, reimbursement of $27.79 will be requested by Executive Officer. This letter has been cleared with Mr. Traver.

Sincerely yours,

T. H. Brading, Auditor

Encs.

OK
6/20/55

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

224 New Customhouse
Denver 2, Colorado

May 27, 1955

Gruswold
Betty

Mr. W. M. H. Cramer, President
New Park Mining Company
904 Walker Bank Building
Salt Lake City, Utah

Re: Docket DMEA-107 (Lead-Zinc-Copper)
Contract Idm-55

Dear Mr. Cramer:

Your attention is directed to the provision of Item 4(b) of the termination agreement executed March 28, 1955, relative to the rendering of a final report pertaining to operations under Contract Idm-55.

We are desirous of closing the account at an early date, therefore we will appreciate receiving your final report in quintuplicate complete with maps and other pertinent data.

Very truly yours,

W. M. TRAVER

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

JWT:jp
cc Subject
Chron
Harshman
Wilson
Osterstock
Chairman, Op. Comm. (5)
Townsend

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

224 New Customhouse
Denver 2, Colorado

April 12, 1955

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA-107 (Lead-Zinc-Copper), Contract Idm-E5, New Park Mining Company, Wasatch County, Utah

Enclosed are the Government, Division, and Docket copies of Termination Agreement which was prepared in Washington and forwarded by your letter of March 29, 1955 for signature by the operator.

The document has been signed by the operator and the corporate seal affixed.

Copies of the termination agreement have been given to the operator, the Finance Office, Region III, and a copy has been retained for our files.

W. M. Traver

W. M. Traver

Enclosures

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

224 New Customhouse
Denver 2, Colorado

April 12, 1955

Mr. Clark L. Wilson
Vice President
New Park Mining Company
Keetley, Utah

Re: Docket DMEA-107 (Lead-Zinc-Copper)
Contract Idm-E5

Dear Mr. Wilson:

Enclosed is the "Operator's Copy" of the Termination Agreement which has been executed to effect termination of Contract Idm-E5 by mutual agreement.

By the terms of the exploration project contract the Government acquires an interest in property purchased for use on the project which is "...paid for or purchased with funds contributed jointly by the operator and the Government...". Such property includes any individual items of equipment and facilities, buildings, or other fixtures costing more than $50.00 each. It also includes materials and supplies considered in groups or categories (such as pipe, explosives, rails, drill steel), if the original cost of the remaining unexpended portion of any such category of materials or supplies exceeded $50.00. As to any facility, building, fixture, or piece of equipment, and as to any such group or category of materials or supplies the original cost of which or the unexpended portion of which did not exceed $50.00, the Government does not assert any claim or interest under the terms of the contract.

The effect of the contract provisions is to make you the agent of the Government for the disposition of its interest in such property. Therefore it is your responsibility to make the best possible disposition of the property for the benefit of the Government. Every reasonable effort must be made to realize its full value. Such reasonable efforts might include: (1) Advertising in newspapers, periodicals, and posting notices in public places; (2) canvassing users of and dealers in such property; and (3) negotiating with the original vendor for the repurchase of the property.

Records in this office indicate that the following listed property is subject to liquidation of the Government's interest:

Item	Cost to Project			
	Project 1	Project 2	Project 3	Total
Pipe and Fittings	$1,215.00	$ 2,904.92	$ 538.65	$ 4,658.57
Track and Accessories	1,557.01	3,723.11	690.28	5,970.40
Operating Equipment				
Manchu Trammer	3,437.40			3,437.40
Manchu Trammer with Hertner Motor Generator		4,540.28		4,540.28
Trammer Battery	1,149.59	1,149.59		2,299.18
Eimco 12-B Loader		3,001.35		3,001.35
Total	$7,359.00	$15,319.25	$1,228.93	$23,907.18

Should you wish to retain the property or, in effect, sell it to yourself, you may do this only after first having made every reasonable effort to procure a price higher than you yourself are willing to pay; or you may buy the Government's equity by paying for it either on the basis of the original cost or at a price higher than the highest bid obtainable from two independent bidders. In bidding on the property for yourself you should give consideration to the fact that the property in place is worth considerably more to you than if dismantled and disposed of elsewhere.

The undersigned is authorized to approve of and to join in the sale of such property for the joint account of the operator and the Government. You are requested to advise this office in advance of the proposed disposition of any such property so that we may advise you if the Government will approve thereof and join in the transaction. Please supply this office with the original and five copies of your liquidation proposal and all documents and other material relative to the property disposition.

Very truly yours,

W. M. TRAVER

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

JWT:jp
cc Subject
Chron
Chairman, Op. Comm. (3)
Brading
Wilson
Harshman
Osterstock
Townsend

File Copy
Surname
Griswold
Talbot
Selfridge
F.E. Nelson

UNITED STATES
DEPARTMENT OF THE INTERIOR 500
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

MAR 29 1955

Mr. W. M. Traver, Executive Officer
DMEA Field Team, Region III
224 New Customhouse Bldg.
Denver 2, Colorado

Re: Docket No. DMEA-107 (Lead-Zinc-Copper)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract No. Idm-E5

Dear Mr. Traver:

Referring to your letter of March 8, with enclosures, we are enclosing the original and five copies of an agreement for mutual termination of the cited contract, as recommended by you.

If you are in accord with the terms of the agreement, please present it to the Operator for signature and distribute the copies in the usual manner. Otherwise, please return all copies with your comments.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCB)

Enclosures

WRGriswold/er 3/25/55
Copy to: Docket
Admr R. File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

APPROVED:

J. H. Hedges (GCB)
Member, Bureau of Mines

/s/ R. D. Trace (GCB)
Member, Geological Survey

R.C.G.

UNITED STATES
DEPARTMENT OF THE INTERIOR 500
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

PRELIMINARY SUMMARY REPORT
DOCKET NO. DMA-107
NEW PARK MINING COMPANY

By: W. R. Griswold March 17, 1955

The original contract was dated May 31, 1951, with a total estimated cost of $234,395.20. The proposed work was broken into three projects as follows:

Project No. 1:

Objective: Exploration of area north of the Mayflower and Pearl veins for similar parallel ore bodies.

Work to be done: From the Pearl fissure drift on the 800 level and crosscut N.15° W. a distance of 900 feet to the north boundary of New Park's property.

Project No. 2:

Objective: Exploration of western extension of Mayflower and Pearl fissure systems and of downward extension of mineralized fissures exposed on the Star of Utah tunnel level.

Work to be done: Extend the 801-A Drift west a distance of 900 feet then crosscut northwest and southeast a total distance of 1500 feet and drift on favorable structures a minimum of 500 feet. This total advance is 2900 feet.

Project No. 3:

Objective: Exploration on the Star of Utah tunnel level of the westward extension of mineralized fissures cut by the 6961 Crosscut.

Work to be done: Drive 400 feet of new timbered Crosscut around an old crooked caved section where the Star South Crosscut leaves the main Star of Utah tunnel. Clean up and re-timber 3,350 feet on the south crosscut and excavate a ditch large enough to carry the flow of water coming from the western part of the level. New timber would be required for an estimated 1650 feet of this distance then driving a new crosscut southeast 1400 feet of which it is estimated that 50 percent, or 700 feet would require timber.

Later on diamond drilling was also incorporated into the allotted work program.

Most of the available funds have been expended, the total sum to date (subject to final adjustments) is $198,738.54. Project 1 was completed, Project 2 was stopped after a considerable amount of drifting, crosscutting and diamond drilling failed to find ore. Project 3 was stopped because of a difficult water problem.

The Operator had submitted two other different proposals, to utilize funds remaining in the contract but both such proposals were rejected by the Government. However, we did intimate that we would be receptive to any new project in the Mayflower Mine area.

However, the Operator has now evaluated various of such possible exploratory schemes and believes that none offer very attractive possibilities. As a simple matter of fact, there is an inference that their economic position demands they restrict their expenditures to the development of their known ore bodies.

Actually work under the contract might be considered as having been essentially completed, since the water problem made Project 3 work not practical. However, the project should be brought to a formal termination by mutual agreement. No certification is possible since all results were negative.

W. R. Griswold

W. R. Griswold

WRG/er

Copy to: Docket
Base Metals
Chron.

File Copy
Surname

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

March 11, 1955

Memorandum

To: Acting Assistant Solicitor, Defense Minerals

From: Chief, Base Metals Division

Subject: Docket No. DMA-107, Contract No. Idm-E5, New Park Mining Company, Wasatch County, Utah, (Lead-Zinc-Gold-Copper).

Will you kindly prepare a mutual termination agreement for the cited contract.

A substantial amount of work was done with disappointing results, and it appears to be to the best interest of both parties to terminate.

W. R. Griswold

WRG/er
Copy to: Docket
Base Metals
Chron.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 10 1955

224 New Customhouse
Denver 2, Colorado

March 8, 1955

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMA-107 (Lead-Zinc-Gold-Copper), Contract Idm-E5, New Park Mining Co., Wasatch County, Utah

Enclosed is the following material relative to termination of the subject contract:

1. Original and three copies of the operator's letter of December 17, 1954 and transmittal thereof from S.R. Wilson dated December 21, 1954.

2. Original and three copies of a memorandum dated February 23, 1955 from R.W. Osterstock, Geologist, U.S. Geological Survey, and transmittal thereof from E.N. Harshman dated February 28, 1955.

The examining engineer and geologist recommend termination of the contract by mutual agreement, in which this office concurs.

Reimbursement to the operator on Form MF-104 for the month of December 1953 constitutes payment in full for all work performed in conformance with the contract, however the Government has an interest in considerable property acquired under the contract which is subject to liquidation procedures under the terms of the contract.

A review of records in this office by the DMEA auditors indicates that the following expenditures are subject to liquidation of the Government's interest:

Item	Cost to Project
Track	$ 5,209.07
Pipe	4,064.55
Small tools and lamps	960.10
Steel and bits	2,686.35
Operating equipment	13,278.21
Total (subject to audit verification)	$26,198.28

An on-site audit by the Contract Administration and Audit Division has been tentatively scheduled to start March 15, 1955.

W. M. Traver

W. M. Traver

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 10 1955

Mining Division
Date Rec'd.
DEC 23 1954
BUREAU OF MINES
Denver, Colorado

December 21, 1954

Memorandum

To: W. H. King, Executive Officer, DMEA Field Team, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: Docket No. DMA-107, (Lead-zinc-gold-copper), Contract Idm-E5, New Park Mining Co., Wasatch County, Utah

Attached are the original and 8 copies of a letter from the subject operator dated December 17, 1954, wherein a request is made that the contract be terminated.

Amendment No. 18 to the contract permits an extension of the recess period to December 31, 1954. The company asked for the additional recess to allow sufficient time for preparation of new proposals for exploratory work in the area of the Mayflower mine. Company officials have evaluated possible exploratory projects and now believe that none warrants DMEA participation in consideration of all related details. Therefore a request is made that the contract be terminated.

The contract was originally established in three separate projects. Project 1 was completed April 24, 1952. Exploration in the project 2 area was stopped after considerable drifting and crosscutting and diamond drilling failed to find ore. It was proposed that funds remaining under project 2 and project 3, stopped because of a difficult water problem, be used elsewhere in the mine area. Two proposals were submitted by the company, but both were denied by DMEA.

Inasmuch as the company has no new proposals for exploration in the Mayflower mine area, and two separate proposals previously submitted for DMEA consideration were denied, it is recommended that the contract be terminated as requested by the operator.

Stephen R. Wilson
Stepehn R. Wilson

Enclosure

NEW PARK MINING COMPANY

KEETLEY, UTAH

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

December 17, 1954

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 10 1955

Mr. S. R. Wilson
U.S. Bureau of Mines
1600 E. First South
Salt Lake City, Utah

Re: Docket No. DMA-107
Contract No. Idm-E5

Dear Mr. Wilson:

Under date of September 8, 1954, you received a request from New Park Mining Company for extension of a recess period on the above project for a period of three months.

During this time we have examined possibilities of further exploration projects adjacent to our Mayflower Mine property. In connection with evaluating the nature of such project we have also had to consider the funds available for such work, with reference to the present depressed lead-zinc price and the funds that must be used in the continuing development of known ore bodies.

As a result of this analysis we feel that the DMEA projects should be permanently discontinued, and at this time request that the above contract be cancelled.

We certainly appreciate the cooperation of everyone concerned in these DMEA projects and trust that we will again receive favorable consideration in the future if new developments should warrant the new application.

With best wishes, I am

Very truly yours,

CLARK L. WILSON
Vice President

CLW:jw
cc: Mr. Carl Harper
Mr. Bill Harrigan
Mr. F. A. Kuhlman
Mr. W. H. H. Cranmer

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver 2, Colorado

DMEA
Date Rec'd.
MAR 1 1955
BUREAU OF MINES
Denver, Colorado

February 28, 1955

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 10 1955

Memorandum

To: Field Team, Region III

From: E. N. Harshman

Subject: DMEA Docket 107 (lead-zinc, copper), Contract I-DMA-E 5, New Park Mining Co., Wasatch County, Utah

Enclosed are the original and eight copies of a memorandum by R. W. Osterstock, U. S. Geological Survey, on the above subject contract.

Osterstock recommends that the operator's request to terminate the contract by mutual agreement be approved.

E. N. Harshman

E. N. Harshman
Member, Field Team

Enclosures (9)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

IN REPLY REFER TO:

MINERAL DMEA
RECEIVED
FEB 28 1955
U. S.
GEOLOGICAL SURVEY
DENVER, COLORADO

222 So. West Temple, Room 208
Salt Lake City 1, Utah
February 23, 1955

Memorandum

To: E. N. Harshman, DMEA Field Team, Region III

From: R. W. Osterstock

Subject: Docket DMA 107 (Lead-zinc), New Park Mining Company, Wasatch County, Utah.

The subject operators, in a letter dated December 17, 1954, requested termination of their DMA exploration contract, Idm E-5. During the final recess period of the contract the operators were unable to present new exploration ventures which they considered justifiable either from their or the government't point of view. It is noted that the exploration budget of the New Park Company is predominantly allocated to the development of known ore bodies thus only very limited funds are made available for long range exploration.

Work on each of the three items approved in the existing contract had been stopped when the possibilities of significant discoveries were sufficiently lessened by the geological information developed during the course of the work on each item.

Although unexpended funds remain in the contract, it is recommended that the operators' termination request be granted. No further government assisted exploration projects in this area appear to be warranted at the present time.

R. W. Osterstock

RWO/rs
cc: S. R. Wilson

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

224 New Customhouse
Denver 2, Colorado

November 22, 1954

Memorandum

To: Chairman of the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMA 107 (Lead-Zinc-Copper), Contract I-DMA-E5, New Park Mining Company, Mayflower Mine, Wasatch County, Utah.

Enclosed are the Government's, Division, and Docket copies of Amendment No. 18 to Contract I-DMA-E5 which was prepared in Washington and forwarded by your letter of October 25, 1954, for signature by the Operator.

Copies of the amendment have been given to the Operator, the Finance Office, Region IV, and a copy retained for our files.

John F. Shaw
for W. H. King

Enclosures

File Copy
Surname

Griswold
Chamberlin
Selfridge
Jr Jensen
Mitchell

UNITED STATES
DEPARTMENT OF THE INTERIOR 500
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

OCT 2 5 1954

Mr. W. H. King, Executive Officer
DMEA Field Team, Region IV
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-107 (Lead-Zinc-Copper)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract No. Idm-E5

Dear Mr. King:

As recommended in your letter of September 17, we are enclosing the original and five copies of Amendment No. 18 to the cited contract. If it meets with your approval please present it to the operator for signature and distribute the copies in the usual manner. Otherwise, all copies should be returned to us with your comments.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (24B)

WRGriswold/er 10/21/54

Enclosure 1

APPROVED:

J. H. Hedges
Member, Bureau of Mines (24B)

Thor H. Kiilsgaard
Member, Geological Survey (24B)

Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

R.C.S.

File Copy
Surname
Griswold
Selfridge
HJohnson

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

OCT 18 1954

WRGriswold/er Rm 4444, Ext. 3669

Base Metals Division

14X4401(01) Revolving Fund,
Defense Production Act, Interior (allocated
Working Fund to Office of the Secretary)

TELETYPE
XXXX ... XXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXX

Date:

To: W. H. KING, Executive Officer, DMEA Field Team, Region IV, Denver, Colorado

Reurtt October 13, Docket DMEA 107, New Park Mining Co., Contract Idm-E5, Amendment is being prepared as recommended.

George C. Selfridge
Chairman, Operating Committee (GCS)

WRG/er (written 10/15/54)

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Kiilsgaard, USGS
Mr. Bishop, USBM
Accounts
Confirmation
Chron.

SENT
OCT 18 1954
Clerical Service Section
J.D.

R.C.G.

DN 235 BUREAU MINES 10-13-54 4-24 PM

CHAIRMAN, OPERATING COMMITTEE
DMEA

REFERENCE DOCKET DMEA 107, CONTRACT IDM-E5, NEW PARK MINING COMPANY. PLEASE TELETYPE ADVICE A TXXX AS TO STATUS OF PROPOSED AMENDMENT TO AUTHORIZE THREE MONTHS EXTENSION OF RECESS PERIOD.

W H KING

Chairman Operating Comm.
Unattended Services

Defense Minerals Administration
RECEIVED
OCT 14 1954

Denver, Colo.

OCT 14 8 11 AM '54
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

File Copy
Surname

UNITED STATES
DEPARTMENT OF THE INTERIOR 500
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

September 30, 1954

Memorandum

To: Acting Assistant Solicitor, DME.

From: Chief, Base Metals Division

Subject: Docket No. DMEA-107, New Park Mining Company, Mayflower Mine, Wasatch County, Utah, Contract No. Idm-E5, Lead-Zinc-Copper.

Will you kindly prepare an Amendment No. 18 to the cited contract which will:

Extend the recess period from July 1, 1954 to December 31, 1954.

Extend the completion period from 41 months to four years.

W. R. Griswold

W. R. Griswold

WRG/er 9/30/54

Copy to: Docket
Base Metals
Chron.

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

Defense Minerals Administration
RECEIVED
SEP 20 1954

224 New Customhouse
Denver 2, Colorado

September 17, 1954

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 107 (Lead-Zinc-Copper), Contract Idm-E5, New Park Mining Company, Mayflower Mine, Wasatch County, Colorado

In compliance with the request from the Acting Chairman of the Operating Committee dated August 13, 1954, we are enclosing four sets of data, comprised of the original and three copies of a letter dated September 8, 1954 from F. A. Kuhlman, Chief Engineer, New Park Mining Company, wherein he requests that the recess period on the project be extended for three months; memorandum from M. M. Gilkey, Mining Engineer, U.S. Bureau of Mines, dated September 13, 1954, and memorandum of September 14, 1954, transmitting the foregoing, from the Chief, Minerals Development Branch, Mining Division, Region IV.

We concur in the recommendations of the examining engineer that the recess period be extended to December 15, 1954.

for John F. Shaw
W. H. King

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

Rec'd SEP 16 1954

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 20 1954

September 14, 1954

Memorandum

To: W. H. King, Executive Officer, DMEA Field Team, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: Docket No. DMEA-107 (Lead-zinc-gold-copper), Contract Idma-E5, New Park Mining Co., Wasatch County, Utah

Reference is made to your memorandum of August 24, 1954, concerning a request for an extension of the present recess period under the subject contract. Copies of letters from the Acting Chairman of the Operating Committee and from F. A. Kuhlman of New Park Mining Co., were attached to your memorandum.

The operator has submitted a letter to this office, dated September 8, 1954, wherein it is requested that the recess period be extended three months. Nine copies of this letter are included with recommendations in a memorandum prepared by M. M. Gilkey.

I concur with the recommendations of the inspecting engineer that the recess period be extended to December 15, 1954. This extension should provide sufficient time for the operator to plan further exploration and to enable the Government to process a request that the additional work be allowed.

Stephen R. Wilson
Stephen R. Wilson

Enclosures

S. R. Wilson September 13, 1954

M. M. Gilkey

Docket No. DMA-107 (Lead-zinc-gold-copper), Contract Idma-25, New Park Mining Co., Wasatch County, Utah. Request for extension of recess period

In a letter dated September 8, 1954, addressed to W. H. King, Executive Officer, DMEA Field Team, Region IV, the New Park Mining Co. requests a three-month extension of the project recess period to allow time for planning further exploratory work in the west end of the Mayflower mine.

It is recommended that the company be granted an extension of the recess period to December 15, 1954. This should allow sufficient time for preparation of the exploratory proposals and for processing contract amendments which may be necessary.

Project work was begun in June 1951. Project No. 1 has been completed and Project No. 3 has been terminated as a result of encountering an excessive flow of water in that area. The remaining funds have been made available for work on Project No. 2. Unfavorable results of the exploration on Project No. 2 led to suspension of work there on December 14, 1953. Amendment No. 17 authorized an extension of the suspension (recess) to July 1, 1954, and extended the life of the contract to October 31, 1954.

In a request dated December 31, 1953, the company asked permission to stop drifting and crosscutting on Project No. 2 and to substitute diamond drilling as a means of exploring the fissure structures in the western section of the mine and in adjoining claims held under lease from the U. S. Smelting, Refining and Mining Co. The drilling accomplished was disallowed as the work preceded the authorizing amendment. No ore was found in drilling the two holes completed.

On January 22, 1954, the company requested an amendment to permit diamond drilling to explore a negative, electrical, self-potential anomaly in the western section of the mine, but east of the Project No. 2 area. In a letter dated April 24, 1954, the company proposed a grid geochemical soil-sampling survey in the Gold Queen area, a few hundred feet southwest of the Project No. 2 area. Both of these requests were denied for geologic reasons.

Total contract funds amount to $234,395.20. Total expenditure to date (subject to audit) amounts to $100,024.44. Government participation to date is 50 percent of the total expenditures, or $50,012.22.

M. M. Gilkey

M. M. Gilkey

NEW PARK MINING COMPANY

KEETLEY, UTAH

September 8, 1954

Defense Minerals Administration
RECEIVED
SEP 20 1954

W. H. King
Exploration Office DMEA
Field Team Region 4
224 New Customhouse Building
Denver 2, Colorado

Attention: Mr. S. R. Wilson

Re: Docket No. DMA-107
(Lead - Zinc - Copper)
Contract No. Idm - E5

Dear Mr. King:

This will serve as a supplementary to my letter of August 4, 1954, addressed to Mr. C. O. Mittendorf.

The staff here at the New Park Mine wish to request an extension of the recess period on this project of three months. In this time, we feel that we can plan a most advantageous exploration program. Of course any suggestions or assistance that you or your field team can give us will be greatly appreciated.

Thanking you for your interest in this matter, I remain

Sincerely yours,

NEW PARK MINING COMPANY

By F. A. Kuhlman

F. A. Kuhlman,
Chief Engineer

FAK:jc

500

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

Griswold
Martin
Hedges
McLaughlin

AUG 16 1954

Mr. H. B. King, Executive Officer
DMEA Field Team, Region IV
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMEA-107 (lead-zinc-copper)
New Tech Mining Company
Mayflower Mine
Wasatch County, Utah
Contract No. Ino-75

Dear Mr. King:

For your information, we are enclosing a copy of a letter dated August 4, from the cited Operator.

At the moment, we shall not take action on the request for an additional recess period since no time interval has been given. Will you kindly communicate with this company and then advise us as to your recommendation for recess.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee (JB)

Enclosure

WRGriswold/bjl (8/16/54)

Approved:

J. H. Hedges
Member, Bureau of Mines (JB)

D. M. Larrabee
Member, Geological Survey (JB)

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Gildersleeve
Mr. Bishop
Chron.

NEW PARK MINING COMPANY

KEETLEY, UTAH

August 4, 1954

Griswold
Betty

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

Re: Docket No. DMA-107
(Lead-Zinc-Copper)
Contract No. Idm-E5

Dear Mr. Mittendorf:

Your letter of July 24, 1954, to Mr. W. H. H. Cranmer has been referred to me.

The staff of the New Park Mine feel sure that in the near future we would like to plan further exploratory work in the west end of the Mayflower Mine. We therefore request an extension to the recess period of the Project.

When we have this exploratory work planned we will submit the outline to you. Of course any suggestions or assistance that you or your field team can give us will be greatly appreciated.

Thanking you for your interest in this matter, I remain

Sincerely yours,

NEW PARK MINING COMPANY

By F. A. Kuhlman
F. A. Kuhlman,
Chief Engineer

FAK:sh

File Copy
Surname

Grismold
Thayer
Hedges
Gildersleeve
Johnson

500

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

JUL 2 1954

Mr. W. H. H. Cranmer, President
New Park Mining Company
904 Walker Bank Building
Salt Lake City 1, Utah

Re: Docket No. DMA-107 (lead-zinc-copper)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract No. Idm-F5

Dear Mr. Cranmer:

Under date of April 24, Mr. Peter Joralemon of your company submitted a request for an amendment to the cited contract, with a view of doing diamond drilling in the "Cold Queen" area from the surface.

However, after reviewing reports and other data in our possession, it is our opinion that the corroborative evidence for such a project is of too vague and uncertain a nature to warrant our giving approval to such an amendment. The request is therefore denied.

We note that in his letter of April 24 Mr. Joralemon states:

> "Work done in the immediate vicinity of the west end of the Mayflower mine . . . has not shown favorable results . . . further exploratory work can be planned in this area."

In the event that you might care to request an amendment to the contract to provide for such further exploratory work in the Mayflower mine, in areas which you might consider as being favorable, you may be sure that both the Field Team and ourselves would be prepared to give full consideration to such a request. However, in such an event, you should promptly request an extension to the recess period of the project, which expired July 1.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

WRGriswold/bjl (7/20/54)

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Bishop
Mr. Gildersleeve
Region IV (2)
Chron.

R.C.B.

File Copy
Surname

Griswold
Selfridge

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

JUL 23 1954

TELETYPE

WPGriswold/bjl, Rm. 4058, Ext. 3669

Base Metals Div., DMEA, Interior

14X4401(01) Revolving Fund,
Defense Production Act, Interior (allocated
Working Fund to Office of the Secretary)

XXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXX

Date:

To: W. E. King, Executive Officer, DMEA Field Team, Region IV, Denver, Colorado

Reurtt July 22, Docket DMEA 107, New ark Mining Company, Contract Idm-E5. Operator's request for amendment is denied.

George C. Selfridge (GKD)
Chairman, Operating Committee

(written 7/23/54)

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Bishop
Mr. Gildersleeve
Chron.

R.C.G.

DN 235 BUREAU MINES 7-22-54 4-24 PM

CHAIRMAN , OPERATING COMMITTEE
DMEA

RE DOCKET DMEA ~~1072XXX~~ 107, CONTRACT IDAM-E5, NEW PARK MINING COMPANY, MATERIAL FORWARDED BY OUR MEMO JUNE 22,1954, OPERATOR REQUESTS ADVICE AS TO YOUR DECISION RELATIVE TO THEIR REQUEST FOR MODIFICATION OF WORK PROGRAM. PLEASE TELETYPE ADVICE AS TO STATUS AND YOUR DECISION.

W H KING

Mr. George Selfridge
7-22-54
Unattended service

Federal Civil Defense Administration
RECEIVED
JUL 23 1954

Glenner, Colo.

JUL 23 8 09 AM '54
BUREAU OF MINES
MAIL ROOM
WASHINGTON D.C.

File Copy
Surname

500

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

July 20, 1954

Memorandum

To: Administrator

From: Chief, Base Metals Division

Subject: Docket No. DMA-107 (lead-zinc-copper), New Park Mining Company, Mayflower Mine, Wasatch County, Utah, Contract No. Idm-E5

The subject contract, dated May 31, 1951, provided for three subprojects in the Mayflower mine at a total cost of $234,395.20. Total footage of drifting and crosscutting in the contract was 5600, plus some rehabilitation.

Some two hundred thousand dollars has already been spent, with negligible results. Hence, the Operator wished to embark upon a surface diamond drilling campaign on the Gold Queen area of his property. However, his indications for such surface drilling were vague and nebulous, based largely upon some soil sampling which, itself, was of an inconclusive nature.

All reviewers are in accord that such a program cannot be endorsed.

W. R. Griswold

W. R. GRISWOLD

WRGriswold/bjl

Copy to: Docket
Base Metals
~~MxxxBixxmxp~~
Chron.

R.C.B.

IN REPLY REFER TO:

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

July 7, 1954

Memorandum

Re: DMEA-107
New Park Mining Company
Wasatch County, Utah
Lead-zinc
Proposed amendment
$28,210

To: Mr. W. R. Griswold, DMEA

From: E. L. Newcomb, USGS

Subject: Concurrence with field team recommendation for denial

The operator has requested an amendment to his contract which would allow use of remaining funds on a surface drilling program. Proposed work would be in an area not included in the present contract. A maximum of seven holes may be needed to test several geochemical pb-zn anomalies.

The field team examination report recommended the proposed drilling project be denied. Their denial is based on the following factors:

1.) Contouring of pb-zn values indicated that there is no pronounced linear trend in the geochemical "highs."

2.) Sufficient sampling has not been done to establish the average and extreme zinc and lead content in various rock types in unmineralized ground.

3.) Magnitude of "highs" is not significantly large and only a few samples have these local maximum values.

4.) Magnitude of zinc "highs" when compared to "background values" of surrounding area do not give ratios indicative of buried ore bodies.

5.) Association of "highs" with limestone-diorite contacts suggests they may be a result of contact metamorphism rather than an indication of a mineralized fissure.

6.) Geological evidence is lacking which justifies postulating a westward projection of producing fissures from the New Park's Mayflower mine into the Gold Queen area.

I concur with the field team's conclusions and recommend the proposed amendment be denied.

E. L. Newcomb
E. L. Newcomb
Geologist

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

July 8, 1954

Memorandum

To: W. R. Griswold, DMEA

From: O. M. Bishop, USBM

Subject: Letter of April 24, 1954 requesting amendment to Contract Idma-E5 (Docket No. DMEA-107, New Park Mining Company, Wasatch County, Utah)

I have read the applicant's letter request and reviewed the geochemical data given as evidence in support of an amendment which would permit use of DMEA funds for surface drilling in search of a non-outcropping orebody in the Gold Queen area.

The soil sampling shows a concentration of zinc and lead, which while not as strong as desirable, represents a concentration at surface which may well be indicative of commercial mineralization at depth. However, the work done in the Gold Queen tunnel at 150 to 300 feet below the outcrop offers no supporting collateral evidence. For that reason the drill holes proposed to the south do not offer much promise, nor is there any affirmative evidence offered to suggest greater potential in the vicinity of the cut near projected diamond drill holes 1, 1', 2, and 2'.

For these reasons it is recommended that the conclusion of the field team be accepted and the application denied.

O. M. Bishop

O. M. Bishop

Copy to: Edward L. Newcomb
Minerals Division
O. M. Bishop
Files

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

224 New Customhouse
Denver 2, Colorado

June 22, 1954

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMEA 107 (Lead-Zinc-Gold-Copper), Contract I-DMA-E5
New Park Mining Company, Wasatch County, Utah

Enclosed is the following material relative to a change in the description of the work to be performed under the subject contract:

1. Four sets of data consisting of a copy of a letter from the operator, dated April 24, 1954, with attached maps and transmittal thereof dated May 4, 1954 from the Chief, Minerals Development Branch, Mining Division, Region IV.

2. One copy of a report by Peter Joralemon titled "A Reevaluation of Park City Geology", portions of which were extracted to substantiate the operator's request for an amendment to the contract.

3. Original and three copies of a memorandum from M. M. Gilkey, Mining Engineer, U.S. Bureau of Mines, dated June 7, 1954, and transmittal thereof dated June 11, 1954 from the Chief, Minerals Development Branch, Mining Division, Region IV, relative to the operator's request.

4. Original and three copies of a memorandum from R. W. Osterstock, for R. J. Roberts, U. S. Geological Survey, dated June 11, 1954, and transmittal thereof from A. H. Koschmann, Supervising Geologist, Colorado-Wyoming, U. S. Geological Survey, dated June 21, 1954, also relative to the operator's work proposal.

The operator requests an amendment to the contract to authorize the expenditure of remaining project funds to diamond drill the Gold Queen area from the surface. The examining engineer and geologist recommend denial of the operator's request on the grounds that there is insufficient evidence to support the operator's contention of the possibility of a significant discovery resulting from the proposed drilling program.

Amending the contract to authorize the proposed work, or denial of the operator's request, is deemed not to be within the authority delegated

to this office, therefore we are forwarding the matter for your consideration and appropriate action with the recommendation that the operator's request be denied on the grounds recited by the examining team.

The recess of operations provided for by Amendment No. 17 expires July 1, 1954, therefore your advice to the operator should take that fact into consideration.

W H King

W. H. King

Enclosures

Mining Division
Date Rec'd
MAY 6 - 1954
BUREAU OF MINES
Denver, Colorado

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

Minerals Administration
JUN 2 5 1954

May 4, 1954

Memorandum

To: W. H. King, Executive Officer, DMEA Field Team, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: Docket No. DMEA 107 (Lead-zinc-gold-copper), Contract Idma-E5, New Park Mining Co., Wasatch County, Utah

Enclosed are six copies of a letter received from the subject operator requesting an amendment to the contract to allow surface diamond drilling in the Gold Queen area. The request letter is dated April 24, 1954. A claim map and a surface geologic map of the area are included with each copy of the letter. Also included are three copies of a paper titled "A Reevaluation of Park City Geology," by Peter Joralemon. Portions of this paper have been extracted to substantiate the amendment request.

We have retained sufficient copies of the information for use in preparing recommendations.

Stephen R. Wilson

Stephen R. Wilson

Enclosures

April 24, 1954

Mr. S. R. Wilson
U.S. Bureau of Mines
1600 East 1st South
Salt Lake City, Utah

Re: Docket DMA 107, Contract I-DMA-35

Dear Mr. Wilson:

We wish at this time to submit a request for amendment to our DMA Contract.

Work done in the immediate vicinity of the west end of the Mayflower Mine under DMA Project 2 has not shown favorable results. Although further exploratory work can be planned in this area, we feel that the balance of funds would be better spent in a more promising section of the New Park area. For this reason we request an amendment of our contract to allow us to concentrate on our Gold Queen area which lies 600 feet southwest of our 601-4 heading. The location of both areas is shown in the accompanying claim map. The Gold Queen area is connected to the Mayflower property by patented claims. A description of the claims affected by this program is enclosed.

We are including with this request an article on Park City geology which has been submitted for publication. The reasoning which led to this request can be found in the article and is briefly summarized below.

1. The Park City district is striking in its lack of surface ore. For the most part, ore bodies in this district are capped by several hundred feet of more or less barren quartz-pyrite vein material. We may visualize the district as being covered by a barren blanket through which only occasional small ore shoots have penetrated. Surface indications of submarginal ore in unexplored areas here cannot be condemned without fairly deep exploration.

2. District metal distribution strongly indicates an asymmetric metal zonal pattern, with the copper-gold zone following the southern part of the district.

3. The old concept of favorable wall rock is now obsolete. With favorable conditions of deposition, good ore can be formed in any type of wall rock. We need no longer limit our search to ore in the Park City formation.

COPY

The Gold Queen area shows abundant signs of mineralization. Irregular patches of gossan material cover the hillsides. In one bulldozer trench, spotty mineralization contains up to 5.4% copper and 0.22 oz. gold. Such spots may represent occasional ore shoots which have penetrated the barren blanket. A grid geochemical soil sampling survey shows a strong east-west lineation of the area of zinc highs. A recheck for quantity of lead in the favorable area confirms the evidence given by zinc analysis. It may be pertinent to note that most major veins in the district have a westerly strike.

The Gold Queen area lies in the gold-copper belt of mineralization. Presence of these two metals, in addition to minor amounts of lead and zinc, strengthens the thesis of district zoning.

As an amendment to our Project 2 we propose a surface diamond drilling program in the Gold Queen area, designed to probe at depths of from 300 to 500 feet for possible ore which is causing the surface ore indications. Our first hole, indicated on the map as hole #1, would be drilled at a -60° angle for 620 feet to intersect any vertical or north dipping veins. Should this fail to cut ore, hole 1' should be drilled to a similar depth at -60° to intersect a south dipping vein.

Should ore be intersected in hole 1, hole 2 should follow, also at a -60° angle. Ore in hole 1' would lead to the drilling of hole 2'. Additional drilling is proposed at the locations indicated on the map, but information derived from the results of the first holes might alter these locations.

Estimated cost of drilling based on figures given in the lowest bid is about $6.50 per foot. The cost of each hole would therefore be about $4,000.

In requesting this amendment we wish in particular to emphasize that this exploration program must be kept flexible, with the details of each successive step dependent on the results of the foregoing steps.

The Gold Queen area is at about a 9000 feet elevation and the working season there is short. For this reason we request your early consideration of this amendment to allow us to begin drilling when the snow melts early in May of this year. This will allow us at least 5 months this summer to complete the exploration program.

Yours very sincerely,

NEW PARK MINING COMPANY

Peter Joralemon

Peter Joralemon,
Superintendent

PJ/sh

COPY

Black Rock

Location Notice filed September 8, 1894 in Book "B" of Snake Creek Mining District, Page 110, Wasatch County. Mineral Survey No. 3792, October 16-20, 1898 Utah Land District.

Corner No. 1 of this claim is S. 31° 59' E., 3838.7 ft. from U.S. Mineral Mont. No. 2.

Thence	S. 87° 04' W.	1500 ft.	to Corner No. 2
Thence	S. 2° 56' W.	600 ft.	to Corner No. 3
Thence	N. 87° 04' E.	1500 ft.	to Corner No. 4
Thence	N. 2° 56' E.	600 ft.	to Corner No. 1

Red Horse

Location Notice filed July 27, 1892 in Book "B" of Snake Creek Mining District, Page 71, Wasatch County. Mineral Survey No. 3792, October 16-20, 1898 Utah Land District.

Corner No. 1 of this claim is S. 23° 53' E., 4871.4 ft. from U. S. Mineral Mont. No. 2.

Thence	S. 87° 04' E.	1500 ft.	to Corner No. 2.
Thence	S. 2° 56' W.	600 ft.	to Corner No. 3
Thence	N. 87° 04' W.	1500 ft.	to Corner No. 4
Thence	N. 2° 56' E.	600 ft.	to Corner No. 1

Wildflower

Location Notice filed 18th October 1900 in Book "T", Pages 632-633, Wasatch County. Mineral Survey No. 6900, June 22 to August 29, 1929, Public Survey Office, Salt Lake City, Utah.

Corner No. 1 of this claim is N. 84° 11' E., 569.5 ft. from SE Corner of Section 33, T. 2 S., R. 4 E., SLBM.

Thence	N. 87° 16' W.	1500 ft.	to Corner No. 2
Thence	S. 3° 16' W.	600 ft.	to Corner No. 3
Thence	S. 87° 16' E.	1500 ft.	to Corner No. 4
Thence	N. 3° 16' E.	600 ft.	to Corner No. 1

This claim is bounded on the north by the Black Rock Mining Claim, on the South by the Red Horse Mining Claim, and is common to the Morning Star Mining Claim on its West end line.

COPY

Reward

Location Notice filed January 1, 1888 in Book "C" Snake Creek Mining District, Page 200, Wasatch County Survey No. 3792. October 16-20, 1898 Utah Land District.

Corner No. 1 of this claim is S. 11° 11' E. 3249.9 ft. from U. S. Mineral Mont. No. 2.

Thence	S. 87° 04' E.	1405.0 ft.	to Corner No. 2
Thence	S. 2° 56' W.	600 ft.	to Corner No. 3
Thence	N. 87° 04' W.	1405.0 ft.	to Corner No. 4
Thence	N. 2° 56' E.	600 ft.	to Corner No. 1

Morning Star

Location Notice filed July 27, 1892 in Book "B" of Snake Creek Mining District, Wasatch County. Mineral Survey No. 3792 October 16-20 1898 Utah Land District.

Corner No. 1 of this claim is S. 9° 00' E.,3830.5 ft. from U. S. Mineral Mont. No. 2.

Thence	S. 87° 04' E.	1405.0 ft.	to Corner No. 2
Thence	S. 2° 56' W.	600 ft.	to Corner No. 3
Thence	N. 87° 04' W.	1405.0 ft.	to Corner No. 4
Thence	N. 2° 56' E.	600 ft.	to Corner No. 1

Red Bird

Location Notice filed January 17, 1887 in Book "C" of Snake Creek Mining District, Page 120, Wasatch County Mineral Survey No. 3792, October 16-20, 1898 Utah Land District.

Corner No. 1 of this claim is S. 7° 23' E., 4419.3 ft. from U. S. Mineral Mont. No. 2.

Thence	S. 87° 04' W.	1405 ft.	to Corner No. 2
Thence	S. 2° 56' W.	600 ft.	to Corner No. 3
Thence	N. 87° 04' E.	1405 ft.	to Corner No. 4
Thence	N. 2° 56' E.	600 ft.	to Corner No. 1

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

June 11, 1954

Mining Division
Date Rec'd
JUN 14 1954
BUREAU OF MINES
Denver, Colorado

Defense Minerals Administration
RECEIVED
JUN 25 1954

Memorandum

To: W. H. King, Executive Officer, DMEA Field Team, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: Docket No. DMA-107 (Lead-Zinc-Gold-Copper), Contract Idma-E5, New Park Mining Co., Wasatch County, Utah.

The attached 6 copies of a memorandum prepared by M. M. Gilkey pertain to an amendment request received from the subject contractor, dated April 24, 1954. Six copies of the request were mailed to your office by memorandum of May 4, 1954.

Gilkey's memorandum outlines the engineering feasibility of diamond drilling on the property in question. However, the exploratory proposals are based principally upon the geologic interpretation of the geochemical data submitted by the operator. Information presented in a memorandum prepared by R. W. Osterstock, C. G. Tillman, and M. D. Crittenden, transmitted to A. H. Koschmann June 11, 1954, indicates that the area does not have sufficient promise for ore discovery to warrant Government participation. It is recommended that the operator's request to use project funds for diamond drilling in the Gold Queen area be denied. I concur with this recommendation.

Stephen R. Wilson

Stephen R. Wilson

Enclosures

S. R. Wilson

June 7, 1954

M. M. Gilkey

Docket No. DM-107 (Lead-zinc-gold-copper), Contract Idma-K5, New Park Mining Co., Wasatch County, Utah. Request for amendment to contract.

In a letter dated April 24, 1954, the New Park Mining Co. requests an amendment to the project contract to allow use of project funds in a surface diamond drilling program. The location of the proposed work is the Gold Queen area, a few hundred feet southwest of the face of the 801-A crosscut in project No. 2. By road, the area is approximately 7 miles in a southerly direction from Park City, Utah. The claims involved are not included in the property affected by the present long-form contract. The location of individual drill holes is based on the results obtained in a grid geochemical soil-sampling survey. On a geologic map accompanying the letter is shown the quantity of zinc in the soil in parts per million. A geologic appraisal of the request is being submitted by the Geological Survey.

The Gold Queen area was visited May 25, 1954. From an engineering point of view, the proposed diamond drilling appears to be feasible. The altitude at the Gold Queen is approximately 9,000 feet and, consequently, the work should be completed by early November. Sufficient water for drilling is available about 1 mile by road west of the drilling area.

The drilling, as proposed, would consist of a minimum of two holes and a maximum of seven holes, each drilled to a depth of 620 feet at an inclination of minus 60 degrees. The total footage, therefore, would range from 1,240 to 4,340 feet. Estimated cost, based on the lowest bid, is about $6.50 per foot. At this rate, the direct cost of drilling two holes would amount to $8,060 and for seven holes the direct cost would be $28,210. It is estimated that supervision, bookkeeping, insurance and payroll taxes would add $150 a month to drilling expenses. The cost of two subcontracted diamond drill holes in diorite on project No. 2 was $5.03 per foot. The holes were drilled from underground sites and one of them was drilled to a depth of 354 feet.

The major portion of the proposed drilling would be in diorite, with lesser footages in dolomite and quartzite. Better drilling conditions are expected in the diorite than in the sedimentary rocks.

Cost of the proposed surface drilling is expected to be greater than the cost of the underground drilling because of higher average costs involved in drilling to greater depth and hauling of water.

Also, road and site construction will add to the cost of the surface work. The operator's estimated figure of $6.50 a foot, therefore, is considered reasonable.

The present status of the project work is as follows: The work was begun in June 1951. Project No. 1 has been completed and project No. 3 was terminated as a result of an excessive flow of water encountered in that area. The remaining funds have been made available for work on project No. 2. Unfavorable results of the exploration on project No. 2 led to suspension of work on December 14, 1953. Amendment No. 17 authorizes an extension of the suspension to July 1, 1954. The completion date of the project work is October 31, 1954.

Total contract funds amount to $234,395.20. Total expenditures to date (subject to audit) amount to $100,024.44. Government participation to date is 50 percent of the total expenditures, or $50,012.22.

M. M. Gilkey

M. M. Gilkey

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver 2, Colorado

June 21, 1954

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 107 (lead-zinc), New Park Mining Company, Gold Queen area, Wasatch County, Utah

Enclosed are 9 copies of the memorandum report by R. W. Osterstock, C. G. Tillman, and M. D. Crittenden, of the U. S. Geological Survey relative to amendment of the subject contract.

Messrs. Osterstock, Tillman, and Crittenden conclude that the target is indefinite and recommend denial of the request.

E. N. Hauchman
for A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (9)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Room 208 - 222 So. West Temple
Salt Lake City 1, Utah
June 11, 1954

Memorandum

To: A. H. Koschmann

From: R. W. Osterstock, for R. J. Roberts

Subject: DMEA Docket 107 (Lead-zinc) New Park Mining Company, Gold Queen area, Wasatch County, Utah - Request for amendment

Introduction

On April 24, 1954 the New Park Mining Company, DMEA docket 107, applied for an amendment to its contract, I-DMA-E5, dated May 31, 1951. The object of the amendment is to permit use of unexpended funds from Item II of the contract to explore by diamond drilling a geochemical anomaly in the Gold Queen area. The property was examined on May 25, 1953 by R. W. Osterstock, C. G. Tillman, and M. D. Crittenden, geologists, U. S. Geological Survey and M. M. Gilkey, mining engineer, U. S. Bureau of Mines. Mr. Peter Joralemon, superintendent, New Park Mining Company, accompanied the field examiners.

Location

See claim map accompanying application for location of the property.

History and production

The discovery of ore in this part of the Park City district probably did not take place until the 1890's, about 20 or 30 years after the initial discoveries in the district. The Valeo mine, about 1 3/4

mile easterly from the area of the proposed drilling, produced ore reported to have contained an average of 29 percent copper, 10 to 14 ounces of silver and $6 to $8 in gold to the ton. Production from this mine continued until 1909. About 1 mile easterly from the proposed drilling area is the now inactive Copper Queen mine from which production data are not available, however, it is reported that the mine had a brief but rich life span. In the immediate vicinity of the proposed drilling area a small amount of work was done from an adit driven between 1890 and 1900. The existence of this adit was discovered during 1953 when the applicant sank the 20 foot Skyline shaft on a promising iron gossan. Operations were suspended when the old workings were encountered.

About 1948 the Gold Queen tunnel level workings were driven by the applicant in search of the easterly-striking Cottonwood fissure which according to one company map lies about 350 feet to the NE. beyond the present tunnel face. A structure of lesser importance, the easterly striking Wildflower vein, should have been cut about 250 feet back from the present tunnel face according to a company map. Neither of these structures has been identified on the surface. About 450 feet northeasterly from the Gold Queen adit, the company sank the 40 foot deep Gold Queen winze in a small easterly trending fissure zone. Copper staining was noted in the winze and it is reported that several samples taken in the workings assayed up to 0.5 ounce gold per ton.

There has been no production from any of the company operations in this area.

GEOLOGY

The Park City area is underlain by sedimentary rocks ranging in age from pre-Cambrian to Triassic. These rocks have been folded into a broad anticline whose axis strikes and plunges gently to the northeast. The sediments have been cut by east-northeast striking, steeply dipping faults, by low angle thrust faults, and intruded by irregular masses of diorite. Andesitic volcanic rocks cover the sediments in the eastern part of the district.

The major production of this district has been lead-silver ore which has come from veins occupying east-northeast striking, north dipping faults. Beds ranging in age from Mississippian to Triassic have been productive where cut by veins. The productive beds include the Mississippian Humbug formation, the Pennsylvanian Weber formation, the Pennsylvanian-Permian Park City formation, and the Triassic Thaynes formation.

The Gold Queen area lies south of the main Park City district on a broad ridge between the head of Dutch Hollow and Bonanza flat. In this area 1/ (fig. 1) Mississippian Madison limestone has been thrust over

1/ Refer to press release text and geologic map entitled "Geologic map of the area south of Park City, Utah" dated 7/15/52, by A. A. Baker, B. J. Sharp, M. D. Crittenden, U. S. Geological Survey.

Cambrian Tintic quartzite and both the sedimentary rocks and the thrust fault have been cut by a diorite mass which caused some bleaching and alteration and resulted in the local development of thin tactite zones along the limestone contacts. Erosion has exposed numerous irregular areas of diorite within and between the sedimentary rocks. In the vicinity of the Skyline shaft an east striking normal fault has offset the thrust fault dropping limestone on the south against quartzite on the north.

On the west side of the ridge, the thrust fault is exposed at several places on the surface, and was cut in the Gold Queen tunnel (fig. 3) where it was offset by northwest striking faults and cut out locally by intrusive masses of diorite.

Although sedimentary rocks crop out in this area of complex geology, soil and brush conceal all but the larger geologic features and make contacts difficult to locate except by inference. As a result the company resorted to chemical analysis of soil samples in an effort to determine the existence of metallized structures beneath the soil cover.

ORE DEPOSITS

The easterly striking normal fault described above is marked by gossan, reported to contain a trace of gold, at the Skyline shaft (fig. 1). Two diamond drill holes (not logged) put down in this area are reported to have been barren of ore mineralization. A copper bearing northeasterly striking structure was observed in workings on the 40-foot level of the Gold Queen winze but no ore was mined. Material containing up to 0.5 ounce of gold per ton is reported to have come from this winze. The Gold Queen tunnel is caved at a point about 300 feet from the portal but weak copper mineralization is reported from beyond this caved area and some copper stained rock was found on the dump. A third occurrence of copper mineralization was noted in a tactite zone in a bulldozer cut on the ridge between the Skyline shaft and the Gold Queen winze. The company reports that a picked sample from this cut assayed 5.4 percent copper and 0.22 ounce gold per ton.

Soil sampling

Soil samples were taken across the ridge at intervals of about 100 feet along east trending traverse lines about 200 feet apart. (Productive veins strike east to northeast in this part of the district.) Zinc content of the samples was determined first and lead content determinations were made later in areas of high zinc content. In areas of apparent interest rows of lead samples 100 to 425 feet long were taken at right angles to the rows of zinc samples, i.e. in a northerly direction, with traverses 100 feet apart and samples 25 feet apart.

In general, the south half of the sampled area contains more high zinc values than the north half. Attempts to contour the values reveal that there is no pronounced linear trend connecting any of the highs (fig. 2). Rather, there appear to be isolated "high" areas which show no particular trend. The detailed sampling for lead, however, does indicate a narrow linear zone of higher values which extends approximately 600 feet in a westerly direction down slope from the saddle between the Skyline shaft and Gold Queen winze. Approximately 400 feet further east another zone of "highs" begins and extends 500 feet down slope to the east to and below the Skyline shaft. This area was only partially tested by check samples for lead.

The company has provided no data on the average and extreme zinc and lead content in various rock types in unmineralized ground. "Background" may average 200 parts per million zinc if the northern half of the tested area is regarded as normal and unmineralized. But large areas, particularly those underlain by limestone and Tintic quartzite contain many samples which run 300, 400, and 500 parts per million zinc.

It was found in the map area that of 143 samples taken over diorite 49 contained over 300 ppm zinc yielding a ratio of almost 1:3. Of 108 samples taken over limestone in the same area 82 contain over 300 ppm zinc yielding a ratio near 1:1. This higher content of zinc in limestone (and quartzite) may be due to an initially higher zinc content or to the introduction of zinc along the intrusive contacts. The latter possibility is supported by the evidence of contact metamorphism and by the fact that many of the "highs" over diorite are actually very near limestone contacts. All of this suggests that a "background" of 300 to 400 ppm may be likely in the southern half of the area and that the ratio of "highs" to "background" will often be 2:1 or 3:1 but rarely as high as 5:1. Nor is the absolute magnitude of the "highs" consistently or significantly large. Only four samples reached 2000 ppm zinc and only eleven fell within the interval between 1000 and 2000 ppm.

The only conclusion that can be drawn from the soil sampling is that an east striking fissure <u>may</u> be present along which circulating water may have carried trace amounts of zinc and lead to the surface. But no such continuous structure was observed on the surface in this brief inspection, nor is such a structure known to exist from any other evidence presented by the company or available to the field examiners. Moreover, no mineralized structure was found at the projected position of the hypothesized vein in the Gold Queen tunnel, according to the company, nor does the geochemical anomaly extend westward over the tunnel. There is no conclusive evidence that the trace amounts of zinc and lead came from such a vein rather than from contact mineralization by intrusions. Some of the linearity of the zinc-lead anomaly may be due to soil creep down the slopes east and west of the saddle in which copper minerals of probable contact metamorphic origin were found.

Proposed Exploration

The applicant has proposed a program of surface diamond drilling in the Gold Queen area. The target is a vague zone, drawn to connect certain of the geochemical "highs". It is inferred by the company to be an easterly striking, north dipping zone which is to be intersected at depths of from 300-500 feet. Six 620 foot drill holes inclined 60° to the south are suggested on the assumption that the zone dips north. But six alternate holes inclined to the north from the south side of the postulated fissure zone are suggested in the event that the supposed fissure zone may have a south dip.

Funds for this program are to be transferred from the unexpended portions remaining in the unsuccessful, now terminated, Item II of the original contract.

Conclusions and Recommendations

The geochemical soil sampling undertaken in the Gold Queen area has demonstrated that anomalous zinc "highs" occur in the southern part of the area sampled. These "highs" are, in general, isolated and do not readily lend themselves to linear projection. A recheck was run for lead in the area in which zinc "highs" were noted. These soil samples were taken over 100- to 425-foot traverses at 25 foot intervals in a direction at right angles to the postulated fissure. There is no established "background" for lead and consequently these readings are difficult to interpret. It may be further noted that the magnitude of the zinc "highs" relative to the background of the surrounding area does not produce ratios indicative of buried ore bodies; rather the ratios would tend to indicate structures through which circulating ground waters moved.

It is further noted that most of the zinc "highs" are in close proximity to the limestone-diorite contacts and may, therefore, be due to weak local contact mineralization. Such mineralization is, in fact, known to have occurred in many places in the eastern part of the Park City district where the intrusives are most in evidence.

There is not sufficient evidence to warrant the westward projection of the producing fissures from the New Park Mining Company's Mayflower mine into the Gold Queen area.

The vertical projection of the postulated fissure should have appeared in the Gold Queen tunnel about 100 to 300 feet from the portal; no such structure was noted.

It is concluded (1) that the zinc "highs" are too isolated to define a clearcut linear trend, (2) that the postulated zone does not coincide with a known continuous structure, (3) that the best showings on the supposed structure, the Skyline gossan and the Gold Queen "high", have been explored and found wanting, (4) that the association of the highs with the limestone-diorite contacts suggests that they may result from contact mineralization rather than mineralization on a fissure.

It is recommended that the applicant's proposal for a diamond drilling program in the Gold Queen area be denied on the grounds that there is insufficient evidence in support of a satisfactory target.

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

224 New Customhouse
Denver 2, Colorado

May 18, 1954

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMA 107 (Lead-Zinc), Contract I-DMA-E5, New Park Mining Company, Wasatch County, Utah

Enclosed are the Government, Division, and Docket copies of Amendment No. 17 to Contract I-DMA-E5 which was prepared in Washington and signed by you for the Government to authorize an extension of the suspension of work to July 1, 1954, extend the period for completion of the project work from 36 months to 41 months, and amend article 14 of the contract form by substituting the provisions of Annex "A" attached to and made a part of the amendment

Copies of the amendment have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

W. H. King

W. H. King

Enclosures

File Copy
Surhame
Griswold
Chrisler
Guild
Hedges
Selfridge
K Johnson

500

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

MAY 6 - 1954

Mr. W. H. E. Cranmer, President
New Park Mining Company
901 Walker Bank Building
Salt Lake City 1, Utah

Re: Docket No. DMA-107 (Lead-Zinc Copper)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract No. L-DMA-E5

Dear Mr. Cranmer:

I have your letter of April 27, 1954, with enclosures. A few days previously I had received correspondence from our Region IV office enclosing a letter signed by Mr. Peter Joralemon of your company, dated April 14, 1954, requesting a termination of Project 2 work and a project recess. Such a recess period was considered necessary for the preparation of a revised exploration plan, of course, to give our Field Team reasonable time to review such project revision.

The requested amendment has been prepared and should be forwarded to our Region IV office within the next few days for transmittal to you.

With regard to your request for prompt action upon your revised plans, I am sure you realize that we must first have our Field Team recommendations. However, Mr. W. H. King, Executive Officer of Region IV, is fully familiar with your problems and I am very sure that he will do all possible to eliminate any unnecessary delays so that you may get to drilling as soon as possible if the proposed new program is approved. Since we are already into the month of May, I cannot quite see how we could promise you to have everything processed by "early in May", but we shall certainly do the best we can.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

WRGriswold/bjl (5/3/54)

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Bishop
Mr. Kinkel
Region IV (2)
Chron.

File Copy
Surname
Griswold
Chairman
Selfridge
Jk Johnson

500

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

MAY 6 - 1954

Mr. W. H. King, Executive Officer
DMEA Field Team, Region IV
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMA-107 (Lead-Zinc-Copper)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract No. I-DMA-K5

Dear Mr. King:

Enclosed is Amendment No. 17 to the cited contract, which we believe is in accord with your recommendations. If not, please return all copies to this office with your comments; otherwise, please present to the Operator for signature and distribute the copies in the usual manner.

We have just received a letter from Mr. W. H. H. Cranmer, president of this company, dated April 27, 1954, enclosing a letter and subject matter from Mr. Peter Jorgelemon, such letter addressed to Mr. S. R. Wilson. We presume that Mr. Wilson received a copy of this letter and the attached material. We attach a copy of Mr. Cranmer's letter for your files and also a copy of our reply.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Enclosures 8

WRGriswold/bjl (5/3/54)

APPROVED:

J. H. Hedges

Member, Bureau of Mines (JHH)

Philip W. Guild

Member, Geological Survey (PWG)

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Kinkel
Mr. Bishop
Chron.

FILE COPY
SURNAME:

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

H.S. in R.R.

April 30, 1954

Memorandum

To: Chief, Base Metals Division

From: Chief Counsel

Subject: New Park Mining Company, Docket No. DMA-107 (Lead-Zinc-Gold-Copper) Contract I-DMA-E5

Pursuant to your memorandum to the Chief Counsel dated April 28, there is attached hereto Amendment No. 17 to the subject contract.

Hofflund

J. L. Hofflund
Chief Counsel

Attachments

JLHofflund:ep

Copy to: Docket
Admin. Reading File
Mr. Hofflund
Chron.

File Copy
Surname

500

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

H.S. in R.R.

April 28, 1954

Memorandum

To: Chief Counsel

From: Chief, Base Metals Division

Subject: Docket No. DMA-107, New Park Mining Company, Contract Idm-E5

Will you kindly prepare Amendment No. 17 to this contract permitting recess of operations on this project from February 1, 1954 to July 1, 1954. Likewise, please provide for termination of work under Project 2.

Also, please extend completion time from 36 months allowed under Amendment No. 14 to 41 months, and include the royalty annex.

W. R. Griswold
W. R. Griswold

WRGriswold/bjl

Copy to: Docket
Base Metals
Chron.

NEW PARK MINING COMPANY

KEETLEY, UTAH

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 29 1954

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

April 27, 1954

Dmea-107

Mr. C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Dear Mitt:

Enclosed you will find a request for amendment to our DMA Contract I-DMA-E5. The work done under this contract has not been successful in finding satisfactory ore, and we are requesting that the balance of funds be spent on a more promising area, as shown on the Geologic Map enclosed, showing results of geochemical soil sample. This area is contiguous with our previous work, and lies about 6000 feet southwest of the 801-A heading. The location is shown on the accompanying map.

You will also find enclosed a report and a letter from Mr. Peter Joralemon, who, by the way, is a son of Ira Joralemon of San Francisco, and a very able geologist in his own right, having a Ph.D. Degree from Harvard in Geology.

I think the story is fairly complete and I suggest to you that it would be in the interest of the Government, as well as ourselves, to devote the balance of the DMA loan to diamond drilling, as requested in the letter from Mr. Joralemon. Having spent many years in the Park City District, I am convinced that this project would have splendid chances for success, as there, undoubtedly, is an east-west fissure through this area, as indicated by the samples taken from the geochemical results shown on the map.

We are very anxious to have the Government have something for its investment and we believe this would be one of the best possibilities to secure ore that would return at least this DMA loan, and I, personally, ask that you do your best to have the request granted and the amendment approved.

The drilling would be on the surface and as the altitude is quite high, as you will note from the contours, it would be greatly appreciated if you could expedite this matter so that we could start work at an early date, as the winter months are prohibitive in that area for any drilling, and we would like to get to work on this project as soon as possible.

New Park has taken a great interest in the uranium business and at some later date we may be asking the Government's approval of some of these uranium projects, as that seems to be the mineral which has a great deal of attention at the present time, and we have had quite a difficult time due to the low metal prices of lead and zinc in keeping our mine open, but have weathered through so far, and are working six days a week. This has been made possible by our securing larger amounts of gold and silver in our ore, but, of course, is very unsatisfactory, and we hope that the lead-zinc situation will improve in the not too distant future.

I hope to be in Washington some time in the next few months and will be most happy to see you, as I always enjoy my visits in Washington and it is a great pleasure to meet you and know about the experiences you are having down there.

With kindest regards and best wishes,

Sincerely yours,

W. H. H. CRANMER,
President

WHHC:FZ

Encl.

P.S. I notice that Mr. Joralemon's letter is addressed to Mr. Wilson, although he has requested me to forward it to you. Therefore, I assume he has sent Mr. Wilson a copy of this letter, and Mr. Joralemon tells me that it would expedite matters greatly in carrying out this project if the local U.S.G.S. and Bureau of Mines could handle the matter of location of holes, etc., as it takes a long time to get changes approved from the Denver Office if it has to go there, and as the drilling progresses there may be some slight changes in the location of the holes, etc., that could be handled here locally to greater advantage.

--W.H.H.C.

NEW PARK MINING COMPANY

KEETLEY, UTAH

April 24, 1954

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 29 1954

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

Mr. S. R. Wilson
U.S. Bureau of Mines
1600 East 1st South
Salt Lake City, Utah

Re: Docket DMA 107, Contract I-DMA-E5

Dear Mr. Wilson:

We wish at this time to submit a request for amendment to our DMA Contract.

Work done in the immediate vicinity of the west end of the Mayflower Mine under DMA Project 2 has not shown favorable results. Although further exploratory work can be planned in this area, we feel that the balance of funds would be better spent in a more promising section of the New Park area. For this reason we request an amendment of our contract to allow us to concentrate on our Gold Queen area which lies 6000feet southwest of our 801-A heading. The location of both areas is shown in the accompanying claim map. The Gold Queen area is connected to the Mayflower property by patented claims. A description of the claims affected by this program is enclosed.

We are including with this request an article on Park City geology which has been submitted for publication. The reasoning which led to this request can be found in the article and is briefly summarized below.

1. The Park City district is striking in its lack of surface ore. For the most part, ore bodies in this district are capped by several hundred feet of more or less barren quartz-pyrite vein material. We may visualize the district as being covered by a barren blanket through which only occasional small ore shoots have penetrated. Surface indications of submarginal ore in unexplored areas here cannot be condemned without fairly deep exploration.

2. District metal distribution strongly indicates an assymetric metal zonal pattern, with the copper-gold zone following the southern part of the district.

3. The old concept of favorable wall rock is now obsolete. With favorable conditions of deposition, good ore can be formed in any type of wall rock. We need no longer limit our search to ore in the Park City formation.

The Gold Queen area shows abundant signs of mineralization. Irregular patches of gossan material cover the hillsides. In one bulldozer trench, spotty mineralization contains up to 5.4% copper and 0.22 oz. gold. Such spots may represent occasional ore shoots which have penetrated the barren blanket. A grid geochemical soil sampling survey shows a strong east-west lineation of the area of zinc highs. A recheck for quantity of lead in the favorable area confirms the evidence given by zinc analysis. It may be pertinent to note that most major veins in the district have a westerly strike.

The Gold Queen area lies in the gold-copper belt of mineralization. Presence of these two metals, in addition to minor amounts of lead and zinc, strengthens the thesis of district zoning.

As an amendment to our Project 2 we propose a surface diamond drilling program in the Gold Queen area, designed to probe at depths of from 300 to 500 feet for possible ore which is causing the surface ore indications. Our first hole, indicated on the map as hole #1, would be drilled at a -60° angle for 620 feet to intersect any vertical or north dipping veins. Should this fail to cut ore, hole 1' should be drilled to a similar depth at -60° to intersect a south dipping vein.

Should ore be intersected in hole 1, hole 2 should follow, also at a -60° angle. Ore in hole 1' would lead to the drilling of hole 2'. Additional drilling is proposed at the locations indicated on the map, but information derived from the results of the first holes might alter these locations.

Estimated cost of drilling based on figures given in the lowest bid is about $6.50 per foot. The cost of each hole would therefore be about $4,000.

In requesting this amendment we wish in particular to emphasize that this exploration program must be kept flexible, with the details of each successive step dependent on the results of the foregoing steps.

The Gold Queen area is at about a 9000 foot elevation and the working season there is short. For this reason we request your early consideration of this amendment to allow us to begin drilling when the snow melts early in May of this year. This will allow us at least 5 months this summer to complete the exploration program.

Yours very sincerely,

NEW PARK MINING COMPANY

Peter Joralemon

Peter Joralemon,
Superintendent

PJ/sh

Black Rock

Location Notice filed September 8, 1894 in Book "D" of Snake Creek Mining District, Page 110, Wasatch County. Mineral Survey No. 3792, October 16-20, 1898 Utah Land District.

Corner No. 1 of this claim is S. 31° 59' E., 3838.7 ft. from U.S. Mineral Mont. No. 2.

Thence	S. 87° 04' W.	1500 ft.	to Corner No. 2
Thence	S. 2° 56' W.	600 ft.	to Corner No. 3
Thence	N. 87° 04' E.	1500 ft.	to Corner No. 4
Thence	N. 2° 56' E.	600 ft.	to Corner No. 1

Red Horse

Location Notice filed July 27, 1892 in Book "D" of Snake Creek Mining District, Page 71, Wasatch County. Mineral Survey No. 3792, October 16-20, 1898 Utah Land District.

Corner No. 1 of this claim is S. 23° 53' E., 4871.4 ft. from U. S. Mineral Mont. No. 2.

Thence	S. 87° 04' E.	1500 ft.	to Corner No. 2.
Thence	S. 2° 56' W.	600 ft.	to Corner No. 3
Thence	N. 87° 04' W.	1500 ft.	to Corner No. 4
Thence	N. 2° 56' E.	600 ft.	to Corner No. 1

Wildflower

Location Notice filed 18th October 1900 in Book "T", Pages 632-633, Wasatch County. Mineral Survey No. 6980, June 22 to August 29, 1929, Public Survey Office, Salt Lake City, Utah.

Corner No. 1 of this claim is N. 84° 11' E., 569.5 ft. from SE Corner of Section 33, T. 2 S., R. 4 E., SLBM.

Thence	N. 87° 16' W.	1500 ft.	to Corner No. 2
Thence	S. 3° 16' W.	600 ft.	to Corner No. 3
Thence	S. 87° 16' E.	1500 ft.	to Corner No. 4
Thence	N. 3° 16' E.	600 ft.	to Corner No. 1

This claim is bounded on the north by the Black Rock Mining Claim, on the South by the Red Horse Mining Claim, and is common to the Morning Star Mining Claim on its West end line.

Reward

Location Notice filed January 1, 1888 in Book "C" Snake Creek Mining District, Page 200, Wasatch County Survey No. 3792. October 16-20, 1898 Utah Land District.

Corner No. 1 of this claim is S. 11° 11' E. 3249.9 ft. from U. S. Mineral Mont. No. 2.

Thence	S. 87° 04' E.	1405.0 ft.	to Corner No. 2
Thence	S. 2° 56' W.	600 ft.	to Corner No. 3
Thence	N. 87° 04' W.	1405.0 ft.	to Corner No. 4
Thence	N. 2° 56' E.	600 ft.	to Corner No. 1

Morning Star

Location Notice filed July 27, 1892 in Book "D" of Snake Creek Mining District, Wasatch County. Mineral Survey No. 3792 October 16-20 1898 Utah Land District.

Corner No. 1 of this claim is S. 9° 00' E.,3830.5 ft. from U. S. Mineral Mont. No. 2.

Thence	S. 87° 04' E.	1405.0 ft.	to Corner No. 2
Thence	S. 2° 56' W.	600 ft.	to Corner No. 3
Thence	N. 87° 04' W.	1405.0 ft.	to Corner No. 4
Thence	N. 2° 56' E.	600 ft.	to Corner No. 1

Red Bird

Location Notice filed January 17, 1887 in Book "C" of Snake Creek Mining District, Page 120, Wasatch County Mineral Survey No. 3792, October 16-20, 1898 Utah Land District.

Corner No. 1 of this claim is S. 7° 23' E., 4419.3 ft. from U. S. Mineral Mont. No. 2.

Thence	S. 87° 04' W.	1405 ft.	to Corner No. 2
Thence	S. 2° 56' W.	600 ft.	to Corner No. 3
Thence	N. 87° 04' E.	1405 ft.	to Corner No. 4
Thence	N. 2° 56' E.	600 ft.	to Corner No. 1

A REEVALUATION OF PARK CITY GEOLOGY

By

Peter Joralemon

Defense Minerals Administration
RECEIVED
APR 29 1954

INTRODUCTION

The Park City district illustrates the all too common failure of published geological study to keep up with newer data. For nearly a hundred years this district has been a rich metal producer, and yet the last complete study of the area made available to the public was U.S.G.S. Professional Paper #77, completed by J. M. Boutwell in 1904. Since that time many of the mines described have been exhausted and shut down. Others have been developed. The ratio of production from various types of deposits has changed substantially. The rare information published since this early paper was written is so buried beneath the vast amount of descriptive literature that few men are aware of the changes. Boutwell's paper of fifty years ago continues to be the most authoritative reference on Park City geology.

The newer theories are still in flux. Many of them will change with further development. But it may be worthwhile to outline the present state of knowledge of Park City geology and a theory of ore deposition suggested by the more recent findings.

In the following sections, the descriptive geology is factual and is based on the continuing work of many geologists. Those sections that deal with theory are the result of interpretation of the facts by the writer and are not necessarily concordant with accepted theories.

COPY

GENERAL GEOLOGY

The Park City district lies at the intersection of the northerly trending Wasatch Range and the east-west Uinta Range. This structural intersection is commonly believed to have caused a deep-seated zone of weakness that was responsible for the localization of ore in the area. The Brighton and Bingham districts lie further to the west along the projection of the Uinta Structure.

Sedimentary Rocks

The knowledge of stratigraphy in the district has been greatly expanded since the original description in 1904. At that time, Boutwell described only late Paleozoic and Mesozoic rocks. At the present time a nearly complete Paleozoic column has been tentatively or definitely identified, but further study of thickness and detailed descriptions are needed. Much of the stratigraphic information has come from unpublished work done by the U. S. Geological Survey in areas to the west of Park City.

A pre-Cambrian tillite occurring locally in a thrust sheet is apparently the oldest rock in the district. Above this is a substantial thickness of Cambrian Tintic quartzite, Ophir shale, and Maxfield limestone. The Maxfield is unconformably overlain by Devonian Jefferson dolomite. Next in sequence are the Mississippian Madison, Deseret, Doughnut, and Humbug formations, and the lower Pennsylvanian Morgan limestone. All of these formations fell into Boutwell's group of undifferentiated limestones and have been known locally as Wasatch limestone. They were not emphasized fifty years ago because at that time they had little or no economic importance.

Pennsylvanian Weber quartzite overlies the Morgan and is at the base of the detailed section described by Boutwell. The permian Park City formation lies conformably over the Weber and forms the top of the Paleozoic column.

COPY

Mesozoic rocks in the district are the lower Triassic Woodside shale, middle Triassic Thaynes formation of limestone, sandstone, and shale, upper Triassic Ankareh shale, and Jurassic Nugget sandstone. Cenozoic formations are restricted to glacial till and alluvium.

Although it does not occur in the district proper, the Pleistocene and recent hot spring travertine, locally known as "hot-pot" rock, should be mentioned. This occurs in prominent knobs in the broad Heber and Midway valleys on the south side of the district.

COPY

Igneous Rocks

The Park City district is in a zone of intense igneous activity and igneous rocks come to the surface in about a third of the area. In the literature of fifty years ago, all intrusives were classified as either diorite or diorite porphyry and were assigned to two definite periods of activity, the first post-Jurassic and the second early Tertiary.

Recently, studies focused on the intrusive rocks have shown by the wide variation in composition and texture of these rocks that there are many different types of intrusives. These range from a coarse-grained, granitic textured diorite of characteristic plutonic appearance through coarsely porphyritic quartz diorite and biotite diorite to the dense, black, fine-grained diorite exposed in the workings of the Mayflower mine. This latter closely resembles certain phases of the andesitic extrusives which bury the sediments on the east side of the district, and may be related to them genetically.

Since accurate dating of these various types of intrusive rocks has been impossible, it is only by assumption that the statement is made that the intrusives represent a prolonged period of intermittent igneous activity,

beginning at the close of the Cretaceous and continuing through Tertiary times, ending with the andesitic extrusion and finally with the hot spring action mentioned above. This series of intrusives with gradually changing characteristics would seem more likely to be the product of a long-continuing period of igneous activity than of two restricted and definitive periods.

Although final evidence is lacking, it now appears probable that at least some of these intrusives were formed by a quiet assimilation, whether by molten magma or granitizing solutions, rather than by forceful injection as had been postulated 50 years ago. There is no indication of distortion or brecciation of the sediments around many of the intrusives. Where it does occur, brecciation of the rocks near the contact was probably caused by post-intrusion faulting along the naturally weak contact zone.

COPY

Structure

The sedimentary rocks in the district are folded into a northeasterly-trending and flat-dipping anticline that pitches toward the north. The anticline is intruded by igneous rocks and has been dissected by a series of faults that have displacements of as much as 4000 feet. Most of the faults in the main productive area strike in a northeasterly direction and dip steeply to the north. Many of them have exercised a control on the ore bodies.

In recent years, the presence of important low-angle thrust faults on the west end of the district has been recognized, largely as a result of unpublished findings of the U. S. Geological Survey. These faults greatly complicate the regional structure and are known to have cut out considerable thicknesses of sediments and perhaps to have caused overlapping to create the impression of exagerated thickness of certain beds. Further geologic work is urgently needed to determine the effects of these thrusts in the

center of the district and to reveal possible relations between faulting and ore.

Alteration and Metamorphism

Important metamorphism in the area is restricted to zones of contact silicates around some of the intrusives. Where the intrusive abuts limestone, occasional sulfide bands occur at the contact, inside the zone of tactite. This contact metamorphism has long been considered to be genetically related to sulfide mineralization but there is considerable doubt about any but a spatial relation between ore and metamorphism. Limestone-intrusive contacts are commonly the site of ore deposition whether or not skarn minerals have been developed there.

Hydrothermal alteration is marked by the development of quartz, sericite, and pyrite along fracture zones and surrounding igneous rocks. Chlorite is abundant in fissure zones in diorite but can only be detected microscopically beyond the faults. At least some of this alteration and perhaps most of it is earlier than the ore minerals and shows only a remote spatial relation to the sulfides.

A phase of alteration heretofore ignored is the hydrothermal alteration of limestone to halloysite, unassociated with any important metallization. In addition to its academic interest, the presence of halloysite has been of some commercial importance, and several hundred tons of this material have been shipped from the district.

ORE DEPOSITS

The ore bodies of the district are rather simple mineralogically, and consist of galena, sphalerite, argentiferous tetrahedrite, chalcopyrite, and gold. Among the common gangue minerals are quartz, calcite, rhodochrosite, barite, chlorite, sericite, pyrite, magnetite, and hematite.

COPY

At the time of publication of Boutwell's Professional Paper 77, interest in ore bodies was more or less restricted to those deposits in the northern, then-productive part of the district, and to the shallower sections of those deposits. In the past fifty years, added exploration and development have considerably changed the ideas of ore habit.

Ore Occurrence

Ore occurs in both fissure and bedding replacement deposits. While it occurs in all rock types in the district, the bulk of the early production came from silver-lead bedded ore in the Thaynes and particularly the Park City formations. In the past fifty years, diorite has been recognized as an important host rock, and sizeable ore bodies have also been found in bedded deposits in Morgan, Doughnut, and Humbug limestones. Beds beneath the Humbug have not yet been explored but there is no reason to believe that the deeper strata will not also be ore bearing.

Individual ore bodies have been mined to a depth of 2000 feet. They generally show a decrease in silver and increase in zinc with depth. As a rule, vein ore is more persistent in depth than bedded ore. Where veins cut different rock types, they tend to swell between limestone walls and narrow between siliceous rock walls.

From information available 50 years ago, Boutwell stated that ore was most commonly found near bodies of diorite, pinching out within a few hundred feet of the igneous contact. He concluded that the intrusives were requisite to the formation of ore for two reasons. First, the forceful igneous intrusion shattered the intruded rock, making it permeable to ore solutions. Second, he felt that the ore was formed from hot aqueous solutions emanating from the magma.

COPY

During the past 50 years, development and exploration have shown that the proximity to diorite is not requisite to ore, but that the abundant distribution of intrusive rocks makes the very finding of an intrusive-free area unlikely. Brecciation due to intrusion is not common and where fracturing does occur along a contact it can be shown generally to be the result of faulting rather than intrusive deformation.

Mayflower Mine

Many of the newer ideas regarding Park City geology have resulted from the study of the Mayflower Mine of the New Park Mining Company. This property has been developed since 1904. It lies on the eastern end of the district. The veins in the Mayflower Mine lie along northeasterly trending faults, parallel to the other major veins in the district. They show the greatest strength of mineralization within the diorite stock where they occupy various strands of the fault system. Toward the west end of the deposit the veins leave the diorite and enter limestones and shales of the Morgan, Humbug, and Doughnut formations. At the present time mineralization in the sediments has not been found to be as strong or continuous as it is in the diorite, despite the fact that the fissure systems in the sediments are well developed and persistent. There is an indication that an increasing amount of bedded ore is being and will be found on the lower levels as older sediments are intersected, but at the present time the veins in diorite yield the greater part of the production. Replacement bodies in the Humbug limestone are at the deepest stratigraphic ore horizon in the district.

Mineralogically this deposit represents a strong departure from other ore bodies in the district. Sphalerite is the dominant sulfide and is a dark, marmatitic variety as compared to the usual honey-colored sphalerite. Galena is next in abundance. Chalcopyrite, rare in the rest of the district, is

COPY

common, and the veins contain from moderate to rich gold values. A purple to blood red hematite is fairly abundant in the veins and is closely associated with the gold. The presence of hematite, chalcopyrite, and gold, and the high zinc-lead ratio, set this deposit aside from the other large ore bodies in the district.

Deposition of vein matter in the diorite, as well as in the limestone, has been chiefly by replacement. Ore textures range from a well developed ribbon structure to a breccia replacement with a striking spotted or mottled appearance. Replacement in the heart of the deposit has been more or less complete, and unreplaced bodies of wall rock within the veins are not common. Toward the fringes of commercial ore where replacement has been more selective, chloritized, fine-grained diorite is the most favorable material for replacement. For this reason, coarser-grained diorite with only a small amount of mafic minerals which could alter to chlorite is generally considered unfavorable for ore deposition.

An obscure metal zoning can be seen within the Mayflower Mine. Zinc-rich ore with minor lead, gold, silver, and copper forms the central core or heart of the deposit. To the east, gold and copper become more important, whereas lead and silver increase to the west. The gradational nature of this zoning suggests that although there may be slight age differences between metals, all belong to the same general period of deposition.

COPY

Other Deposits

Since the publication of Boutwell's paper, other deposits have been developed that add to the district picture. In the southeast part of the area, in Snake Creek, copper-gold deposits are being mined at the present time. These occur near an area where other copper deposits have been explored.

On the east fringe of the district, intermittent exploration in the andesite flows has revealed intense hydrothermal alteration to sericite and various clay minerals, some pyritization, and, in one place, the presence of a rich but narrow seam of galena.

Sub-commercial amounts of zinc and, rarely, of an unidentified uranium mineral are found in the travertine at the south end of the district. While these occurrences have no probable economic importance, they are of considerable academic interest.

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District Zoning

As nearly as can be determined from incomplete records, the metal distribution at Park City is shown in Fig. 1. The major area of mineralization forms a relatively narrow arcuate east-west belt that includes the larger producers of the district. Less important deposits form individual outliers south of this belt.

Although by no means clear, there is a suggestion of an asymmetric district-wide zoning of metal content of ores that is gradational enough to lend credence to the theory that all deposits are related and belong to the same period of metallisation.

In the north end of the district, rich silver ore which marked the original discovery at Park City is underlain by lead-silver ore with subordinate zinc. Tetrahedrite is common in this area and becomes increasingly rare to the south and east. Mines in this area are the Ontario, Silver King, and Daly Judge. In the east-central section of the district, the Mayflower Mine previously described shows zinc in excess of lead, increasing amounts of gold, and copper in chalcopyrite rather than tetrahedrite. Further to the south, copper and gold are predominant, with minor lead and zinc. Again calcopyrite is the copper mineral. Mines in this area are the Valeo and Snake Creek properties.

The question of the significance of the southern outlying deposits is important to the study of zoning in this area. If they merely represent isolated and accidental projections from the east-west belt, they can add nothing to the zonal picture. But the gradational nature of the mineralogic changes between deposits in and south of the major belt indicates that the outlying deposits occupy a logical position in the district zonal arrangement.

The mineralized zone around Park City thus appears to be a circular area rather than an arcuate belt, with a zone of silver-lead ore on the north end, grading into lead-zinc and then zinc-lead on the east, and with gold and copper becoming increasingly important to the southeast and south. Adequate exploration in the heart of the district in Bonanza Flat should substantiate the circular shape of the mineralized area.

COPY

General Observations

Perhaps the most striking superficial feature of the Park City district is the scarcity of stopes that come to the surface. As a rule, commercial ore appears first at depths of from fifty to five hundred feet below the surface, with more or less barren quartz-pyrite mineralization above the ore. Some of the rich silver ore mined in the early days of the district did outcrop but the ore that accounts for the bulk of the recent production has been in blind ore bodies. The Ontario ore body, first discovery in the district, is an exception, as it was found in a deep canyon where rapid erosion may have removed the barren capping over the ore.

The scarcity of sulfides near the surface cannot be entirely explained by surface leaching, as near-surface vugs or cavities that might once have contained sulfides are conspicuously absent. In some mines the metal values showed a marked weakening upward even before reaching the zone of oxidation.

The longitudinal projection in Figure 2 shows by the pattern of the stoped areas the nature or habit of the top of a characteristic fissure ore body. The lower part of the section is incomplete, as stoping and development are still going on.

This evidence suggests that the tops of the base metal ore bodies as a rule are at a fairly uniform distance below the surface, regardless of elevation, and that the district is covered by a shallow blanket of sub-commercial base metal mineralization through which only rare, silver-rich ore bodies have penetrated.

COPY

Age of Mineralization

From information available in 1904 Boutwell concluded that Park City ore belonged to two distinct generations of deposition. Some of the bedded ore in the zone of contact metamorphism was assumed to be closely related to the nearest intrusive. The fissure and bedded ore occurring further from the contact was believed to be later than the diorite but earlier than the younger diorite porphyry. Boutwell tentatively dated both periods of deposition as post-Jurassic and pre-Eocene.

Developments since 1904 suggest that the ore may be more recent than formerly believed. Although the following discussion is based largely on theory, the circumstantial evidence behind this reasoning has been compelling enough to the writer to permit its inclusion here. If true, the theory has a very real economic application. There is no conclusive evidence indicating that Park City ores were deposited in more than one period of mineralization. On the contrary, the gradational nature of the changes in ore characteristics from one deposit to another, or even within one deposit, indicates that all metallization is related to one general period of deposition. Regardless of

variations in ore occurrence, the different ore bodies fit well into an integral district-wide pattern.

In the Mayflower Mine, ore occurs in bedded deposits in limestone and shale, in vein deposits in diorite, and in replacement bodies spatially associated with tactite. Despite the wide variation in types of ore occurence, however, the gradational changes in characteristics indicate a single protracted period of deposition in which local conditions determined the local ore habit.

District-wide deposition may similarly be visualized as a single but protracted process rather than one of independent and unrelated spurts of mineralization. Assuming that all ore is of the same general age, then it must all be as young as the youngest known ore. It must be later than the late diorite in which the Mayflower veins occur. If the galena deposited in the andesite has the same origin as the other base metal ores in the district, then all ore must be post-andesite. If the weak zinc mineralization in the recent travertine marks the dying phase of Park City metallization, the ores must be post-andesite and pre-travertine and may be dated as late Tertiary or early Quaternary age.

The presence of the blanket of barren vein material, discussed in a previous section, strengthens the theory that Park City ores are far more recent than had previously been assumed. As noted above, the present physiographic surface has a fairly close relation to the tops of ore bodies in the district, whether the ore is in a canyon or on a ridge. It is highly probable that a surface that was not too different from the present one must have exercised a control on ore deposition. As it is unlikely that the present surface conformation could have persisted very far back in geologic history, the ores must be relatively recent, probably not older than late Tertiary.

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The reason for the surface control of tops of ore bodies is not clear. The most logical answer may be that, on entering the near-surface zone of circulating meteoric waters, which would conform closely to the surface, the hydrothermal fluid became so dilute as to allow further deposition of only the most abundant constituents, quartz, calcite, and pyrite.

Indications of a single age of deposition of similar minerals in a district is by no means rare. Throughout the world there are but few districts where ore minerals of the same character can conclusively be shown to have been deposited in two or more difinite and separate periods of deposition. It is true that different metals may be deposited in different periods, as in the Getchell, Nevada mines where gold and tungsten belong to distinct and widely separated periods of deposition. There is however, a growing tendency among geologists to consider all deposition of one metal in one district as of one general age. Even in areas such as the Homestake district, where for years gold was considered to have been deposited in two separate periods, many geologists now believe that all gold is of about the same age.

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In many districts new information suggests a more youthful age than had previously been assumed. The Park City district is not the only Utah district where this is true. In the Tintic district, new findings and geo-chemical work suggest that the age of the rich base metal mineralization may be set as later than the Tertiary rhyolite. These late rhyolite flows, once thought to be later than the ores, are now known to have been mineralized and are therefore earlier than the period of mineralization.

Mine operators often tend to date the period of metallization as far back as possible, in the belief that older ore bodies are bound to be deeper and more persistent. For this reason evidence suggesting youthful ores has often been overlooked.

Prospecting Rules

Boutwell set forth some ore finding guides that were based on the most accurate information available in 1904. In general he restricted the areas for future prospecting to those underlain by the Park City or Thaynes formations close to igneous rocks. Within these areas, he suggested that particular attention be paid to zones near northeasterly faults. Finally he suggested that exploration along extensions of known ore zones would prove to be most productive. Much of the successful exploration during the past 50 years has followed these suggestions, but recent information indicates that it is time to revise the "rules" and to broaden the target areas.

Prospecting rules should be designed to designate the likely locus of ore as closely as possible without omitting any possibilities. In the past these rules have restricted exploration to too limited areas, partly because of limited geologic knowledge and partly because of limited accessibility of a large part of the district. The latter is, of course, a futile limitation as ore deposition has no relation to present roads.

Mining and geologic work during the past 50 years is resulting in a new philosphy of ore finding. This is influenced by four factors: mineral zoning; age of ore; favorable wall rock; and the waste blanket which covers the district.

1. Mineral zoning. The concept of district zoning serves as a valuable guide to ore finding. It indicates the central zone in which ore search should be emphasized, as well as the outlying zones where exploration should be minimized. If the assumption is correct that metal zoning in the district follows a regular pattern rather than a random, accidental distribution, then large areas of the Park City district are favorable for more intensive exploration.

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In particular the central and southern gold-copper zone should be a favorable section. In this area, small, poorly financed mines or prospects exhausted their money before their properties had been properly explored. Impatience and lack of rich vein outcrops added to early discouragement of miners on these properties.

2. Age of ore. If the ore is more recent than any rock formation in the district except the travertine, as suggested above, the vast area of andesite flows east of the district is wide open for exploration. In this volcanic area, particular attention should be paid to the zones of intense alteration and pyritization and to the area of known ore occurrence.

3. Favorable wall rock. Fifty years ago the suggestion was set forth that the best chances for new ore discoveries were in the Park City formation or perhaps the Thaynes, within a few hundred feet of diorite contacts. Since that time ore has been found in intrusive rocks as well as shales and limestone beds to the lowest explored stratigraphic level, regardless of proximity to intrusives. Indeed, if there is any genetic relation between the intrusives and the ore, it is surely only a remote one. While it is probable that the general period of dioritic activity and that of ore deposition were related, and that both diorite and ore may have been derived from the same deep-seated source, the theory of a close genetic relation through local ore-bearing emanations from individual intrusives must be discarded. Evidence enough for this is the fact that the latest intrusive was cooled and faulted prior to the introduction of the ore minerals.

There is strong evidence that favorability of wall rock, particularly in vein deposits, is of only subordinate importance and may be noticeable only on the fringes of individual ore bodies. Of far greater importance is the little discussed factor of ore intensity. By this is meant that indeterminate

COPY

physico-chemical quality of the mineralizing fluid, whether metal concentration, temperat[redacted]ome other quality which controls the degree of minerali[redacted]ere ore intensity is high, wholesale replacement takes place, regardl[redacted] strength of structure or character of wall rock. Where ore intensity is lower, even with identical conditions of structure and wall rock, replacement becomes highly selective. Therefore the concept of selectivity of replacement, of favorability of certain rocks, may become a dangerous tool if it is used to the point of ruling out ore search in other rocks. The alternate concept is that of ore centers or zones of high ore intensity. In searching for new ore, indications of ore centers should be considered as of primary importance. Such ore centers may be marked on the surface only by zones of intense alteration or areas of minor metallization, but attention to these signs can be of far greater benefit in ore search than indiscriminate development through "favorable" beds or along strong structures.

4. Waste blanket. As previously indicated, most of the major ore bodies in the district do not crop out as commercial ore. The entire area is pitted with shallow prospect pits and short adits, very few of which could have penetrated this barren blanket. Therefore the fact that these prospects failed to find ore cannot rule them out as potential ore producers. Deeper and more complete prospecting has been done along the north and east side of the district than in the center or south side, and has been more successful in finding ore. An exploration program in the heart of the district should be planned to explore the area below the blanket rather than the near-surface indications.

The Park City district does not lend itself to easy geologic study. Vegetation in the area is dense, commonly nearby impenetrable. The soil cover over much of the district, and especially over Bonanza Flat, is thick.

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A new exploration tool in the district is geochemical surveying by soil sampling. This lessens natural hindrances to exploration. While no ore bodies have been found by this method, zones of interest have been indicated, and large areas have been ruled out as potential ore producers. Further geochemical work can serve as an economical method of revealing centers of high ore intensity.

The Future of Park City

Results of the geologic work in the past fifty years indicate with increasing certainty that ore bodies in the Park City district are persistent and deep-seated, that the present surface lies above the tops of many deposits, and that truncated ore body roots are rare or non-existent. In view of this complex ore setting there is an acute need for geologic work on a district-wide scale.

The belief is strong among far-sighted mining men that no more than half the ore in the Park City district has been found and removed. The other half can be found by a new approach to ore finding if enough risk capital is available. It is true that the program will be expensive, but in the final analysis it will be less costly than random probing of the lean zone close to the surface. Only careful, well financed exploration can make Park City once more a flourishing mining district instead of a ghost town in the midst of exhausted mines.

February 23, 1954

Park City, Utah

COPY

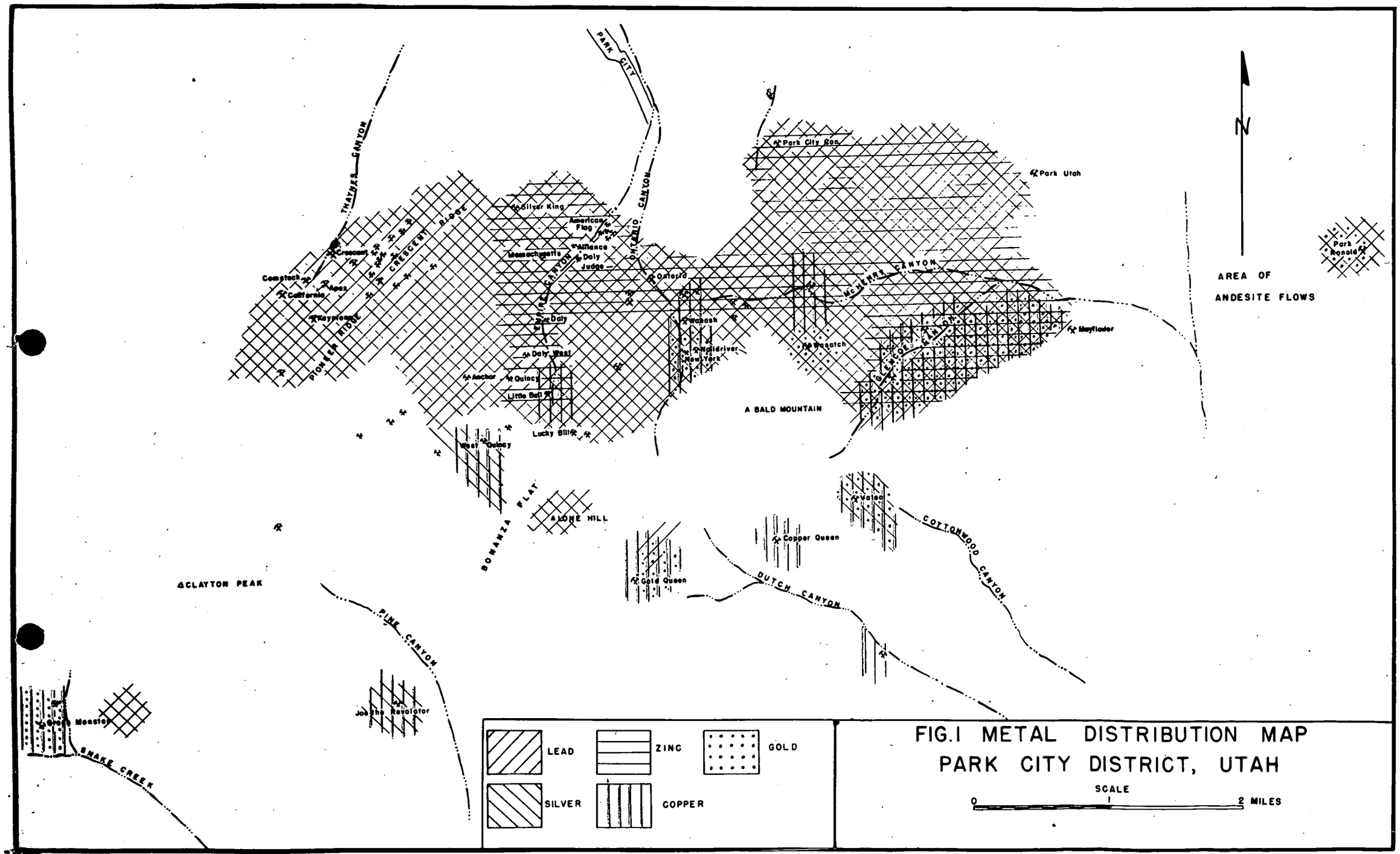

FIG.1 METAL DISTRIBUTION MAP
PARK CITY DISTRICT, UTAH

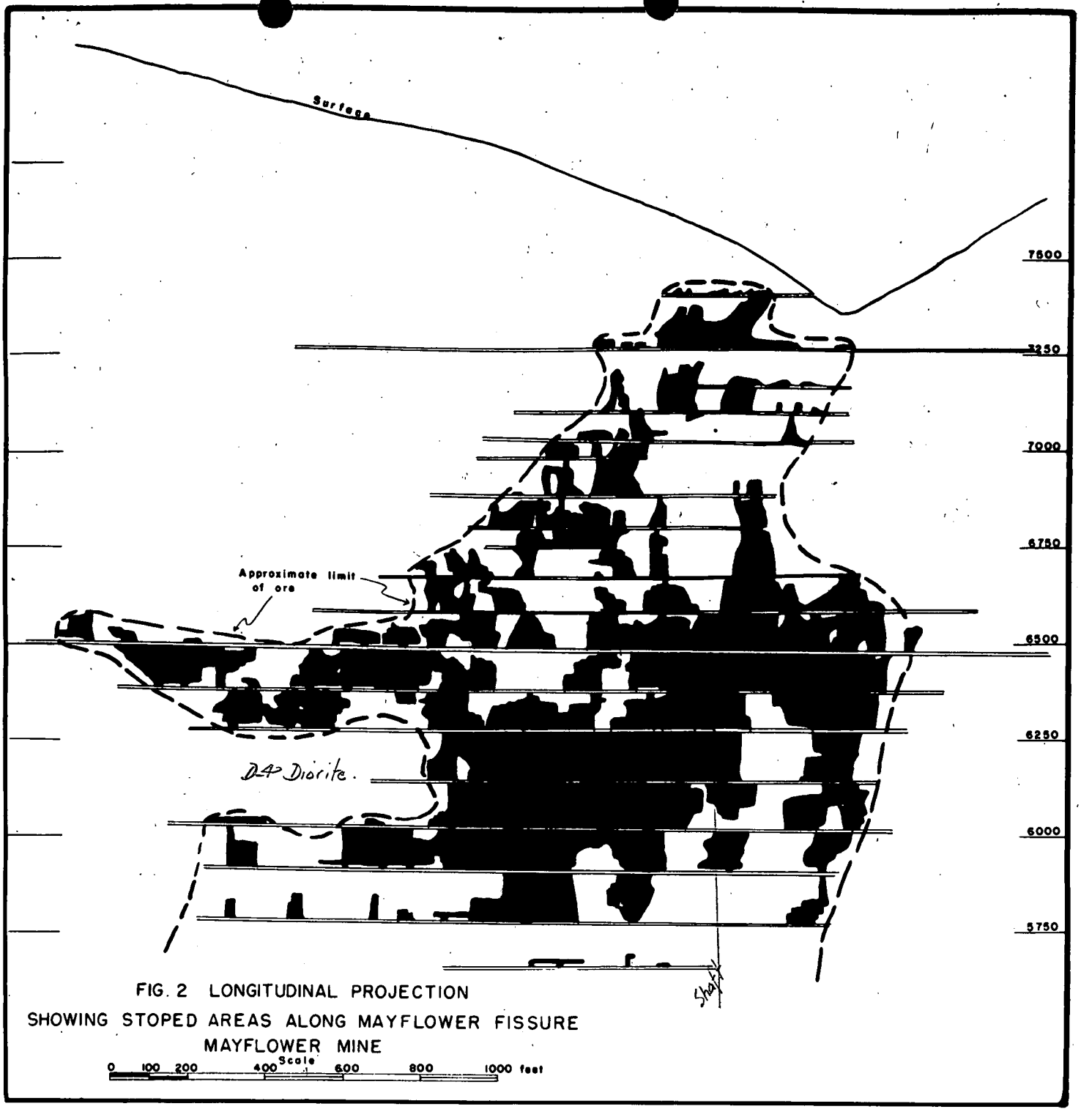

FIG. 2 LONGITUDINAL PROJECTION
SHOWING STOPED AREAS ALONG MAYFLOWER FISSURE
MAYFLOWER MINE

MAP

BELONGS

HERE

MAP

BELONGS

HERE

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File Copy
Surname

500

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

N.S. in R.P.

April 23, 1954

Memorandum

To: Chief Counsel

From: Chief, Base Metals Division

Subject: Docket No. DMA-107, New Park Mining Company, Contract Idm-P5

Will you kindly prepare Amendment No. 17 to this contract permitting recess of operations of Project 2 work from February 1 to July 1, 1954.

Also please extend completion time from 36 months allowed under Amendment No. 14 to 41 months. Also please include the royalty annex.

W. R. Griswold

W. R. Griswold

WRGriswold/bjl

Copy to: Docket
Base Metals
Chron.

LOR MINES DN 235 4-22-54 1-50 PM

GEORGE C SELFRIDGE, CHAIRMAN OPERATING COMM., DMEA

REURTT OF APRIL 21 IN REPLY TO OURS OF APRIL 19 IN REFERENCE TO DOCKET DMA-107, CONTRACT IDM-E5, NEW PARK MINING COMPANY. RECOMMEND THAT PREPARATION OF AMENDMENT BE DEFERRED PENDING YOUR RECEIPT OF DATA HAVING A BEARING ON THE MATTER WHICH IS BEING FORWARDED TO YOU TODAY.

W H KING

H. C. Kellridge
4-22-54
3:50 P.M.

Business Information Unit
RECEIVED
APR 23 1954

Denver, Colorado

APR 23 8 18 AM '54
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

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

224 New Customhouse
Denver 2, Colorado

April 22, 1954

Memorandum

To: George C. Selfridge, Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMA 107 (Lead-Zinc-Gold-Copper), Contract I-DMA-E5, New Park Mining Company, Wasatch County, Utah

Confirming advice in our teletype to you of April 22, 1954, we are enclosing the following data for your information in conjunction with a proposed amendment to the subject contract:

1. Original and three copies of a letter dated January 28, 1954, with attached map from the operator and transmittal thereof dated February 1, 1954, from the Chief, Minerals Development Branch, Mining Division, Region IV, relative to authorization of additional diamond drilling under the contract.

2. Original and three copies of a letter dated February 16, 1954, from the operator and transmittal thereof dated February 18, 1954, from the Chief, Minerals Development Branch, Mining Division, Region IV, relative to permission to terminate exploration work under Project 2 and permission to remove pipe and track from the project area.

3. Original and three copies of a memorandum dated March 23, 1954, from the Chief, Minerals Development Branch, Mining Division, Region IV, relative to the operator's requests of January 28 and February 16.

4. Original and three copies of a memorandum report from C.G. Tillman for R. J. Roberts, Utah-Nevada District Office, U.S. Geological Survey, and transmittal thereof from A.H. Koschmann, Supervising Geologist, Colorado-Wyoming, U.S. Geological Survey, relative to the operator's requests of January 28 and February 16.

5. Original and three copies of a letter dated April 14, 1954, from the operator and transmittal thereof dated April 16, 1954 from the Chief, Minerals Development Branch, Mining Division, Region IV, relative to authorization of a recess of operations under the subject contract.

Action by this office on the various requests from the operator has been deferred because we were informed orally that the matters were being reconsidered by the company and that they would submit other proposals which might affect the action to be taken on their prior requests. However, the company officials were informed by the field examiners that they could not

recommend the drilling to explore the negative electrical self-potential anomaly for reasons cited in the geologic report under item 4 above.

It now appears that the proposal to be submitted by the company will not involve the Project 2 area, therefore we recommend that recitation be incorporated in the proposed amendment authorizing termination of work under Project 2 and removal of pipe and track as requested by the operator

W H King

W. H. King

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

April 16, 1954

Mining Division
Lands Mining
APR 15 1954
BUREAU OF MINES
Denver, Colorado

Memorandum

To: W. H. King, Executive Officer, DMEA Field Team, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: Docket No. DMEA-107 (Lead-zinc-gold-copper), Contract Idma-E5, New Park Mining Co., Wasatch County, Utah.

Attached are six copies of a letter received from the subject operator requesting a recess period in project operations. The company now plans to request an amendment to the contract to permit time for preparation of information pertaining to proposed new work.

The operator's letter does not include a specific period for a recess. A telephone conversation with Peter Joralemon April 16, 1954 disclosed that his company will submit the amendment request for the new work prior to May 1, 1954. Additional time beyond this date will be required for processing the request. No exploratory work has been done on Project 2 under the contract since February 1, 1954.

It is recommended that a recess period be granted to enable the operator to prepare and transmit proposals for additional exploration on New Park Mining Co. property.

Stephen R. Wilson
Stephen R. Wilson

Enclosures

NEW PARK MINING COMPANY

~~KEETLEY, UTAH~~
P.O. Box 929
Park City, Utah

14 April 1954

Mr. S. R. Wilson
U.S. Bureau of Mines
1600 East 1st South
Salt Lake City, Utah

Re. DMA Contract I-DMA-E5

Dear Mr. Wilson:

Referring to Project 2 of our DMA contract, we wish to request a recess in the project pending completion of plans for new ammendments.

With less than $50,000 remaining from the original project, we feel that we can more profitably complete the project through diamond drilling than through additional crosscutting. At this time we have two possibilities in mind, and will submit them as ammendment requests as soon as possible.

For the present, no work is being done on Project 2, except necessary maintenance.

I have already talked to the U.S.G.S. about the feasability of transferring the remainder of the project funds to work in the area of the Gold Queen, about 2 air line miles from the center of the Mayflower fissure, but along the strike of the Mayflower vein system. This area is patented ground and is continuous with our Mayflower claims. Drilling would be from the surface, and is based on results of geochemical prospecting and the presence of spotty metallization at the surface. Perhaps you could give me an unofficial opinion as to the reaction of the DMA on an ammendment to allow this drilling. It is the most favorable area we have found in the Park City district, and in a general way would prospect the extensions of the Mayflower fissures.

Formal requests for ammendments will follow shortly.

Sincerely,

NEW PARK MINING COMPANY

Peter Joralemon

Peter Joralemon
Superintendent

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

Mining Division
Date Rec'd.
MAR 25 1954
BUREAU OF MINES
Denver Colorado

March 23, 1954

Memorandum

To: W. H. King, Executive Officer, DMEA Field Team, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: Docket No. DMA-107 (Lead-zinc-gold-copper), Contract Idma-E5, New Park Mining Co., Wasatch County, Utah

The following amendment request letters, with transmittal data, have been received from the subject contractor:

A letter dated January 28, 1954, requests permission to use funds for diamond drilling to explore an area in which geophysical surveying indicates the presence of a negative self-potential anomaly. Six copies of the operator's letter were forwarded to your office by memorandum dated February 1, 1954. One copy of the operator's letter was transmitted to Ralph Roberts by the Field Team, February 4, 1954.

A letter dated February 16, 1954, requests an amendment to the contract to allow termination of drifting and cross-cutting under project 2 and removal of track and pipe from two drifts in the project area. Six copies of the operator's letter were transmitted to your office by memorandum dated February 18, 1954. One copy of the request letter was mailed to C. G. Tillman, Geological Survey, March 19, 1954.

Recommendations concerning the operator's request of January 28, 1954, have been withheld pending receipt of additional data from the company. Inasmuch as the company's proposal for diamond drilling is based upon the results of a geophysical survey conducted several years ago by engineers no longer with the company, it is believed advisable to obtain the notes and other detail concerning the survey before recommendations are made. The Geological Survey has requested this information from the company, but the data have not been received to date.

Recommendations concerning the operator's request of February 16, 1954, have not been prepared to date pending decision on the request of January 28, 1954. Denial of this latter request and approval of the request of February 16 will result in termination of the contract.

Stephen R. Wilson

Stephen R. Wilson

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver 2, Colorado

March 30, 1954

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 107, (Copper-lead-zinc), Contract I-DMA-E5, New Park Mining Company, Wasatch County, Utah

Attached are 9 copies of a memorandum geological report by C. G. Tillman covering a requested amendment of January 28, 1954, to subject contract. The applicant requests permission to explore by diamond drilling a negative electrical self-potential anomaly in lieu of performing the balance of drifting under Project 2 of the contract. Tillman recommends that the company's request for DMEA assistance in the proposed drilling be denied.

He also recommends that permission be granted to the applicant to terminate work under Stage 2 of the contract, as requested by the company February 16, 1954.

A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (9)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Room 208 - 222 So. West Temple
Salt Lake City 1, Utah
March 25, 1954

Memorandum

To: A. H. Koschmann, Field Team, Region IV

From: C. G. Tillman, for R. J. Roberts, Utah-Nevada District Office CGT

Subject: DMEA Docket 107, (Copper-lead-zinc), Contract I-DMA-E5, New Park Mining Company, Wasatch County, Utah

INTRODUCTION

On January 28, 1954 the New Park Mining Company (fig. 1), DMEA Docket 107, requested an amendment to its contract to permit diamond drilling to explore a negative electrical self-potential anomaly in lieu of performing the balance of drifting under Project 2 of the contract. The property was visited February 10, 1954 by C. G. Tillman and M. D. Crittenden, geologists, U. S. Geological Survey. On February 18, 1954 a written request was made to the company for more detailed maps of the surface, the 800-level, and for the maps of the geophysical survey. Much of the information was provided but no detailed topographic or geologic maps of the surface exist.

PROPOSED EXPLORATION

A program of prospecting by electrical self-potential methods over known ore-bearing structures and surrounding areas was carried on by the New Park Mining Company from November 1943 to January 1944. A 100-foot grid was established and readings were taken every 50 feet. In areas where greater detail was required readings were made every 25 feet, according to

MAR 1954
RECEIVED
U.S. Geological Survey
Mineral Deposits Branch
Denver

the company. The company believes there to be a correlation between certain weak negative anomalies and the trace of the structures which are ore-bearing at lower levels. They wish to explore by diamond drilling on the 800-level for a possible structure indicated by a weak negative anomaly over the west end of the Mayflower workings (fig. 2). The proposed hole is located in the 801-A drift opposite and 801-H crosscut and will be collared in diorite near its contact with east-dipping sedimentary rocks. The sedimentary rocks strike N. 15° W. The hole will bear N. 38° W., be flat, and extend 1,100 feet southeasterly. This site is 1,350 feet vertically below the point on the surface where the negative anomaly was found.

INTERPRETATION OF GEOPHYSICAL DATA

Mr. Kenneth L. Cook, Geophysics Branch, U. S. Geological Survey was consulted concerning the significance of such anomalies and kindly provided the following information. The small negative self-potential anomalies seen in this area could be caused by water moving in a permeable medium such as alluvium, variable pore content of water in rocks from place to place, water moving downward along a fault, or oxidation of small quantities of sulfide minerals. The large positive anomalies are more difficult to interpret but could result from a reducing environment as from graphitic or carbonaceous material or may be due to such buried foreign bodies as pipes, drill hole casing, etc. (C. M. Marquardt, geophysicist for the company, suggests the presence of MnO_2 resulting from the weathering of the mineral rhodochrosite as a possible cause). The small negative "craters" in the

centers of the positive anomalies have no known significance. Negative anomalies of less than a few tens of millivolts are not believed to be significant as indicators of sulfide bodies in this area. Thus, the anomaly of less than 5 millivolts shown on the map submitted by the company is not of interest due to its magnitude alone. 1/ But when linear in outline and at least discontinuously traceable such an anomaly might indicate a structure at the surface. According to the company interpretation, the projected positions of the Pearl and Mayflower fissures, the two most productive structures in the mine, correlate well with small, linear, traceable negative anomalies. Cook also suggested that the small magnitude of the negative anomalies and the steep gradient of the positive anomalies indicate very near surface chemical activity, i.e. less than 200 to 300 feet from the surface. Thus, the negative anomalies are probably due to the movement of ground water in the fault structure rather than to oxidizing sulfide bodies. This is borne out by company cross-sections which show no ore bodies coming nearer to the surface than 200 feet.

GEOLOGY

The negative anomaly is about 800 feet southeast and 1,350 feet above the collar of the proposed drill hole on the 800-level. Detailed topographic and geologic maps of the surface are lacking. Furthermore, the area is thickly covered by soil. Thus, the relation of topographic

---

1/ The anomaly outlined by the company on the sketch map submitted with the request for an amendment as well as that outlined on a geologic map of the 800-level submitted to this office was improperly labelled "negative" when it is, in fact, positive. The negative anomaly is actually much smaller in area, and much lower in magnitude.

features to anomalies is uncertain. The location at the surface of productive faults is unknown, except in a general way, so that the correlation of particular structures with particular anomalies also is uncertain. If the Mayflower vein is assumed to have a 65° dip the anomaly may be regarded as the surface expression of the many splits of the vein system already well exposed on the 800-level. But the lack of workings on higher levels and the great distance from the surface leaves open the alternative that the anomaly may be due to steeper structures that exist south of the 801-A drift. However the target area southeast of the 801-A drift has already been tested both northeast and southwest of the proposed hole. Two weak structures were encountered; one 560 feet out on the 811 crosscut (fig. 2) and another 700 feet out in the hole drilled from the face of this crosscut. Either of these structures could project into the area to be drilled but the former was not mineralized and appears to be discontinuous, and the latter would reach the surface well south of the negative anomaly (fig. 2).

In summary the following considerations appear to oppose the proposed diamond drilling test of the negative self-potential anomaly on the New Park property.

1. The negative anomaly is small, i.e. less than 5 millivolts. Anomalies of several tens of millivolts are perhaps the smallest values of significance in this area.

2. Detailed topographic and geologic maps of the surface are lacking. Furthermore, the area is thickly covered by soil. Thus the relation of topographic features to anomalies is uncertain. The location at the surface

of productive faults is unknown, except in a general way, so that the correlation of particular structures with particular anomalies also is uncertain.

3. Only two structures with the easterly to northeasterly strike of the ore-bearing structures are known in the area of the proposed drill hole on the 800-level. These are known from a crosscut and drill hole 1,150 feet northeast and a crosscut and drill hole 1,700 feet southwest of the proposed drill hole. One of these structures appears to be ruled out as the cause of the anomaly due to its southerly position. The other appears to be discontinuous and was not mineralized where last hit in a drill hole 770 feet to the east.

4. The proposed drill hole site is 1,350 feet below the point where the negative anomaly was found at the surface. Even if this proved to be a structure not already known, the possibility of finding an ore body on it at that distance from the anomaly is geologically a very long shot.

It is recommended, therefore, that the company's request for DMEA assistance in the proposed drilling be denied. It is further recommended that permission be granted to terminate work under Project 2 of the contract, as requested by the company February 16, 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

Mining Division
Date Rec'd
FEB 22 1954
BUREAU OF MINES
Denver, Colorado

February 18, 1954

Memorandum

To: W. H. King, Executive Officer, DMEA Field Team, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: Docket No. DMA 107 (Copper-lead-zinc-gold), Contract Idma-E5, New Park Mining Co., Wasatch County, Utah

Enclosed are six copies of a letter received from the subject contractor requesting permission to terminate exploratory work under Project 2. Permission is requested to remove pipe and track from the project area.

Two copies of the operator's letter have been retained here for our use in preparing recommendations.

Stephen R. Wilson
Stephen R. Wilson

Enclosure

NEW PARK MINING COMPANY

KEETLEY, UTAH

February 16, 1954

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

Mr. S. R. Wilson
U. S. Bureau of Mines
1600 East 1st South
Salt Lake City, Utah

Re: DMA 107
Contract I-DMA-E5

Dear Mr. Wilson:

We have now completed the two diamond drill holes that were scheduled for Project 2 of the above contract. As you will recall, the first hole was drilled on an angle below the level of the Mayflower Tunnel to intersect possible mineralized areas of the fissure structure that was followed in driving 8-602 drift. The second hole was drilled more or less horizontal to the southeast from the face of the 8-630 crosscut. These holes are now completed, and based on the lack of any worthwhile mineralization, we feel that there is no further reason to do additional work in Project 2 at this particular time.

The 8-602 drift and the 8-613 drift are both in property that we have leased from the U. S. Smelting Refining & Mining Co. These two drifts would require considerable maintenance to insure that they would remain open, and we do not feel that such expenditure is warranted. We have, therefore, requested permission from the U. S. Smelting to remove the pipe track in these two drifts and have received their permission to do so.

At this time, we request that similar permission be given us by the Defense Minerals Exploration Administration.

Yours very truly,

CLARK L. WILSON,
Vice President

CLW:FZ
cc: Mr. Peter Joralemon
Mr. Carl D. Harper

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

Mining Division
Date Rec'd
FEB 3 - 1954
BUREAU OF MINES
Denver, Colorado

February 1, 1954

Memorandum

To: W. H. King, Executive Officer, DMEA Field Team, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: Docket No. DMA-107 (lead-zinc-gold-copper), Contract Idma-E5, New Park Mining Co., Wasatch County, Utah

Attached are six copies of a letter received from the subject contractor requesting an amendment to allow additional diamond drilling under the contract terms. We have retained one copy of the letter of the total of seven submitted by the operator.

Stephen R. Wilson

Stephen R. Wilson

Enclosure

Park City, Utah 28 January 1954

Mr. S. R. Wilson
U. S. Bureau of Mines
1600 East 1st South
Salt Lake City, Utah

Re: DMA-107 Contract I-DMA-E5

Dear Mr. Wilson:

We wish again to refer to a proposed change in the work plan of Project 2 under our DMA contract, provided that the second diamond drill hole, now being driven, fails to expose anything that might warrant further investigation.

Our original application was for a program of drifting and crosscutting to explore mineralized structures in the western section of our property. All drift and crosscut advance failed to expose anything of more than passing interest and in December of last year we requested authority to proceed with a diamond drilling program designed to explore the northerly fissure systems at depth and to extend the hole already started in the 8-630 crosscut.

The first hole mentioned intersected diorite, partly assimilated limestone, and several areas of calcite-pyrite mineralization with no economic values. On the basis of lack of encouragement from 8-613 and 8-602 drifts and from this 45° drill hole, we have left that section of the project and are now drilling in 8-630 crosscut. If this drill hole exposes nothing of economic interest, we feel that the entire western section included in Project 2 has been adequately explored and that we should withdraw from that area.

Another area of interest lies west of our main ore zone but east of the area explored under Project 2. Some years ago, a geophysical survey of the surface over the western part of the mine area was carried out, using a self-potential method. The enclosed map will show the areas of strong anomalies. The cause of the self-potential anomaly is not fully understood, but it is felt that it could be caused by oxidizing sulfides. Another anomaly was found over one of the most strongly metallized areas of the Mayflower fissure, and we feel that similar anomalies warrant further investigation.

In particular we are interested at this time in exploring at depth the area on the Monitor claim included in the strong negative anomaly. This could best be done by drilling an 1100 foot horizontal drill hole from the proposed location on 801-A drift at the intersection with 801-H Crosscut, as indicated on the accompanying map. If the anomaly area indicates a fissure with a normal northerly dip of about 70°, it should be intersected at about 600 feet in the drill hole. As the depth of projection is long, we feel that an additional 500 feet of drilling should be done beyond the projected intersection to allow for a variable dip. The results of this drill hole will determine any further exploration.

On the basis of the foregoing information we ask for an ammendment to our original contract to allow us to transfer our exploration work from the first area to the location described above, and also for authority to do additional drilling in this area, should the evidence obtained from the first hole warrant it.

Yours very truly,

NEW PARK MINING COMPANY

Peter Joralemon

Peter Joralemon
Superintendent

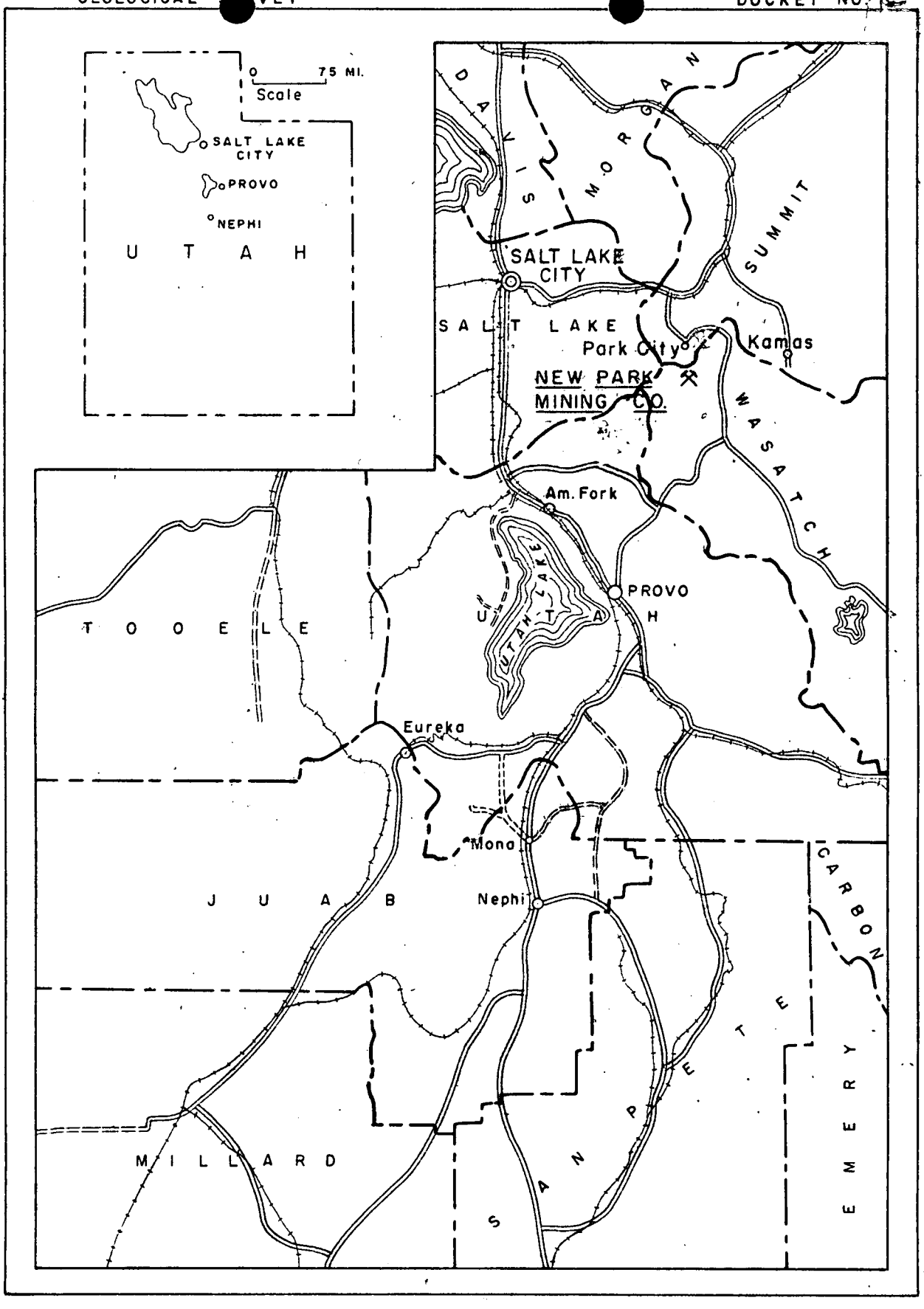

FIG. 1 INDEX MAP OF CENTRAL UTAH

0 5 10 15 20 MILES
Scale

MAP

BELONGS

HERE

File Copy
Surname

Farrar
Hedges
Selfridge
Johnson
Mottendorf

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

APR 21 1954

T E L E T Y P E

WRGriswold/bjl, Rm. 4058, Ext. 3669

Base Metals, DMEA, Interior

14X4401(01) Revolving Fund, Defense Production Act, Interior (Allocated Working Fund to Office of the Secretary)

Date:

To: W. H. King, Executive Officer, DMEA Field Team, Region IV, Denver, Colorado

Heurtt April 19, Docket DMA-107, New Park Mining Company, Contract Idm-E5. We will prepare necessary amendment for recess and extension of completion time, and forward to you.

George C. Selfridge
Chairman, Operating Committee

written 4/21/54

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals (DMEA)
Accounts
Mr. Bishop
Mr. Kinkel
Chron.

SENT
APR 21 1954
Clerical Service Section

BUR MINES DN 235 4-19-54 1-26 PM

C O MITTENDORF

REFERENCE DOCKET DMEA-107, CONTRACT IDM-E5, NEW PARK MINING COMPANY, WASATCH COUNTY, UTAH. OPERATOR REQUESTS AUTHORIZATION OF RECESS OF OPERATIONS UNDER PROJECT 2 EFFECTIVE FEBRUARH 1,1954 TO PERMIT THEM TO FORMULATE AND SUBMIT PROPOSAL TO EXPEND BALANCE OF FUNDS. THEY ADVISE PROPOSAL WILL BESUBMITTED BY MAY 1,1954. RECESS TO JULY 12 XXX JULY 1,1954 SHOULD ALLOW ADEQUATE TIME FOR RESOLUTION OF TE XXX THE MATTER. OPEAXXXX OPERATOR S CLAIM OXXX FOR JANUARY 1954 WAS DISALLOWED IN ENTIRETY AS WORK WAS NOT IN CONFORMANCE WITH THE CONTRACT. PLEASE TELETYPE INSTRUCTIONS.

W H KING

C. O. Mittendorf
4-19-54
3:26 P.M.

DEPARTMENT OF THE INTERIOR
Defense Minerals Div.

APR 20 1954

Denver, Colorado

APR 19 4 10 PM '54
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D.C.

Checked for perm. file

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

224 New Customhouse
Denver 2, Colorado

March 4, 1954.

January 54

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 107 (Copper-Lead-Zinc-Gold), Contract Idm-E5, New Park Mining Company, Wasatch County, Utah.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of January 1954.

W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

February 16, 1954.

Dec 53

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket No. 107 (Copper-Lead-Zinc), Contract No. I-DMA-E5, New Park Mining Company, Wasatch County, Utah.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of December 1953.

W H King
W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

December 14, 1953.

Oct. 53

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMEA Docket 107, Contract I-DMA-E5 (Copper-Lead-Zinc), New Park Mining Company, Wasatch County, Utah.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data pertaining to work under the subject contract for the month of October 1953.

W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

December 9, 1953

Memorandum

To: C.O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMA 107 (Copper-Lead-Zinc), Contract I-DMA-E5, New Park Mining Company, Wasatch County, Utah

Enclosed are the original and two copies of Amendment No. 16 to Contract I-DMA-E5 which has been executed to authorize a recess of operations from July 7, 1953 to October 9, 1953, in conformance with authority contained in a teletype from George K. Selfridge, Chairman of the Operating Committee, dated October 19, 1953. Also enclosed are three sets of data relevant to the amendment.

Copies of this amendment have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

W. H. King

W. H. King

Enclosures

ce
12-11

RECEIVED
DEC 23 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

C
O
P
Y

NEW PARK MINING COMPANY
KEETLEY, UTAH

November 18, 1953

Mr. W. H. King, Executive Officer
DMEA Field Team, Region IV
224 New Customhouse
Denver 2, Colorado

Re: Docket #DMEA 107
Contract I-DMA-E5

Dear Mr. King:

I wish to refer to a letter of October 22 written to me by Mr. John F. Shaw with reference to Amendment #16 of Contract I-DMA-E5.

I am enclosing the copies of this amendment unsigned. You will notice that the amendment recites a recession of work from July 3, 1953 to October 12, 1953 in Project 2 of this contract. In checking our records, we find that the July account included work by Earl Crandall and Guy Larson on July 6, which applied to the work applicable to this project, and was not a part of the installation of the water door, which was disallowed by your office. We, therefore, think that the date of July 3 should be replaced by July 7.

I am aware that our Superintendent sent Mr. S. R. Wilson a letter indicating that operations would be commenced on this project on October 12. In order to resume this work we had two men at a half shift each on October 9 and one man with a full shift on October 11 repairing the ventilation equipment so that work in the heading could be resumed on October 12. We, therefore, feel that the date of October 9 should replace the date of October 12.

If these changes meet with your approval, please return the amendments to us with these changes and they will be signed and forwarded to you immediately.

Thanking you, I am,

Yours very truly,

(signed) Clark L. Wilson
Vice President

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

October 14, 1953

Memorandum

To: W. H. King, Executive Officer, DMEA Field Team, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: Docket No. DMA-107 (Copper-lead-zinc), Contract Idma-35, New Park Mining Co., Wasatch County, Utah

Attached are six copies of a letter received from New Park Mining Co. concerning a request for recessing project operations during the period of installation of a water door. A memorandum from this office dated September 25, 1953, pointed out that no formal request had been received from the operator asking permission for the recess period. The operator's present letter should serve to clarify the duration of the recess period. The letter states that the recess period began July 3, 1953, and operations were resumed October 12, 1953.

Stephen R Wilson
Stephen R. Wilson

Enclosure

NEW PARK MINING COMPANY

P. O. Box 929
Park City, Utah

Mr. S. R. Wilson
U. S. Bureau of Mines
1600 East 1st South
Salt Lake City, Utah

Dear Mr. Wilson:

Clark Wilson asked me to notify you of actual dates of leaving and returning to the S-602 drift. On July 3, 1953, a heavy flow of water was intersected in the drift and work was postponed pending the moving and installation of a water door. This move was deemed necessary because the tunnel ditch was at that time carrying a capacity load and any increase in water flow would overflow the ditch, drain down through the stopes in the west end of the mine, increasing maintenance costs prohibitively.

Work was started on July 7th to remove the water door on the 1020 Level and move it to the 800 Level. The foundation was poured for the door and the door was mounted when we ran into a snag in trying to obtain a particular type of 8-inch valve for the door. More than a month was spent awaiting this valve. The door was completed last week and work on Project 2 is resuming today, October 12th. We regret the delay, but we felt that we could not risk the entire mine flooding.

Yours very truly,

NEW PARK MINING COMPANY

/S/ Peter Joralemon
Superintendent

C O P Y

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

Received
OCT 30 1953

224 New Customhouse
Denver 2, Colorado

October 28, 1953.

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104 - DMEA Docket 107, Contract I-DMA-E5 (Copper-Lead-Zinc), New Park Mining Company, Wasatch County, Utah.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of July 1953, pertaining to DMEA Docket 107, Contract I-DMA-E5 (Copper-Lead-Zinc), New Park Mining Company, Wasatch County, Utah.

W. H. King

W. H. King

Enclosures

FILE COPY
SURNAME:

Griswold
Hodges
Selfridge

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

AGENCY DMEA Originator W. R. Griswold
Ext. 3669 Room: 4058

Date: October 19, 1953

To: W. H. King, Executive Officer, DMEA Field Team, Region IV
Denver, Colorado.

Reurtt Docket DMA 107 New Park Mining Company Contract

Idm-E5, you are authorized to grant the requested recess.

George C. Selfridge
Chairman, Operating Committee

CC TO: Docket
Adm. R. File
Op. Comm.
Mr. Kinkel
Mr. Bishop
Audits
Base Metals Div. (DMEA, 4058)
Chron.

SENT
OCT 19 1953
Clerical Service Section

R. 10-19-53

Mr. C. O. Mittendorf
10-16-53
3:03 P.M.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 19 1953

BUR MIES DN 235 10-16-53 12-50 PM

C O MITTENDORF

REFERENCE DOCKET 107, CONTRACT I-DMA-E5, NEW PARK MINING COMPANY. OPERATOR REQUESTS AUTHORIZATION OF RECESS OF DMEA OPERATIONS FROM JTXXX JULY 3,1953 TO OCTOBER 12,1953, TO ENABLE INSTALLATION OF WATER DOOR IN DMEA DRIFT TO SAFEGUARD OTHER WORKINGS FROM FLOODING DUE TO WATER ENCOUNTERED IN EXPLORATION WORK. PLEASE TELETYPE AUTHORIZATION.

JOHN F SHAW FOR W H KING

Denver, Colo.

OCT 16 3 54 PM '53

BUREAU OF MINES
MAIL ROOM
WASHINGTON D. C.

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

224 New Customhouse
Denver 2, Colorado

August 17, 1953

Memorandum

Handled
Betty

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5 (Lead-Zinc), New Park Mining Co., Keetley, Utah.

Enclosed are two copies of the Operator's Monthly Progress Report Form MF-104, and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the period of June, 1953, pertaining to DMA Docket 107, Contract I-DMA-E5, New Park Mining Co., Keetley, Utah.

W. H. King

W. H. King

Enclosures

AB

H. C. Selfridge
7-10-53
4:08 P.M.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 13 1953

BUR MINES DN 235 7-10-53 1-08 PM

GEORGE C. SELFRIDGE, CHAIRMAN, OPERATING COMMITEEE DEMA

REURTT JULY 10, NEW PARK MINING COMPANY, DOCKET DMA-107, CONTRACT IDM-E5, AMENDMENT NO.15 INTENDED TO AUTHORIZE A MINOR AMOUNT OF PRELIMINAYXXXX PRELIMINARY REHABILITATION AND SUBSEQUENT MAINTENANCE OF DRIFTS LEADING TO THE SITES OF PROJECTS 1, 2, AND 3, WHICH IS NOT ATXXXX AUTHORIZED IN EXHIBIT A, BUT WAS FOUND TO BE NECESSARY IN CONJUNCTION WITH THE PROJECTS. THIS WORK SHOULD HAVE BEEN A PART OF THE INITIAL CONTRACT. THE AMENDMENT WAS PREPARED TO ELIMINATE THE POSSIBILITY OF A CONTROVERSY DEVEKOPXXXX DEVELOPING OVER THE ALLOWABILITY OF WORK NOT SPECIFICALLY AUTHORIZED IN THE CONTRACT, BUT DEEMED TO BE NECESSARY BY THE DMEA REPRESENTATIVE, IN WHICH THIS OFFICE CONCURS.

W H KING

Denver, Colo.

JUL 13 8 33 AM '53
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

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

N.S. in R.R.

FILE COPY
SURNAME:

Seffrage

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DMEA

WRGriswold/bjl
3669 4058

July 10, 1953

W. H. King, Executive Officer, DMEA Field Team, Region IV, Denver, Colorado

Reurlet June 15, New Park Mining Company, Docket DMA-107 is Amendment No. 15 intended to increase amount of rehabilitation in excess of that authorized in Exhibit A of original contract.

Chairman, Operating Committee

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals (DMEA)
Mr. Bishop (USBM)
Mr. Kinkel (USGS)
Chron.

SENT
JUL 10 1953
Clerical Service Section

140

FILE COPY
SURNAME:

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

N.S. in R.P.

July 6, 1953

Memorandum

To: Chief, Base Metals Division

From: Chief Counsel

Subject: New Park Mining Company, Docket No. DMA-107
(Zinc, Lead, Gold, Silver, Copper)
Contract No. I-DMA-E5, Amendment No. 15

I have approved Amendment No. 15, prepared and executed in the field, adding to the work to be done.

There is, however, one point of confusion: Mr. M. M. Gilkey, in his memorandum of May 25, 1953, to Mr. S. R. Wilson, says:

> "In lieu of Exhibit 'E' of the contract, there be approved an amendment to read as follows,"

and then he quotes the amendment as written. However, you were unable to show me an Exhibit "E" attached to the contract, and there is nothing in the amendment to indicate that the work to be done is in lieu of any other work.

I suggest that the field be asked to clarify these points.

s/ A. E. Kane for
J. L. Hofflund
Chief Counsel

AEKane:ep

Copy to: Mails & Files
Mr. Hofflund
Mr. Kane
Chron.

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

224 New Customhouse
Denver 2, Colorado

July 3, 1953

Memorandum

9 May 53

Secretary
Betty

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5 (Zinc-Lead-Copper), New Park Mining Company (Project No. 2), Keetley, Utah.

Enclosed are two copies of the Operator's Monthly Progress Report Form MF-104, and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the period of May, 1953, pertaining to DMA Docket 107, Contract I-DMA-E5, New Park Mining Company (Project No. 2), Keetley, Utah.

W. H. King

W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

June 15, 1953

Memorandum

To: C.O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Amendment No. 14 and Amendment No. 15 to Contract I-DMA-E5, Docket DMA-107, New Park Mining Company (Zinc-Lead-Gold-Silver-Copper)

Enclosed are the original and two copies of each of the two above amendments. Copies of each of these amendments have been given to the operator, the Fiscal Officer, Region IV, and a copy of each has been retained for our files.

Also enclosed are three copies of a letter from the operator requesting Amendment No. 15 and three copies of a memorandum from a Bureau of Mines engineer recommending this amendment.

W. H. King

W. H. King

Enclosures

RECEIVED
JUN 30 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Cole
6-18

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

Answered
Betty

224 New Customhouse
Denver 2, Colorado

June 8, 1953

April 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMEA Docket 107, Contract I-DMA-E5 (Copper-Lead-Zinc), New Park Mining Company (Project No. 2), Keetley, Utah

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of April, 1953, pertaining to DMEA Docket 107, Contract I-DMA-E5, New Park Mining Company, Keetley, Utah.

for John F. Shaw
W. H. King

Enclosures

ld

cc: Contract w/copy of MF-104
SH Ellson w/copy of MF-104
Giron

FILE COPY
SURNAME:

500

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

Chamberlin
R. Johnson

JUN 1 1953

Mr. W. H. King, Executive Officer
DMEA Field Team, Region IV
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. MEA-107 (lead-zinc-copper)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract No. Idm-25

Dear Mr. King:

Referring to your letter dated May 15, 1953, regarding the above project, we are enclosing the original and five copies of Amendment No. 14, which we believe complies with your requested changes. As we had previously advised by teletype, no amendment is necessary to use unexpended funds from projects I and III for additional work in Project II.

Will you kindly present the Amendment to the Operator for signature and distribute the copies in the usual manner.

Sincerely yours,

George C. Selfridge (246)

Chairman, Operating Committee

Enclosures 6

WRGriswold/hmj
(5/27/53)
CC to: Docket
Adm. R. File
Op. Committee
Base Metals Div.
Mr. Bishop
Mr. Kinkel
Chron.

APPROVED:

J. H. Hedges (246)

Member, Bureau of Mines

A. R. Kinkel, Jr. (246)

Member, Geological Survey

FILE COPY
SURNAME:

Inserted
Chamber

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

May 28, 1953

Memorandum

To: The Administrator

From: Chief, Base Metals Division

Subject: Amendment No. 14, Docket No. DMA 107
New Park Mining Co, Wasatch County, Utah
Contract No. Idm-E5

Amendment No. 14 to the above contract has three provisions —

1. The company has instituted a profit sharing program, the underlying idea being that the more efficient workers receive a small added remuneration. It appears that only small sums are involved and since it is common to the rest of the mine, the exploration project can logically be included.

2. A heavy inflow of water in a "Project 3" heading has necessitated some revision of work planned under the project.

3. Time period extended for completion.

W. R. Griswold

W. R. Griswold

Enclosures
WRGriswold/hmj
(5/28/53)
CC to: Docket
Operating Committee
Base Metals Division
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

May 26, 1953

Memorandum

To: W. H. King, Chief, Mining Division, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: DEA-107, Contract Idma-E5, New Park Mining Co., Keetley, Utah

Enclosed are six copies of a letter received from the subject company concerning an amendment to the contract. Also included are copies of a memorandum prepared by the inspecting engineer.

It is recommended that the amendment be allowed as set forth in the engineer's memorandum.

Stephen R. Wilson
Stephen R. Wilson

Enclosure

S. R. Wilson May 25, 1953

M. M. Gilkey

DMA-107, Contract No. Idms-E5, New Park Mining Co., Reetley, Utah.
Request for an amendment to the contract.

An original and five copies of a letter dated May 20, 1953, from the New Park Mining Co. to W. H. King, requests an amendment to the subject contract.

The amendment requested by the operator would make an allowable cost of the projects the "rehabilitation of existing drifts leading to the site of work authorized under Projects Nos. 1, 2 and 3 and maintenance of those drifts while authorized exploration work is in progress."

Rehabilitation and maintenance of existing drifts leading to the site of the project work should be authorized as an allowable cost, but only to the extent deemed necessary by the DMEA representative.

Therefore, it is recommended that, in lieu of "Exhibit E" of the contract, there be approved an amendment to read as follows:

"The rehabilitation of existing drifts leading to the site of work authorized under Projects Nos. 1, 2 and 3 and maintenance of those drifts, while authorized exploration work is in progress, is an allowable cost of the exploration projects to the extent deemed necessary by the DMEA representative. Reimbursement to the operator for costs incurred under the terms of the contract shall constitute the Government's approval of the work."

M. M. Gilkey

M. M. Gilkey

NEW PARK MINING COMPANY

904 Walker Bank Building
Salt Lake City 1, Utah

May 20, 1953

Mr. W. H. King, Executive Officer
D.M.E.A.
Field Team, Region IV
224 New Customhouse
Denver 2, Colorado

Re: Docket DMA 107
Contract ~~I-DMA-E5~~

Dear Mr. King:

It has been called to our attention that our contract never specifically authorized rehabilitation and preparatory work for Projects 1, 2 and 3 under the above named contract. At this time we request the following amendment to clarify this problem.

We request the approval for rehabilitation of existing drifts leading to the site of work authorized under Projects 1, 2 and 3 and maintenance of those drifts while authorized exploration work is in progress.

Thanking you, I am,

Yours very truly,

Clark L. Wilson

CLARK L. WILSON,
Vice President

CLW:FZ

cc: Mr. Carl Harper

FILE COPY
SURNAME:

500

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

Amend

May 21, 1953

Memorandum

M. S. in R. v R.

To: Chief Counsel

From: Chief, Base Metals Division

Subject: Amendment No. 12, Docket No. DMA-107, New Park Mining Co.
Contract No. Idm-E5

The May 15th letter of Mr. W. H. King, replying to our teletype sent May 14, requests that the proper amendment be prepared by this office for the above contract.

On the attached sheet I have outlined the points desired in such an amendment. Will you kindly have it put into proper form for execution.

W. R. Griswold

W. R. Griswold

Attachment

WRGriswold/hmj
(5/21/53)
CC to: Docket
Adm. R. File
Op. Committee
Base Metals
Chron.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 18 1953

224 New Customhouse
Denver 2, Colorado

May 15, 1953

Memorandum

To: C.O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMA-107 (Lead-Zinc-Gold-Silver-Copper), Contract Idm-E5, New Park Mining Company, Wasatch County, Utah

Reference is made to the following correspondence concerning an amendment to the subject contract:

1. Matter transmitted by our memorandum, dated March 9, 1953, to the Secretary to the Operating Committee.

2. Letter from the Chairman, Operating Committee, dated March 23, 1953, requesting additional information.

3. Matter transmitted by our memorandum dated May 4, 1953, to the Chairman, Operating Committee.

4. Teletype of May 14, 1953, from W.S. Martin, Acting Chairman, Operating Committee, DMEA, advising on the preparation of an amendment.

We are in doubt as to the necessary recitation involved in amending the contract to permit the bonus payment in conjunction with the labor schedule established by Amendment No. 11. Also, the one year extension of time requested by the operator will increase the life of the contract to three years. Therefore, please prepare the amendment to authorize the bonus payment, one year extension of the life of the contract, and diamond drilling from Project 2 drifts as outlined in the second paragraph on the second page of our memorandum of May 4, 1953.

It is believed that adequate information for the preparation of the amendment is supplied as referred to under items "1" and "3" above.

W.H. King

W.H. King

FILE COPY
SURNAME:

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

Griswold
Selfridge
Mittendorf

Rewritten by Hofflund
Lelbut
Chamberlin
Thayer
Hedges
Martin
Bishop
Mittendorf

N.S. in R.R.

DMEA

2919 J.L.Hofflund 4627

MAY 14 1953

W. H. King, Executive Officer, DMEA Field Team, Region IV, Denver, Colorado

New Park Mining Co., Docket No. DMA-107, Contract No. Idm-E5

Reurltr May 4, re subject contract, bonus plan should be covered by an amendment making reference to Amendment No. 11 and clarifying the relationship between the two. Amendment not necessary to use Project I funds for prosecution of Project 2. Extension of time and proposed diamond drilling should be covered by amendment. It is preferable that Operator continue submitting Forms MF-104 for each project rather than consolidate them.

W. S. Martin

ACTING W. S MARTIN, ACTING (JB)
~~G. C. Selfridge,~~ Chairman
Operating Committee, DMEA

WRGriswold/JLHofflund/emd

Copy to: Mails and Files
Adm. R. File
Op. Comm.
Base Metals, DMEA
J.L.Chambers,DMEA
J.L.Hofflund,DMEA
Mr. Bishop, USBM
Mr. Kinkel, USGS
Accounts
chron.

SENT
MAY 14 1953
Clerical Service Section

FILE COPY
SURNAME:

Bruce
Selfridge
Mutterer

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

DMEA

3669 GRGriswold/bjl 2616

May 11, 1953

W. H. King, Executive Officer, DMEA Field Team, Region IV, Denver, Colorado

Reurltr May 4, Docket No. DMA-107, New Park Mining Co., Contract No. Idm-E5, bonus plan does not require an amendment. Also balance of available contract funds may be used in Project II without amendment, but you should cover above matters with letter to Operator, copies to certifying officer and this office. However you should prepare amendment covering time extension and proposed diamond drilling and forward to us for processing. Also as matter of record we prefer that Forms HF-104 covering individual projects not be consolidated into one.

Copy to: Docket
Admr. R. File
O p. Committee
Base Metals, DMEA
Mr. Chambers, DMEA
Mr. Hofflund, DMEA
Mr. Bishop, USBM
Mr. Kinkel, USGS
Accounts
Chron

G. C. Selfridge, Chairman
Operating Committee, DMEA

SENT
MAY 14 1953
Clerical Service Section

Griswold
Betty

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

224 New Customhouse
Denver 2, Colorado

May 14, 1953.

March 1953

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5 (Lead, Zinc, Copper, Gold and Silver), New Park Mining Co., Project No. 2, Keetley, Utah.

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of March 1953, pertaining to DMA Docket 107, Contract I-DMA-E5 (Lead, Zinc, Copper, Gold and Silver), New Park Mining Co., Project No. 2, Keetley, Utah.

W. H. King
W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

May 4, 1953.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 6 1953

AIR MAIL

Memorandum

To: Chairman of the Operating Committee, Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMA-107, Contract Idm-E5 (Lead-Zinc-Gold-Silver-Copper), New Park Mining Company, Wasatch County, Utah.

Reference is made to the matter transmitted by our memorandum of March 9, 1953 and your letter of March 23, 1953 wherein you request additional information relative to the Operator's request that the Government participate in labor bonus payments equal to 25 percent of the net income from mining operations.

Supplemental to the matter transmitted with our memorandum of March 9, we are enclosing three sets of data consisting of the following:

1. Letter from New Park Mining Company, dated April 7, 1953, wherein they outline the manner and amounts of bonus payments to personnel. Also they request an amendment to Contract Idm-E5 as follows: (a) Extend completion time one year; (b) That all unexpended funds on Projects #1 and #3 be reallocated for expenditure on Project #2; (c) Authorize diamond drilling in the walls of Project #2 drifts to explore for parallel fissures.

2. Memorandum report dated April 28, 1953, from F. L. Wideman of the Bureau of Mines wherein he recommends an amendment to authorize item 1 - (a), (b) and (c).

3. Memorandum dated April 28, 1953, from the Chief, Minerals Development Branch, Mining Division, Region IV, transmitting Wideman's report and recommending that the amendments be prepared.

With reference to the Operator's request under item 1 - (b), relative to the reallocation of funds, your attention is directed to the first paragraph of Amendment No. 8, dated June 18, 1952, which does authorize the reallocation of funds for expenditure where most desirable.

Other than item 1 - (b), and the matter of the bonus payments, which we leave to your decision, we concur with the field recommendations that the necessary amendment be prepared as outlined, with diamond drilling on Project 2 to be at locations and to the extent as approved in writing by the DMEA representative prior to commencing work.

Anticipating the eventual termination of the contract it appears that procedures for closing the account are complicated by the fact that the Operator has reported on separate MF-104 and MF-104A forms for accomplishments and costs incurred for the work on Projects 1, 2 and 3.

Project No. 1 has been completed and final reimbursement has been made to the Operator. Before the entire contract account can be closed it will be necessary to effect a settlement for the Government's interest in equipment purchased in the amount of $4,586.99 and possibly the unexpended portion of supplies "Other" which were charged to the project in the amount of $3,776.65.

Project No. 3 has been discontinued because of adverse conditions encountered, and final reimbursement has also been made to the Operator. Possibly there will be the necessity to effect a settlement for the Government's interest in the unexpended portion of supplies "Other" which were charged to the project in the amount of $1,254.17.

In light of the foregoing it will be necessary to make all adjustments in the settlement of the Government's interest in jointly owned property, purchased for all three projects, on final settlement of Project No. 2, which will throw the costs for that project work all out of balance.

It appears to us that it would simplify matters for all concerned for the Operator to combine the accomplishments and costs incurred for all three projects on one Form MF-104 and 104A.

We will appreciate your review of the contract in light of the foregoing and your advice in the matter.

An interim audit by the Contract Administration and Audit Division is scheduled for early this month, therefore as your decision may have a bearing on the manner in which the audit report is prepared, we will appreciate your early consideration of the matter.

W. H. King

W. H. King

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

RECEIVED
MAY 6 1953

April 28, 1953

Memorandum

To: W. H. King, Chief, Mining Division, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: DMA 107, Contract Idma-K5, New Park Mining Co., Keetley, Utah. Operator's request for contract amendment.

Enclosed are six copies of a letter received from New Park Mining Co. explaining details of an incentive pay program and requesting amendments to the present contract. Comments by F. L. Wideman are given in an attached memorandum.

The operator requests that funds remaining under project No. 3 be used for further exploration under project No. 2. An extension of time of one year to complete the proposed work under project No. 2 is also requested.

It is recommended that amendments be prepared as listed in Wideman's memorandum.

Stephen R. Wilson

Stephen R. Wilson

Enclosure

S. R. Wilson April 28, 1953

F. L. Wideman

DMA 107, Contract I-DMA-E5, New Park Mining Co., Keetley, Utah.
Request for an amendment to the contract.

Reference is made to a letter from the New Park Mining Co. dated April 7, 1953. The first part of the letter explains an incentive pay program in force at the mine. This information was requested by the Operating Committee, DMEA, in a letter dated March 23, 1953. The last part of the letter requests that project No. 3 be abandoned and the balance of the contract funds be used in project No. 2. The letter also requests an extension of time for completion of the contract.

Drifting and core drilling developed a large flow of water in the headings being driven as project No. 3. The project has been recessed for several months to permit the water to drain. There has been no decrease in the flow since stopping the work. Core drilling did not disclose a favorable structure within a distance of 300 feet from the face of the project crosscut.

The drift being currently driven as part of project No. 2 is following the 8-620 vein in a westerly direction. The vein has a width of 6 to 7 feet where exposed by the work during the last month. It is well mineralized with galena, pyrite, and quartz. There is evidence of other mineralized structures in the vicinity of the 8-620 vein. These structures can be explored by core drilling or crosscutting from the 8-620 drift.

One crosscut proposed to be driven as part of project No. 2 cannot be advanced at the present time because of a heavy flow of water. It may become necessary to protect the lower levels of the mine from flooding by probing ahead of the drifts or crosscuts by core drilling.

The cost of project No. 3 was estimated to be $90,748.50. There is a balance of $23,333.19 in the funds for project No. 3 as indicated by the last MF-104 forms for the project.

Because of the encouraging showings in project No. 2 and the difficulties of continuing project No. 3, it is recommended that the funds remaining in the contract be used for drifting, crosscutting and core drilling in project No. 2. It is recommended also that the time of completion of the contract be extended one year, because of the difficulties encountered in project No. 3 and one crosscut in project No. 2.

F L Wideman
F. L. Wideman

NEW PARK MINING COMPANY

April 7, 1953.

Mr. W. H. King, Executive Officer
Field Team, Region IV
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Re: DMA - 107, Contract I-DMA-E5

Dear Mr. King:

I have been informed through your Salt Lake Office that additional information has been requested regarding the incentive plan that is now in force at New Park Mining Company. As you know, we requested that the incentive cost be allowed as a part of the charge on our DMA contracts.

Briefly, the plan has been set up as follows:

We wish to use some type of incentive system that would cover all phases of our business. In other words, we must consider tons mined, the grade of the ore and the labor and supply cost of the operation. The only possible way to consider all these things is to base the incentive plan on the over-all net profit derived from the mining operation. We have analyzed our costs in the past with regards to contract mining payments compared to profits and decided it was fair to the stockholders to take 25% of net profit each month as the fund to be distributed in our incentive plan. We wish to consider individual initiative as well as time worked in the distribution of this fund, and, accordingly, we have set up a personal rating system for each individual. This rating considers three factors - quantity of work, quality of work and adaptability to the general mine operation. Each of these factors is judged according to the following ratings: outstanding, satisfactory and unsatisfactory. These ratings have point values of 8, 4 and 0, respectively. Each month an employee is rated by his supervisor and all of these ratings are compared by a rating board. Each employee receives a bonus rating based on the produce of shifts worked times the points he has received under his personal rating. The bonus fund is distributed to all employees based on this individual hour rate product, and, naturally, there is a consideration

included in this payment for overtime hours worked.

It is quite apparent that the bonus will vary from month to money, depending upon the success of our operation.

To date we have not included this bonus in any reports on our DMA projects, but work sheets indicate that for the month of January the total bonus charged to Project 2 would have amounted to $25.82, or approximately 50¢ a foot for the advance during that period. During February the bonus charge would have amounted to $31.28, or approximately 30¢ per foot. The average bonus paid to all employees in January amounted to $7.72. For February it was $9.04. With an improvement in our efficiency or an increase in metal prices, the bonus would, naturally, increase. We feel that this is a legitimate charge as it is comparable to the contract mining procedure and again request that this be allowed as a part of the cost of the projects.

Our records indicate that this DMA contract will expire on May 31, 1953. As you know, Project 1 has been completed. We are continuing operations on Project 2 and Project 3 has been temporarily suspended. We now feel that due to physical difficulties, particularly, a large flow of water at present, that we should abandon Project #3 and use all our financing and effort to further Project #2. This shows considerable promise and is definitely a worthwhile piece of exploration. As you know, we have had mechanical problems also in Project 2 with reference to necessary diamond drilling to protect our mine from a large influx of water contained in the fissures, and as a result, our progress has been slower than anticipated. We, therefore, request that all funds available under this contract be allocated to Project 2 and the time limit for the contract be extended for an additional year.

Our progress maps on Project 2 will indicate that we are now drifting on a fissure structure and geology indicates that other parallel fissures do exist. We think it would be advisable to use some of these funds for diamond drilling the present drift walls to determine any changes in geology and the mineralization of these parallel structures.

We would appreciate receiving approval of this type of work.

Yours very truly,

NEW PARK MINING COMPANY

Clark L. Wilson

Clark L. Wilson, Vice President

CLW:FZ

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

224 New Customhouse
Denver 2, Colorado

April 23, 1953

Griswold
Betty

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5 (Lead-Zinc-Copper-Silver-Gold), New Park Mining Company, Project No. 2, Keetley, Utah.

Enclosed are two copies of the Operator's Monthly Progress Report Form MF-104, and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the period of February, 1953, pertaining to DMA Docket 107, Contract I-DMA-E5 (Lead-Zinc-Copper-Silver-Gold), New Park Mining Company, Project No. 2, Keetley, Utah.

W. H. King
W. H. King

Enclosures

Docket Copy

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

224 New Customhouse
Denver 2, Colorado

March 23, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 26 1953

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Amendment No. 13 to Contract I-DMA-E5, Docket DMA 107, New Park Mining Company

Enclosed are the original and two copies of Amendment No. 13 to Contract I-DMA-E5. Copies of this amendment have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

Also enclosed are three copies of a letter from the operator requesting this amendment and three copies of a memorandum from a Bureau of Mines engineer approving this amendment.

W. H. King
W. H. King

Enclosures

RECEIVED
APR - 9 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

cc
3/26

SOLE COPY
SURNAME:

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

Zumwalt
Chambers
Ontin
Kerr
Selfridge
Kilmer
Matthews

Mr. J. H. King, Executive Officer
Field Team, Region IV
224, New Customhouse Building
Denver 2, Colorado

MAR 23 1953

Re: Docket No. DMA 107 (Lead-Zinc)
New York Mining Company
Wasatch County, Utah
Contract No. Idm-E5

J. C. 3/23/53

Dear Mr. King:

We have your letter of March 9, regarding the subject company, together with the Operator's request for an amendment to the contract.

As we understand the matter, the Operator, as an encouragement to his employees, proposes to pay them a bonus equal to 25 per cent of the net income of his normal mine operations, this bonus to be paid monthly. The Operator therefore requests that his exploration project cost be amended upward to provide, in effect, for a similar bonus for distribution.

Before we can form an opinion, we request more detailed information. Would you, therefore, ask the Operator to provide a detailed hypothetical case, covering a month's operation, showing total bonus, share of bonus to be paid to men on the exploration project, amount of bonus which we understand will be charged against project as an added cost, etc.

Sincerely yours,

George C. Selfridge (GB)

Chairman, Operating Committee

APPROVED:

J. H. Hedges (GB)
Member, Bureau of Mines

A. R. Kinkel, Jr. (GB)
Member, Geological Survey

WRGriswold/hmj
(3-18-53)
CC to: Docket
Admin. R. File
Op. Committee
Base Metals Division
Mr. Kinkel
Mr. Bishop
Mr. Griswold
Chron.

107

MAR 18 1953

Hon. William F. Knowland
United States Senate
Washington 25, D.C.

My dear Senator Knowland:

Reference is made to your letter dated March 9, 1953, which transmitted Mr. John R. Meaker's letter of February 21 for my attention and possible comment.

Although I am not personally acquainted with Mr. Meaker, I have known the officials and the technical staff of the New Park Mining Company for a number of years. I am familiar with their mining operations, both from the standpoint of having made inspections on the ground and through Government-industry business relations during World War II, when I was connected with the administration of the Premium Price Plan. I have a high regard for the integrity and management capabilities of the concern.

The problems which Mr. Meaker cites are very real, and I appreciate that they are of grave concern to his company and the neighboring mines to which he refers, as well as to many other small and medium-sized lead and zinc operations throughout the country. For the past several months the DMEA has been deeply concerned over the general situation.

During the past 1½ years that the exploration program has been in existence, the DMEA has committed Government funds totalling a little over $5,000,000, to be matched by a like amount by private enterprise to carry out approved exploration projects for lead, zinc, and copper ores. Some of these projects that had been under way for several months are now being recessed short of reaching their objective targets, due to the inability of the operators to furnish their share of the costs as provided for under the terms of the individual contracts. The causes for suspension of operations are attributed, generally, to loss of income resulting from declining metal prices for lead and zinc. Fortunately, the New Park Mining Company is going ahead with its projects for which the Government has agreed to contribute $117,198. However, Mr. Meaker advises that his company has found it necessary to forego dividends during the last half of 1952.

I know you will readily understand that the closing of mines which are obligated to complete exploration work under a Government contract can create an administrative problem for DMEA. It is essential in the interest of our national defense, and proper for the prudent expenditure of public funds, that all approved projects be carried through to completion. It is the policy of DMEA to cooperate fully with operators who have found it necessary to suspend operations due to economic conditions beyond their control, and in these cases we have agreed to work suspensions for several months to allow time for realignment of their operations.

I cannot agree with Mr. Meaker that Government financial assistance for the exploration of critical metals and minerals would be a waste of public funds under circumstances which temporarily curtail production activities. A survey made by the Engineering and Mining Journal last December listed a substantial number of lead-zinc mines which have found it necessary to suspend production activities under current market prices. It also revealed those mines which avoided complete closure and were continuing on with their exploration activities even though actual production had been suspended. It was interesting to note that almost 90 percent of the mines which had avoided a complete closure were conducting exploration projects under the DMEA program.

It can be submitted that such a resultant is beneficial to the Nation as a whole and to the individual mining operators in particular. If the DMEA program is now directly responsible for averting shutdowns of many mines and has made it possible for the operators to undertake exploration during a temporary period of price recession when manpower and materials are normally eased, then the program is serving an additional purpose which was not foreseen at the time of its inception.

I appreciate the opportunity you have given me to comment on Mr. Meaker's letter and am returning it herewith, in accordance with your request.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

COMittendorf/fw
3/17/53
cc: Admr Reading File
Mails & Files
Base Metals Div.
Field Team, Reg. IV
Mr. Mittendorf

O.M.Bishop - Rm.3423
E.T.McKnight - Rm.4204 GSA Bldg.

February 21, 1953.
735 Arlington Avenue
Berkeley 7, California.

C
O
P
Y

Honorable William F. Knowland
United States Senator
Senate Office Building
Washington, D.C.

Dear Senator Knowland:

My purpose in writing you is to seek your aid in behalf of the New Park Mining Company, and other mining companies, in securing a fair adjustment for our domestic mining industry, as a means of insuring prospecting, and the continual development of their ore reserves.

Permit me to state, as a matter of introduction, that the records of the Oakland Scottish Rite Bodies, and of the Aahmes Temple Association, attest my membership for some twenty-five years, of which you and your esteemed father are also members.

My occupation for a great many years has been mining, principally of gold, silver, lead and zinc, in consequence of such operation and employment, much of my diminishing income has been derived from mining investments.

As a holder of more than an ordinary amount of stock in the New Park Mining Company, I am keenly interested in their operation. The New Park Mining Company of Keetley, Utah, operates in the Park City area, thirty miles east of Salt Lake City. This company has been paying dividends regularly for more than twelve years. However, they have been forced to discontinue a dividend payment in the last half of the year 1952. Their continued higher labor demands, materiel and supply costs, have forced them to compete with the ever increasing importation of certain metals, such as lead and zinc, which are the major minerals mined and produced by the New Park Mining Company.

The importation of these certain metals has become so distressing as to cause almost every mine in that area to close down. The lead and zinc market has suffered severe price drops. Actually, the combined decrease in prices of these two metals amounts to more than thirty percent of its former sales value. This company, and the industry, have received correspondingly less revenue from their ore production. If the New Park Mining Company had not been ably and economically managed, it too, may have had to discontinue operations.

The New Park Mining Company, and the domestic industry in general, urgently needs some equalizing protection against the imports of large quantities of lead and zinc metals produced in foreign countries. These imports are produced at a fraction of our labor and materiel costs.

Recently, the Defense Minerals Exploration Administration (DMEA) have signed contracts promising to expend several million dollars to

prospect for strategic metals, including the above mentioned, to foster domestic production. Frankly, that would be a waste of public funds, unless some sort of fair embargo could be placed against the importation of these metals.

Why can not some aid be extended to such worthy domestic mining companies, who have been damaged by these imports?

A sliding scale tariff plan is needed to give relief to and insure a healthy mining industry.

Would it be possible for you to place this important matter before the proper authority, who could institute corrective relief from such unjust competition?

Your attention will be greatly appreciated.

Very truly yours,

s/ JOHN R. MEAKER

JRM:hd

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

Betty

224 New Customhouse
Denver 2, Colorado

March 12, 1953.

January 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 16 1953

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, DMEA Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract Idm-E5 (Gold, Silver, and Copper), New Park Mining Co. (Project No. 2), Keetley, Utah.

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of January 1953, pertaining to DMA Docket 107, Contract Idm-E5 (Gold, Silver, and Copper), New Park Mining Co. (Project No. 2), Keetley, Utah.

John F. Shea
for W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 12 1953

March 9, 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMA 107 (Zinc-Lead-Gold-Silver-Copper) Contract Idm-E5, New Park Mining Company, Wasatch County, Utah

Enclosed are two sets of matter containing the following data pertaining to a request from the Operator for an amendment to Contract Idm-E5 to authorize Government participation in wage payments which are a combination of base pay plus an incentive bonus participation in 25 percent of the Company's income.

(1) Request from the Operator, dated February 10, 1953

(2) Memorandum report dated March 2, 1953, by F. L. Wideman of the Bureau of Mines, relative to the Operator's request

(3) Memorandum of transmittal and recommendation dated March 4, 1953, from the Chief, Minerals Development Branch, Mining Division, Region IV

The plan as proposed by the Operator, does not appear feasible nor desirable to us for incorporation in a DMEA contract. As similar proposals may be submitted by other operators in their immediate vicinity, we will appreciate receipt of your comments and recommendations so that we can reply to the operator at an early date.

W. H. King

W. H. King

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

March 4, 1953

Memorandum

To: W. H. King, Chief, Mining Division, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: DMA-107, Contract Idm-E5, New Park Mining Co., Keetley, Utah. Amendment request submitted by company

Attached are six copies of a letter from the subject company requesting an amendment to the DMEA contract to allow Government participation in an incentive pay plan for employees. Comments by the inspecting engineer, F. L. Wideman, are included.

Recommendation is made that the amendment request be denied.

Stephen R. Wilson
Stephen R. Wilson

Enclosure

S. R. Wilson

March 2, 1953

F. L. Wideman

DMA-107, Contract Idm-E5, New Park Mining Co., Keetley, Utah.
Request to amend contract to provide for incentive pay.

Reference is made to a letter from the New Park Mining Co. to amend the above contract to provide incentive pay for employees at the project.

This plan has been discussed with the company. They want to include the amount paid as a bonus out of net company earnings on the payroll concerning DMA projects. The amount of bonus would vary from month to month. Also, if the amounts paid in bonuses are included in the DMA payrolls, the Government would be paying 50 percent of funds supposedly paid by the company.

It is recommended that the request be denied if the Government is to provide 50 percent of the incentive pay, which should be paid by a percentage of the company's net earnings.

F L Wideman
F. L. Wideman

February 10, 1953

Mr. W. H. King, Executive Officer
Field Team, Region IV
Defense Minerals Exploration Administration
Denver 2, Colorado

Re: Docket DMA 107
Contract I-DMA-E5

Dear Mr. King:

As you will recall, last May we discontinued contract mining at our Mayflower Mine due to the economic pressures of produced lead-zinc prices.

Since that time various lead-zinc mines in our district and other districts throughout the United States have been forced to discontinue operations. We are making every effort to maintain our Mayflower Mine in production and particularly to continue with an active exploration program. We have felt all along that some incentive program was necessary to cover all employees, rather than being paid to just the contractors.

We have now completed arrangements whereby we will set aside each month 25% of our net income to be distributed amongst all our employees, based on hours worked and an individual rating schedule. The daily wage employees will be rated as to quantity, quality and attitude in their work. Point values will be assigned to these ratings and at the end of the month we will arrive at a basis for distributing this incentive fund. The payment of this fund will probably take place on the 25th of the month succeeding the month in which the bonus is earned.

We feel with this type of incentive that all employees will be interested in a more economical operation and we anticipate that unit costs shall be reduced.

At this time we request that the payments under this incentive plan be included as a cost of operating the projects

under this contract. This amendment is requested as of January 1, 1953.

Yours very truly,

NEW PARK MINING COMPANY

Clark L. Wilson,
Vice President

CLW:FZ

COPY

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

224 New Customhouse
Denver 2, Colorado

February 12, 1953

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5, (Lead-Zinc) New Park Mining Co., Keetley, Utah (Project No. 3)

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of December, 1952, pertaining to DMA Docket 107, Contract I-DMA-E5, New Park Mining Co., Keetley, Utah for Project No. 3.

W. H. King

W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

February 12, 1953

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5, (Lead-Zinc) New Park Mining Co., Keetley, Utah (Project No. 2)

Enclosed are two copies of the supplemental Operator's Monthly Progress Report MF-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of December, 1952, pertaining to DMA Docket 107, Contract I-DMA-E5, New Park Mining Co. for Project #2.

W. H. King

W. H. King

Enclosures

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
FEB 12 1953

224 New Customhouse
Denver 2, Colorado

February 6, 1953

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5 (Lead, Zinc, Copper, Gold and Silver) New Park Mining Co., Keetley, Utah - Project No. 2

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the Month of December, 1952, pertaining to DMA Docket 107, Contract I-DMA-E5, New Park Mining Co., Project No. 2.

W. H. King
W. H. King

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

February 3, 1953

Memorandum

To: W. H. King, Chief, Mining Division, Region IV

From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: DMA-107, Contract I-DMA-E5, New Park Mining Co., Keetley, Utah. Changes requested by contractor regarding work under Projects 2 and 3

Enclosed are six copies of a letter received from the subject contractor requesting certain changes in contract work under projects 2 and 3. A memorandum prepared by F. L. Wideman describes the requests contained in the contractor's letter.

It is recommended that the changes be made as outlined in Wideman's memorandum.

Stephen R. Wilson

Stephen R. Wilson

Enclosure

S. R. Wilson

February 2, 1953

F. L. Widemen

DMA-107, Contract I-DMA-85, New Park Mining Co., Keetley, Utah. Requested changes in contract provisions regarding project No. 2 and permission to recess project No. 3.

Reference is made to a letter from the New Park Mining Co. dated January 21, 1953, requesting changes to be made on contract provisions regarding project No. 2, as follows:

Request No. 1

The company requests permission to substitute a company-owned 5-ton battery locomotive, battery, charger, and panel for the two type "B" battery trammers, batteries, charger, and panel purchased under DMA contract. The company proposes to use the jointly-owned equipment elsewhere in the mine and to consider their use as payment for depreciation on the company-owned locomotive. The company bases its request on the long haul of waste from the project heading to the dumping area and the almost equal value of the equipment. At the present time, the waste is being used to fill stopes that are between the waste pocket of the Mayflower shaft and the project. When these stopes are filled, it will be necessary to haul the waste to the Mayflower shaft or to the dump at the portal of the Mayflower tunnel.

The following table shows the comparative costs of the equipment:

Company-owned equipment (from company books):

1 GE IFB 2C5 locomotive	$5,200.00	
1 50-cell battery	3,530.00	
1 charger and panel	1,836.00	
Total		$10,566.00

Jointly owned Equipment (from vendors' invoices):

2 locomotives (Little Mancha)	$6,874.80	
2 20-cell batteries	2,299.18	
1 generator set, 3 KV with panel	1,102.88	
Total		$10,276.86

Request No. 2

The company requests permission to change the footage of the items of drifting and crosscutting as specified in the contract and

substitute in lieu thereof drifting along and/or crosscutting to structures that have been, or may be, encountered during the life of the project. The 801A heading, which is referred to as a drift in the contract, has been reported as a crosscut on the MF-104 forms. In accordance with definitions of drift and crosscut, the latter nomenclature is the better of the two. Geologic information obtained by core drilling indicates that it will not be advisable to crosscut a total of 1,500 feet from the 801A heading. If the flow of water from the drill hole in 8-630 crosscut subsides, the crosscut should be extended 10 or 12 feet to intersect the structure from which the water is flowing.

It is recommended that the contract be amended in accordance with request No. 2.

Request No. 3

The company requests permission to core drill ahead of any exploration heading, should it become apparent that water flows will be developed. Experience has shown that heavy water flows can be developed which would jeopardize producing areas in the mine.

It is recommended that the contract be amended to permit the company to core drill ahead of the exploratory headings if it should be necessary to indicate water flows or obtain geologic information.

The letter requests that project No. 3 be recessed until it can be determined if the water flow will decrease sufficiently to permit the exploratory headings to be driven. It is recommended that a recess be permitted.

F. L. Wideman

F. L. Wideman

COPY

NEW PARK MINING COMPANY

KEETLEY, UTAH
Jan. 21, 1953

Mr. W. H. King, Executive Officer
Field Team
Region IV
Defense Minerals Exploration Administration
224 New Customhouse
Denver, Colorado

Re: DMA-107, Contract I-DMA-E5

Dear Mr. King:

We have some requested changes in the contract provisions regarding Project No. 2, as approved under the above referred to contract number.

This contract provided for the joint purchase of two type "B" Goodman Battery Trammers that were to be used in Projects 2 and 3. As project 3 has not been operating for several months, both trammers have been placed in use at Project No. 2.

We now find that due to the long haul from the working face to the dumping area that we are not able to handle the trains of waste from this project, using the two small motors. At this time, we request that we be allowed to use a large 5-ton motor in this project in place of the two small ones. The two small ones would be used by us in other working places, and we would consider that the charges for the use of the large motor would be off-set by the two smaller ones. I am sure this will expedite the operation and should not complicate our accounting procedures.

Under the terms of the contract, we were allowed 900 feet of drifting in the 801-A drift, 1,500 feet of cross-cutting north and south from 801-A, and an additional 500 feet of drifting on any favorable structure. To date we have accomplished the following work:

900 feet advance in the 801-A, which, incidentally, has been referred to as cross-cutting rather than drifting; 431 feet advance in the 8-628 cross-cut and 299 feet advance in the 8-630 cross-cut. We also show 175 feet advance in the 8-613 drift, 4 feet advance in the 8-602 east drift and 5 feet advance in the 8-602 west drift. This makes a total of 1,630 feet of cross-cutting and 184 feet of drifting, or a total advance of 1,814 feet as compared to the 2,900 feet of combined drifting and cross-cutting approved in the contract.

Copy

As you know, we have experienced some trouble with water, which has changed the plans as far as the original cross-cut program was outlined. Diamond drilling has further supplemented the geological information. It now appears that our future developement program here will consist of additional drifting to prove structures that were developed in the cross-cuts and in the diamond drill holes.

At this time we wish to request that the balance of the footage remaining under the 2,900 feet approved be allowed for drifting and, perhaps, some cross-cutting as geological conditions will indicate.

There are indications that this particular project might enter sedimentary formations. This, again, raises the possibility of developing large flows of water as shown in the diamond drilling program completed in this area. We, therefore, request that should water conditions begin to appear in this project, that we be permitted to use our own diamond drill equipment for exploratory work to facilitate the advance of the drift or cross-cut headings. This request would be similar to that made for Project 3 and approved by you under date of May 8, 1952.

Our reports have indicated that progress in Project 3 has been stopped due to excessive amounts of water developed by diamond drilling work in that area. We still feel that this project, as originally approved, has merit and we would like to continue work there, but at the present time must wait until further draining has been accomplished through diamond drill holes. We also anticipate some Spring run-off begining in the month of March, so we anticipate that work in this area should be temporarily suspended for a matter of two or three months.

In the meantime, our crews will maintain the present openings to keep them available for further work.

Yours very truly,

New Park Mining Company

/S/ Clark L. Wilson
Clark Wilson
Vice President

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

224 New Customhouse
Denver 2, Colorado

WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 2 1953

January 23, 1953

Memorandum

To: Secretary to the Operating Committee

Keating
Betty

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5, New Park Mining Co., Project No. 3, Keetley, Utah

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of November, 1952, pertaining to DMA Docket 107, Contract I-DMA-E5, Project #3, New Park Mining Co.

W. H. King

W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 2 1953

January 23, 1953

Memorandum

To: Secretary to the Operating Committee

From: Ececutive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5, New Park Mining Co., Project No. 2, Keetley, Utah

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of November, 1952, pertaining to DMA Docket 107, Contract I-DMA-E5, Project No. 2, Keetley, Utah.

W. H. King

W. H. King

Enclosure

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

224 New Customhouse
Denver 2, Colorado

Corbett
Keating
Betty

December 19, 1952

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5, (Zinc, Lead, Copper, Gold and Silver) New Park Mining Company (Project #3) Keetley, Utah

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of October, 1952, pertaining to DMA Docket 107, Contract I-DMA-E5, New Park Mining Co.

J. F. Shaw for
W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 2 0 1952

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

224 New Customhouse
Denver 2, Colorado

December 19, 1952

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5 (Zinc, Lead, Copper, Gold & Silver) New Park Mining Company (Project #2) Keetley, Utah

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and 104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of October, 1952, pertaining to DMA Docket 107, Contract I-DMA-E5, New Park Mining Co.

W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
DEC 23 1952

FILE COPY
SURNAME:
800

Chambers

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

Rev.

DEC 16 1952

Mr. Donald T. Finch
DMEA Auditor, Region IV
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMA-107
Contract No. Idm-E5
New Park Mining Company

Dear Mr. Finch:

Reference is made to your letter of December 12, 1952, transmitting an audit of the above cited project contract.

It appears that the contract pertaining to the rental of equipment was very inadequate. Your explanation of the disallowances, however, for this work is satisfactory.

Sincerely yours,

J.N. 12-16-52

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/wb
December 15, 1952

Copy to: Mails & Files
Admr. Reading File
Mr. Chambers

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 21 1952

224 New Customhouse
Denver 2, Colorado

November 18, 1952

Memorandum

To: C. O. Mittendorf, Administrator

From: W. H. King, Executive Officer, Field Team, Region IV

Subject: Docket No. DMA 107, Contract I-DMA-E5, New Park Mining Company

Enclosed for your information are two copies of a letter from the New Park Mining Company stating that they have temporarily recessed operation on Project No. 3 because of the heavy flow of water.

W. H. King

W. H. King

Enclosures

NEW PARK MINING COMPANY

KEETLEY, UTAH

November 13, 1952

Mr. W. H. King, Executive Officer
Field Team, Region IV
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

Re: DMA Docket 187
Contract I-DMA-E5

Dear Mr. King:

I wish to make the following progress report regarding Project No. 3, the above referred to contract.

Diamond drilling has been in progress by the Joy Manufacturing Company according to the amendments of this contract. To date 300 feet of drilling have been accomplished. Since starting this drilling, we have encountered large flows of water that have continued to increase in pressure. This has now reached the point where pressures are approximately 300 pounds per square inch, and the volume of water is approximately 300 gallons per minute. Under these conditions we do not feel that it is economical or safe to proceed with this program. We have, therefore, ordered the driller to pull his equipment and work on this project is stopped for the time being.

Very truly yours,

NEW PARK MINING COMPANY

By_____
Clark L. Wilson,
Vice President &
Manager of Operations

CLW:jc

Docket Copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 14 1952

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

224 New Customhouse
Denver 2, Colorado

November 10, 1952

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Amendment No. 12 to Contract I-DMA-E5, Docket DMA 107, New Park Mining Company

Enclosed are the original and two copies of Amendment No. 12 to Contract I-DMA-E5. Copies of this amendment have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

Also enclosed are three copies of a letter from the operator requesting this amendment and three copies of a memorandum from a Bureau of Mines engineer recommending this amendment.

W. H. King
W. H. King

Enclosures

cae 11-17

RECEIVED
NOV 19 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

March 2nd New Customhouse
Denver 2, Colorado

November 3, 1952

Corbett
Betty

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5 (Zinc-Lead-Gold-Silver-Copper) New Park Mining Company, Wasatch County, Utah

Enclosed are two copies of the Operator's Monthly Progress Report MF-104 and MF-104A, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the month of September, 1952, pertaining to DMA Docket 107, Contract I-DMA-E5, New Park Mining Company.

W. H. King
W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

October 9, 1952

Memorandum

To: Frank H. Johnson, Deputy Administrator
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Exploration Project Contracts in Region IV recessed by Strike, Low Metal Prices, or Heavy Flow of Water

The following Exploration Project Contracts have been recessed by Strike:

I-DMA-M16	1094X	Utah	Railriver Mining Company (Lead)
I-DMA-X21	1100X	Utah	Park Utah Consolidated Mines Co. (Lead-Zinc)
Idm-E100	1099X	Utah	Park Utah Consolidated Mines Co. (Lead-Zinc)

The following Exploration Project Contracts have been recessed by Low Metal Prices:

I-DMA-X4	1 & 1A	Utah	Chief Consolidated Mining Co. (Lead-Zinc)
Idm-E1 0	1701	Utah	Silver King Coalition Mines Co. (Zinc-Lead)

The following Exploration Project Contracts have been recessed by Heavy Flow of Water:

I-DMA-E5 107 Utah New Park Mining Co. (Lead-Zinc-Copper)
(Project No. 1 - Complete
Project No. 2 - Active
Project No. 3 - Recessed because of Water)

/S/
John F. Shaw, for
W. H. King

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

224 New Customhouse
Denver 2, Colorado

September 17, 1952

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMA Docket 107, Contract I-DMA-E5 (Zinc-Lead-Copper-Gold and Silver), New Park Mining Company, Wasatch County, Utah

Enclosed, in triplicate, is the Government's approval, executed by this office, of a Core Drilling Agreement between the subject company and Joy Manufacturing Company for the performance of core drilling authorized under Contract I-DMA-E5. A copy of the Core Drilling Agreement is attached to each copy of the approval.

W. H. King

W. H. King

Enclosures

RECEIVED
OCT 1 - 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

SDS
9/23/52

GOVERNMENT COPY

APPROVAL OF SUBCONTRACT

To: New Park Mining Company

That certain contract, a copy of which you have submitted with your request for approval, dated August 1, 1952, between you and Joy Manufacturing Company, for performance of the following work: Diamond Core Drilling not to exceed 800 feet, which is all or a specific element of the work described in an Exploration Project Contract, dated May 31, 1951, I-DMA-E-5, Docket No. DMA-107, is hereby approved by the United States of America, subject to the following terms and conditions:

1. The Government shall not be nor be considered to be a party to said independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of said independant contract.

2. Regardless of the provisions of said independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract be reasonable and necessary.

3. The said independent contract shall not have the effect of increasing the estimated total cost of the exploration project contract or the maximum amount which the Government will pay as provided in the exploration project contract.

Dated: September 16, 1952

THE UNITED STATES OF AMERICA

By W. H. King
Executive Officer
DMEA Field Team, Region IV

CORE DRILLING AGREEMENT

RECEIVED
SEP 4 1952
MICHIGAN CITY

NO.
PAGE

1. **THIS AGREEMENT**, made and entered into this First day of August, 1952 by and between New Park Mining Company of Salt Lake City, Utah the party of the first part and the JOY MANUFACTURING COMPANY, of Pittsburgh, Pennsylvania, party of the second part,

Witnesseth:

2. In consideration of certain payments hereby agreed to be made by the said first party to the said second party, the said second party hereby agrees to drill, sink or prospect with a diamond core drill from underground in or near Keetley, Utah at site .... to be selected by the said first party, subject to the conditions hereinafter mentioned. It is further agreed by the said first party that the depth of none of the herein specified drill holes shall exceed a depth of 400 feet, and the total amount as guaranteed must be drilled in not more than two holes.

3. The said second party agrees to use for the above described work one Diamond Core drill.., and men skilled in operating same; to operate the drill.., ~~both~~ day ~~and night~~ shift whenever practicable, and to furnish only such person as the said first party may designate by written order, all core taken out of said prospect hole... Size of core to be approximately 15/8-11/8or. 7/8" inches in diameter. The said first party shall provide suitable boxes if it desires to save the core, and if it also desires may have a man at the drill at all times to remove and take charge of said core. No information whatever regarding the records and results of this drilling is to be given any other party, without the written consent of the said first party.

4. The said first party hereby agrees to pay to said second party the following price.. for the herein described drilling.

BX Drilling	@ $6.25 per ft.
AX Drilling	@ $5.65 per ft.
EX Drilling	@$5.40 per ft.

5. In accordance with this agreement, the said first party hereby guarantees the said second party a minimum total of ..800... feet of drilling at the prices as herein provided in Clause Four.

The said second party shall have the option of withdrawing from this contract after a total of ..800... feet have been drilled under the terms of this agreement.

~~In the event the said first party should stop the drilling before the guaranteed footage has been drilled, it agrees to pay the said second party half the price per foot for the undrilled balance, in addition to payment at full price for the footage actually drilled.~~

JOY MANUFACTURING COMPANY

CORE DRILLING AGREEMENT

NO.
PAGE

6. The party of the first part hereby agrees to furnish the said second party at each of the herein described prospect hole.s, free of charge, an ample supply of water ...and air.... for the proper prosecution of the herein-described work.

the first party also agrees to furnish sufficient headroom in line of drill holes so that the rods can be handled in at least 10 foot sections.....

7. The said first party also agrees to transport the drilling outfit and supplies of the said second party from the nearest railway station or truck carrier to the location of the first prospect hole, and from one hole to another and back to the nearest railway station or truck carrier at the termination of the work under this contract.

8. Should the party of the first part fail to perform its part of the contract of furnishing water, air, headroom.....and transportation, or locate sites, as herein agreed, regardless of cause, or should the party of the first part issue instructions that delay operations for any reason or in any other way interrupt the continuous operation of the said diamond drill, it shall pay the second party the labor expense of drilling crew while idle through such delay, at the rate of $40.00.....per shift, consisting of 8 hours, for each shift or part thereof that the operation of the said drill is delayed.

9. It is hereby agreed that should a cavity, or loose and caving material, be encountered at a depth which should prevent successful drilling,the party of the second part does not guarantee to drill or sink said prospect hole.. to any specified depth, but will drill or sink as deep as is practicable under the conditions, and the party of the first part shall pay for every foot actually sunk or drilled.

It is further agreed by both parties hereto that should cavities, soft, broken or caving material be encountered so that the drill hole will not remain open after being bored, and it becomes necessary or advisable to resort to cementing or reaming and casing in order to protect same until the depth desired by said first party is reached, then the said first party agrees to pay ~~the actual cost of doing such reaming, casing and cementing in addition to the price per foot paid for the drilling.~~ for such reaming, casing and cementing at the rate of $40.00 per 8-hour shift plus cost of materials used up, including casing lost.

10. The party of the second part agrees to cover its employees with Workmen's Compensation Insurance under the State Laws of ...Utah..... and agrees to furnish the first party with insurance certificate as evidence of such coverage.

CORE DRILLING AGREEMENT

NO.
PAGE

11. The payments for the herein-described work are to be made on the first of each month for all invoices rendered for work done up to the 25th day of the previous month.

12. The party of the second part hereby agrees to ~~ship the outfit for~~ start the herein described work within 45 days from the date of notification of acceptance of this agreement, ~~but the said second party shall not be responsible for delays caused by strikes, railroad accidents, or blockades.~~ **This proposition is for immediate acceptance,** but although accepted does not constitute a contract until approved by an officer of the Joy Manufacturing Company, at its office in Pittsburgh, Pennsylvania, U. S. A., and is subject to change or withdrawal until so approved.

It is expressly agreed that there are no promises, agreements or understandings outside of this contract, and that no agent or salesman has any authority to obligate the Joy Manufacturing Company, by any terms, stipulations or conditions not herein expressed. This contract may be altered only by written consent of both parties hereto.

JOY MANUFACTURING COMPANY

By F. L. Buckler

IN WITNESS WHEREOF, the parties hereto have set their hands and seals.

Accepted by

New Park Mining Co.

By Clark Sullan

Title Vice President

Approved by JOY MANUFACTURING CO.

By [illegible]

Date Sept 3, 1952

Title Treasurer

JOY MANUFACTURING COMPANY

Form 6215 (3A)—2-49—BPC 21295

Noted - Com

NEW PARK MINING COMPANY

KEETLEY, UTAH

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

September 16, 1952

Dmea 107

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
SEP 22 1952

Mr. C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration
United States Dept. of the Interior
Washington 25, D. C.

Dear Mr. Mittendorf:

Replying to your letter of September 11, we will be most happy to do anything in our power to make Mr. Keller's visit into the Park City District as pleasant and informative as possible.

I am, however, leaving to attend the Mining Convention in Denver about Saturday, the 20th of September, and trust that Mr. Keller will arrive here before I leave, as Mr. Wilson and Mr. Joralemon are both going to the Convention. It would be a little difficult to give much information to Mr. Keller unless some of us are here. However, I am sure we can leave word for them to do what they can to make his visit agreeable and give him as much information as would be possible under the circumstances.

Now, Mitt, don't feel sorry for us. The Silver King Mining Company has had to go out of business, but we are doing all right considering the drubbing the present administration is giving us due to the fact that they are financing, with our money, foreign production of lead and zinc in areas where they pay their men about $1.50 to $2.00 a day, then expect us to compete with them.

They also are killing off the domestic mining industry and when they get it killed off, they will pay through the nose to the foreigners who will, undoubtedly, do what they have done in every country where we have gone in and given them the money to open up and where we have opened up their country for them.

Right now, Chile, Iran, Venezuela, Mexico are outstanding examples, and many more to follow. The British, too,

are pretty good at taking a good crack at us when they have the whip hand. Witness what they did with rubber when they had the opportunity. Tin is another illustration in Bolivia.

So, you boys just go on the way you are going and this will be a #2 country, second rate and under the domination of the Russians before very long.

You, I am sure, if you were out in private practice, would know that they are making monumental mistakes in the handling of the domestic mining industry, and the fact that they have given us a little money to do some development work with does not, in any way, make up for the efforts they are now making to destroy domestic mining as a business.

With kind regards and best wishes,

Sincerely yours, "Harry"

W. H. H. CRANMER

WHHC:FZ

FILE COPY
SURNAME:

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

DMEA 107

SEP 1 1 1952

Mr. W. H. H. Cramner, President
New Park Mining Company
904 Walker Bank Building
Salt Lake City, Utah

Dear Harry:

At long last our DMEA organization in Washington has achieved a position where we are abreast of our workload and adequately staffed to permit field trips by the Division Chiefs. Our first opportunity exists, therefore, to see some of the major projects through our own eyes and to otherwise be able to discuss problems of mutual interest between your company and the DMEA.

In this connection Mr. Howard F. Keller, Chief of the Base Metals Division, has arranged to visit your district between September 15 and 21. Mr. Keller will no doubt first contact your Salt Lake office for general discussions and to make arrangements for inspection trips to some of the project sites.

Our prime objective in administering the DMEA program is to make it as effective as possible and to undertake appropriate changes which will cure defects of its administration. I am sure that you will be in a position to give Mr. Keller some valuable suggestions. We are also deeply concerned regarding the future outlook of your operations as they might be affected by depressed metal prices and increased costs, and the extent to which the performance of the work under your exploration contract might be influenced by those factors.

Mr. Keller will be accompanied by a member of the DMEA Field Team who, I understand, will arrange for transportation during his visit. Any assistance which you can extend to them will be greatly appreciated.

With kindest personal regards, and hoping that we may meet in Denver during the coming Convention, I remain

Sincerely,

Mitt (fw) J.H.
9-11-52

C. O. Mittendorf
Administrator

COMittendorf/fw
cc: Admr Reading File
Mr. Keller - 2
Mails & Files
Mr. Mittendorf

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

224 New Customhouse
Denver 2, Colorado

August 22, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 28 1952

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5 (Zinc-Lead), New Park Mining Company, Wasatch County, Utah

Enclosed are two copies of the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the period of May, 1952, pertaining to Project No. 3, DMA Docket 107, Contract I-DMA-E5, New Park Mining Company.

for John F. Shaw
W. H. King

Enclosures

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
AUG 28 1952

224 New Customhouse
Denver 2, Colorado

August 22, 1952

Memorandum

To: Secretary to the Operating Committee

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5 (Zinc-Lead), New Park Mining Company, Wasatch County, Utah

Enclosed are two copies of the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report, and other supporting data for the period of May, 1952, pertaining to Project No. 2, DMA Docket 107, Contract I-DMA-E5, New Park Mining Company.

for John F. Shaw
W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

August 4, 1952

Mr. W. H. H. Cranmer, President
New Park Mining Company
904 Walker Bank Building
Salt Lake City, Utah

Re: DMA Docket 107
Contract I-DMA-E5

Dear Mr. Cranmer:

Consistent with authority delegated the Executive Officer, DMEA Field Team, Region IV, we hereby waive the requirement for you to provide documentary support of Form MF-104 (Revised-April 1952) Operator's Monthly Report and Voucher, beginning with the first monthly report using the revised forms, MF-104 and MF-104A, except for support of equipment purchases for which the individual costs exceed $50.00 as explained on the reverse side of Form MF-104 (Revised).

In lieu of documentary support of the monthly voucher, an auditor from the Contract Administration and Audit Division will make interim audits of your books, and will make a final audit on completion or termination of the contract, before the final voucher is processed for reimbursement.

This waiver does not forego the requirement for a concise but complete narrative that must accompany the original and each copy of the Monthly Report.

Very truly yours,

W. H. King

W. H. King
Executive Officer
Field Team, Region IV

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

224 New Customhouse
Denver 2, Colorado

July 30, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 4 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Amendment No. 10 to Contract I-DMA-E5, Docket DMA 107, New Park Mining Company

Enclosed are the original and two copies of Amendment No. 10 to Contract I-DMA-E5. Copies of this amendment have been given to the operator, Fiscal Officer, Region IV, and a copy has been retained for our files.

Also enclosed are three copies of a letter from the operator requesting this amendment and three copies of a memorandum from F. L. Wideman, Bureau of Mines Engineer, recommending this amendment.

W. H. King

W. H. King

Enclosures

RECEIVED
AUG 6 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

224 New Customhouse
Denver 2, Colorado

July 15, 1952

Memorandum

To: Secretary to the Operating Committee, Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5, (Zinc, Copper, Lead) New Park Mining Company, Keetley, Utah - Project #3

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104, Operator's Narrative Report, Inspecting Engineers Narrative Report, and other supporting data for the month of April, 1952, pertaining to DMA Docket 107, Contract I-DMA-E5, New Park Mining Company - Project #3.

W. H. King

W. H. King

Enclosures

JUL 21 1952

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

224 New Customhouse
Denver 2, Colorado

July 15, 1952

Memorandum

To: Secretary to the Operating Committee, Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5, New Park Mining Company, Keetley, Utah (Lead, Zinc, Copper) Project #2

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104, and Operator's Narrative Report, Inspecting Engineers Narrative Report, and other supporting data for the month of April, 1952, pertaining to DMA Docket 107, Contract I-DMA-E5, New Park Mining Company, Project #2.

W. H. King

W. H. King

Enclosures

JUL 21 1952

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

224 New Customhouse
Denver 2, Colorado

July 15, 1952

Memorandum

To: Secretary to the Operating Committee, Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5, (Lead, Zinc, Copper) New Park Mining Company, Keetley, Utah - Project #1.

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104, Operator's Narrative Report, Inspecting Engineers Narrative Report, and other supporting data for the month of April, 1952, pertaining to DMA Docket 107, Contract I-DMA-E5, New Park Mining Company, Project #1.

W. H. King

W. H. King

Enclosures:

JUL 18 1952

July 8, 1952

Memorandum

To: W. H. King, Acting Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA-107, Contract I-DMA-E5, New Park Mining Co., Keetley, Utah - your memorandum of June 12, 1952.

Enclosed are copies of a memorandum prepared by F. L. Wideman concerning the contractor's request for diamond drilling on project 2 under the subject contract.

Recommendation is made that the company be permitted to substitute diamond drilling for crosscutting to obtain maximum information.

Stephen R Wilson
Stephen R. Wilson

Enclosure

S. R. Wilson

June 23, 1952

F. L. Wideman

DMA-107, Contract IDMA-E5, New Park Mining Co., Keetley, Utah.
Request for an amendment to diamond drill in project 2.

Reference is made to a letter from the operator to the executive officer, Region IV, dated June 7, 1952, requesting an amendment to core drill on project 2.

The project was inspected on June 17, 1952. Project work at the present time consists of drifting along a mineralized structure which was encountered in the 8-628 crosscut. There is some question as to whether or not this structure is the objective of the 8-623 crosscut. The company is requesting permission to core drill ahead of the crosscut to determine if there are other structures within the footage set up in the contract for the 8-628 crosscut. Work has been recessed in the 8-630 crosscut because any water in addition to that already developed by the project might flood workings below the 800 level. Most of the mine's production is coming from these lower levels.

Both the 8-628 and 8-630 crosscuts are in essentially unexplored ground. Any structures, as well as the country rock, are potential sources of large flows of water.

It is recommended that (1) The contract be amended to permit the operator to core drill ahead of both crosscuts to obtain information on geology and water conditions, and (2) The lowest bid for drilling be accepted.

Naturally, the company is desirous of notification of approval as quickly as possible in order to complete negotiations for drilling.

F. L. Wideman

F. L. Wideman

S. R. Wilson June 20, 1952

F. L. Wideman

DMA-107, Contract IDMA-E5, New Park Mining Co., Keetley, Utah.
Request to temporarily recess work on project 3.

Reference is made to a letter from the operator to the Executive Officer, Region IV, dated June 7, 1952.

The work accomplished and water flow conditions as stated in the last paragraph of the above-mentioned letter were investigated and verified on June 17, 1952. The flow of water developed by the project has not decreased as anticipated. As stated in a letter from the operator dated May 3, 1952, additional water flow would jeopardize the project work done to date and also complicate work being done by the Naildriver Mining Co. under DMA-1094X, Contract I-DMA-E16.

The property is presently closed by a labor strike.

F. L. Wideman
F. L. Wideman SRW

NEW PARK MINING COMPANY

KEETLEY, UTAH

/C
O
P
Y/

June 7, 1952

Mr. J. H. East, Jr.
Executive Officer, Region IV
Defense Minerals Administration
224 New Customhouse
Denver 2, Colorado

Re: Docket DMA-107
Contract I-DMA-E5

Dear Mr. East:

We have encountered some unforeseen difficulties in Projects 2 and 3 under the above named contract. We feel that certain changes in our program should be made, and I wish to make the following suggestions and requests at this time.

Project 2 has involved two crosscuts numbered 8-628 and 8-630. These are being driven in opposite directions from a more or less common starting point to crosscut a westerly extension of the Mayflower fissure system over a distance of 1,500 feet. In driving these crosscuts we have encountered a water flow that is endangering the haulage in the Mayflower tunnel, and also is a source of potential flooding of other underground workings. To avert this danger we have started a drift on a mineralized structure that was encountered in the 8-628 Crosscut. The work in this drift is according to procedure authorized under the contract. There still remains approximately 400 feet of crosscutting to be completed in each crosscut for a total of 800 feet. Rather than continue these crosscuts and increase the water hazard, we wish to have the contract amended to provide for 800 feet of diamond drilling to be done from the face of each crosscut to provide information on potential water flows, as well as provide geological information to help in deciding whether or not the crosscuts should be continued according to the plan originally outlined in this contract. We have requested bid information on diamond drilling from three companies, namely the E. J. Longyear Company of Minneapolis, Boyles Bros. Drilling Company of Salt Lake City and the Joy Manufacturing Company of Salt Lake City. The Longyear Company has indicated that they are not able to bid on this work at this time. Boyles Bros. and Joy Manufacturing Co. submitted bids. The Joy Manufacturing Company is the low bidder and I quote their bid as follows:

BX Drilling	$6.25 per foot
AX Drilling	$5.65 per foot
EX Drilling	$5.40 per foot

Minimum guaranteed footage 800 feet.
Maximum depth of each hole 400 feet.
Reaming, casing and cementing $40.00 per 8 hour shift plus cost of materials used.
Customer to furnish air and water for the drill.
Casing lost or ordered left in place at cost.
Delays in air, water, etc. $40.00 per 8 hour shift.
Customer to furnish sufficient head room so drill rods Can be handled in at least 10 foot sections.
Customer to move equipment into the mine between holes and out of the mine upon completion of the drilling.
If water is encountered in the drill holes and the customer desires that we place a valve on the casing to shut off the water, we can arrange to do so, and all such time involved would be invoiced at $40.00 per 8 hour shift.
We would expect the customer to furnish the necessary valves.
Joy Manufacturing Company has indicated that they can proceed with this work within 30 to 45 days upon notification that their bid has been accepted.

As indicated by this bid there will be some New Park expense for labor, air and water, casing, cement, etc.

The rates quoted by Boyles Bros. were approximately $1.50 per foot higher for drilling and the cementing or grouting time is quoted at $8.00 per hour plus cost of materials.

We feel that this proposed drilling procedure is the only practical method of approaching this problem in line with the water hazard involved.

During the month of May we have proceeded with diamond drilling in Project 3 to determine the water hazard involved in this work. Five short holes, each less than 100 feet in length, were drilled and each one developed additional water flow. The total water developed was so great that it exceeded the ditch capacity and flooded the track in several areas in the Star of Utah Tunnel. Due to the extent of this water flow we have found it necessary to temporarily abandon the work in the project. There is some indication that the total flow may be decreasing, and we hope that as the spring water run-off passes it may be possible to again resume this work. We request your approval on the temporary suspension of operations in Project No. 3.

Very truly yours,

NEW PARK MINING COMPANY

By /s/ Clark L. Wilson
Clark L. Wilson,
Superintendent

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

224 New Customhouse
Denver 2, Colorado

June 19, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Amendment No. 8 to Contract I-DMA-E5, Docket DMA 107,
New Park Mining Company

Enclosed are the original and two copies of Amendment No. 8 to Contract I-DMA-E5. Copies of this amendment have been given to the Operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

W. H. King

W. H. King

Enclosures

JPS:ld

cc: Contract, chron.
Koschmann

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

224 New Customhouse
Denver 2, Colorado

June 18, 1952

JUN 23 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Amendment No. 9 to Contract I-DMA-E5, Docket DMA 107, (Lead)
New Park Mining Company

In reply to your letter dated June 16, 1952, requesting justification of Amendment No. 9 to Contract I-DMA-E5, we are enclosing a copy of a letter from Clark L. Wilson, Superintendent, New Park Mining Company, to Mr. J. H. East, Jr., requesting this amendment. The facts in this letter were confirmed by an engineer from our Salt Lake office.

We did not send you a copy of this letter before because we do not have sufficient clerical personnel to copy all incoming letters of this nature.

W. H. King

W. H. King

Enclosure

515 6-24-52

NEW PARK MINING COMPANY
Keetley, Utah
May 3, 1952

COPY

Mr. J. H. East, Jr.
Executive Officer
Field Team, Region IV
Defense Minerals Administration
224 New Customhouse
Denver, Colorado

Re: Contract I-DMA-E5
Docket DMA 107

Dear Mr. East:

As our progress reports have indicated, Project No. 3 under the above contract is being driven southwest through the Miriam Claims to crosscut the extension of fissures known to exist in this area.

At the time this project was started a small amount of water was draining from the old crosscut face. As this has been advanced additional fractures have been crosscut and a sizable flow of water, probably 500 to 800 gallons per minute, has been encountered.

The flow of water is so great and it is so cold that it is difficult to advance this crosscut. Furthermore, we have completely filled the existing ditch through most of the tunnel. We feel that additional crosscutting without some type of exploration for additional information on water flow may jeopardize the entire project, and also complicate the work of the Naildriver Company that is operating in a DMA project ~~xxg~~ through a section of our Star of Utah Tunnel.

Accordingly we believe it to be wise to drill several diamond drill holes from the present face of the crosscut and test for additional water flow, as well as to combine the present flow into two or three holes, thereby enabling the crew to work to advantage.

We have our own diamond drill equipment capable of drilling to the depth of 250 feet. We also have the labor available to operate this equipment.

It is difficult to give correct estimates of the cost of this work, but I would suggest that we might possibly drill between 500 and 750 feet of hole at an estimated direct cost for labor and materials of, $3.50 per foot.

It is our considered opinion that this method of investigation is the only one feasible to obtain the necessary information to determine our future plan of action. We request approval of this work.

Very truly yours,

/s/ Clark L. Wilson, Supt.
New Park Mining Company.

500
FILE COPY
SURNAME:

Mould
Minot

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

JUN 1 6 1952

Mr. W. H. King
Executive Officer, Region IV
DMEA Field Team
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMA 107 - Lead
Contract No. I-DMA-E5
New Park Mining Company

Dear Mr. King:

With reference to Amendment 9 to the subject contract recently submitted to this office, we note that exploratory diamond drilling preliminary to advance of the crosscut heading has been made an allowable cost of Project #3.

Review of the contract indicates that Project #3 consists of 1800 feet of drifting and crosscutting, 900 feet of timbering, 1650 feet of drift repair, and 1750 feet of ditch cleaning. Diamond drilling is not mentioned in the contract as a proposed method of exploration.

We assume that this exploratory drilling will be of value either to indicate the condition of the ground or possibility of water flow in advance of the actual tunnel. There is, however, no information accompanying this amendment to indicate the necessity of the diamond drilling or its relation to the objective of the program. While this information was undoubtedly available to support your action in executing this amendment, we believe that a statement of the factors pertinent to an amendment of a contract should be attached to, or incorporated in, your letter of transmittal. This information should be available in the Washington files as well as to provide the Washington staff with general information on the program and performance of contract in effect in your Region.

Sincerely yours,

(signed) FRANK E. JOHNSON (NB)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

S.N.
6-16-52

APPROVED:

Charles N. Merrill (NB)
Member, Bureau of Mines

D. M. Lemmon (NB)
Member, Geological Survey

DEMoulds/mef
6/13/52
cc to: Adm. R. File
Op. Comm.
Docket
Mr. Moulds
Mr. McKnight
Mr. Bishop

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

224 New Customhouse
Denver 2, Colorado

June 3, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Amendment to Contract I-DMA-E5, Docket DMA 107, New Park Mining Company

Enclosed are the original and two copies of Amendment No. 9 to Contract I-DMA-E5. Copies of this amendment have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

W. H. King
W. H.King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 6 1952

SDS
6.17.52

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

224 New Customhouse
Denver 2, Colorado

June 3, 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, Docket No. 107, Contract I-DMA-E5,
New Park Mining Company, Keetley, Utah

Enclosed are the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data for the period of March, 1952, pertaining to Project No. 3, DMA Docket 107, Contract I-DMA-E5, New Park Mining Company, Keetley, Utah.

W. H. King

W. H. King

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 6 1952

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

224 New Customhouse
Denver 2, Colorado

June 3, 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, Docket No. 107, Contract I-DMA-E5,
New Park Mining Company, Keetley, Utah

Enclosed are the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data for the period of March, 1952, pertaining to Project No. 2, DMA Docket 107, Contract I-DMA-E5, New Park Mining Company, Keetley, Utah.

W. H. King

W. H. King

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 6 1952

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

224 New Customhouse
Denver 2, Colorado

June 3, 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, Docket No. 107, Contract I-DMA-E5,
New Park Mining Company, Keetley, Utah

Enclosed are the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data for the period of March, 1952, pertaining to Project No. 1, DMA Docket 107, Contract I-DMA-E5, New Park Mining Company, Keetley, Utah.

W. H. King

W. H. King

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 6 1952

500
FILE COPY
SURNAME:

Moulds

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

MAY 9 1952

Mr. J. H. East, Jr.
Executive Officer, Region V
DMEA Field Team
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. DMA 107
Amendment No. 5
New Park Mining Co.

Dear Mr. East:

We are transmitting, herewith, two copies of the executed Amendment 5 to the subject contract. One copy is to be given to the Operator and the other attached to the copy of the contract, which you have in your files.

Sincerely yours,

D. E. Moulds (mef) J.H. 5-9-52

D. E. Moulds, Chief
Base Metals Division
Defense Minerals Exploration
Administration

Enclosures - 2

DEMoulds/hmj
5-8-52
CC to: Adm. Reading File
Docket File Copy
Region V
Mr. Moulds

500 FILE COPY
SURNAME:

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

FXCorbett
Moulds

April 28, 1952

Memorandum

To: C. O. Mittendorf

From: Base Metals Division

Subject: New Park Mining Company, Docket DMA 107
February Report

No significant mineralization was found as a result of the work completed under this contract during February 1952.

Project No. 1: Cross cut 8-P-100 was driven 92.5 during the month making a total advance of 690.5'. The rock penetrated was barren, fresh diorite.

Total expenditure to date - $24,187.20

Project No. 2: Total advance of 167.5' was made in three headings making a total for the project 1053.5'. 801-A cross cut was advanced 20'. 8-628 crosscut was driven 67' and crosscut 8-630 was advanced 80.5'. Altered diorite was penetrated no mineralization was found.

Total expenditure to date $ 47,901.00

Project No. 3: The rehabilitation of #6456 crosscut was completed with the cleaning and retimbering of 211.5's a total of 3400. No mineralization was noted.

Total expenditure to date - $ 41,870.71

Total expenditure for the project	$113,958.91
Total allowable maximum	$234,395.20
Balance	$120,436.29

D. E. Moulds

FXCorbett/hmj
4-28-52 CC to: Adm. Reading File
Docket File Copy
Mr. Corbett
Mr. Moulds

D. E. Moulds

epl
S
R+R

FILE COPY
SURNAME:

Fx. Corbett
Moulds

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

April 25, 1952

Memorandum

To: C. O. Mittendorf

N.S. in R. R.

From: Base Metals Division

Subject: New Park Mining Co., Docket DMA-107

The exploration contract of the New Park Mining Co. of Keetly, Utah has been in progress since last October and to date (February 1) has produced no ore nor any significant indications of ore.

Considering the contract as three separate projects, as has been done in the field reports, the following results are of interst;

Project #1 - 598' of an allowable maximum of 800' of crosscut has been completed with negative results. The crosscut has penetrated hard, fresh diorite the entire distance. Four fissures containing quartz, sericite, and weak sulphides were cut. The total expenditure to date has been $21,393.65.

Project #2 - 886' of drifting has been completed, of which 421' required timbering for support. The only mineralization of even potential interest was cut at 195' from the starting point. This consisted of 3" of material which assayed: Au. 0.1 oz., Ag. 24.6 oz., Pb. 8.7%, Cu. 0.4% Zn. 10.7%. To date $41,100.04 has been spent on this project.

Project #3 - 3188' of crosscut have been cleaned and retimbered since the start of the program. No ore has been found as a result of this work. To date $39,152.05 has been spent in this work.

Considering the progress made and comments in the field reports, the work has been carried on expeditiously. There has been no ore produced and it is doubtful if any significant production can be realized by exploiting the one narrow vein which was cut.

A total of $101,645.74 of an allowable maximum of $117,197.60 has been spent to date, February 1, 1952.

It is recommended that this project be terminated when the funds are exausted.

D. E. Moulds

FXCorbett/epl/hmj
4-25-52 CC to: Adm. Reading File
Docket File Copy
Mr. Moulds
Mr. Corbett

D. E. Moulds

To the [illegible]
OK

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

224 New Customhouse
Denver 2, Colorado

April 9, 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5,
New Park Mining Company, Keetley, Utah - Project No. 3

Enclosed are the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report and Inspecting Engineer's Narrative Report and other supporting data for the month of February, 1952, pertaining to DMA Docket 107, Contract I-DMA-E5, New Park Mining Company, Keetley, Utah for Project No. 3.

W. H. King
W. H. King for
J. H. East, Jr.

Enclosures

Project No. 3
Doc. 107

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 14 1952

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

224 New Customhouse
Denver 2, Colorado

April 9, 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5,
New Park Mining Company, Keetley, Utah - Project No. 2

Enclosed are the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report and Inspecting Engineer's Narrative Report and other supporting data for the month of February, 1952, pertaining to DMA Docket 107, Contract I-DMA-E5, New Park Mining Company, Keetley, Utah for Project 2.

W. H. King
W. H. King for
J. H. East, Jr.

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 14 1952

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

224 New Customhouse
Denver 2, Colorado

April 9, 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5, New Park Mining Company, Keetley, Utah - Project No. 1

Enclosed are the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report and Inspecting Engineer's Narrative Report, and other supporting data for the month of February, 1952, pertaining to DMA Docket 107, Contract I-DMA-E5, New Park Mining Company, Keetley, Utah for Project 1.

W. H. King
W. H. King for
J. H. East, Jr.

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 14 1952

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

224 New Customhouse
Denver 2, Colorado

March 26, 1952

Defense ...
MAR 31 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Amendments to Contract I-DMA-E5, Docket DMA 107, New Park Mining Company

Enclosed are the original and two copies of each of two amendments to the above contract.

Copies of these amendments have been given to the operator, the Fiscal Officer, Region IV, and we have retained copies for our files.

J. H. East, Jr.

J. H. East, Jr.

Enclosures

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

224 New Customhouse
Denver 2, Colorado

March 24, 1952

Jan

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5, New Park Mining Company, Keetley, Utah

Enclosed are the Operator's Monthly Progress Report, Form MF-104, Operator's Narrative Report and Inspecting Engineer's Narrative Report and other supporting data for the month of January, 1952, pertaining to Project No. 3, DMA Docket 107, Contract I-DMA-E5, New Park Mining Company.

J. H. East, Jr.

Enclosure

Department of the Interior
Defense Minerals Administration
MAR 2 6 1952

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

224 New Customhouse
Denver 2, Colorado

March 24, 1952

Jan

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5, New Park Mining Company, Keetley, Utah

Enclosed are the Operator's Monthly Progress Report Form Mf-104, Operator's Narrative Report and Inspecting Engineer's Narrative Report and other supporting data for the month of January, 1952, pertaining to Project No. 2, DMA Docket 107, Contract I-DMA-E5, New Park Mining Company.

J. H. East, Jr.

J. H. East, Jr.

Enclosure

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[illegible] 2 1952

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

224 New Customhouse
Denver 2, Colorado

March 24, 1952

Jan. 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 107, Contract I-DMA-E5, New Park Mining Company, Keetley, Utah

Enclosed are the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report and Inspecting Engineer's Narrative Report and other supporting data for the month of January, 1952, pertaining to Project No. 1, DMA Docket 107, Contract I-DMA-E5, New Park Mining Company.

J. H. East, Jr.

Inclosure

Defense
MAR 2 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Mineral Administration
Washington 25, D. C.

224 New Customhouse
Denver 2, Colorado

March 20, 1952

July

Memorandum

To: Secretary to the Operating Committee, Defense Minerals Exploration Administration

From: Executive Officer, Region IV

Subject: Monthly Progress Reports, Form MF-104

Enclosed is one copy of the Monthly Progress Report, Form MF-104 and one copy of the narrative report for DMA Docket 107 , Contract No. I-DMA-E5 for the months of July-51, August-51, September-51, October-51, November-51, and December-51.

W. H. King.
W. H. King, for
J. H. East, Jr.

Enclosures

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D.C.
MAR 24 8 35 AM '52

FILE COPY
SURNAME:

100

F L Knouse
Mittendorf (fw)

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

December 18, 1951

Memorandum

To: Mails and Files Section

From: Acting Administrator

Subject: Docket No. DMA 107
New Park Mining Company
Exploration Project Contract I-DMA-E5

Enclosed is an original of a memorandum dated December 12, 1951 from Executive Officer, Region IV, transmitting an amendment, which is also enclosed, to the captioned Exploration Contract. Please attach copy of the amendment to your copy of the contract.

cc 12/20

C. O. Mittendorf (fw)

Enclosures
FLKnouse/meb
cc to: Adm.Reading File
Mails & Files
Mr. Mittendorf
Mr. Knouse
Fld.Team,Reg.IV(2)
Docket

OFFICE OF THE ADMINISTRATOR

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

DEPARTMENT OF THE INTERIOR
RECEIVED
DEC 17 1951
Defense Minerals Administration,
Production Expansion Division.

224 New Customhouse
Denver 2, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 17 1951

December 12, 1951

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division
Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

Subject: DMA Docket 107, Amendment to Contract I-DMA-E5, New Park Mining Company

Enclosed are the original and two copies of an amendment to the above contract which provides for bookkeeping, clerical work and stenographic help.

Copies of this amendment have been given to the operator and to the Fiscal Officer, Region IV, and a copy has been retained for our files.

P. T. Allsman, for
J. H. East, Jr.

Enclosures

FILE COPY
SURNAME:

410

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

Contract Service Section
General Accounting Office
4th Floor - New GAO Building
Washington 25, D. C.

NOV 13 1951

Re: Docket No. DMA - 107
New Park Mining Company
Exploration Project Contract Idm-E5

Gentlemen:

Enclosed is the original, signed copy of an Amendment to the captioned Exploration Contract which should be attached to your copy of the contract.

Sincerely yours,

(signed) FRANK E. JOHNSON (fw)

Acting Director
Production Expansion Division

Enclosure

FEKnouse/meb
11/8/51

cc to: Admr's Reading Files
Reports and Records
PED
Field Team, Reg. IV(2)
Mr. Knouse
Docket

Mr. Krause

OFFICIAL FILE

DEPARTMENT OF THE INTERIOR
RECEIVED
NOV 7 1951
Defense Minerals Administration,
Producing Expansion Division

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

To	Init.	Date
210		

224 New Customhouse
Denver 2, Colorado

October 29, 1951

Memorandum

To: C. O. Mittendorf, Director Production Expansion Division
Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

Subject: Amendment to Contract I-DMA-E5, DMA Docket 107, New Park Mining Company, Keetley, Utah

Enclosed herewith is an original and two copies of an amendment to the above contract.

This amendment provides for an increase in the labor rates and permits employment of miners and motormen in less numbers than those specified in Exhibit "D" of the contract.

One copy of the amendment has been mailed to the operator, one copy has been given to the Finance Officer, Region IV, and we have retained a copy for DMA files.

J. H. East, Jr.

J. H. East, Jr.

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 1 - 1951

FILE COPY
SURNAME:

140

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

September 27, 1951

Memorandum

To: J. H. East, Jr., Regional Director, Region IV

From: General Counsel

Subject: New Park Mining Company, Contract No. I-DMA-E5, Docket No. DMA-107, amendment of contract.

Reference is made to your memorandum to me of September 18 forwarding a draft of a proposed amendment to the subject contract and of contract Idm-E84.

I am unable to approve the proposed amendment to the contract.

1. The amendment refers to "the schedule in Exhibit 'A' attached to the contract under the title 'Labor'". I find some three paragraphs entitled "Labor" in Exhibit "A", and do not know if your reference is to all of them or some particular one of them. Assuming that you intend the amendment to apply to all labor it may be stated as follows:

> "Any references in Exhibits 'A' and 'D' to maxima which may be paid for labor are considered to be amended to provide that the maximum rates to be paid for labor shall be the prevailing rates of the district. The operator shall notify the Government immediately upon any changes in these prevailing rates. If miners and motormen are employed in less numbers than those specified in Exhibit 'D', the rate of work specified for Project No. 1 may be reduced, provided that the work may be accomplished within the time limitation of twenty months fixed by Article 3 of the contract form."

2. In the last paragraph of your amendment the reference to "Article 13 of the contract form" must be changed to "Article 11 of the contract form".

RRGuthrie/JLHofflund/bjl
Copy to: Repts. & Records
J. L. Hofflund
R. R. Guthrie
C. O. Mittendorf
Chron.

J. L. Hofflund
General Counsel

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

JULIAN W. FEISS
ASSISTANT TO THE ADMINISTRATOR

DEFENSE MINERALS ADMINISTRATION

FULL RATE

WASHINGTON 25, D.C. JUNE 21, 1951

W. H. H. CRANMER
NEW PARK MINING COMPANY
SALT LAKE CITY, UTAH

CONTRACT MAILED FROM DENVER OFFICE TO YOU YESTERDAY, WEDNESDAY, JUNE 20 ACCORDING TO EAST. YOU SHOULD HAVE IT BY THIS TIME.

Sgd.
JULIAN W. FEISS

JWFeiss:mme

Copy to: Mr. Secrest
Audits
Mr. Feiss
Files

Page 107

258

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

W. P. MARSHALL, PRESIDENT

(28) (52)

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=Int'l Letter Telegram

VLT=Int'l Victory Ltr.

Sent to J. Cox on June 8-1951

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

LA208

1951 JUN 20 PM 4 50

L.SLA540 PD=SALTLAKECITY UTAH 20 212P=

JULIAN FIESS ASST TO THE DIRECTOR BUREAU OF MINES=

=DEPT OF INTERIOR BLDG WASHDC=

=CONTRACT AND APPROVAL OF APPLICATION FOR PROJECT 107.

FOR NEW PARK MINING COMPANY HAS NOT BEEN RECEIVED.

PLEASE ASCERTAIN STATUS AND PROSPECTS FOR RECEIVING

THIS CONTRACT AND WIRE ME AT OUR EXPENSE 903 WALKER

BANK BUILDING=

W H H CRANMER PRESIDENT NEW PARK MINING CO=

2. Explore 99811

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

BUREA MINES
MA OM
WASHINGTON, D. C.
JUN 21 8 01 AM '51

FILE COPY
SURNAME:

Mittendorf

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

Memorandum June 7, 1951

TO: Mr. C. O. Mittendorf
Director, Production Expansion Division

FROM: F. L. Knouse

SUBJECT: Docket DMA-107
Commodity - Lead, zinc, and copper

Recommended for Exploration.

Applicant: New Park Mining Company
Keetley, Utah

Mines: New Park Mining Company
Mayflower and Star of Utah Levels, Keetley, Utah

Summary and Recommended Participation by DMA

Total cost of projects applied for	$253,928.70		
Total cost of projects recommended		$234,395.20	100%
Equipment 1/		12,733.00	
Drifting, crosscutting, retimbering, and cleanup		221,622.20	
Participation, DMA funds		117,197.60	50%

1/ Covers cost of one model 12-B Eimco mucker, two type-B Goodman Battery Trammers, and one Goodman Panel Generator.

Discussion

Management

The present management has been in charge of this mine over ten years, during which time it has proven its competence by a record of continuous profitable operation and a ten-year continuous period of dividend payments (dividends paid $1,908,381 for this period).

Mine

Mayflower Tunnel (800 Level-El. 6500 ft.)

The accessible horizontal workings on this level exceed 14,000 ft. Production from the mine has been chiefly obtained through this level. The Mayflower orebody has been mined from the 600 level to the 1380 level (780 feet) and its total strike length exceeds 1500 feet on this level. The Pearl orebody has been mined from the 600 level to the 1380 level (780 feet) and has a strike length on this level of 650 feet. Development work on the lower levels indicates an equal or greater ore valve with an increased lateral extent of the orebodies. The Mayflower and Pearl orebodies are parallel, and are separated 300-350 feet.

Star of Utah Tunnel (El. 7225 ft.)

In excess of 35,000 feet of horizontal working (drifting and crosscutting) has been driven. One orebody in the 6563 drift has a strike length of 150 feet from which 48 tons of ore containing .025 oz. gold, 4.6 oz. silver, 3.5% lead, 0.2% copper, and 4.6% zinc.

Record of Production

During 1950 70,480 tons of ore were mined, compared to 64,728 tons for 1949 and 72,831 tons for 1948. The dollar value of the mined ore in 1950 was $24.39 per ton compared to $24.09 in 1949, and $27.00 for 1948. Since 1941 production has ranged from 50,000 to 71,000 tons of ore annually.

Proceeds Derived from Production

	Mined tons	Gold	Silver	Copper	Lead	Zinc	Net-Less freight and treatment
1947		$449,587	$278,548	$63,295	$709,228	$582,984	$1,861,312
1948	72,831	489,325	288,224	69,726	867,253	541,101	2,001,608
1949	64,783	468,797	257,177	51,856	589,830	420,712	1,559,600
1950	70,480						1,719,328

Net Income

1947	$379,973
1948	388,225
1949	161,728
1950	248,062

Operational Forecast

The applicant verbally reported a current monthly production program of 7000 to 8000 tons of ore. ~~in~~ The exploration and development work on both the 1380 and 1505 levels indicates this program can be maintained for another year.

Comments

The orebodies in this mine occur in fissures in the diorites and adjacent sedimentary rocks. Information gained to date indicates ore valves remain about the same with increasing vertical depth, but orebodies increase in lateral dimension.

Project No. 1 (800 Level El. 6500 ft.)

Of four nearly identical parallel fissures cut in the General Conner Tunnel, one, the Park-Bingham fissure, can be followed west in the Mayflower Tunnel 3500 feet where it merges with the Pearl fissure. It is believed the other three fissures, the Red Pine, Mountaineer, and Homestake, continue to parallel the Park-Bingham fissure on their westward extension, and that they are present north of the Pearl orebody. Because of the location of a number of major orebodies in a north-south belt through the eastern part of the Park City District it is thought that any fissure coming into this belt is a potential ore producer. The county rock north of the Pearl orebody is expected to be diorite for a distance of plus 1000 feet. It has, therefore, been proposed, and it is recommended that an 8'x6.5' (cross-section size) crosscut be driven North 15° West 900 feet to explore this area for orebodies paralleling the Pearl and Mayflower orebodies.

Project No. 2 (800 Level El. 6500 ft.)

Diamond drilling, drifting, and crosscutting in the area west of the main producing Mayflower orebodies indicates that the Mayflower and Pearl fissures continue southwesterly into an area that has been developed on Star of Utah level - 800 feet higher in elevation. Fissures exposed in the Star of Utah level are well mineralized with lead and zinc, and one railroad car of 48 tons of ore was shipped from the 6921 crosscut.

It has, therefore, been proposed and it is recommended that the 801-A drift be driven west along fissure (800 level) 900 feet, then crosscut north 750 feet northwest and southwest 750 feet and drift a total of 500 feet along the most favorable mineralization exposed in these advances. This drift and crosscut (cross-section size) to be 8' x 6.5'.

Project No. 3 (Star of Utah Level El. 7275 ft.)

Lateral work done on the Star of Utah level in the southwest area has exposed a number of quartz veins carrying zinc-lead mineralization, in fissures in both the diorite and Hamberg Formation (sediments). The strongest mineralization cut was in the 6961 crosscut, from which was shipped 48 tons of ore averaging .025 oz. gold, 4.6 oz. silver, 3.5% lead, 0.2% copper, and 4.6% zinc. This ore shoot has a strike length of 150 feet. Only a small amount of drifting was done on these veins that may carry commercial ore at other points along their strikes. Rather than to try to reopen the 6961 crosscut (which is in heavy ground) and now caved, it is planned to drive a new crosscut about 1000 feet west of crosscut 6961 from a point near the face of crosscut 6556 and parallel to it in a southeasterly direction 1400 feet.

This project will explore the same fissure system that project No. 2 will explore, but at a higher elevation and about 800 feet further southwest.

In order to begin driving this 1400-foot crosscut, 400 feet of crosscutting and timbering around an old crooked caved section where the Star south crosscut leaves the Star of Utah Tunnel, clean up and retimber 3350 feet on the South crosscut and excavate a ditch large enough to carry the flow of water from the west workings will be required. In addition it is estimated 1650 feet of timbering will be required in the crosscut. This crosscut is to be driven with a cross-section size of 8' x 6.5'.

The above exploration program is recommended provided it meets the approval of the field team and also that the field team verifies the beginning points of each project.

Details of Recommended Exploration Work

Cost Summary and Time Schedule

Project No. 1

Work and Unit Price	Total Value	Estimated Time to Complete Project
900' Drifting @ $31.05/Ft.	$ 27,945.00	4-1/2 Months
360' Timbering @ $7.07/Ft.	2,545.20	-
	30,490.20	4-1/2 Months

Project No. 2

2900' Drifting @ $31.08/Ft.	$ 90,132.00	14-1/2 Months
1450' Timbering @ $7.07/Ft.	10,251.50	-
	100,383.50	14-1/2 Months

Project No. 3

400' Drifting @ $31.11/Ft.	$ 12,444.00	2 Months
1400' Drifting @ $31.11/Ft.	43,554.00	7 Months
900' Timbering @ $7.07/Ft.	6,363.00	-
1650' Drift Repair @ $15.55/Ft.	25,657.50	8-1/2 Months
1750' Ditch Cleaning @ $ 1.56/Ft.	2,730.00	
	90,748.50	17-1/2 Months

Project No. 1	$ 30,490.20
Project No. 2	100,383.50
Project No. 3	90,748.50
Equipment	12,773.00
Total Cost of Projects	$234,395.20

flknouse/fw

F. L. KNOUSE

cc to: Admr. Reading File
Mr. Strobel
Field Team Reg. IV
Mr. Herres
Mr. McKnight
Mr. Mittendorf, Mr. Olund
Mr. Knouse
FILES

FILE COPY
SURNAME:

Koontz

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

June 5, 1951

Memorandum

To: C. O. Mittendorf

From: General Counsel

Subject: New Park Mining Company
DMA Docket No. 107

This office has reviewed the contract in the above-styled case and approved the same.

The contract is herewith returned to you.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachments

CJKoontz:ds
Copies to: Landon F. Strobel
J. L. Hofflund
C. J. Koontz
Chron.
Files

FILE COPY
SURNAME:

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

May 16, 1951

Mr. H. H. Cranmer, President
New Park Mining Company
Keetley, Utah

Re: Docket No. DMA-107
New Park Mining Company
Keetley, Utah

Dear Mr. Cranmer:

We are attaching forms MF-202 "Landlord's Subordination Agreement" and MF-201 "Mortgagor's Subordination Agreement" that was indicated you would need to complete the data requested to process the above application.

Sincerely yours,

SIGNED

C. O. Mittendorf, Director
Production Expansion Division

Attachments

FLKnouse/bih
cc to: Messrs. COMittendorf
HEOlund
LFStrobel
Otto Herres
Tom Lyon
FLKnouse
F I L E S

LANDON F. STROBEL

NEW PARK MINING COMPANY

KEETLEY, UTAH

May 16, 1951

To: Mr. Strobel

Dr. James Boyd, Administrator,
Defense Minerals Administration,
Department of the Interior,
Washington 25, D. C.

Re: DMA - Docket No. 107

Dear Sir:

Enclosed with this letter is Form MF-100 of the Defense Minerals Administration for serialization of the New Park Mining Company under Mineral Order 7. It is our understanding that this form must be filed previous to June 1, 1951 for priority and allocation assistance under the programs of the Defense Minerals Administration.

If any additional information should be needed, we will do our best to provide such as indicated.

Very truly yours,

NEW PARK MINING COMPANY

By Clark L. Wilson
Clark L. Wilson,
Superintendent

CLW:wga
Encl.

P.

BUREAU OF MINES
WASHINGTON, D. C.

1951 MAY 21 AM 11 40

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 21 1951
LANDON F. STROBEL
Executive Secretary

FILE COPY
SURNAME:

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

FLK
COM Mittendorf

May 8, 1951

Memorandum

TO: Mr. Tom Lyon, Director, Supply Division - DMA

FROM: C. O. Mittendorf, Director
Production Expansion Division - DMA

SUBJECT: DMA Docket No.-107
New Park Mining Company
Keetley, Utah

On April 30, 1951, we received your memorandum recommending this application, without supporting data, and a search for this material produced an incomplete file.

As we are unable to proceed with the processing of this application until the file is completed, we are returning what we have of the file to you so it can be completed, and returned.

C. O. MITTENDORF

Attachment

FLKnouse/bih
cc to: Messrs. COMIttendorf
HEOlund
LFStrobel
Otto Herres
FLKnouse
F I L E S

FILE COPY
SURNAME:

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

Memorandum April 25, 1951

To: Production-Expansion Division Re: Docket DMA-107

From: Lead-Zinc Branch, D. M. A.

Subject: Exploration Loan Commodity: Lead, zinc

A. New Park Mining Company
Keetley, Utah

B. Mayflower Mine
Park City Mining District

C. (1) The New Park Mining Company makes an important contribution to the nation's supply of lead and zinc ores. The annual production is 60,000 to 70,000 tons of ore per year. The average grade is 5.67% Pb, 7.46% Zn, and 0.64% Cu. An important ore discovery would make it possible to maintain the present rate of production and under favorable conditions it is possible the production rate could be doubled for a period of several years.

(2) The proposed method of exploration is based on sound engineering principles and the results of considerable experience in mining and exploring under similar conditions.

(3) Most of the work can be accomplished with the equipment now owned by the company. Additional equipment needed includes 1 Eimco Mucker, 2 Battery Trammers, and 1 Panel Generator. Presumably these items are available at local supply houses, but a priority certificate might be necessary to obtain the equipment.

(4) The applicant requests a participating exploration loan of $253,928.70 under provisions of the Defense Production Act of 1950. Repayment of the Government's share ($126,964.35) to be based on production from the explored ground.

(5) Applicants have demonstrated competence by their past

5

production record and are capable of efficiently prosecuting the proposed exploration projects.

D. Recommendations:

The Lead-Zinc Branch recommends that this project be approved for the amount stated ($253,928.70). The company has agreed to the transfer of their application for a direct loan to the exploration program. It is further stated by the company that the work can be accomplished within the two year limit.

E. The company's proposal is divisable into three separate projects as follows:

1. Exploration north of the Mayflower and Pearl veins for similar parallel ore bodies. Nine hundred feet of crosscutting required to reach objective. Estimated cost, $29,590.20.

2. Exploration of westward extension of Mayflower and Pearl fissure systems and downward extension of mineralized fissures exposed on Star and Utah tunnel level. Thirty-four hundred feet of drifting and crosscutting required to reach objective. Estimated cost, $113,934.00.

3. Exploration on the Star tunnel level of the westward extension of mineralized fissures cut by the 6961 crosscut. Two thousand feet of crosscutting and 1650 feet of old tunnels to be cleaned, ditched, and re-timbered. Estimated cost $97,819.50.

To accomplish this work the applicant requests $253,928.70. The company and the Government will share equally the cost of the exploration program.

F. If the project is successful, the present rate of production, 60,000 to 70,000 tons of ore per year, could be maintained and perhaps doubled for a period of several years. If this anticipated production goal can be met it will make a significant contribution to the defense requirements for zinc and lead.

G. This proposal is based on sound geological reasoning and exploration experience under similar conditions. The basic geologic concepts are set forth under the individual projects.

Although the data submitted is not filed on the regular application forms, the necessary information is contained in the application and in form NSRB 146 and, therefore, can be processed without the necessity of the applicant refiling.

Tom Lyon

Tom Lyon, Director
Supply Division

ALBrokaw:emp
G 4/24/51
Copies to: J. H. East, Jr. (2)
Region IV
Chief, Lead-Zinc Branch
E. T. McKnight 4204 GSA
L. B. Moon
R. H. Mote
L. F. Strobel
C. O. Mittendorf
Files

NEW PARK MINING COMPANY

KEETLEY, UTAH

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

April 19, 1951

Mr. Otto Herres, Chief
Lead-Zinc Branch
Defense Minerals Administration
Department of the Interior
Washington 25, D. C.

Re: DMA-107

Dear Mr. Herres:

Your letter of April 12 enclosing details of the plan for assistance in exploration projects has been received.

We are pleased to note that our proposal will have early consideration. We believe the program for exploration to be practical and to have excellent prospects for success should the application be granted for the full amount of $253,928.70.

We will, of course, be very pleased to have a field examination of the property, if that is indicated and would welcome such an examination at an early date, as we are anxious to get started with this program.

We would not desire to make any modification of our original proposal at this time and we believe we have covered the specific work we wish to undertake. We are ready and willing to provide our share of the funds needed to carry out the proposed exploration or any modification which may be agreed upon. All of the work contemplated we are sure can be completed within two years time.

If there is any information the Department would desire, we will do our best to provide such information on request.

Trusting we may have a favorable answer to our request at an early date,

Yours very truly,

APR 24 1951

W. H. H. CRANMER, President

WHHC:FZ

DMA-107

856

FILE COPY
SURNAME:

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

APR 12 1951

A.B. Campbell for Recm
McKnight
Herres

In reply please refer to DMA-107

Mr. W. H. H. Cranmer, President
New Park Mining Company
Keetley, Utah

Dear Mr. Cranmer:

One of the purposes of the Defense Production Act of 1950 is the encouragement of exploration, development and mining of strategic minerals and metals. Where an applicant has proven reserves of strategic materials, Federal aid in mining can be given through procurement contracts for such materials as are in short supply. On the strength of these contracts, the applicant can obtain private financing in most instances.

The program recently approved for encouragement of exploration of strategic materials calls for participation on the part of the applicant. For zinc, lead and copper deposits it will be necessary to match Government funds on an equal basis. Funds advanced by the Government will be considered a loan, to be repaid if the exploration is profitable, but to be canceled if unsuccessful. The details of the plan, explaining the projects that will be eligible for assistance, the terms and schedules of financing, repayment, and other pertinent information, are enclosed.

A review of your application (DMA-107) for financial aid in an exploration program at the Mayflower mine and the Star of Utah tunnel indicates that your proposal may be considered under this exploration program. Details concerning expenditures that will be considered chargeable to exploration aid will be subject to a final determination by negotiation, but as a preliminary appraisal we believe that the program will apply to the total amount of your application, $253,928.70.

Before we can proceed further with consideration of your application, which may or may not require a field examination, please indicate your willingness to provide your share of the funds needed to carry out the proposed exploration. Any modification of your original proposal that you may wish to make will be considered, but you should be specific concerning the work you wish to undertake.

Very truly yours,

Otto Herres

OTTO HERRES, Chief
Lead-Zinc Branch

ABCampbell:emp
G 3/20/51
Copies to: Chief, Lead-Zinc Br.
L. B. Moon - R. H. Mote
USGS McKnight 4204
2 copies to Mr. J. H. East, Jr.
Exec. Officer, Region IV
Enclosures

L. F. Strobel
C. O Mittendorf
Files

~~DIRECTOR~~
L B Moore

NEW PARK MINING COMPANY

KEETLEY, UTAH

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

November 30, 1950

Dr. James Boyd, Director
Defense Minerals Administration
c/o U. S. Bureau of Mines
Washington, D. C.

Dear Dr. Boyd:

Enclosed you will find an application by the New Park Mining Company, signed by our Superintendent, Mr. Clark Wilson, requesting assistance from the United States Government in carrying on three planned exploration projects. In submitting these projects for your consideration, we have not specified the exact manner of the assistance to be rendered as we are leaving that to your judgment and we realize that you are just now setting up the machinery for the administration of the laws passed by Congress which contemplate such assistance.

We believe the projects as outlined are practical and should be successful in developing much additional ore.

We will deeply appreciate your giving these requests prompt and, if possible, favorable consideration.

Yours very truly,

NEW PARK MINING COMPANY

W. H. H. CRANMER,
President

WHHC:FZ

Encl.

BUREAU OF MINES
WASHINGTON, D. C.

DEC 5 9 21 AM '50

RECEIVED
DEC 5 - 1950
BUREAU OF MINES
OFFICE OF DIRECTOR

NEW PARK MINING COMPANY

KEETLEY, UTAH
November 28, 1950

Dr. James Boyd, Director,
Defense Minerals Administration,
c/o U. S. Bureau of Mines,
Washington, D. C.

Dear Sir:

We are submitting our application to the Defense Minerals Administration for assistance under the Production Act of 1950 so that we may proceed with an exploration program as outlined in the accompanying report.

We have three projects; two in the Mayflower mine and one in the Star of Utah tunnel. These are properties of the New Park Mining Company in the Park City mining district at Keetley, Utah. The New Park Mining Company has been operating in the District under its present management since incorporation in 1932. The Mayflower mine is presently producing 6,000 tons of sulphide ore per month. There is no production from the Star of Utah tunnel at the present time.

Our exploration program suffered during World War II and has not been adequate since that time as the general conditions of the mining industry have not enabled us to have profits sufficient to re-invest in this type of work. The proposed projects are necessary to develop new ore reserves to replace those that have been depleted during the past 10 years.

The accompanying report with maps describes the location, estimated costs and extent of work to be done in these projects. Some new haulage and mucking equipment will be needed as indicated, but present facilities will be adequate for the general operation of this work.

New Park Mining Company now has 224 employees; 158 are employed underground, 16 as mechanics, 24 as surface labor, and 26 as engineers, office and management. These projects will require 12 additional employees and if successful in developing ore reserves, may mean an appreciable expansion in employment. Adequate labor is available due to our location in an agricultural area, fair wage scale, our policy of training new miners and fair and equitable associations with employees and the local Union.

The mine is easily accessible to employees as we are situated on a hard surface State road connecting with U. S. Highway 40. Railroad facilities are available at the portal of the Mayflower tunnel and our ore is shipped directly to the U. S. Smelting, Refining and Mining Company at Midvale, Utah.

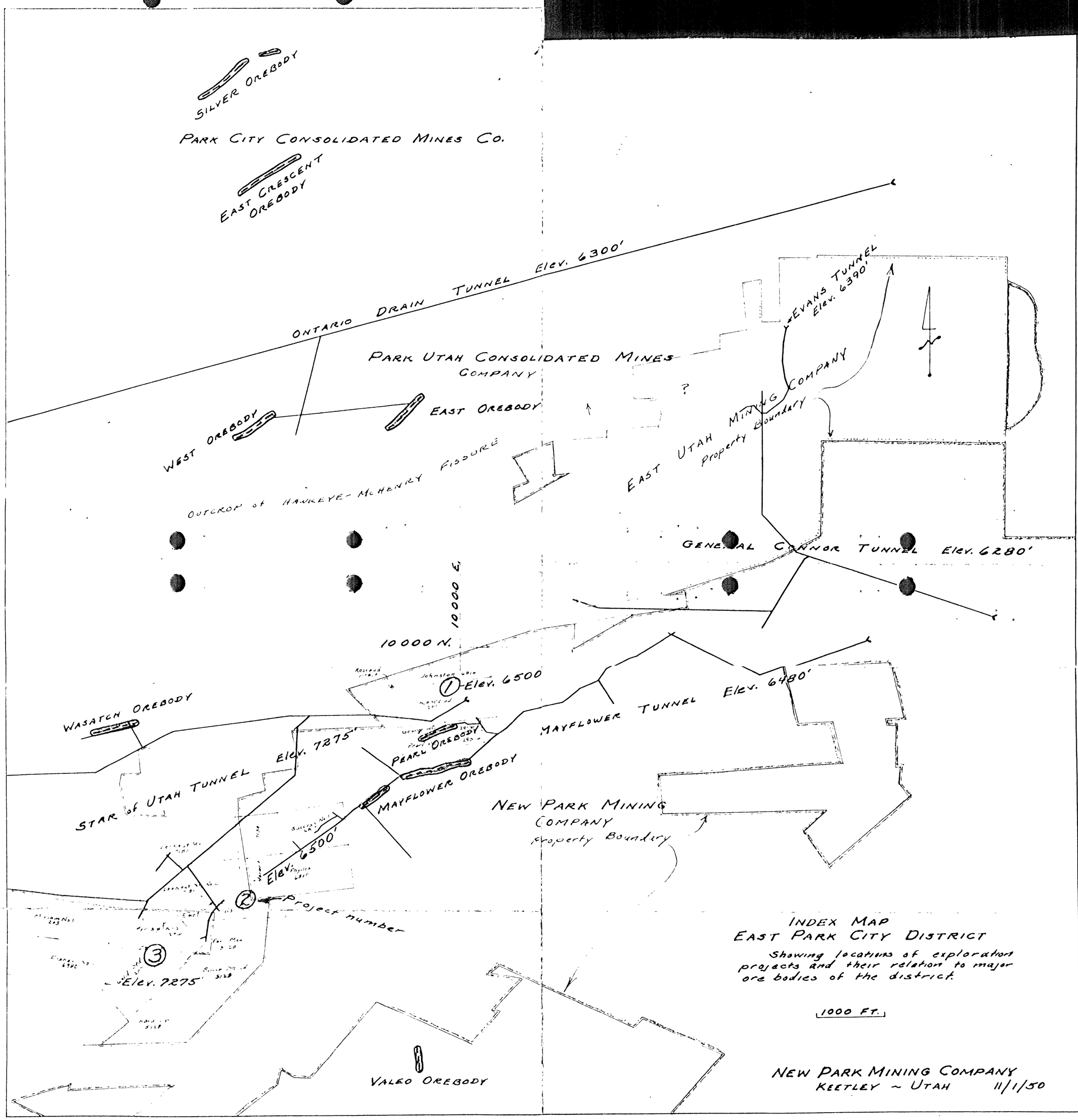
These are sound exploration projects based on competent geological advice, years of operating experience and with the prospect of producing appreciable quantities of metals needed in our national economy. Your consideration of these projects is greatly appreciated.

Yours very truly,

NEW PARK MINING COMPANY

By Clark L. Wilson
Clark L. Wilson,
Superintendent

CLW:wga



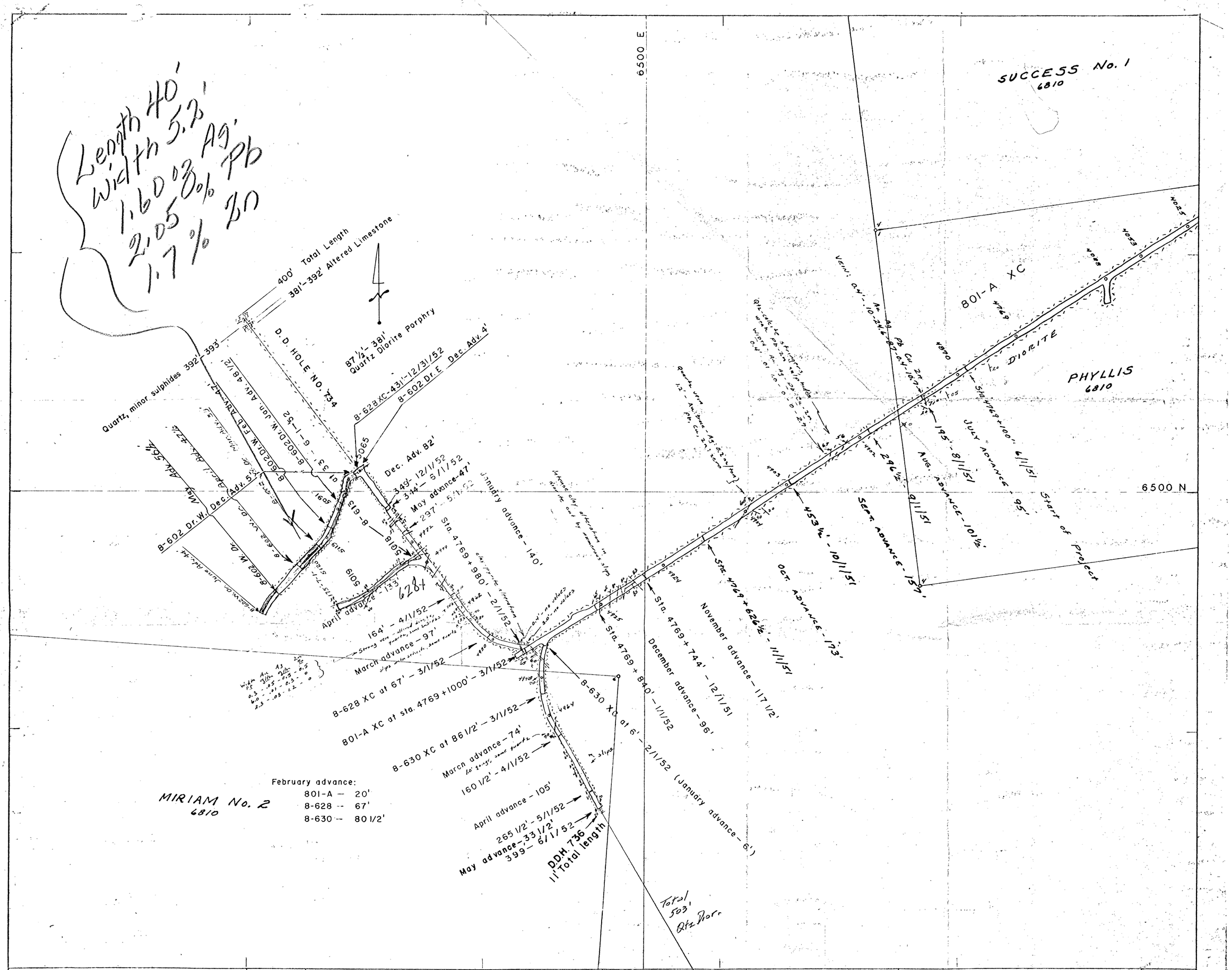
INDEX MAP
EAST PARK CITY DISTRICT

Showing locations of exploration projects and their relation to major ore bodies of the district.

NEW PARK MINING COMPANY
KEETLEY ~ UTAH 11/1/50

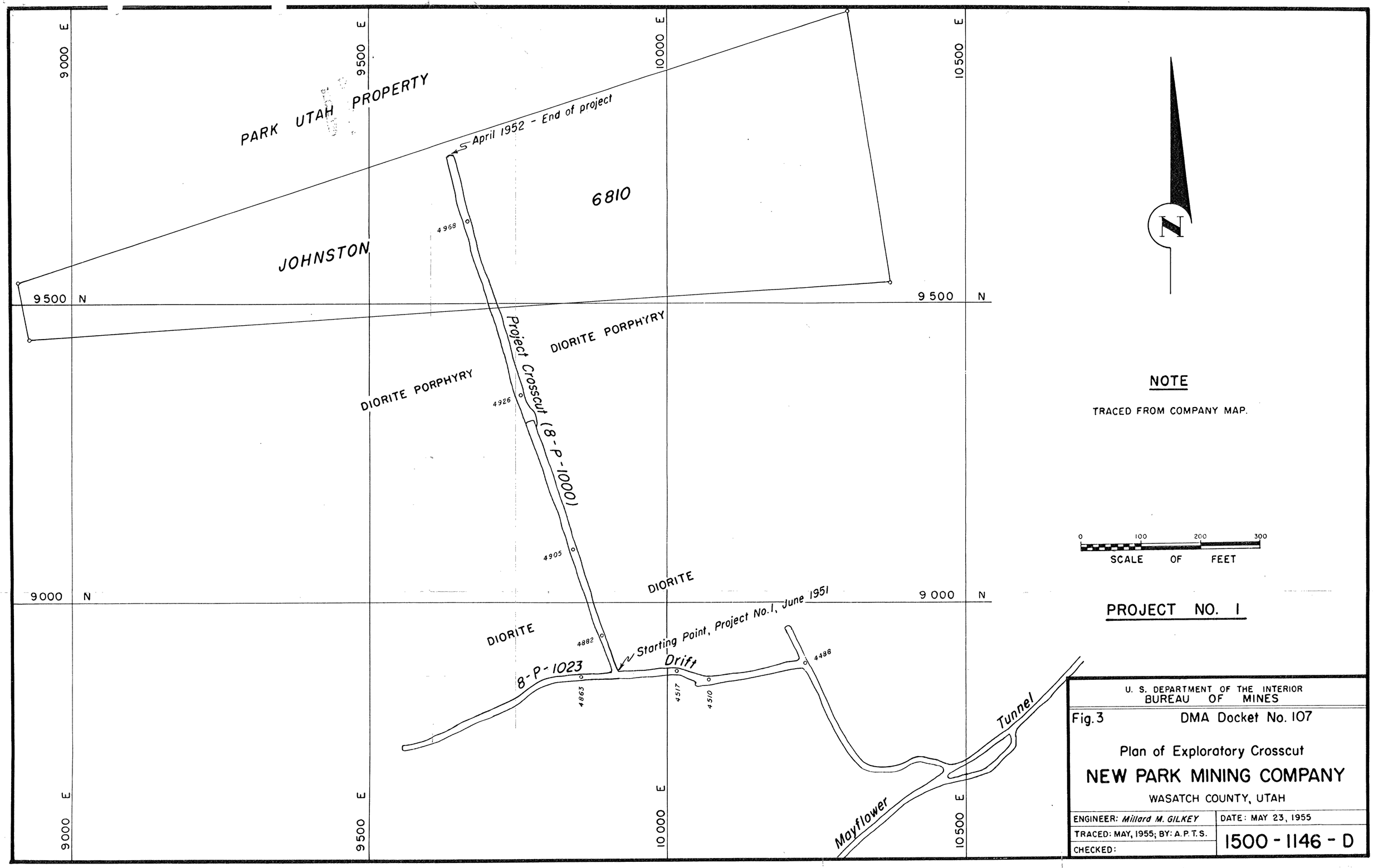
INTRODUCTORY - SHEET 2

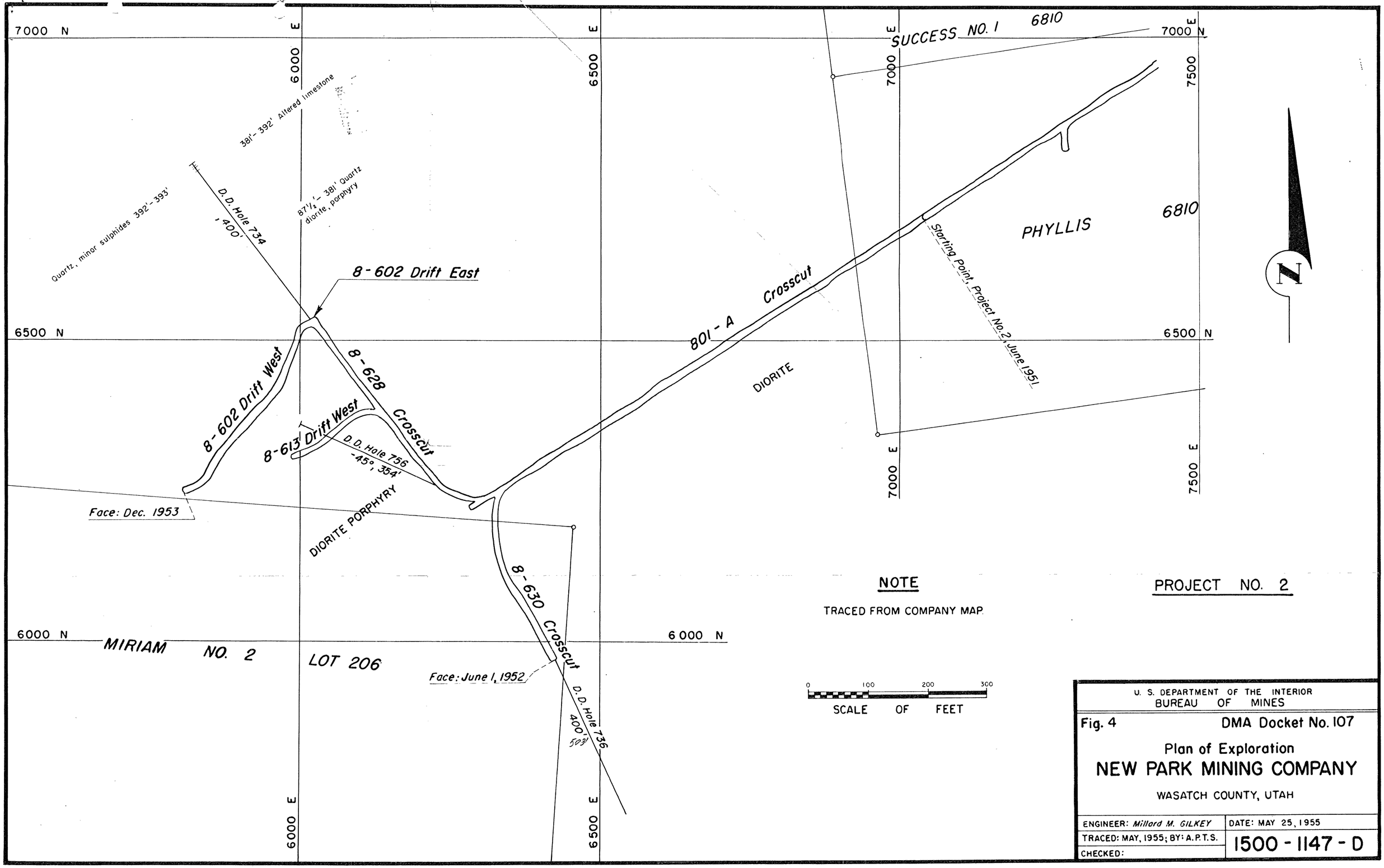
PROJECT 3 - SHEET No. 2



Date	Section	Plan DMA-107 PROJECT NO. 2	Place 801-A CROSSCUT
		MONTHLY PROGRESS MAP NO. 1	NEW PARK MINING COMPANY
By	Looking	Scale 1" = 100'	KEETLEY, UTAH File No. B-14

SALT LAKE BLUE IMPERIAL


9 000 E
9 500 E
10 000 E
10 500 E
PARK UTAH PROPERTY
April 1952 - End of project
6810
JOHNSTON
4968
9 500 N
9 500 N
Project Crosscut (8-P-1000)
DIORITE PORPHYRY
DIORITE PORPHYRY
4926
4905
DIORITE
9000 N
9 000 N
DIORITE
4882
Starting Point, Project No. 1, June 1951
8-P-1023
Drift
4863
4517
4510
4488
Tunnel
Mayflower
N
NOTE
TRACED FROM COMPANY MAP.
0 100 200 300
SCALE OF FEET
PROJECT NO. 1
U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Fig. 3
DMA Docket No. 107
Plan of Exploratory Crosscut
NEW PARK MINING COMPANY
WASATCH COUNTY, UTAH
ENGINEER: Millard M. GILKEY
DATE: MAY 23, 1955
TRACED: MAY, 1955; BY: A.P.T.S.
CHECKED:
1500 - 1146 - D



U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

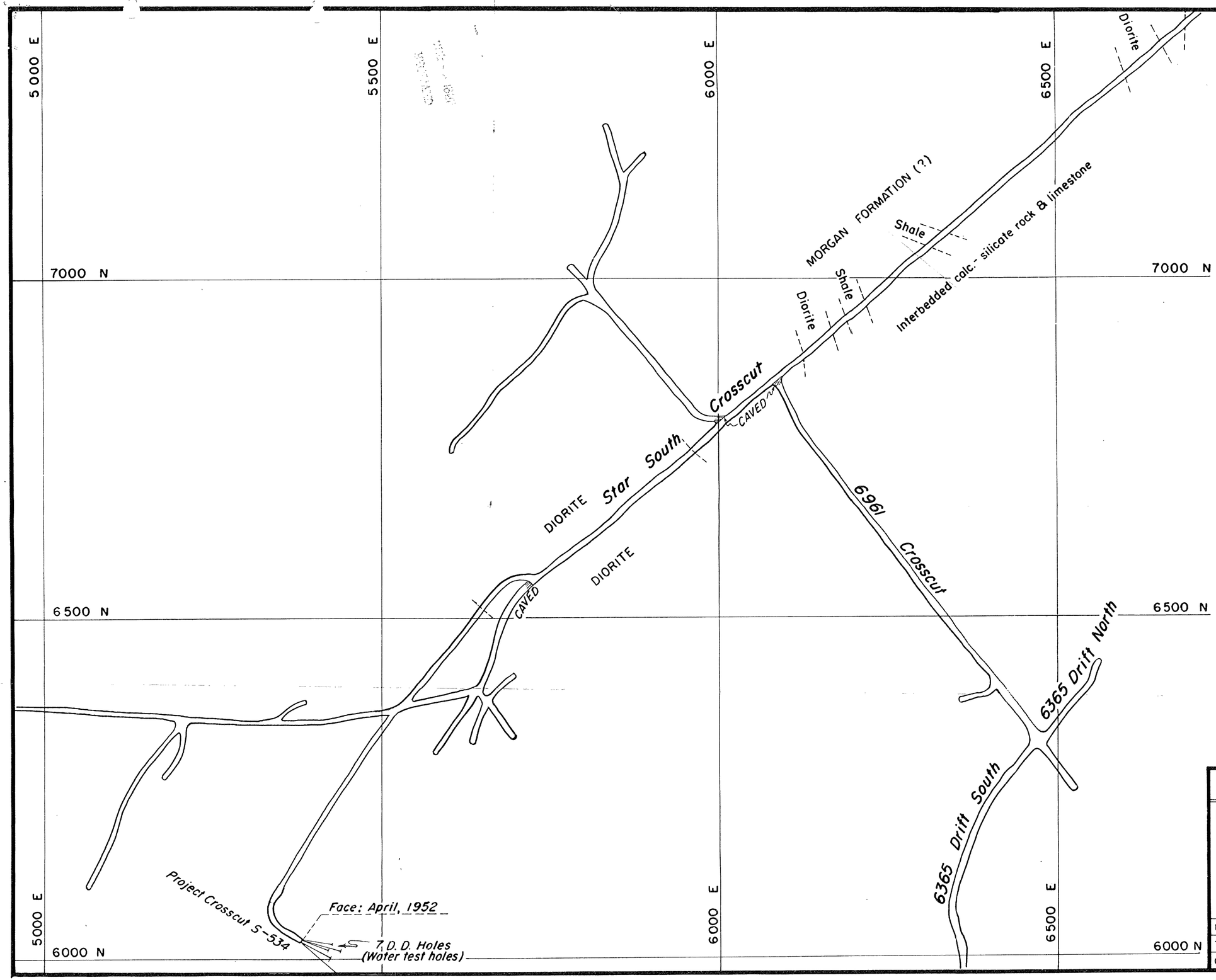
Fig. 4 DMA Docket No. 107

Plan of Exploration

NEW PARK MINING COMPANY

WASATCH COUNTY, UTAH

ENGINEER: *Millard M. GILKEY*	DATE: MAY 25, 1955
TRACED: MAY, 1955; BY: A.P.T.S.	1500 - 1147 - D
CHECKED:	



N

NOTE

TRACED FROM COMPANY MAP.

0 100 200 300
SCALE OF FEET

PROJECT NO. 3

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

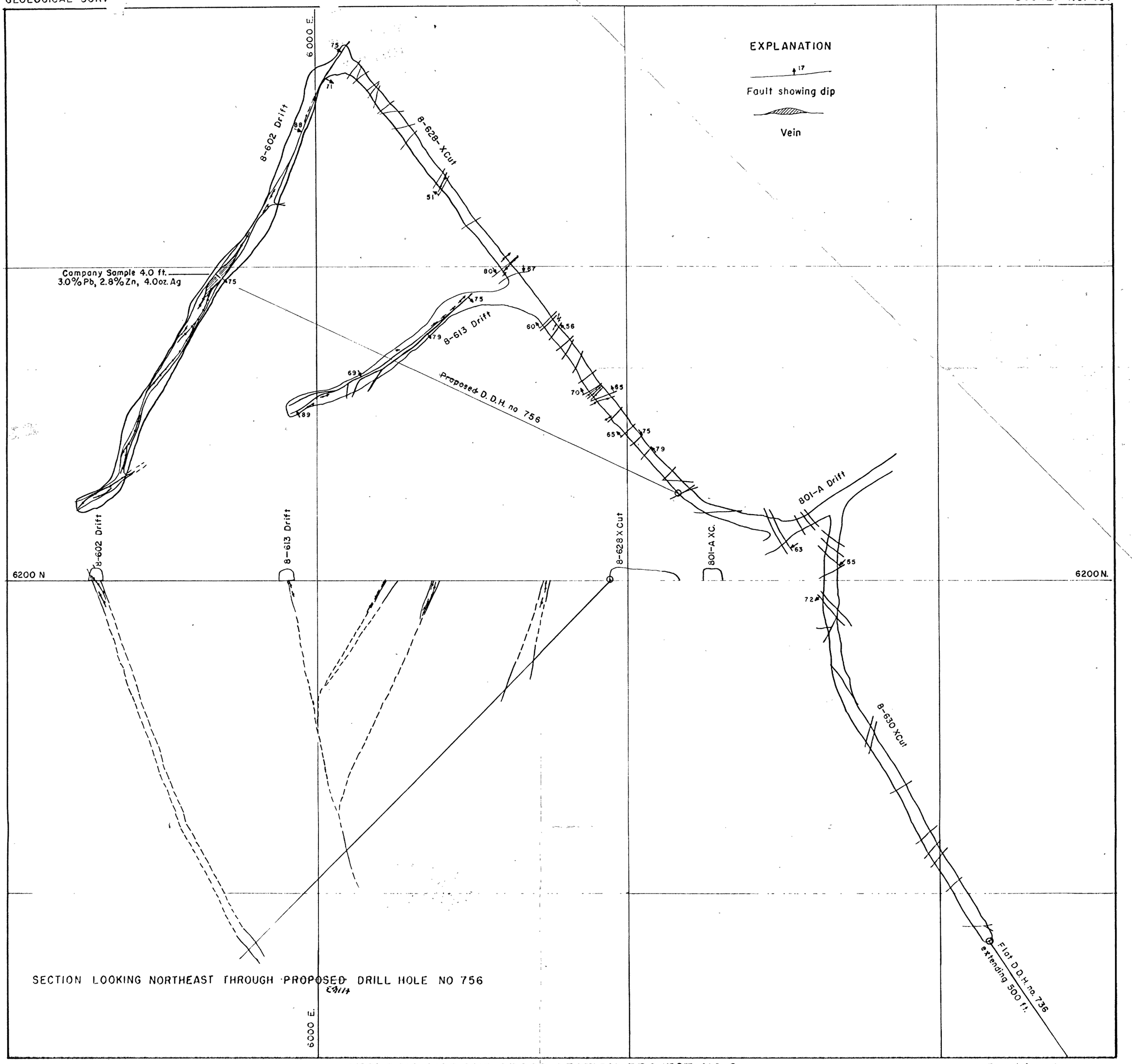
Fig. 5 DMA Docket No. 107

Plan showing Portion of Star Workings Including Project Crosscut No. S-534

NEW PARK MINING COMPANY

WASATCH COUNTY, UTAH

ENGINEER: *Millard M. Gilkey*	DATE: MAY 26, 1955
TRACED: MAY, 1955; BY: A. P. T. S.	1500-1148-D
CHECKED:	

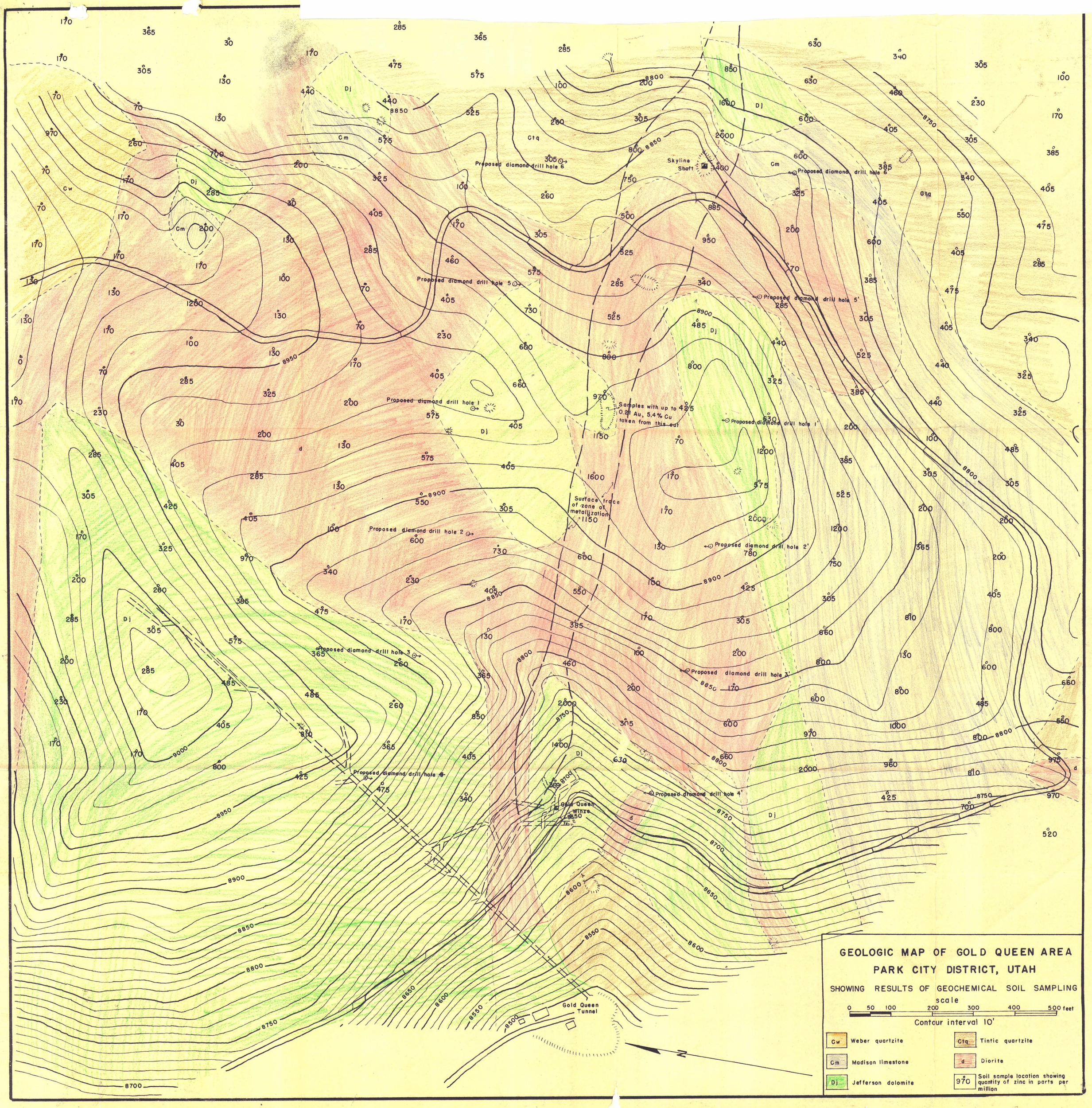


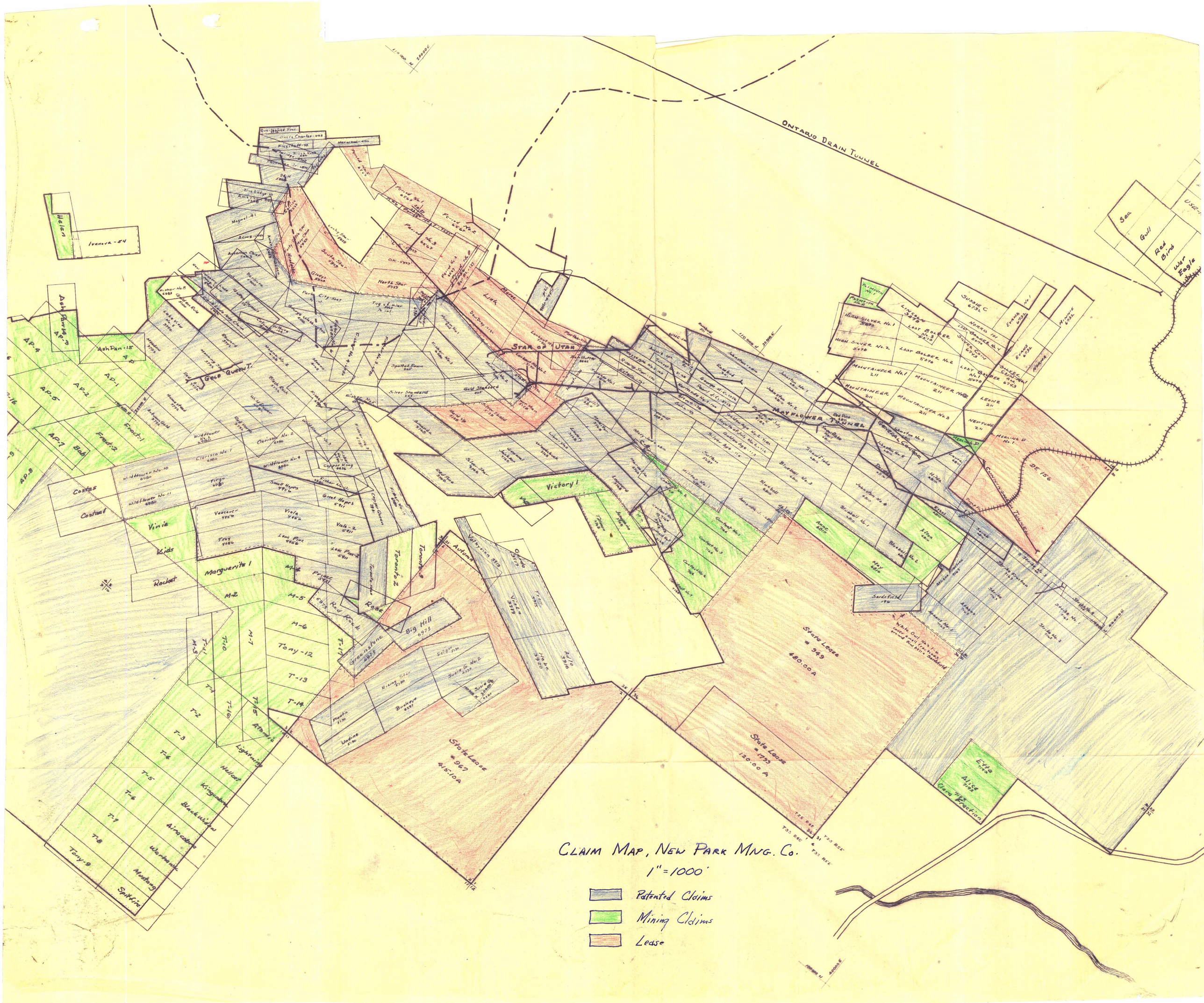
Traced from Company map

FIG. 3

GEOLOGIC MAP AND CROSS SECTION, PROJECT NO. 2
800-FOOT LEVEL, MAYFLOWER MINE, NEW PARK MINING COMPANY
WASATCH COUNTY, UTAH

0 50 100 150 ft.
Scale


GEOLOGIC MAP OF GOLD QUEEN AREA
PARK CITY DISTRICT, UTAH
SHOWING RESULTS OF GEOCHEMICAL SOIL SAMPLING
scale
0 50 100 200 300 400 500 feet
Contour interval 10'
Cw Weber quartzite
Cm Madison limestone
Dj Jefferson dolomite
Ctq Tintic quartzite
d Diorite
970 Soil sample location showing quantity of zinc in parts per million
Proposed diamond drill hole 1
Proposed diamond drill hole 2
Proposed diamond drill hole 3
Proposed diamond drill hole 4
Proposed diamond drill hole 5
Proposed diamond drill hole 6
Proposed diamond drill hole 1'
Proposed diamond drill hole 2'
Proposed diamond drill hole 3'
Proposed diamond drill hole 4'
Proposed diamond drill hole 5'
Proposed diamond drill hole 6'
Samples with up to 4.25 oz Ag, 0.21 Au, 5.4% Cu taken from this cut
Surface trace of zone of metallization
Skyline Shaft
Gold Queen Winze
Gold Queen Tunnel
N


Ontario Drain Tunnel
Star of Utah
Mayflower Tunnel
Gold Quartz
Victory I
State Lease #349 480.00A
State Lease #967 415.10A
State Lease #1795 120.00A
Claim Map, New Park Mng. Co.
1" = 1000'
Patented Claims
Mining Claims
Lease

U.S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

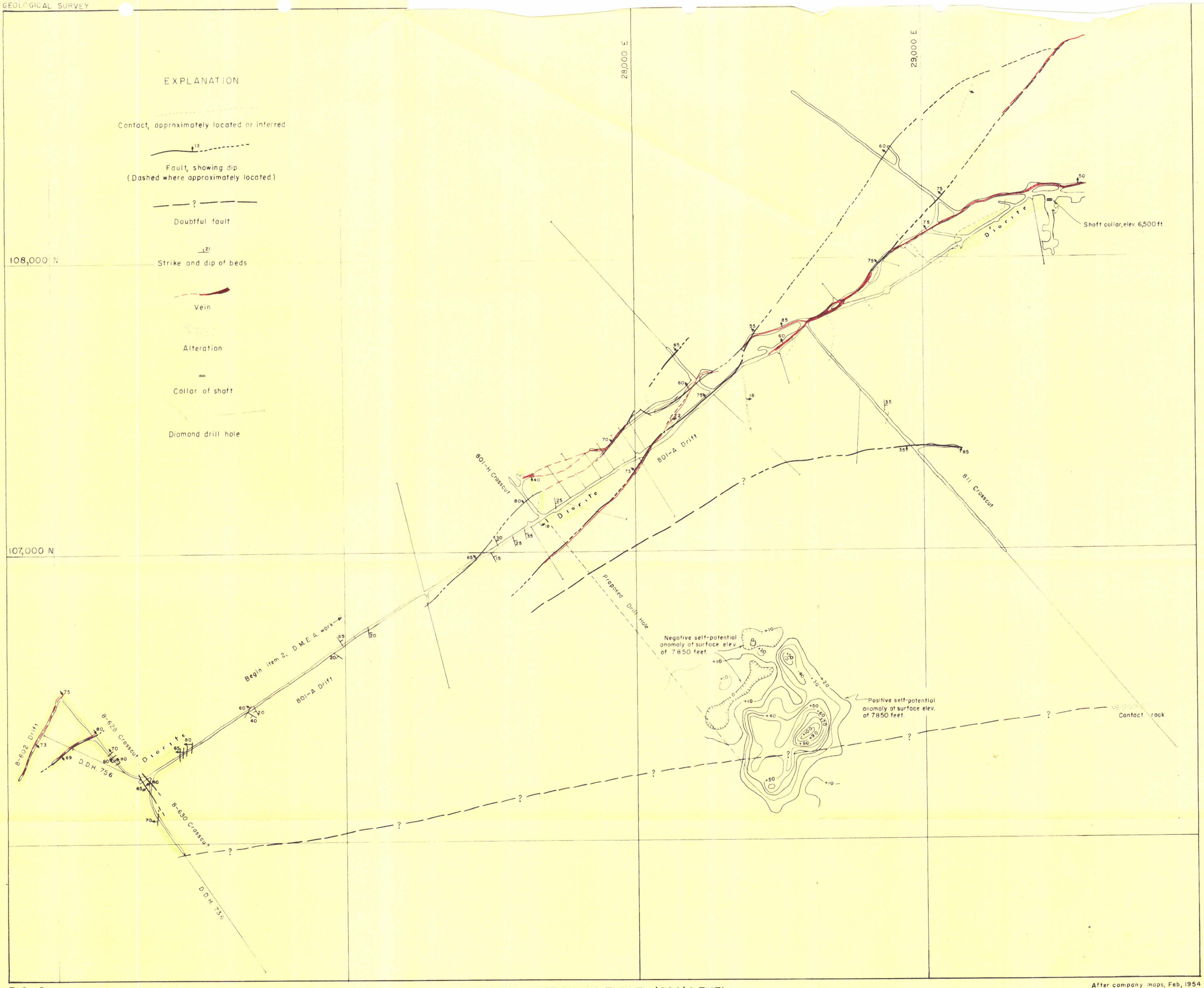


FIG. 2

HORIZONTAL SECTION AT TUNNEL (800) LEVEL
MAYFLOWER MINE, NEW PARK MINING COMPANY
WASATCH COUNTY, UTAH

0 200 400 600 ft.
Scale

Contour interval=10 millivolts

After company maps, Feb, 1954