DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 774 X

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

EXPLORATION LOAN

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Routing Slip

To: ~~SUPPLY DIVISION~~ ~~Date~~ JUL 31 1951

To: Reports & Records Date 8-1-51

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

DO NOT DETACH

CONTROLLED DOCUMENT

DMA Form 2

DEFENSE MINERALS ADMINISTRATION
Status Change Notice

DMA Docket No. 774-X

To: Reports and Records Branch Victor Toly

From: LEAD ZINC BRANCH

Date: JUL 6 1951

The following action has been taken this date on the above Controlled Document.

Forwarded to _____

Type of request changed to:

_____

Denied ☐ Withdrawn ☐

Approved in amount of $ _____

Other action, specify:

On hand - to be denied (2nd time) ✓

MF-200
(April 1951)

Docket No. DMA _____

Commodity _____

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 4 - 1951
LANDON F. STROBEL
Executive Secretary

It is agreed this 29th 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] Victor Toly

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 Summit described as follows: [3] 4 Four Claims In section 21 of the South Range of the Park City, District

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: _____

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

3. *Exploration project.* The Operator, within 30 days days from the date of this contract shall commence work on a project of exploration for Lead, zinc, copper, Pb; 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] 2 years 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.* [illegible] facilities, buildings, fixtures, equipment, or [illegible]er 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 $22,945.00, which is 50 percent of the agreed estimated total cost of this project, $45,991.00.

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.

Victor Joly
(Operator)

By _____

THE UNITED STATES OF AMERICA

By _____

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

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

a, E, C

July 30, 1951

Memorandum

Re: DMA-774
Victor Toly
Park City District, Utah
Exploration loan $45,991
Lead-zinc-copper

To: Reports and Records Unit
Administrative Management Div.

From: Chief, Lead-Zinc Branch

Subject: Denial of exploration loan

The applicant and his family have been sinking a 4 x 4 shaft for 13 years on land that they own in the Park City District, about 1000 feet northeast of the American Flag shaft. The present depth of this shaft is 70 feet. It is in the Weber quartzite, and has no geoligic basis other than a prospector's blind hope. A sketch accompanying the application shows a thin south-dipping fissure crossing the shaft near the bottom. No description is given of this fissure, except 2 assays are presented that show 0.7 to 1% zinc, no copper or lead, and 0.4 to 0.8 oz. silver. The fissure has no interest, and the proposal is to sink the shaft on to a depth of 150 to 200 feet "to acquire a better development, to reach a higher grade of ore which we believe is at a lower depth than the one we are now at; at a lower depth we will propose to drift in the best direction of indicatable ore fissures and leads".

The applicant has no money, and proposes to furnish his half of nearly $46,000 by furnishing the labor of himself, sons and step-sons, 9 workmen in all. For 6 month's time proposed for the exploration, this will come to somewhat more than $18,000, possibly the $20,000 claimed by applicant. One of the 9 workmen will act as cost accountant and the others will work on the shaft in two shifts. The exploration plan is indefinite, proposed costs are hazy and inconsistent in different parts of the application, additions are incorrect, and the details of equipment needed are very sketchy - starting with nothing, all the large equipment they propose to buy is a compressor, hoist and truck. Possibly with a field team making a plan for them, figuring the equipment needed, the costs, and coordinating the available labor with the work to be done, a reasonable plan might be worked out for continuing this shaft and changing it to a drift when the right looking spot is reached. This would be an unsatisfactory way to set up an exploration program, to say the least. It is believed, however, that the application should be denied on independent grounds, as explained in the following paragraph.

The shaft starts in the Weber quartzite and is thus below the formations that make replacement ore bodies. The only hope for ore is a vein or lode of the type that is developed in the Ontario lode. Location of the property is about half way between the Ontario-Daly West lode system and the Silver King lode system which are a mile apart. It is in an area which only a few veins have been found, one of which is the American Flag. To start sinking a wildcat shaft in the hope of finding a new vein or lode containing commercial ore is believed to be too long a geologic shot to be worthy of encouragement at the price it would cost. It is therefore recommended that the project be denied and the enclosed letter sent to the applicant.

Returned herewith are 2 copies of original application on NSRB Form 146; 2 copies of MF-100 with answers; 2 copies of MF-103 with answers to the exploration requirements and costs questions (Nos. 20-24); 1 copy Landlord's Subordination Agreement; 1 copy of contract (MF-200) filled out by applicant; letter from applicant dated May 20, 1951 correcting his exploration application; letter of inquiry dated July 22, 1951; 3 assay reports; 1 sketch of cross section of shaft; and 1 copy of plate 39 from U.S. Geological Survey Professional Paper 77. Note that applicant requests return of the last three entries.

T. P. Billings, Chief
Lead-Zinc Branch

Approved:

Director, Supply Division

Enclosures

FILE COPY
SURNAME: 350

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

McKnight
O'Leary
(For Mote)
Billings

July 30, 1951

Memorandum

Re: DMA-774
Victor Toly
Park City District, Utah
Exploration loan $45,991
Lead-zinc-copper

To: Reports and Records Unit
Administrative Management Div.

From: Chief, Lead-Zinc Branch

Subject: Denial of exploration loan

The applicant and his family have been sinking a 4 x 4 shaft for 13 years on land that they own in the Park City District, about 1000 feet northeast of the American Flag shaft. The present depth of this shaft is 70 feet. It is in the Weber quartzite, and has no geoligic basis other than a prospector's blind hope. A sketch accompanying the application shows a thin south-dipping fissure crossing the shaft near the bottom. No description is given of this fissure, except 2 assays are presented that show 0.7 to 1% zinc, no copper or lead, and 0.4 to 0.8 oz. silver. The fissure has no interest, and the proposal is to sink the shaft on to a depth of 150 to 200 feet "to acquire a better development, to reach a higher grade of ore which we believe is at a lower depth than the one we are now at; at a lower depth we will propose to drift in the best direction of indicatable ore fissures and leads".

The applicant has no money, and proposes to furnish his half of nearly $46,000 by furnishing the labor of himself, sons and step-sons, 9 workmen in all. For 6 month's time proposed for the exploration, this will come to somewhat more than $18,000, possibly the $20,000 claimed by applicant. One of the 9 workmen will act as cost accountant and the others will work on the shaft in two shifts. The exploration plan is indefinite, proposed costs are hazy and inconsistent in different parts of the application, additions are incorrect, and the details of equipment needed are very sketchy - starting with nothing, all the large equipment they propose to buy is a compressor, hoist and truck. Possibly with a field team making a plan for them, figuring the equipment needed, the costs, and coordinating the available labor with the work to be done, a reasonable plan might be worked out for continuing this shaft and changing it to a drift when the right looking spot is reached. This would be an unsatisfactory way to set up an exploration program, to say the least. It is believed, however, that the application should be denied on independent grounds, as explained in the following paragraph.

The shaft starts in the Weber quartzite and is thus below the formations that make replacement ore bodies. The only hope for ore is a vein or lode of the type that is developed in the Ontario lode. Location of the property is about half way between the Ontario-Daly West lode system and the Silver King lode system which are a mile apart. It is in an area which only a few veins have been found, one of which is the American Flag. To start sinking a wildcat shaft in the hope of finding a ~~few~~ new vein or lode containing commercial ore is believed to be too long a geologic shot to be worthy of encouragement at the price it would cost. It is therefore recommended that the project be denied and the enclosed letter sent to the applicant.

Returned herewith are 2 copies of original application on NSRB Form 146; 2 copies of MF-100 with answers; 2 copies of MF-103 with answers to the exploration requirements and costs questions (Nos. 20-24); 1 copy Landlord's Subordination Agreement; 1 copy of contract (MF-200) filled out by applicant; letter from applicant dated May 20, 1951 correcting his exploration application; letter of inquiry dated July 22, 1951; 3 assay reports; 1 sketch of cross section of shaft; and 1 copy of plate 39 from U.S. Geological Survey Professional Paper 77. Note that applicant requests return of the last three entries.

T. P. Billings, Chief
Lead-Zinc Branch

Approved:

Tom Lyon

Director, Supply Division

Enclosures

ETMcKnight:emp
G 7-30-51
Copies to: J. H. East, Jr Region IV (2)
Chief, Lead-Zinc Branch
E. T. McKnight 4204 GSA
R. H. Mote
Reports & Records
Directors r file 4214 GSA
Br. r. file 4214 GSA
Files

FILE COPY 350
SURNAME:

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

McKnight
O'Leary
(For Mote)
Billinger

July 30, 1951

Re: DMA-774

Mr. Victor Toly
Box 716
Park City, Utah

Dear Mr. Toly:

Your application for an exploration loan of $45,991, half to be advanced by the Government, has been given a thorough study by the Defense Minerals Administration.

You propose to deepen your shaft until some favorable fissure is found on which further exploration can be extended, but there is no definite goal in mind. No evidence is presented to indicate the possible existence of a vein in depth. We do not believe that the chances for finding worthwhile deposits of zinc, lead, or copper ore by random shaft sinking of this type in the area that you have picked are good enough to justify the high cost that must go into shaft sinking. I regret, therefore, that we are unable to approve your request for an exploration loan.

The three assays sent in with your application, the cross section sketch of your shaft, and the plate from your geologic report are returned to you herewith as per your request. We wish to thank you for bringing this property to our attention.

Very truly yours,

Tom Lyon

Tom Lyon, Director
Supply Division

Enc 5
ETMcKnight:emp
G 7-30-51
Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
R. H. Mote
Reports & Records
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

July 22, 1951
Park City, Ut.

United States Dept.
of Defense
Defense Minerals Adm.

Attention: William Boyd

Dear Sir:

This letter is in question that our contract no. DMA -774, has there been any action on said contract and to what extent of progress has there been on loans to small mines.

We would like to receive a reply on whether or not any action will be taken on our contract as we have filed our contract months ago and are awaiting the outcome of your deceision but we have not as yet received any reply of any kind since we sent in our contract.

We would like to know what kind of action is being taken to hasten these loans, as the winter months will be here before long and time would be lost concering manpower so we ask again that an immediate reply be sent.

Sincerly

Victor Toly

Victor Toly
Box 716
Park City, Ut.

GT.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 2 4 1951

LANDON F. STROBEL
Executive Secretary

JUL 24 1951

FILE COPY
SURNAME:

Herres
McKnight

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

DMA-774

May 24, 1951

Mr. Victor Foly
145 Empire Canyon
Box 176
Park City, Utah

Dear Mr. Foly:

This will acknowledge and thank you for your letter of May 20 stating that you are willing to put up fifty percent of the money needed to carry out the exploration project covered by your application DMA-774.

It is satisfactory for you to contribute labor as a part of your share of the cost provided this is labor that properly can be charged to the direct expense of the exploration.

In reply to your inquiry about further financial aid after an exploration project is in progress, in the event that conditions indicated more assistance would be needed to reach minerals believed to be readily accessible, I do not believe that your question can be answered now. Probably the answer would depend on conditions and whether or not the exploration program is expanded beyond the period now authorized.

I am enclosing for your information a release giving questions and answers on the mineral exploration program. You probably will find the answers to some of the questions you have in mind in this release.

In case I can be of further assistance to you, kindly let me know.

Yours very truly,

OHERRES:ks

Otto Herres

OTTO HERRES, Chief
Lead-Zinc Branch

cc: Strobel
~~Rxxxxxxxxxx~~
Mote
McKnight
Herres
Files
Enclosure

FILE COPY
SURNAME:

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

Brokaw (ETM)
McKnight
Herres
Mote

May 16, 1951

In reply please
refer to Docket DMA-774

Mr. Victor Toly
145 Empire Canyon
Park City, Utah

Dear Mr. Toly:

The Lead-Zinc Branch of the Defense Minerals Administration has recently reviewed your application for an exploration loan on your Gold Star property. The review indicates that you are willing to match funds for this exploration if you are allowed to substitute labor value for actual cash. It is not clearly stated how you propose to accomplish this, therefore, clarification is needed before we can proceed further with your application.

You state that the value of the labor of 7 to 9 men will be used for this purpose. Is it your plan to pay these men from your own funds or do these men share in the ownership of the property and, therefore, will contribute their time and labor to the project as a part of the applicant's share of the costs? It should be noted that no part of the money allocated to the project by the Government can be used for the payment of labor, if the applicant agrees to furnish this labor as his share of the costs.

On Form MF-103 filed by you, you state that the amount of Government participation required is 100 per cent. The maximum money that the Government can allocate to a lead-zinc project under the exploration program is 50 per cent of the total cost. For this particular project the Government's share would be, if approved, $22,995.50 and you would be required to furnish an equal sum, or its equivalent in labor, rental of equipment, or similar services.

It will be appreciated if these questions could be clarified promptly.

Very truly yours,

Otto Herres
Otto Herres, Chief
Lead-Zinc Branch

AlBrokaw: emp G 5/16/51

Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
L. B. Moon
R. H. Mote
L. F. Strobel
Tom Lyon
Directors reading file 4214 GSA
Br. reading file 4214 GSA
Files

DMA 774

8 56

FILE COPY
SURNAME:

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

May 10, 1951

Mr. Victor Toly
145 Empire Canyon
Box 716
Park City, Utah

Subject: DMA-774 X
Re: Exploration Loan -
$45, 991.00

My dear Mr. Toly:

Receipt is acknowledged of your application and attachments of April 30, 1951 for a Government loan under the Defense Production Act of 1950.

The application was assigned Docket Number 774 X and referred to Mr. Otto Herres, Chief, Lead-Zinc Branch, on May 8, 1951.

In any future correspondence relating to your application, kindly refer to DMA-774 X.

Sincerely yours,

LANDON F. STROBEL a. E. C.

Landon F. Strobel
Executive Secretary

LFSTROBEL:aec
cc: Strobel-2
Files
Mr. Herres
Mr. Lyon

Docket 774

FILE COPY
SURNAME:

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

APR 12 1951

A.B. Campbell
Jay Evans
McKnight
Herres
Mote

In reply please
refer to DMA-774

Mr. Victor Toly
145 Empire Canyon (Box 716)
Park City, Utah

Dear Mr. Toly:

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-774) for financial aid in exploration at your mine in Utah (no specific location given) indicates that part of 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 that part of your application which deals directly with exploration, $45,700.00.

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.

ABCampbell:emp G 3/20/51

Very truly yours,

Otto Herres

OTTO HERRES, Chief
Lead-Zinc Branch

Copies to: Chief, Lead-Zinc Br.
USGS McKnight - L. B. Moon - R. H. Mote
2 copies to Exec. Officer
J. H. East, Jr. Region IV
L. F. Strobel
C. O. Mittendorf
Files

Enclosures

February 21, 1951

VICTOR TOLY

UTAH

DMA 774

lead

zinc

copper

silver

manganese

DMA 774

C

Page

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. dma-774X

Date received 5/7/51

Participation

Victor Foly
149 Deere Canyon
Park City, Utah

Name and address of applicant

Date 4/30/51

FILL IN THIS BLOCK

Date of application 4/30/51

Estimated cost $45,991.00

Mineral or metal Lead, zinc, silver

Percentage of Government participation 100.

Location of mine Park City, Utah
Section 21, south range

Date of filing MF-100 5/1/51

DMA Docket Number, if available dma-774X

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.

Gold Star Mine(Victor Joly)
(Name of company)

By _____
(Signature of authorized official)

4/30/51
(Date)

_____
(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

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1020

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

NOT TO BE FILLED IN BY APPLICANT

Docket No. dma-774X

Date received 5/7/51

Victor Coly
145 Empire Canyon
Park City, Utah

Name and address of applicant

Date 5/2/51

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) Necessity Certificate pursuant to the provisions of Sec. 124–A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) 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.

GENERAL TECHNICAL DATA

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

1. Materials produced:
   (*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		Life Insurance Carried for Benefit of Applicant	
				Common (e)	Preferred (f)	Amount (g)	Net Cash Surrender Value After Loans (h)
	Total		x x x x x			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	$	$	$		
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)					

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 mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

(*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)	Unable to provide information until exploration resumes.				

(*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.

Gold Star Mine (Victor Toby)
(Name of company)

By _____
(Signature of authorized official)

_____
(Date)

_____
(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

DEFENSE MINERALS ADMINISTRATION

General Technical Data

1. (a) The chief mine, mill or smelter products, are as follows:

Lead, zinc, copper, silver, manganese.

(b) No by-products.

2. The name of the mine is recorded under Victor Tolys name, but as he calls the mine it goes by the name of the Gold Star Mine which is not a corporate mine, but a family ownership.

(a) Shaft depth.....70 feet.....width..... 4x4

(b) No drifts.

(c) Adits are as follows: One winze the depth of it was 35 feet. One small crosscut from the winze 30 feet. An incline from the shaft which is 30 feet from the top of the shaft and dips to the south at a 35° (degree) angle, its length 30 feet, its width 6x7, this incline revealed carbonate manganese in a large quantity but to highly carbonized.

(d) None.

This mine is not flooded and there is no pumping problem as it drains through mines at lower elevations and through water courses.

Productive capacity shall be determined after development and exploration is carried on, as there is no production at the present.

3. (a) Distance and direction of town and nearest shipping point, is Park City, Utah, where the mine is located at the south end of the town, the rail junction is approximately ½ mile, the transportation of the ore would be by truck.

(b) The mining district is Park City.

(c) Township of Park City, section 21, range south.

(d) County of Summit, state of Utah

Parker 7/14/50

856

General Technical Data
(cont)

4. (a) The property is not in operation, cause; lack of sufficeint funds to carry out necessary exploration and development of said mine.

(b) The property is being a family ownership operation.

5. (a) There has not been any production but there has been considerable development on said property to believe that there is an indication of valuable mineral of the vital necessity on this property . Amount of years in exploration 13 years.

(b) As soon as the necessary funds are available.

6. Experience of operators:

The experience of the operators, has been in general, complete mining operations for the past 20 to 30 years, working for other mines, and doing asseament work on this said mine since 1938. The person and the persons who manage this mine have a reasonable and considerable amount of knowledge concerning mining, and field work pertaing to mining.

7. History:

This mine has been under exploration and development for the past 13 years, but production will not be able to be accounted for until financial aid is secured.

(b) Adjoining properties which also are in the Park City, district have been producing since mining was first put into operation in 1869 by the Ontario Mine, which was one of the richest ore producers of that time, also there is the Silver King Mine, and the Judge Mine which are now producing at capacity rate and lay adjoining our property.

(c) All private reports and maps showing developments of said mine will accompany this report. Also assay reports and section reports will follow.

General Technidal Data
(cont)

10. (a) Production:

Production will not be in capacity operation until the finances are secured.

11. (a) Inapplicable

12. (a) The ore or mineral deposit is unknown because of lack of sufficient funds to operate as production standards.

13. Access roads:

A road is built accessible to the mine to any shipping point.

Distance from the mine to the shipping point is a little better than ½ mile.

The road condition is very favorable for shipping quantity of ore up to 10 tons.

14. Water supply:

The water supply is favorable all the seasons of the year, the source is from the Park City, water facilities are unlimited as to amount of water to be used.

15. Power:

The amount of power to be used will be determined by the type of machinery that will be acquired with finances; estimated use of power will be in the vicinity of $300.00 per month including electricity which is supplied by Utah Power & Light Co. This also would include cost of fuel for operating machinery.

16. Labor:

Total amount of labor in manpower will range between 7 & 9 men which will operate two shifts. As there has been no past production on profit basis we cannot list men on payroll during a representive period.

General Technical Data
(cont)

17. Equipment and facilities:

Buildings include one shaft house or hoist house; also one hand hoist There are no serviceable pieces of equipment that could be used for this operation, until available funds are secured for this purpose.

18. The only condition affecting present operations is lack of suffeceint funds to carry out development and exploration of this property.

The exploration and cost of operation shall be continued on a seperate sheet of paper regarding all questions to exploration and cost of operation.

General Technical Data

20. The mineral deposits which shall be explo ed for are the following: Lead, Zinc, Copper, and Manganese.

21 The proposed type of work is to begin sinking the shaft level deeper to acquire a better development, to reach a higher grade of ore which we believe is at a lower depth than the one we are now at; at a lower d pth we will propose to drift in the best direction of indicatable ore fishers and leads.

22. (a) Labor: It should be now be stated that the labor shall be submitted as proposed matching on government funds and of these there shall be six miners and three muckers, of these one shall be the cost accountant of the operations of the proposed project, the rest all of who have the best of mining knowledge that can be assumed of this type of occupation, and posess excellent quality of work that should be considerded as a matching possibility.

Classifacation:

Miner.....$ 12.05, shaft miner..... 13.50

Mucker..... 11.55

Timekeeper & acco ntant..... 12.05

All labor classified shall be paid by per day basis, time and half for Saturday as overtime.

(b) Since the application of loan is under Victor Tolys name, it is he who shall be supervisor or operation his wages shall be $ 13.55 which is one dellar more than the highest paid man.

General Technical Data

23. Cont.

(c) Cost of necessary repairs to the shaft house would be $ 100000

(d) Cost of necessary construction and additions to existing facilities would run in the vicinity of $ 5,000 to $ 6,000, but this would not be on the expense account until further developments are made in exploration to determine to an extent what necessary additions will be made.

(e) The cost of items of equipment that will be purchased are as follows, these items are based on retail price at local dealers at Salt Lake City, Utah.

Compressor	210 cfm	I.K.A.-210	$ 8600.00
Hoist.....	Electric or air.		3000.00
Truck.....	3 ton Dodge dump		4000.00
Total.....			$7,000.00

(f) There shallbe no rental of equipment if at all possible all machinery and equipment shall be bought. (excluding the use of diamond drill), which may be used later, after development is furthered.

(g) The rental value of present equipment would be of less value than appropiations could account for, the only rental value is that of the labor which we assume you will use of contribution, this would total between $ 20,000 and $ 22,000 for mine men.

General Technical Data

(h) Fees [illegible] 2 [illegible] 95.00 would be as follows.

[illegible] and accounts books 33.50

[illegible] 65.00

[illegible] 75.00

[illegible] 65.00

[illegible] and tools 65.00

[illegible] (1 [illegible]) ..... [illegible]

(i) Costs of [illegible], [illegible], [illegible] [illegible] 30 [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible]

[illegible] ..... 1 [illegible] 300.00

[illegible] 900.00

[illegible] ..... [illegible]

[illegible] ..... [illegible]

[illegible] ..... [illegible]

[illegible] ..... [illegible]

[illegible] ..... [illegible]

[illegible] ..... [illegible]

[illegible] ..... [illegible]

[illegible] 6681.00

[illegible] (12445.00)

26. [illegible] [illegible] to be [illegible] [illegible] [illegible] to two years [illegible] 1 [illegible] [illegible] [illegible] period.

[illegible]

Picture enclosure

Mr. Otto Herres, Chief
Lead -Zinc Branch

DMA-774 X

Dear Mr. Herres:

Enclosed are the following forms MF-202 and MF-200, Landlords subordination aggreement and exploration contract.

I wish at this time to thank you for your help in making these forms available to me and acknowledgement of my applications.

I ask of the Defense Minerals Administration to act upon my application as soon as possible as I am anxious to begin work on our project as I am sure that I will produce promising results.

Yours very truly,

Victor Toly
VICTOR TOLY,
applicant

Enclosure

GT

JUN 1951 5

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 4 - 1951
LANDON F. STROBEL
Executive Secretary

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Summit, State of Utah, described in a certain Exploration Project Contract dated May 29, 1951, between Victor Toly(owner applicant), the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated _____, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 29 day of May, 1951

Victor Toly

U. S. GOVERNMENT PRINTING OFFICE 940768

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 4 - 1951
LANDON F. STROBEL
Executive Secretary

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

a.g.c.

DMA-774

Mr. Victor Toly
145 Empire Canyon
Box 176
Park City, Utah

Dear Mr. Toly:

This will acknowledge and thank you for your letter of May 20 stating that you are willing to put up fifty percent of the money needed to carry out the exploration project covered by your application DMA-774.

It is satisfactory for you to contribute labor as a part of your share of the cost provided this is labor that properly can be charged to the direct expense of the exploration.

In reply to your inquiry about further financial aid after an exploration project is in progress, in the event that conditions indicated more assistance would be needed to reach minerals believed to be readily accessible, I do not believe that your question can be answered now. Probably the answer would depend on conditions and whether or not the exploration program is expanded beyond the period now authorized.

I am enclosing for your information a release giving questions and answers on the mineral exploration program. You probably will find the answers to some of the questions you have in mind in this release.

In case I can be of further assistance to you, kindly let me know.

Yours very truly,

OHERRES:ks

Otto Herres

OTTO HERRES, Chief
Lead-Zinc Branch

cc: Strobel
~~Exemplexmrx~~
Mote
McKnight
Herres
Files
Enclosure

Mr. Herres

United States
Department of The Interior
Defense Minerals Adm.
Washington 25, D.C.

May 20, 1951
Refer. DMA-774

Attention: Mr. Otto, Herres,

Sir:

In regard to your reply of our loan filed for development and exploration, we are satisfied with the decesion of allocation of only 50 per cent to lead and zinc development and exploration operations. In regard to the matching fund, we had asked if labor could be supplied as our part of the matching fund. The labor which we put up a matching fund shares in the ownership and would contribute their time and labor as part of applicants share of costs.

At this time we would like to ask if at any time during development and exploration, conditions arose necessatating further financial allocations for operations, would the government procede tohelp in the case, that vital minerals were accesable within a short period of time, and production could be maintained pending on further financial aid?

As to the 100 per cent that would be supplied by the government, we consider that to be an error and that it be changed to 50 per cent with labor acting as our part of the matching fund.

Very truly yours,

Victor Toly

Victor Toly

GT

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 22 1951
LANDON F. STROBEL
Executive Secretary

MAY 22 1951

5

DMA-774

Mr. Victor Toly
145 Empire Canyon
Box 176
Park City, Utah

Dear Mr. Toly:

This will acknowledge and thank you for your letter of May 20 stating that you are willing to put up fifty percent of the money needed to carry out the exploration project covered by your application DMA-774.

It is satisfactory for you to contribute labor as a part of your share of the cost provided this is labor that properly can be charged to the direct expense of the exploration.

In reply to your inquiry about further financial aid after an exploration project is in progress, in the event that conditions indicated more assistance would be needed to reach minerals believed to be readily accessible, I do not believe that your question can be answered now. Probably the answer would depend on conditions and whether or not the exploration program is expanded beyond the period now authorized.

I am enclosing for your information a release giving questions and answers on the mineral exploration program. You probably will find the answers to some of the questions you have in mind in this release.

In case I can be of further assistance to you, kindly let me know.

OHBrown:ks

Yours very truly,

cc: Strobel
Kaczynski
Hote
McKnight
Herres
Files
Enclosure

OTTO BROWN, Chief
Lead-Zinc Branch

Q.E.C.

May 16, 1951

In reply please
refer to Docket LMA-774

Mr. Victor Poly
145 [redacted]
Park City, Utah

Dear Mr. Poly:

The Lead-Zinc Branch of the Defense Minerals Administration has recently reviewed your application for an exploration loan on your Gold Star property. The review indicates that you are willing to match funds for this exploration if you are allowed to substitute labor value for actual cash. It is not clearly stated how you propose to accomplish this, therefore, clarification is needed before we can proceed further with your application.

You state that the value of the labor of 7 to 9 men will be used for this purpose. Is it your plan to pay these men from your own funds or do these men share in the ownership of the property and, therefore, will contribute their time and labor to the project as a part of the applicant's share of the costs? It should be noted that no part of the money allocated to the project by the Government can be used for the payment of labor, if the applicant agrees to furnish this labor as his share of the costs.

In Form DF-103 filed by you, you state that the amount of Government participation required is 100 per cent. The maximum money that the Government can allocate to a lead-zinc project under the exploration program is 50 per cent of the total cost. For this particular project the Government's share would be, if approved, $22,395.50 and you would be required to furnish an equal sum, or its equivalent in labor, rental of equipment, or similar services.

It will be appreciated if these questions could be clarified promptly.

Very truly yours,

Otto Herres
Otto Herres, Chief
Lead-Zinc Branch

Albrecht:wmp 5/16/51
Copies to: J. H. Pratt, Jr. Region IV (2)
Chief, Lead-Zinc Br.
L. T. Knight
J. S. Moon
R. G. Hote

L. F. Strobel
Tom Lyon
Directors reading file L214 GSA
Br. reading file L214 GSA
Files

FILE COPY
SURNAME:

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

ALBrokaw

May 15, 1951

In reply please
refer to Docket DMA-774

Mr. Victor Toly
145 Empire Canyon
Park City, Utah

Dear Mr. Toly:

The Lead-Zinc Branch of the Defense Minerals Administration has recently reviewed your application for an exploration loan on your Gold Star property. The review indicates that you are willing to match funds for this exploration if you are allowed to substitute labor value for actual cash. It is not clearly stated how you propose to accomplish this, therefore, clarification is needed before we can proceed further with your application.

You state that the value of the labor of 7 to 9 men will be used for this purpose. Is it your plan to pay these men from your own funds or do these men share in the ownership of the property and, therefore, will contribute their time and labor to the project as a part of the applicant's share of the costs?

It should be noted that no part of the money allocated to the project by the Government can be used for the payment of labor, which in turn will be charged against the project as the applicant's contribution. The applicant's 50 percent of the project funds must come from sources other than that contributed by the Government.

On Form MF 103 filed by you it is stated that the amount of Government participation required is 100 percent. The maximum money that can be allocated to a lead-zinc project under this program is 50 percent of the total cost. For this particular project, the amount of the Government share would be, if approved, $22.995.50. Is it expected that the Government will contribute the total amount, $45,991?

It will be appreciated if these questions could be clarified promptly.

ALBrokaw/drc

Very truly yours,

OTTO TERRES, Chief
Lead-Zinc Branch

cc: J.H. East, Jr., Region IV(2)
Chief, Lead-Zinc Br.
E.T. McKnight, 4202 GSA
L.B. Moon
R.H. Mote
L.F. Strobel
T. Lyon
Files
Dr. Read. file, 4212 GSA
Branch read. file, 4212 GSA

G: 5-15-51

May 10, 1951

Mr. Victor Toly
145 Empire ~~Canyon~~
Box 716
Park City, Utah

Subject: DMA-774 X
Re: Exploration Loan -
$45, 991.00

My dear Mr. Toly:

Receipt is acknowledged of your application and attachments of April 30, 1951 for a Government loan under the Defense Production Act of 1950.

The application was assigned Docket Number 774 X and referred to Mr. Otto Herres, Chief, Lead-Zinc Branch, on May 8, 1951.

In any future correspondence relating to your application, kindly refer to DMA-774 X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:aec
cc: Strobel-2
Files
Mr. Herres
Mr. Lyon

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
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-774X

Date received 5/7/51

Victor Toly
145 Empire Canyon
Park City, Utah

Name and address of applicant

Date 5/1/51

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) Necessity Certificate pursuant to the provisions of Sec. 124-A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) 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.

GENERAL TECHNICAL DATA

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

1. Materials produced:
   (*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		Life Insurance Carried for Benefit of Applicant	
				Common (e)	Preferred (f)	Amount (g)	Net Cash Surrender Value After Loans (h)
	Total		x x x x x			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	$	$	$		
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)					

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 mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

(*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)	Unable to	provide inf	ormation until	exploration	resumes.

(*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.

Gold Star Mine (Victor Joly)
(Name of company)

By _____
(Signature of authorized official)

_____
(Date)

_____
(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

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. dma-774X

Date received 5/7/51

Participation

Victor Toly
145 Empire Canyon
Park City, Utah

Name and address of applicant

Date 4/30/51

FILL IN THIS BLOCK

Date of application 4/30/51

Estimated cost $45,991.00

Mineral or metal Lead, Zinc, Silver

Percentage of Government participation 100.

Location of mine Park City, Utah
Section 21, south range

Date of filing MF-100 5/1/51

DMA Docket Number, if available dma-774X

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.

Gold Star Mine (Victor Joly) — (Name of company)

By _____ (Signature of authorized official)

4/30 61 — (Date)

_____ (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—04067-1 U. S. GOVERNMENT PRINTING OFFICE

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. DMA-774X

Date received 5/7/51

Participation

Name and address of applicant

[illegible] Poly
[illegible] Canyon
[illegible] City, Utah

Date 5/3/51

FILL IN THIS BLOCK

Date of application 5/3/51

Estimated cost $ 65,[illegible]91.0

Mineral or metal Lead, Zinc, Silver

Percentage of Government participation 300.

Location of mine [illegible], Utah
[illegible] 1, [illegible] range

Date of filing MF-100 5/3/51

DMA Docket Number, if available DMA-774X

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.

Gold Star Mine (Victor Joly) — By _____
(Name of company) — (Signature of authorized official)

4/13/15 — _____
(Date) — (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

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
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 - 774 X

Date received 5/7/51

Victor Toly
145 Empire Canyon
Park City, Utah

Name and address of applicant

Date 5/1/51

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) Necessity Certificate pursuant to the provisions of Sec. 124-A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) 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.

GENERAL TECHNICAL DATA

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

1. Materials produced:
   (*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		Life Insurance Carried for Benefit of Applicant	
				Common (e)	Preferred (f)	Amount (g)	Net Cash Surrender Value After Loans (h)
	Total		x x x x x			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	$	$	$		
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)					

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 mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

(*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)	Unable to provide information until exploration resumes.				

(*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.

Gold Star Mine (Victor Foly)
(Name of company)

By _____
(Signature of authorized official)

_____
(Date)

_____
(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

DEFENSE MINERALS ADMINISTRATION

General Technical Data

1. (a) The chief mine, mill or smelter products, are as follows: Lead, zinc, copper, silver, manganese.

(b) No by-products.

2. The name of the mine is recorded under Victor Tolys name, but as he calls the mine it goes by the name of the Gold Star Mine which is not a corporate mine, but a family ownership.

(a) Shaft depth.....70 feet.....width..... 4x4

(b) No drifts.

(c) Adits are as follows: One winze the depth of it was 35 feet. One small crosscut from the winze 30 feet. An incline from the shaft which is 30 feet from the top of the shaft and dips to the south at a 35' (degree) angle, its length 30 feet, its width 6x7, this incline revealed carbonate manganese in a large quantity but to highly carbonized.

(d) None.

This mine is not flooded and there is no pumping problem as it drains through mines at lower elevations and through water courses. Productive capacity shall be determined after development and exploration is carried on, as there is no production at the present.

3. (a) Distance and direction of town and nearest shipping point, is Park City, Utah, where the mine is located at the south end of the town, the rail junction is approximately ½ mile, the transportation of the ore would be by truck.

(b) The mining district is Park City.

(c) Township of Park City, section 21, range south.

(d) County of Summit, state of Utah

General Technical Data
(cont)

4. (a) The property is not in operation, cause; lack of sufficeint funds to carry out necessary exploration and development of said mine.

(b) The property is being a family ownership operation.

5. (a) There has not been any production but there has been considerable development on said property to believe that there is an indication of valuable mineral of the vital necessity on this property . Amount of years in exploration 13 years.

(b) As soon as the necessary funds are available.

6. Experience of operators:

The experience of the operators, has been in general, complete mining operations for the past 20 to 30 years, working for other mines, and doing assesment work on this said mine since 1938. The person and the persons who manage this mine have a reasonable and considerable amount of knowledge concerning mining, and field work pertaing to mining.

7. History:

This mine has been under exploration and development for the past 13 years, but production will not be able to be accounted for until financial aid is secured.

(b) Adjoining properties which also are in the Park City, district have been producing since mining was first put into operation in 1869 by the Ontario Mine, which was one of the richest ore producers of that time, also there is the Silver King Mine, and the Judge Mine which are now producing at capacity rate and lay adjoining our property.

(c) All private reports and maps showing developments of said mine will accompany this report. Also assay reports and section reports will follow.

General Technical Data
(cont)

10. (a) Production:

Production will not be in capacity operation until the finances are secured.

11. (a) Inapplicable

12. (a) The ore or mineral deposit is unknown because of lack of sufficient funds to operate as production standards.

13. Access roads:

A road is built accessable to the mine toany shipping point.
Distance from the mine to the shipping point is a little better than ½ mile.
The road condition is very favorable for shipping quantity of ore up to 10 tons.

14. Water supply:

The water supply is favorable all the seasons of the year, the source is from the Park City, water facilities are unlimited as to amount of water to be used.

15. Power:

The amount of power to be used will be determined by the type of machinery that will be acquired with financed; estimated use of power will be in the vicinity of $300.00 per month including electricity which is supplied by Utah Power & Light Co. This also would include cost of fuel for operating machinery.

16. Labor:

Total amount of labor in manpower will range between 7 & 9 men which will operate two shifts. As there has been no past production on profit basis we cannot list men on payroll during a representive period.

General Technical Data
(cont)

17. Equipment and facilities:

Buildings include one shaft house or hoist house; also one hand hoist There are no serviceable pieces of equipment that could be used for this operation, until available funds are secured for this purpose.

18. The only condition affecting present operations is lack of suffeceint funds to carry out development and exploration of this property.

The exploration and cost of operation shall be continued on a seperate sheet of paper regarding all questions to exploration and cost of operation.

General Technical Data

20. The mineral deposits under this lease will be mined for one the following: Lead, Zinc, Copper, and Manganese.

21 The proposed type of work is to begin sinking the shaft level deep to acquire a better development, to reach higher grade of ore which we believe is at a lower depth than the one we are now at; at a lower depth we will encounter to drift in the best direction of indicated ore fissures and leads.

22. (a) Labor: It should be can be said that the labor shall be classified as the usual mining; the present shift and of these there shall be six miners and two workers, of these one shall be the cost accountant of the operations of the proposed project, the rest all of who have the best of mining level that can be assumed of this type of operation, and possess excellent quality of work that would be considered as a mining possibility.

Classification:

Miner.....@ 12.05, Shift miner..... 13.50

Worker..... 11.55

The Keeper & accountant..... 11.05

All labor classified shall be paid by per day basis, time and half for saturday as overtime.

(b) Since the application of loan is under Victor Volyc name, it is he who shall be supervisor or operation in wages shall be @ 13.55 which is one dollar more than the highest paid man.

General Technical Data

29. Cont.

(c) Cost of necessary repairs to the shaft house would be $ 100,000

(d) Cost of necessary construction and additions to existing facilities would run in the vicinity of $ 5,000 to $ 6,000, but this would not be on the expense account until further developments are made in exploration to determine to an extent what necessary additions will be made.

(e) The cost of items of equipment that will be purchased are as follows, these items are based on retail prices at local dealers at Salt Lake City, Utah.

Compressor	210 cfm I.R.A.-210	$ 6600.00
Hoist.....	electric or air.	[illegible]000.00
Truck.....	3 ton Dodge dump	4,000.00
Total.....		17,000.00

(f) There shall be no rental of equipment if at all possible all machinery and equipment shall be bought. (excluding the use of diamond drill), which may be used later, after development is furthered.

(g) The rental value of present equipment would be of less value than appropriations could account for, the only rental value is that of the labor which we assume you will use of contribution, this would total between $ 20,000 and $ 22,000 for nine men.

General Technical Data

(h) Equipment costing less than $ 50.00 would be as follows.

Ledger accounts and account books.....	$ 33.50
Filing cabinets	45.00
Mach. grinder	24.00
Forge	45.00
Small hand tools	45.00
Office equipment (misc.)	635.00
	$ 227.00

(i) Cost of power, water, utilities and other items not listed are as follows:

Power..... Electric	$ 300.00
Water.....	300.00
Utilities	175.00
Timber	2900.00
Powder	900.00
Carbide	277.00
Repair parts	179 ~~800~~.00
Nails	600.00
Pipe	500.00
Hose	600.00
	6 681.00
Total	$ ~~19,445.00~~

24. The amount of time to be spent on exploration is from 6 mos. to two years which will undoubtedly will be spent in the 6 mo. period.

24. Cont.

Labor..... 6 mos. ..... 9 men.....2 shifts.....$ 20000

This includes insurance and social security for total labor.

Exploration ..... shaft depth increased to about 150 to 200 feet cost would be 28000

This would include materials and labor cost per 6 month period of driving shaft and adits.

Additional expense or miscellaneous would be spent on items such as power, utilities, and water those coming to a total of..... $ 6908

This development of the mine should reveal warranted possibilities of valuable mineral which the mine is being developed and under exploration for.

This estimated amount of men is higher than what we recently estimated on application DMA-774, as we believe that with double our first estimate we should reach our production capacity sooner than we expected.

Victor Toly(applicant)

Box 716

Park City, Utah

Enclosures (5)

Return enclosures

BUREAU OF MINES
WASHINGTON, D. C.

MAY 7 9 51 AM '51

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

APR 12 1951

[illegible]

[illegible]

Dear [illegible]:

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 for strategic materials calls for participation [illegible] the applicant. For [illegible] 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 [illegible] for financial aid in exploration [illegible] indicates that part [illegible] be considered under this exploration program. [illegible] will be [illegible] final determination of eligibility [illegible] preliminary [illegible] believe [illegible] that part of your application [illegible]

[illegible]

Very truly yours,

[illegible] Herres

[illegible]