UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (or cancelled) without certification. DMEA No. 993

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

Left Side

✓ Certificate of Audit (Final).

Interim Audit(s).

Report of Review.

Termination Notice or Agreement.

Recision Notice.

Assignment of Contract.

✓ Contract Amendments (latest on top).

✓ Contract with all exhibits and annexes.

Owner's Consent to Lien.

Subordination Agreement.

Leases and assignments of leases.

✓ Application and attachments.

Schedule of Collections.

✓ Operator's monthly reports and all attachments (latest on top).

Right Side

✓ Project summary.

✓ Work completed analysis.

✓ All other material is filed in chronological order with correspondence including the following reports as checked:

✓ Final Field Team Report. (Tab)

✓ Operator's Final Report.

Interim Reports.

On-site Exam Report(s). (Tab)

Settlement Sheets.

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

Maps in folder number _____

Operator's Monthly Reports in folder number 2

E Rogum
Reviewer's Initials 12/4/56

7973

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

AUDIT CERTIFICATE

I have examined the records and transactions of:

East Utah Mining Company
Keetley, Utah

pertaining to Exploration Project Idm-E119, Docket No. DMA 993X for the period of September 1, 1951 to July 31, 1952.

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

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

Total cost as billed by Contractor		$100,713.87
Less: Liquidation Settlement		7,398.92
Total Cost Claimed by Contractor		$ 93,314.95
Exceptions:		
By DMEA Finance Officer	None	
By Audit	$604.36	604.36
Total Accepted Cost		$ 92,710.59

The contract calls for a 50% participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Forty six thousand, three hundred fifty-five Dollars and 30/100

-$46,355.30-

is valid and proper.

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

March 17, 1953

T. H. Brading, Auditor

I. INTRODUCTION

From November 20 to 23, 1952, a final audit (covering the period of September 1, 1951 to July 31, 1952) was made of the records and accounts of operations pertaining to Contract Idm-E119, Docket No. DMA 993X and amendments No. one to six with the

East Utah Mining Company
Keetley, Utah

and sub-contract between that company and Centennial Development Company dated September 14, 1951 covering a project of exploration for zinc, lead, copper, gold and silver.

The accounting records under this contract are located in the company's office at Keetley, Utah. The contract covers two projects.

The mines are located about three miles southwest from Keetley. Mr. F. L. Wideman, Mining Engineer, Salt Lake City Office collaborated in this audit.

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

Mr. W. H. H. Cranmer-President & General Manager
Mr. C. L. Wilson-Mine Superintendent
Mr. Carl D. Harper-Accountant
Mr. James Simpson, Storekeeper
Mr. Francis Smith-Time Clerk

Their cooperation and assistance greatly facilitated the audit.

II. GENERAL INFORMATION ON RECORDS

The accounting records for the project are summarized in general ledger accounts. The records are complete and in good condition.

The source documents covering the costs of the project are

accumulated on monthly cost cards which are the basis for the preparation of the monthly MF-104 Reports. Therefore, this audit involved, in general, a check of the source documents against the monthly cost cards, and reconciliation of the cost cards with the general ledger accounts. In general, project costs are recorded on an accrual basis.

III. SCOPE OF AUDIT AND FINDINGS

The audit was limited to ascertaining the accuracy, propriety and validity of the costs as shown in the "Totals to Date" column of Form MF-104, Operator's Monthly Report and Voucher for the month of July, 1952. The extent of the audit, and the findings under each of the "Items of Cost" follow:

(1) Independent Contracts

A sub-contract with Centennial Development Company was entered into on September 14, 1951 and approved by the Regional Executive Officer on September 17, 1951. Monthly Statements from Centennial Development Company were checked against engineering reports to verify footage attained; actual payments traced to check Disbursement Record from carbon copies of voucher checks.

It was ascertained that the total costs properly chargeable to and allowable under this item were as follows:

	Project #1			
Cross Cutting	512.5'	at	25.00'	= $12812.50
Timber	20'	at	3.00'	= 60.00

Original contract was for 500 feet of crosscutting, but because of geological conditions at 500 feet, an additional 12.5 feet were

driven. This additional footage was approved by Executive Officer of Region IV.

Project #2

Drifting & Crosscutting 1291' at 25.00'----	$32,275.00
Timbering 552' at 3.00'----------	1,656.00
Spiling 31' at 78' caving ground----------	2,842.99
Clean up Drift-Retimbering and Track Laying----------	12,821.81
Total	$49,595.80

An amount of $271.15 was disallowed by the Finance Officer due to error on bill of Centennial Development Company. Subsequent to completion of the audit and before report was finally completed, Contractor filed a supplemental claim for this amount with corrected bill attached. Accordingly, this amount is reinstated.

Total Independent Contracts for both projects equals $62,468.30.

(2) Labor and Supervision

All labor and supervision chargaes were checked against the totals shown on Monthly Cost Sheets. Daily time tickets, approved by foreman for the months of October 1951 and March 1952, were checked from Monthly Cost Sheets to Payroll Register. Cancelled checks for net amount due employees were traced to payroll record, and endorsements scrutinized. Subsequent to September 1951, no charge for accounting or engineering services were made and as the amounts charged that month were less than $100.00; further that this is a final report, no adjustment is made.

In line with Amendment 6, the operator filed claim for retroactive payroll increases. Original records covering the claim were checked in detail.

The audit disclosed that the costs shown under this item, properly chargeable and allowable under the terms of the contract to be:

	Project #1	Project #2	Total
Labor	$1,468.62	$5,315.92	$6,784.54

(3) Operating Material and Supplies

All charges for Timber and Pipe and Track were checked against Monthly Cost Sheets. Invoices were examined to determine propriety of items charged, purchases for October and November 1951 and April and May 1952 were examined in detail, and voucher checks attached to invoices traced to Cash Disbursed Record to verify payment. Charges to operations were spot checked by testing requisitions and stores records.

From these tests, it was determined that timber, pipe and track were charged out at average unit purchase cost, plus freight and sales tax.

The total costs properly chargeable and allowable under the terms of the contract were found to be as follows:

	Project #1	Project #2	Total
Timber	$339.07	$7436.12	$7775.19
Pipe and Track	1096.16	6728.40	7824.56
	$1435.23	$14164.52	$15599.75

As the project has been completed, the contractor has made an offer of $1129.01 covering the Government's equity in Pipe, Track and incidental accessories. In view of the fact this bid is in excess of prevailing price for used pipe and track in the Salt Lake City area, the examining engineer, Mr. F. L. Wideman, has recommended that it be accepted. The Executive Officer of Region IV approved the recommendation and the bid is accepted, and the following deductions made from final

Pipe and Accessories	$ 966.20
Track & Accessories	1291.82
Total	$2258.02

Power

For the month of September 1951, power consumed was billed by the Utah Power and Light Company direct to the East Utah Mining Company. Effective October 1, 1951, a separate meter was installed on Utah Mining Company property, and current consumed charged to New Park Mining Company. This was done in order to obtain the advantages of the lower rate billed to New Park Mining Company by Utah Power and Light Company. The rates thus attained were:

1.85 on first 100 KW Demand charge
1.75 on next 100 KW Demand charge
1.50 per 100 KW on balance of demand charge
and .06 per KW on all power used.

From the total power bill, a discount of 5% was allowed by Utah Power and Light Company. New Park Mining Company billed East Utah Mining Company as follows:

1.85 on first 100 KW Demand charge
1.75 on next 100 KW Demand charge

Demand charge readings for the entire period were not available. However, for the period from March 1 to July 31, 1952, the overcharge based on schedule above was 8.367%, if the lowest demand charge was applied to the East Utah Mining Company. Accordingly, a reduction of 8.367% plust the amount of the 5% discount not passed on is made.

This disallowance is calculated as follows:

	Project #1	Project #2	Total
Charge per MF-104	$1,122.78	$3,490.03	$4,612.81
Deduct Sept. 1951 Charge	45.81	45.82	91.63
	$1,076.97	$3,444.21	$4,521.18

The disallowance is deducted from the gross figures with the following results:

Current Charged	$1,122.78	$3,490.03	$4,612.81
Disallowance	143.97	460.39	604.36
Total	$ 978.81	$3,029.64	$4,008.45

The totals shown above giving effect to the amounts disallowed are properly chargeable and allowable under the contract.

(4) Operating Equipment - Rental

All charges for usage of operating equipment were checked to monthly cost sheets, as were the rates specified in the contract. Accurate records covering the time equipment was used were not maintained. The amounts charged were based on estimates and inasmuch as the charge based on usage for fractional months were reasonable, the charge as made by the operator is considered to be allowable and a proper charge under the terms of the contract. The charges are allocated to the two projects as shown below:

Description	Rate Month	PROJECT #1 Time*	PROJECT #1 Amount	PROJECT #2 Time*	PROJECT #2 Amount	TOTAL Amount
G.E.Locomotive	$20.83	5Mo.	$ 35.44	10Mo.	$96.03	$131.47
Motor Generator	13.88	5Mo.	30.81	10Mo.	92.77	123.58
Mine Cars	38.00	5Mo.	38.55	10Mo.	127.60	166.15
Pump	1.44	5Mo.	2.73	10Mo.	10.13	12.86
3000 Gal. Tank	2.10	5Mo.	4.61	10Mo.	11.36	15.97
Loco. Battery	26.34	5Mo.	50.42	10Mo.	143.53	193.95
			$162.56		$481.42	$643.98

* Part of the time equipment was in use on both projects, and at times usage charge was made for a fractional month.

(4) Operating Equipment (Purchased)

The equipment listed below was purchased as authorized by the contract. The charges are reasonable and necessary, and divided between the two projects equally.

3-Used Atlas Drills $250.00 each	$ 750.00
1-Cherry Picker	202.60
1-12B Eimco Mucker	3,016.14
5072' -#2.0 Cable	3,104.06
5035' -#3.0 Cable	1,797.50
	$8,870.30

Project #1	Project #2
$4,435.15	$4,435.15

As the projects have been completed, the contractor has agreed to repurchase the equipment in which the Government has a 50% equity. Comparison of the bid as made by the contractor and bids submitted by three outside organizations are shown below:

Equipment	East Utah Mining Co.	Cate Equip. Co.	Roger Pierce Sales Co.	J.J.Coan Co.
3-Atlas Drills	$412.50	$300.00	$337.50	$315.40
1-Cherry Picker	111.43	75.00	91.17	100.00
1-Eimco Mucking Machine	2173.97	1700.00	1330.65	1950.00
5072' of 2/0 Cable	1573.76	1268.00	1369.44	1268.00
5035' of 3/0 Cable	869.24	755.25	793.01	754.25
Total	$5140.90	$4098.25	$3921.77	$4387.65

Inasmuch as bid submitted by the contractor was in excess of any bid submitted by an outside organization, it was accepted by the Executive Officer of Region IV and adjustments made to contractor's final MF-104 as follows:

	Project #1	Project #2	Total
Equipment	$4435.15	$4435.15	$8870.30
Contractor's bid	2570.45	2570.45	5140.90
	$1864.70	$1864.70	$3729.40

(5) Initial Rehabilitation and Repairs

Not applicable to this contract

(6) New Buildings, Improvements, etc.

Not applicable to this contract

Repairs to Equipment

All charges for this item were traced to Monthly Cost Sheets. Test check of warehouse requisitions both for propriety of items and cost, were made. The charges as listed below are reasonable and allowable:

	Project #1	Project #2	Total
Mine Car Repairs	$131.09	$188.00	$319.09
Compressor Repairs	234.68	336.75	571.43
Mucking Machine Repairs	10.93	15.68	26.61
Total	$376.70	$540.43	$917.13

Payroll Taxes and Insurance

All charges for payroll taxes and insurance were computed at rates shown by proper vouchers to be in effect. These rates were:

	1951	1952
F.I.C.A.	1.5	1.5
Unemployment - Utah	.8	.9
Federal	.3	.3
Group Hospitalization Insurance	1.043	1.043
Life Insurance	2.107	3.696
Total	5.750	7.439

Workmen's Compensation 1951	5.348
Workmen's Compensation 1952 (Jan. & Feb.)	6.602
Workmen's Compensation 1952 subsequent to Feb.	5.013

IV. CONCLUSIONS AND RECOMMENDATIONS

This audit has disclosed that all costs as charged to this project, with the exception of disallowances shown under Item (3) Operating Material and Supplies-Power, of preceding section of this report, are reasonable

and proper under the terms of the contract and amendments.

The adjustments between "Items of Costs" as shown on the July 1952 MF-104, the recommended disallowances, reinstatement, liquidation settlement and approved amounts are summarized as follows:

Project #1

	Totals July MF-104	Distribution Corrected	DISALLOWANCES Prior	DISALLOWANCES Audit	Liquidation	Total Allowed by Audit
(1) Independent Contract	$12872.50	$12872.50				$12872.50
(2) Labor	1468.62	1468.62				1468.62
(3) Operating Mat. & Supp.:						
Timber	339.07	339.07				339.07
Pipe		414.36			$102.09	312.27
Track	1096.16	681.80			180.67	501.13
Power	1122.78	1122.78		$143.97		978.81
(4) Operating Equipment						
Rental	162.56	162.56				162.56
Purchases	4435.15	4435.15			2570.45	1864.70
(7) Miscellaneous						
Repairs to Equipment	376.70	376.70				376.70
Comp. Insur.	78.75	78.75				78.75
Payroll Taxes		38.78				38.78
Other Insurance	93.03	54.25				54.25
	$22045.32	$22045.32		$143.97	$2853.21	$19048.14

Project #2

	Totals July MF-104	Distri-bution Corrected	Rein-state-ment	Dis-allow-ed	Liquid-ation	Total Allowed by Audit
(1) Independent Contract	$49595.80	$49595.80	$271.15	$271.15		$49595.80
(2) Labor	5315.92	5315.92				5315.92
(3) Operating Mat. & Supplies:						
Timber	7436.12	7436.12				7436.12
Pipe		2788.80			$864.11	1924.69
Track	6728.40	3939.60			1111.15	2828.45
Power	3490.03	3490.03		460.39		3029.64
(4) Operating Equipment:						
Rental	481.42	481.42				481.42
Purchases	4435.15	4435.15			2570.45	1864.70
(7) Miscellaneous						
Repairs to Equipment	540.43	540.43				540.43
Comp. Ins.	272.80	272.80				272.80
Payroll Taxes		144.94				144.94
Other Insur.	372.48	227.54				227.54
	$78668.55	$78668.55	$271.15	$731.54	$4545.71	$73662.45

271.15 Disallowed by Finance Officer
460.39 Disallowed by Audit

Projects #1 & 2 Combined

	Total July MF-104	Distri-bution Corrected	DISALLOWANCES Prior	DISALLOWANCES Audit	Liquid-ation	Allowed by Audit
(1) Ind. Contract	$62468.30	$62468.30				$62468.30
(2) Labor	6784.54	6784.54				6784.54
(3) Operating Mat. & Supplies:						
Timber	7775.19	7775.19				7775.19
Pipe		3203.16			$966.20	2236.96
Track	7824.56	4621.40			1291.82	3329.58
Power	4612.81	4612.81		$604.36		4008.45
(4) Operating Equipment						
Rental	643.98	643.98				643.98
Purchase	8870.30	8870.30			5140.90	3729.40
(7) Miscellaneous						
Rep. to Equip.	917.13	917.13				917.13
Comp. Ins.	351.55	351.55				351.55
Payroll Taxes		183.72				183.72
Other Insur.	465.51	281.79				281.79
	$100713.87	$100713.87		$604.36	$7398.92	$92710.59

At the conclusion of the audit, the findings were discussed with the Mine Superintendent (Clark L. Wilson), and the Accountant (C. D. Harper).

There were no unused materials, supplies or other property to be disposed of for the joint account of the Operator and the Government other than that covered by liquidation.

March 17, 1953

T. H. Brading

T. H. Brading, Auditor

GOVERNMENT COPY

No. 6

AMENDMENT OF CONTRACT: NO: Idm-E119

Contract Decket No. DMA 993X, dated August 17, 1951, between the United States of America and East Utah Mining Company is hereby amended as follows, effective as of the date of said contract:

Void the Amendment dated February 5, 1952, which amended "EXHIBIT D" attached to Exploration Project Contract Form MF-200.

Referring to "EXHIBIT D" attached to Exploration Project Contract Form MF-200, delete said Exhibit in its entirety and in lieu thereof substitute the following:

"EXHIBIT D"

Following is a schedule of Labor by classes and maximum base 1/ rates of pay, for Projects 1 and 2:

Class	Maximum Base Rates of Pay
Laborer	$12.69 per 8-hour shift
Underground Helper	12.40 per 8-hour shift
Intermediate Mechanic(Pipe & Track)	12.84 per 8-hour shift
Intermediate Mechanic (Toolsmith)	12.94 per 8-hour shift
Truck Driver	13.06 per 8-hour shift
Dumpman	13.06 per 8-hour shift
Timber Sawyer	13.06 per 8-hour shift
3rd Electrician	13.50 per 8-hour shift
Truck & Tractor Operator	13.72 per 8-hour shift
Blacksmith	13.94 per 8-hour shift
Welder Combination	13.94 per 8-hour shift
Tunnel Motorman	13.94 per 8-hour shift
2nd Electrician	14.16 per 8-hour shift
Miner	14.16 per 8-hour shift
Welder Mechanic	14.38 per 8-hour shift
Timber Repairman (Load Miner)	14.38 per 8-hour shift
1st Electrician	14.60 per 8-hour shift
Machinist	14.60 per 8-hour shift
Shift Boss	458.34 + per month

+old base rate of $401.00 per month plus 14.3% increase.

1/ In addition to the indicated base pay, operator must pay time and one-half (overtime for Saturday), contract bonus earned in driving projects, night shift differentials, and such labor charges as vacations, group insurance, Workmens Compensation, life insurance, F.O.A.B., and unemployment insurance. (Rate used in cost estimates is 12.58% of wages.)

Original

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

Dated September 18, 1952

EAST ~~PARK~~ UTAH MINING COMPANY

By

UNITED STATES OF AMERICA

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

August 8, 1952

Memorandum

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

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA-993X, Contract Idm-E119, East Utah Mining Co., Keetley, Utah. Amendment request submitted by the operator.

Enclosed are six copies of a letter received from the subject contractor requesting an amendment to the contract to establish wage rates to conform with recent retroactive wages and increase in wage agreements with the labor union. Copies of a memorandum prepared by F. L. Wideman are also included.

Stephen R Wilson
Stephen R. Wilson

Encls.

RECEIVED
SEP 30 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

S. R. Wilson August 6, 1952

F. L. Wideman

DMA 993X, Contract Idm-E119, East Utah Mining Co., Keetley, Utah.

Transmitted herewith are the original and five copies of a letter from the East Utah Mining Co.,dated August 4, 1952, requesting an amendment to the contract to establish the wage scale illustrated by an attachment to the letter.

The wage scale affects East Utah Mining Co. employees, but does not affect employees of the Centennial Development Co., the subcontractor.

The exploratory work under the contract has probably been completed by now. There should be an unexpended balance sufficient to pay the retroactive wages and the increase in wages since July 1, 1952, if the amendment is granted.

It will be noted that the attached wage scale does not break down the increase in pay to salaried personnel. It states that all salaries are increased by 14.3 percent.

F L Wideman

F. L. Wideman

August 4, 1952

Mr. W. N. King, Executive Officer
DMEA Region IV
224 New Customhouse Building
Denver, Colorado

Re: Contract Idm-K119
Docket DMA-993X

Dear Mr. King:

In previous correspondence we have indicated that negotiations with the local union for adjusted base rates were being conducted during the past year and would be retroactive to July 1, 1951. The Company's wage offer and the Union's wage request were in dispute and this dispute was referred to the Wage Stabilization Board in Washington, D. C. This was known as Case B-22-W and a settlement of the issue was announced during the month of June, 1952.

According to our earlier requests, we are now submitting a revised list of the labor classifications and rates to be used in projects 1 and 2 of the above contract. In issuing its decision the Wage Stabilization Board directed that all employees should receive a minimum increase of $[illegible] per hour regardless of their position in the new job evaluation classes. This resulted in some of our employees receiving a new base wage that is actually higher than the new job classes would authorize. These are known as red circle jobs. The following job descriptions included on the attached list are red circled. Labor, job class 3 under job evaluation is rated at $11.74 per 8 hour shift but is red circled at $12.69. The intermediate mechanic previously rated as a toolsmith is red circled at $12.9[illegible]. The other rates shown on the attached list are correctly rated according to job evaluation. A revised payroll will also be submitted, showing the gross amount of wages paid under the old and new rates and the difference now due because of this wage increase.

We request that the contract be amended to include these job descriptions and wage scales and the payrolls will be submitted as additional cost to the above projects.

Very truly yours,

EAST UTAH MINING COMPANY

By Clark L. Wilson
Clark L. Wilson,
Superintendent

CLW:sh
Enclosures

Old Job Description	Old Rate	New Job Class	New Job Description	New Rate
Miner (Performing laborer class of work)	$12.05	3	Laborer	$12.69
Pipe & Track (Performing laborer class of work)	12.05	3	Laborer	12.69
Laborer	11.30	3	Laborer	12.69
Mucker	11.55	6	U. G. Helper	12.40
Pipe & Track	12.05	8	Inter. Mechanic	12.84
Toolsmith	12.30	8	Inter. Mechanic	12.94
Truck Driver	12.05	9	Truck Driver	13.06
Laborer	12.05	9	Dumpman	13.06
Miner (Performing timber work)	12.05	9	Timber Sawyer	13.06
3rd Electrician	12.05	11	3rd Electrician	13.50
Cat. Operator	12.55	12	Truck & Tractor Operator	13.72
Blacksmith	12.55	13	Blacksmith	13.94
Welder	12.55	13	Welder Combination	13.94
Miner (Performing motor work)	12.05	13	Tunnel Motorman	13.94
2nd Electrician	12.55	14	2nd Electrician	14.16
Miner	12.05	14	Miner	14.16
Mechanic	12.80	15	Welder Mechanic	14.38
Lead Miner	12.55	15	Timber Repairman	14.38
1st Electrician	12.80	16	Electrician 1st Class	14.60
Machinist	12.80	16	Machinist	14.60

All salaries increased by 14.3%

Lead, Zinc

No. 5

AMENDMENT OF CONTRACT: No. Idm-E119

Contract Docket No. DMA 993X, dated August 17, 1951, between the United States of America and East Utah Mining Co. is hereby amended as follows; effective March 5, 1952.

Referring to "Exhibit A", attached to Exploration Project Contract, Form MF-200, title Question No. 3, Form MF-200, Subtitle "This Project will consist of the following": Subheading "Project No. 2." delete the following: "1000 feet of crosscutting northerly from the face of the East Utah drift of the Connor Tunnel, to explore strands of the Mc Henry fissure; 500 feet of drifting on structures found in the crosscutting;" substitute in lieu thereof the following: Approximately 1200 feet of crosscut northwesterly from approximately the 5225-foot point of the East Utah drift, and approximately 300 feet of drifting on strands of the Mc Henry Fissure. The location of the proposed work is shown on the attached map.

Referring to the same title, subtitle, and subheading, after the following: "Exploration of the Mc Henry fissure system:", delete the following:

"1000 feet crosscutting	@ $35.92/foot	$35,920.00
500 feet drifting	@ $35.92/foot	$17,960.00"

Insert in lieu thereof the following:

1200 feet crosscutting	@ $35.92/foot	$43,104.00
300 feet drifting	@ $35.92/foot	$10,776.00

Referring to "Exhibit A" under title "Exploration Plan East Utah Mining Company Keetley, Utah", subtitle "Project No. 2:", heading "Work to be Done:" delete the following: "repair and retimber 500 feet of caved section of the old workings, to reach the face of the old work; extend this heading 1,000 feet northerly; drift 500 feet on any vein structure found." Insert in lieu thereof the following: repair and retimber approximately 500 feet of caved section of the old workings; crosscut approximately 1200 feet northwesterly from approximately the 5225-foot point of the East Utah drift, and drift approximately 300 feet on strands of the Mc Henry Fissure.

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

under the provisions of Article 11 of the contract form.

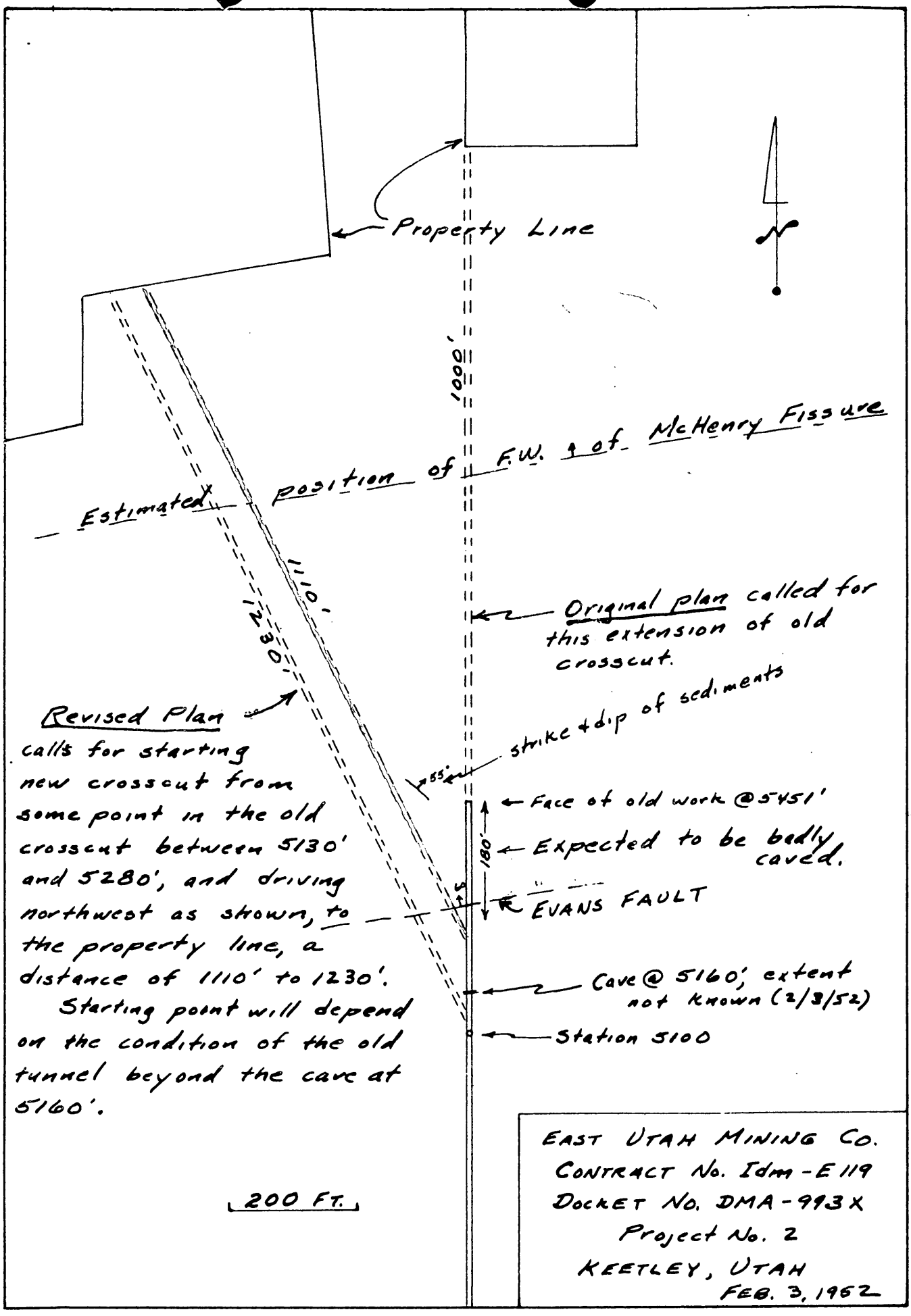
Dated March 25, 1952

EAST COAST FISHING COMPANY

By President

UNITED STATES OF AMERICA

By
Executive Officer, DMEA


Property Line
N
1000'
Estimated position of F.W. of McHenry Fissure
1110'
1230'
Original plan called for this extension of old crosscut.
Revised Plan calls for starting new crosscut from some point in the old crosscut between 5130' and 5280', and driving northwest as shown, to the property line, a distance of 1110' to 1230'.
Starting point will depend on the condition of the old tunnel beyond the cave at 5160'.
strike + dip of sediments
55°
Face of old work @ 5451'
180'
Expected to be badly caved.
EVANS FAULT
Cave @ 5160', extent not known (2/3/52)
Station 5100
200 FT.
EAST UTAH MINING CO.
CONTRACT No. Idm-E 119
DOCKET No. DMA-993X
Project No. 2
KEETLEY, UTAH
FEB. 3, 1952

Contractor's Audit Copy

AMENDMENT OF CONTRACT: No. Idm-E119

Contract Docket No. DMA 993X, dated August 17, 1951, between the United States of America and East Utah Mining Company is hereby amended as follows, effective as of the date of said contract:

1. Referring to "Exhibit D" attached to Exploration Project Contract, Form MF-200, under the title, "Following is a schedule of labor by numbers and classes with wage or salary schedules for each project." and under subtitle "Project No. 1", add the following:

"Number	Class	Wage
1	Welder	Base rate 12.55 per 8 hour shift
1	Blacksmith	Base rate 12.55 per 8 hour shift
1	Toolsmith	Base rate 12.30 per 8 hour shift
1	Mechanic	Base rate 12.80 per 8 hour shift
1	Track man	Base rate 12.05 per 8 hour shift
1	Caterpillar Operator	Base rate 12.55 per 8 hour shift"

2. Referring to "Exhibit D", the same title, subtitle "Project No. 2", add the following:

"Number	Class	Wage
1	Welder	Base rate 12.55 per 8 hour shift
1	Blacksmith	Base rate 12.55 per 8 hour shift
1	Toolsmith	Base rate 12.30 per 8 hour shift
1	Mechanic	Base rate 12.80 per 8 hour shift
1	Track man	Base rate 12.05 per 8 hour shift
1	Caterpillar Operator	Base rate 12.55 per 8 hour shift"

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

Dated February 5, 1952.

FEB 1 - 1952

EAST UTAH MINING COMPANY

By President.

UNITED STATES OF AMERICA

By Executive Officer - DMA

Contracts & Audit Copy

AMENDMENT OF CONTRACT: No. Idm-E119

Contract Docket No. DMA 993X, dated August 17, 1951, between the United States of America and East Utah Mining Company is hereby amended as follows, effective December 1, 1951:

> Referring to Exhibit "A" attached to the Exploration Project Contract Form MF-200, under the title: "This project will consist of the following:", subtitle "Project No. 2", add the following:
>
> "Driving a drift around the caved area in the East Utah Tunnel - North Crosscut starting at approximately survey point 4400+48 and rejoining the crosscut at approximately survey point 4700. A distance of approximately 250 feet."

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

Dated January 24, 1952.

jwo

EAST UTAH MINING COMPANY

By [signature]
President

UNITED STATES OF AMERICA

By [signature]
Executive Officer - DMA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
FEB 11 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 31 1952

AMENDMENT OF CONTRACT: No. Idm-E119

Contract Docket No. DMA-993K, dated August 17, 1951, between the United States of America and East Utah Mining Company is hereby amended as follows:

> Referring to Exhibit "C" attached to Exploration Project Contract, Form MF-200, under the title "Following is a list of operating equipment to be furnished by the operator, with the allowable monthly rental", add the following:

"Equipment	Value	Life	Monthly Depreciation
5 Mine Cars	$1,257.50	10 years	$10.48"

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

Dated November 30, 1951.

EAST UTAH MINING COMPANY

By President

UNITED STATES OF AMERICA

By

AMENDMENT OF CONTRACT: No. Idm-E119

Contract Docket No. DMA-993X, dated August 17, 1951, between the United States of America and East Utah Mining Company is hereby amended as follows, effective as of the date of said contract:

1. The schedule in Exhibit C attached to the contract form under the title Additional Facilities (Equipment) to be purchased for operating the two proposed projects amended to permit the purchase of ~~two~~ three Copco Pacific Drills at an estimated cost of $750.00 in place of two drifters at $1,940.00. The same schedule is also amended to allow the substitution of 5,072 feet of 2-conductor #2-0 and 5,000 feet of single conductor #3-0 at a cost of approximately $4,900.00 in place of 3,000 feet of 3-conductor #0 at an estimated cost of $5,640.00.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may pay or the percentage of the costs which the Government may pay under the provisions of Article 13 of the contract form.

Dated _____, 1951.

EAST UTAH MINING COMPANY

By _____
President

UNITED STATES OF AMERICA

By _____
Executive Officer - DMA

Cont. Serv. Sec.
Change Order
Rec'd SML
Rec'd

MF-26
(April 1953)

Indexed
No. Card
Card
Reviewed

Docket No. DMA 993x
Commodity Zinc, Lead Gold, Silver, and Copper.
Idm-E119

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

RECEIVED AUG 31 1951 D.M.O.

EXPLORATION PROJECT CONTRACT [1]

SEP 4 SEP 171

It is agreed this 17th day of August, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] East Utah Mining Company (a Utah corporation) Keetley, Utah (Park City Mining District)

hereinafter called the "Operator," as follows:

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

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Utah, County of Wasatch described as follows: [3] See Annex 1,

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: None

(*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 from the date of this contract shall commence work on a project of exploration for [5] zinc, lead, copper, gold & silver; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] twelve (12) months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

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

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

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

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

Supplement No. 1 Amend. dated 10/4/51 Executed 11/5/51 SML
Supplement No. 2 dated 9/17/51 Executed 11/5/51 SML

16—84066-1

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

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

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

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

11. *Participation by the Government.* At the end of the first full calendar month after the Operator has commenced work under the project, and at the end of each succeeding calendar month, the Operator shall submit to the Government a voucher for payment with a detailed statement of work done and allowable costs (as defined in Article 10 of this agreement) incurred, in a form and with supporting data acceptable to the Government. After approving the voucher, the Government shall pay to the Operator 50 percent of the sum of such costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $54,587.00, which is 50 percent of the agreed estimated total cost of this project, $109,174.00.

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~~ Sextuplicate the day and year first above written.

East Utah Mining Company
(Operator)

By W. H. H. Cranmer,
President

THE UNITED STATES OF AMERICA

By C. Mitteudorf
Director, Production Expansion Division
Defense Minerals Administration

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

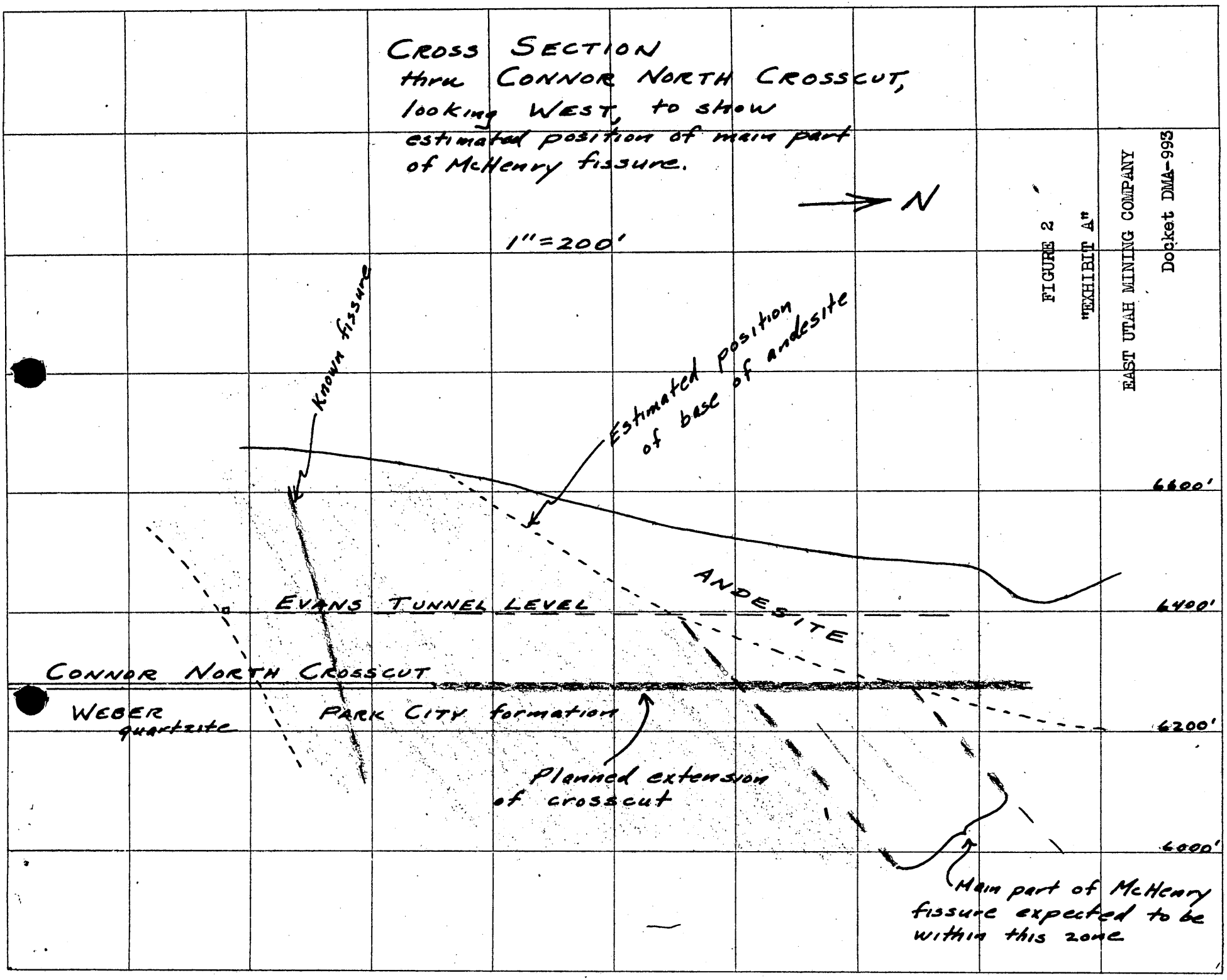


FIGURE 2

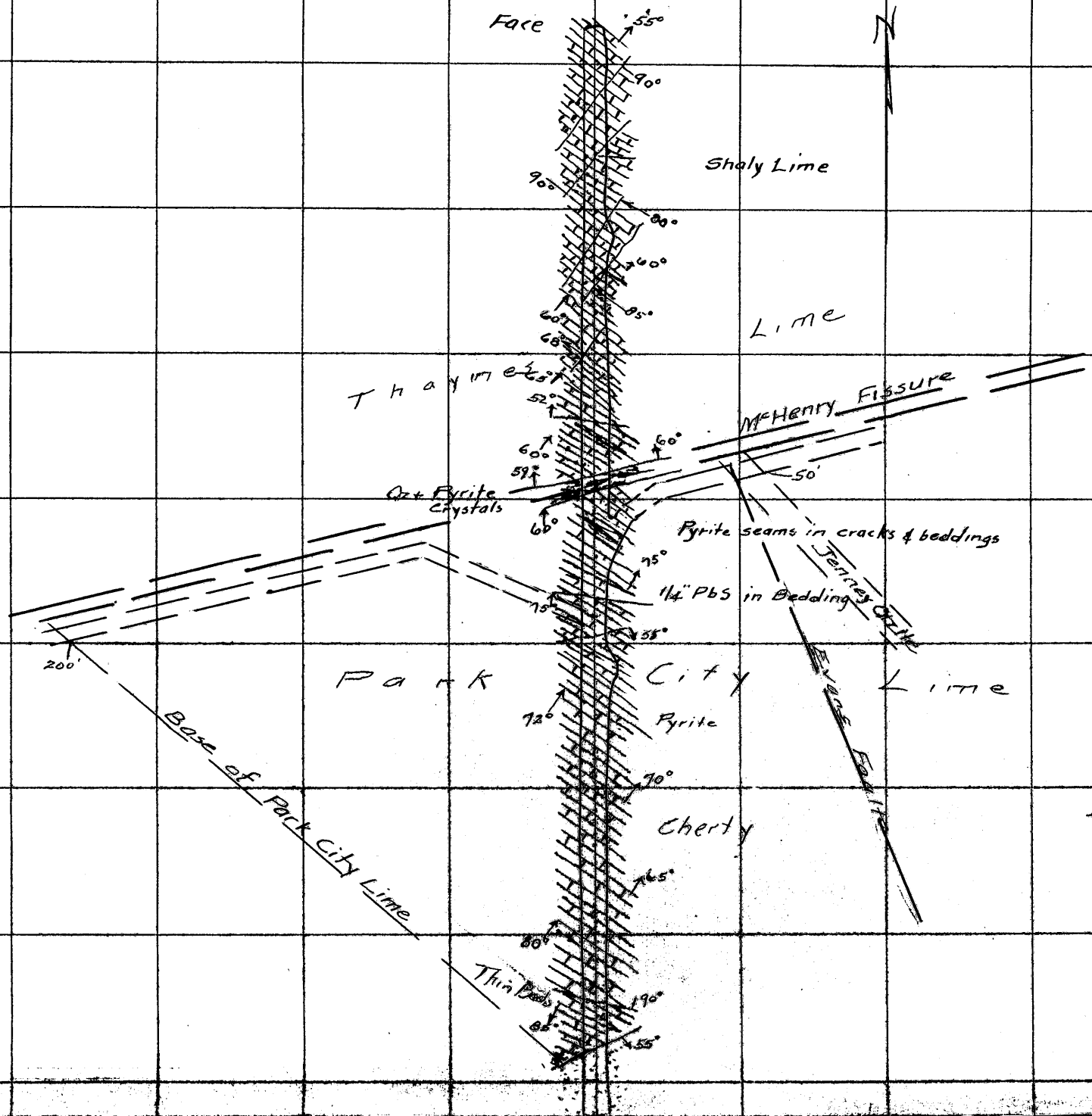
"EXHIBIT A"

EAST UTAH MINING COMPANY

Docket DMA-993

MINE EAST UTAH LOCATION PARK CITY, UTAH LEVEL

GEOLOGY BY RCB SURVEY SCALE 1" = 200' DATE 5/21/51



DETAIL of North Crosscut
Cunningham Tunnel

After Peacock

Scale 1" = 50'

Dwg - 933

Contract dated September 14, 1951, between the East Utah Mining Company and the Centennial Development Company for carrying out certain specified work under the provisions of Exploration Project Contract, Docket No. DMA 993X, between the United States of America and East Utah Mining Company is hereby approved.

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

Dated September 17, 1951.

UNITED STATES OF AMERICA

By _____
Executive Officer, DMA

Cont. Stat. Bus.
Change Order
Noted SML
Reviewed .....

OCT 24 1951

COPY

AGREEMENT

This Agreement made and entered into on this 14th day of September, 1951, by and between EAST UTAH MINING COMPANY, a Utah Corporation, with its principal offices located at 904 Walker Bank Building, Salt Lake City, Utah, Party of the First Part, hereinafter referred to as "Company", and the CENTENNIAL DEVELOPMENT COMPANY, a Utah Corporation, with its principal offices located at Eureka, Utah, Party of the Second Part, hereinafter referred to as "Contractor".

W I T N E S S E T H:

The Company holds certain mines and mining claims located in the Park City Blue Ledge Mining District, Wasatch County, State of Utah, presently developed by the General Connor Tunnel and Company is desirous to have certain development work done from each of the two headings in this tunnel and Contractor is qualified and willing to do said work under the terms hereinafter stated;

NOW, THEREFORE, in consideration of the sum of Ten Dollars ($10.00) to Contractor in hand paid, receipt of which is hereby acknowledged, and of the covenants and agreements of the parties by them respectively to be kept and performed, IT IS HEREBY AGREED AS FOLLOWS, to wit:

I. Contractor agrees:

(a) To drive cross-cuts and drifts from the faces of the General Connor and East Utah headings; work in the East Utah heading to be approximately 1,500 linear feet and in the General Connor tunnel to be approximately 500 linear feet, as per DMA Project 993K; drifts to be a nominal 7½ x 7½ feet in cross section clear and inside timber where needed, with 30 pound rail or track at 30 inch gauge, air and water lines and 18 inch vent lines installed at a plus grade of 1/2 of 1%; if necessary, cross-cuts for cherry-pickers or switches for Contractor's own use in driving the headings and a drainage ditch, sufficient in depth to accommodate any water encountered; for which Company will pay $25.00 per linear foot.

(b) To install standard drift sets of 8 x 8 inch timber with 2 inch lagging on 5 foot centers between sets where ground requires timber in the drifts and cross-cuts above; for which the Company will pay an additional $3.00 per linear foot.

(c) To install track and 4 inch air line and to furnish and install vent line 18 inch in diameter in uncaved portions of the East Utah drift; "uncaved" is meant to apply to sections which do not require timbering or timber repair; for which Company will pay $3.00 per linear foot.

(d) To rehabilitate caved drifts in the East Utah, including cleanup of fallen rock, installation of necessary timber and installation of track, air line and vent line; for which Company will pay the actual costs of the Contractor for his labor, direct supervision, payroll taxes and insurance, and supplies, plus a fee of $20.00 per day to cover general supervision, overhead and profit; above cost to be supported by certified copies of payrolls and invoices. It is estimated that Contractor's expenses and fee will amount to $220.00 per day for this work.

II. Company agrees

(a) To provide, at no cost to the Contractor, the following materials and services for use in the Contractor's work:

(1) Rail, ties and fittings, including switches as needed.
(2) Air and water pipe and fittings.
(3) Timber and nails.
(4) Electric Power.
(5) Electricians' services and electrical supplies and repair parts.
(6) Snow plowing as needed to and on dump.
(7) Engineering in tunnel.

(b) To provide the following equipment for Contractor's use:

(1) Cherry picker device.
(2) Transformers.
(3) One locomotive with 2 batteries, charging rack and charter.
(4) Ten Mine cars.
(5) Air compressor, electric motor drive.
(6) One Model 12B Eimco mucking machine.
(7) Three Copco Pacific Model RH 656W drills and pushers.
(8) Duplex air pump for drilling water.
(9) 3,000 foot power line in tunnel.
(10) Fans presently in tunnel.
(11) Existing surface buildings, as is.

III. Contractor agrees:

(a) To provide the following services and supplies:

(1) All tunnel labor, including direct and general supervision.
(2) Explosives and electric blasting lines.
(3) Drill steel and bits.
(4) 18" steel vent line and accessories, said vent line to remain the property of Company after installation.
(5) Cost of maintaining all machinery on the job, except for cost of electrician's services and electrical repair parts.
(6) Small tools, fittings, hoses in headings.
(7) Local truck service.

(b) To commence work immediately on notification from Company and to continue at a rate of two shifts per day for six days per week.

)c) To perform the work in an efficient and minerlike

manner, and to conform with applicable rules and regulations governing safety and sanitation in mines.

(d) To carry, at its expense, Workmen's Compensation and Occupational Disease Disability Compensation Insurance covering its employees, and before commencing any work under this Agreement, to furnish Company with a certificate of the insurance carrier that Contractor is covered with Workmen's Compensation and Occupational Disease Disability Compensation Insurance, and an agreement of the insurance carrier that the policy or policies for such insurance will not be cancelled without first giving Company at least ten days' written notice of intention to cancel the same; to pay taxes and/or make any deductions under the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, and/or the Utah Employment Security Act for which the Contractor may become obligated; and to comply with the Utah Act to Regulate Payment of Wages in Private Employment, the Fair Labor Standards Act of 1938 as amended, and all other laws, rules and regulations of any duly constituted governmental authority affecting said work; and on request of Company, to furnish it supporting evidence of compliance with the requirements of this paragraph.

(e) To furnish Company, upon its request, satisfactory proof that all workmen employed by Contractor in performance of the work covered by this Agreement have been fully paid and that all suppliers of equipment, tools, supplies and power furnished by Contractor have been fully paid.

(f) Indemnify and save Company harmless against all claims made upon Company for or on account of any debt or expense incurred by Contractor, or claims for personal injury to or death of any person or injury to property of any person by reason of any act or omission of Contractor, its agents, or employees; and to assume and discharge all liability, claims and demands of whatsoever nature arising out of or based upon its operations under this Agreement.

(g) To post at conspicuous places in and about the portal and tunnels in which Contractor is working a notice of Company's non-responsibility under Title 52 of the Utah Code Annotated, as amended, stating in substance, that the Company is the owner of said ground and said tunnel, and that Contractor is responsible for any labor or materials delivered upon said

premises, or used in construction, alteration or repair of any work or improvement which may be contracted during the term of this agreement in the driving of the General Connor heading and the East Utah heading, which may be made or done upon said land or any part thereof by Contractor; that Company is not, and will not be, responsible for any labor performed and supplies and materials furnished and used by Contractor in and upon the above described headings expended inthe driving of said headings, and that Contractor, and not Company, shall be responsible for all debts and expenses incurred in the development mining operation pertaining to the driving of said headings upon or on the East Utah or General Conner tunnels, all as may be required by the Statutes of the State of Utah.

IV. It is mutually agreed:

(a) That final payment to Contractor under this agreement shall be based on plans, sections, and other data prepared by Company's engineers from original measurements and surveys made by Company's representative, in the presence of a representative of Contractor, of the drift and/or excavations, completed in accordance with the provisions of this Agreement; and said representative of Contractor and representative of Company shall approve and sign the original notes of such measurements at the time they are made. Payment for partially completed sections of the drift and/or raise or for sections where any work is improperly done (such as timber inadequately blocked or excessive track grade) shall be withheld until the regular payment date next following proper and final completion of lthe section. In the event of disagreement between the representative of the Contractor and representative of the Company as to the work completed, Contractor shall furnish Company with a memorandum, in writing, stating the differences and Company shall investigate the facts and attempt to compose the differences, but in any event, the decision of the Company shall be final in determining payments to be made under this agreement.

(b) That neither party to this Agreement shall be responsible for loss or damage arising from delays caused by strikes, fire, accidents, delays of carriers or suppliers of material, inability to obtain labor or supplies, cave-ins, or other causes beyond the reasonable control of either

party, whether of the same kind or class as the causes specifically enumerated or not; but each party will exercise reasonable effort and diligence to avoid any such delays.

(c) That in the event any ground requiring heavier timber or timbering methods other than specified under Sec. I (b), or loose caving ground, water bearing or not, requiring spiling or similar type of work be encountered; or that ore bearing ground of such value as to justify special methods of extraction be encountered; then provision for payment under Section I (a) and (b) shall be suspended and payments for this special work only shall be made on the basis of Contractor's actual costs to include labor, direct supervision, payroll taxes and insurance and supplies plus a fee of $20.00 per day to cover general supervision, overhead and profit. Contractor agrees to support above costs with certified copies of payrolls and invoices.

(d) That payment for advance will be made not later than the tenth of the following month, with no hold-back, except in case of work improperly performed.

(e) That Company representatives may inspect the workings at any time and direct Contractor as to direction of the drive and advise if work fails to meet contract specifications.

(f) That this Agreement is not assignable or transferable by Contractor or by operation of law.

(g) That Contractor is an independent contractor and there shall be no privity of contract between Company and employees or sublessees of Contractor, but all such employees or sublessees, whether on a wage or profit paying basis, shall be selected by Contractor, fired by Contractor, directed by Contractor and paid by Contractor, and that subject only to the specific limitations herein set out, Contractor shall have exclusive dominion and control over the workings and the operations therein during the term hereof.

V. The Company reserves the right to terminate this Agreement by thirty (30) days' written notice to the Contractor for:

(a) Failure to perform work in minerlike fashion or follow work specifications.

(b) Failure to maintain reasonable progress.

(c) Deterioration of economic conditions or suspension of Government aid.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective proper officers thereunto duly authorized, as of the day and year first written above.

Attest:

/s/ Robert L. Cranmer
Secretary

EAST UTAH MINING COMPANY

By /s/ W. H. H. Cranmer
W. H. H. Cranmer, President
Party of the First Part

CENTENNIAL DEVELOPMENT COMPANY

/s/ Robert E. _____
Secretary

By /s/ Harold B. Spencer
Party of the Second Part

STATE OF UTAH)
: SS.
COUNTY OF SALT LAKE)

On the 11 day of September, 1951, personally appeared before me W. H. H. CRANMER, who being by me duly sworn, did say that he is the President of East Utah Mining Company, and that said instrument was signed in behalf of said corporation by resolution of its Board of Directors, and said W. H. H. CRANMER acknowledged to me that said corporation executed the same.

My commission expires:
June 6, 1954

/s/ Frordell Klatnick
Notary Public

STATE OF UTAH)
: SS.
COUNTY OF SALT LAKE)

On the 14th day of September, 1951, personally appeared before me Harold B. Spencer, who being by me duly sworn, did say that he is the President of Centennial Development Company, and that said instrument was signed in behalf of said corporation by resolution of its Board of Directors, and said Harold B. Spencer acknowledged to me that said corporation executed the same.

My commission expires:
October, 13, 1952

/s/ W. E. Gamble
Notary Public

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

993

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. 933X

Date received 5-25-51

Participation

EAST UTAH MINING COMPANY
KEETLEY, UTAH

Name and address of applicant

Date May 19, 1951

FILL IN THIS BLOCK

Date of application March 23, 1951

Estimated cost $133,244.12

Mineral or metal Copper, lead and zinc

Percentage of Government participation 50%

Location of mine Blue Ledge Mining District
T2S R4E - SLM Sections 24, 25 & 26
Wasatch County, State of Utah
~~Park City Mining District~~

Date of filing MF-100 May 16, 1951

DMA Docket Number, if available 993X

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.

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4

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.
    X(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    X(*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.
    X(*f*) Cost of rental for equipment which the operator proposes to rent.
    X(*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.

EAST UTAH MINING COMPANY
(Name of company)

By [signature]
(Signature of authorized official)
W. H. H. Cranmer,
President
(Title)

May 19, 1951
(Date)

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

*Same as footnote on page 1.

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

Supplemental Data
Form MF-103
(April 1951)

EAST UTAH MINING COMPANY
KEETLEY, UTAH
MAY 19, 1951

THE APPLICANT

*1. *2. *3. *4. & *5. - Refer to MF-100

6. No claims or liens against property.

7. The Projects proposed will not enter property that is leased by the East Utah Mining Company.

8. See accompanying Annual Report.

9. East Utah Mining Company is prepared to invest $66,622.06, which is one-half of the cost of proposed projects.

THE PROPERTY

10. Project No. 1: (a) This project will be operated from the Connor Tunnel of the New Park Mining Company. This tunnel is equipped with rail, air line and ventilation pipe from the portal to the face of the Connor Tunnel at the property line of the East Utah Mining Company property. Surface facilities include changeroom, shop, warehouse, office, dump room, haulage motor and cars.

(b) The mining claims that will be crosscut are as follows: Mountaineer - Lot No. 211, patented; Mountaineer No. 1 - Lot No. 211, patented. These are located in the Blue Ledge Mining District, T2S R4E - SLM Sections 25 and 26.

Project No. 2: (a) This project will be operated from the Connor Tunnel of the New Park Mining Company. Rail, air line and ventilation pipe must be installed in the portion of the tunnel extending from New Park's property through the East Utah Mining Company property.

(b) The mining claims that will be crosscut are as follows: Norris - Lot No. 101, patented; Evans No. 1 - Survey No. 6732, patented. These are located in the Blue Ledge Mining District, T2S R4E - SLM Section 24.

*11, *12. *13. & *14. - Refer to MF-100

15. Ore developed in these projects will be trucked one quarter mile to railroad facilities at the portal of the Mayflower tunnel of the New Park Mining Company. The ores can be milled at custom plants in the Salt Lake valley.

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

19. No comment.

THE EXPLORATION

20. Minerals developed will probably be copper, lead and zinc. Ore deposits that may be developed should be similar to those in the McHenry ore body of the Park Utah Consolidated Mines Company; namely, fissure deposits in sedimentary rocks along faults of considerable throw. With the Park City limestone present in this area, it is probable that ore would also be found as bedded deposits along favorable horizons in this formation.

THE EXPLORATION (Cont'd.)

21. Project No. 1:

Objective: To explore and develop the Contact fissure (For detailed descriptions Refer to original application and NSRB 146).

Work to be Done: This project includes 500 feet of crosscutting and drifting northerly from the face of the southwest drift of the Connor Tunnel.

Rate of Work: It will probably take one month following approval of application to install compressor, ventilation equipment, etc. This project can start at that time and will take approximately 3 months to complete.

Project No. 2:

Objective: This project, as prepared with NSRB 146, proposed drifting on a strand of the McHenry fissure exposed near the face of the East Utah branch of the Connor Tunnel. Recent studies of both surface and underground geology indicate to East Utah management that the larger strands of the McHenry fissure lie to the north of the present drift face (see introductory Sheet No. 2). These would not be exposed in the old Evans Tunnel of East Utah Mining Company as the area in which the fissures may exist has been covered with an andesite flow. The objective now is to explore for additional strands of the McHenry fissure and then develop favorable fissures by drifting.

Work to be Done: The proposed work now includes (1) driving the East Utah drift of the Connor Tunnel north approximately 1,000 feet to the north boundary of the East Utah property. Strands of the McHenry fissure should be entered in this area. (2) The balance of the funds applied for (500 feet of drifting) should be used to drift on any structures open on the drift.

Rate of Work: Time estimate of 16 months remains as given in original application.

22. A geological report on these projects was submitted with the original application. Since submitting that report, the outcrop of the McHenry fissure has been traced on the surface to the western border of East Utah property (see Introductory Sheet #2). From the geology now known on the surface and from mapping in the underground workings, it seems certain that a fault such as the McHenry with a vertical displacement of 1,400 feet has not been exposed underground in East Utah property. All available geological information now indicates that this fissure should be found beneath the surface andesite flow in this area and approximately 650 feet north of the present East Utah drift face. This drift should be driven north to the East Utah property (1,000 feet) to thoroughly prospect this area.

THE REQUIREMENTS AND COSTS

23. (a) See Pages 3, 4, 5 and 6 of Original Estimate by R. E. Gilbert.

(b) See Page 3 - Estimate by R. E. Gilbert.

(c) No major repairs are needed on existing facilities. For underground repairs See Page 1 - Estimate by R. E. Gilbert.

THE REQUIREMENTS AND COSTS (Cont'd.)

(d) No additional structures or buildings are needed.

(e) See Page 2 - Estimate by R. E. Gilbert.

(f) See items h.and j. - Page 3 - Estimate by R. E. Gilbert.

(g) None

(h) See Pages 3 and 4 - Estimate by R. E. Gilbert.

(i) See Page 3 - Estimate by R. E. Gilbert.

24. See Summary - Page 1 - Estimate by R. E. Gilbert.

Revision of East Utah Exploration Plan

New Information:

New information obtained from the American Smelting and Refining Company and from a re-examination of the surface geology on the East Utah property calls for a change in the plan for the exploration of the McHenry fissure as proposed in Project 2 of the East Utah Mining Company's application.

Study of geological maps of the Evans tunnel made by the American Smelting and Refining Company, and consultation with A. S. & R. geologists familiar with the property, points strongly to the conclusion that the fissure cut by the north crosscut of the Connor (or Cunningham) tunnel, and originally believed to be the McHenry fissure, is actually a minor structure in the footwall of the main fissure, which must be still farther north. Consequently, a new effort was made this spring to trace the outcrop of the McHenry fissure east across East Utah property. As shown on the plan (Introductory - Sheet 2,) the fissure has been traced definitely to a point 1,300 feet west of the Connor north crosscut, with a northerly trend that certainly will carry it north of the crosscut face on the tunnel level. Soil cover east from this point makes it nearly impossible to observe changes in rock formations that would identify the fissure outcrop, but topographic breaks along the slope of the hill above the crosscut are probably errosional expressions of the fissure outcrop, and bear out the suggestion of a northeasterly strike.

This strike is such that the fissure outcrop would be buried under post-fissure andesite flows at the spot where it should have been cut by the Evans tunnel (see cross section). At the elevation of the Connor tunnel, the McHenry fissure is estimated to be 500 to 800 feet ahead of the face of the north crosscut.

It is therefore proposed that the north crosscut of the Connor tunnel be continued north, as much as 1,000 feet if necessary, to cut the main part of the McHenry fissure, and that the balance of the drift footage called for in the original plan then be used to drift on the best looking part of the fissure.

Additional Comment on Geology of the McHenry Fissure:

The McHenry fissure is actually a large fault along which the north or hanging wall has dropped at least 1,400 feet. The fault has been traced along a strike length of one mile, and has been opened for several hundred feet underground in the Lowell, McHenry, Hawkeye, and Park Utah mines. According to Boutwell in Geology and ore deposits of the Park City district, Utah: U.S. Geol. Survey Prof. Paper 77, 1912, the fault is represented by a zone of intense fracturing and brecciation, with a width ranging from a few inches to 170 feet, and averaging a few feet. Later work in the Park Utah mine, south of the Ontario drain tunnel (Introductory - Sheet 2), opened the East and West ore bodies in the McHenry fault zone, and yielded a production of $15,000,000. It is believed that the fault movement was distributed over a zone having two or more major splits, with the ore occurring in the fissuring within this zone.

Although the fissure that has been cut in the Connor work may be a part of the McHenry system, it does not appear to be a strong enough structure to account for the 1,400 foot displacement, so that for this reason, too, it is felt that there must be more fissuring farther north that should be investigated by crosscutting before any drifting is done.

Ray E. Gilbert

Ray E. Gilbert,
Chief Geologist
New Park Mining Company

May 21, 1951

TIME AND COST ESTIMATES
ON
PLANNED EXPLORATION PROJECTS

East Utah Mining Company
c/o New Park Mining Company
Keetley, Utah
July 20, 1951

SUMMARY

	Total Time Months	Total Cost $
Equipment & supplies, chargeable to life of projects -	10½	11,719.00
Project No. 1: 500' new drifting, all timbered, @ $35.92	2½	17,960.00
Project No.2:		
Clean-up thru open sections, 2,000 @ $6.08	1	12,160.00
Clean-up thru caved sections, all timbered, 500' @ $26.91	2	13,455.00
New drifting, 1,500', all timbered, @ $35.92	7½	53,880.00
Total	10½	$109,174.00

Average cost/month = $10,397.52

Total advance = 4,500'

Average cost/foot = $ 24.26

Project No. 1: Crosscutting and drifting a total of 500 feet from the southwest heading of the Cunningham tunnel, to prospect the Contact fissure.

Project No. 2: Crosscutting and drifting a total of 1,500 feet on the McHenry fissure from the north crosscut of the Cunningham Tunnel.

Cost Estimates

Introduction:

This report on cost estimates is a revision of the original estimates in my report of January 21, 1951. It is intended to accompany the November 15, 1950 geological report of E. A. Hewitt on the East Utah Mining Company. The estimates cover the two projects recommended by Mr. Hewitt. Project No. 1, crosscutting and drifting from the southwest heading of the Cunningham tunnel to explore the Contact fissure; Project No. 2, drifting east and west from the north crosscut of the Cunningham tunnel to explore the McHenry fissure. Included in the estimates are the cost of equipment and clean-up work necessary to re-open the north crosscut to the point where the new drifting is to be started.

Equipment & supply items, chargeable to life of project:

A.	Two Drifters, complete with bars, arms, clamps, hoses	$ 1,940.00
B.	Cherry picker	200.00
C.	Two 5½ H.P. Fans @ $350.00	700.00
D.	Duplex water pump, for drilling water	150.00
E.	12-B Eimco mucker, 30" gauge	2,800.00
F.	Compressor & receiver installation (24 manshifts @ 12.05)	289.00
G.	3,000' power line, 3 conductor, #0 @ $1.88	5,640.00
	Total	$11,719.00

Indirect Charges:	Cost/month
A. Power	$ 282.23

Compressor, Generator, Fans, and miscellaneous total 150 H.P. connected load, or 110 K.W.

It is estimated that the actual power consumption per month will average 1/3 of the connected load, or 28,000 kwh, with peak demand of 80 K.W.

By schedule 6, Utah Power & Light, the cost will be:

$$500 + \frac{(80-5)}{10} \times 70 = 1{,}025 \text{ @ } .035 = \$35.88$$
$$500 \text{ @ } .025 = 12.50$$
$$5{,}000 \text{ @ } .015 = 75.00$$
$$10{,}000 \text{ @ } .009 = 90.00$$
$$11{,}475 \text{ @ } .006 = 68.85$$
$$\text{Total} = \$282.23$$

B. Heat $ 127.50

Quonset hut - change room storage,
dwelling - 48' x 20' x 12' = 11,520 cu. ft.
Quonset hut-shop-24' x 60' x 14' = 20,160 cu. ft.
Frame office 12' x 16' x 8' = 1,530 cu. ft.

33,210 cu. ft.

Insulated dwelling 24' x 30' x 9' = 6,480 cu. ft.

In Park City costs $200/year to heat. Estimate difference in insulation to increase heat loss from mine buildings 1½ times, then:

$$\frac{33{,}210}{6{,}480} \times 1.5 \times 200 = \$1{,}530/\text{year}$$
$$= \$\ 127.50/\text{month}$$

C. Supervision (one muck boss) $ 451.45

$401 x 1.1258 = $451.45

D. Eng. and Geol. services, 5 days/month @ $16.00 $ 80.00

E. Timekeeping, accounting, & purchasing services $20/week $ 80.00

	Cost/month
F. Maintenance & Repair Labor	$ 1,400.15

1. 2 men for surface & underground, day shift, full time @ 12.05 - repairing track and timber, installing vent pipe, cleaning ditch, dumping cars on surface, loading supplies to go underground, cleaning snow from surface track, tending battery charger, fans, and compressor.

   2 x 12.05 x 1.1258 x 25 = $678.29
   (The 1.1258 factor allows for overtime, insurance, F.O.A.B., etc.)

2. 1 man, night shift, full time @ 12.05 - tending battery charger, fans, compressor, loading supplies, dumping cars.

   12.05 x 1.1258 x 25 = $339.15

3. 1 Watchman, between shifts, @ 11.55.

   11.55 x 1.1258 x 25 = $325.07

4. Special repair, maintenance, or installation work (Machinist or electrician) average one day per week, @ 12.80.

   12.80 x 4 x 1.1258 = $ 57.64

$1,400.15

G. Maintenance & repair supplies (For replacement of worn or broken materials along entire length of tunnel) 196.80

2,000 b. ft. timber/month	@ .065	=	$130.00
20' 16" vent pipe/month	@ 1.38	=	27.60
20' 4" air line/month	@ 1.03	=	20.60
20' 40# rail/month	@ 0.93	=	18.60

	Cost/month
H. Truck Service	$ 236.93

1. Average one supply trip per day from Mayflower shops to East Utah tunnel, delivering timber, explosives, drill steel, and miscellaneous supplies:

   Truck - 8 miles @ .15 = 1.20/day
   Driver - 3 hours @ 1.54
   x 1.1258 = 5.20

   6.40 x 25= $160.00

2. Average one trip per month to Salt Lake, chargeable to East Utah, for supplies:

   Truck - 100 miles @ .15 = 15.00
   Driver - 8 hours @ 1.54
   x 1.1258 = 13.85

   $ 28.85

3. Plowing East Utah road during winter months, average 5 days per month for 4 months, or a total of 20 days per year.

   Plow - $15.00/day
   Driver - $13.85

   $28.85 x 20 = $577.00/year = $ 48.08

Total = $236.93

Total indirect charges, per month -		$ 2,885.06
Total for life of project, to be distributed in proportion to the direct labor charge for each project -		$29,978.13
Total direct labor, all projects -	$26,825	
Ratio of indirect charges to direct labor =	$\frac{29,978}{26,825}$ =	1.118

Rental of mine machinery and operating equipment owned by New Park Mining Company.

Item	Cost
3 transformers @ $500	$ 1,500.00
1 G.E. Locomotive LSB-2CF Form C8 Serial No. 8753 85 Volts 3.5 M.P.H. Draw Bar-2,000 lbs. March 1922 with one Edison Battery marked with letter "A" on side of case.	2,500.00
1 G.E. 30 K.W. motor generator set with control panel.	1,665.00
10 Card 38 cu. ft. cars Granby Dump, with dump rail	1,650.00
1 Pump	173.28
1 Tank - 3,000 gal.	252.45
1 Gould KMD-25, 48 cell Locomotive battery	3,161.00
1 Compressor	950.00
Total	$11,851.73
Depreciation @ 10%	$ 1,185.17
Monthly rental	$ 98.76
Total rental, to be distributed in proportion to direct labor charge for each project -	$ 1,036.98

Ratio of rental to direct labor $= \frac{1,037}{26,825} = 0.0387$

Direct Labor:	Cost/day
Men for two shifts:	
1 lead miner, night shift, @ $13.05	$ 13.05
3 miners @ $12.05	36.15
2 motormen @ $12.05	24.10
	$ 73.30
Total, including insurance, F.O.A.B., etc.	$ 82.52

Supplies Chargeable to Advance:	Cost/ft.
A. Track (30# rail and ties)	$ 1.73
B. Air line, 2"	0.34
C. Water line, 2"	0.34
D. Ventilation pipe, 16"	1.38
E. Hardware (small tools, nails, track hardware, pipe fittings and hangers)	0.25
F. Explosives	2.70

This cost is based on the cost of explosives in New Park Mining Company's 8-807 Drift during the period from March through September, 1950, for an advance of 308½ feet. The total cost of explosives during this time was $835.90, or $2.70 per foot of advance.

For comparative purposes, the explosives cost of 2 other drifts driven during the same period are given below. The cost of 10-873 Drift is for a 3 month period, June through August, 1950, for an advance of 139 feet. The cost of 1380 West Drift is for a 7 month period, January through July, 1950, for an advance of 293 feet.

Drift	Advance	Average cost of Explosives per foot advance
8-807	308½	$2.70
10-873	139	2.98
1380 W.	293	4.00

Cost/ft.

G. Timber (completely lagged, sides & back) $ 5.42

23	linear ft. of	8" x 8" =	123	Bd. Ft.
9	" "	4" x 6" =	18	Bd. Ft.
35	" "	3" x 12" =	105	Bd. Ft.
100	" "	2" x 8" =	133	Bd. Ft.
			379	Bd. Ft.
+ 10% for wedges blocks, & waste			38	
			417	
			@ .065	
			$27.11/5' set	

H. Bits & Steel $ 1.50

This figure is based on New Park Mining Company's bit and steel cost for the first 6 months of 1950, broken up as follows:

Supplies (bits & steel)	$ 8,072.82
Labor (making up steel, sharpening bits)	5,330.60
	$13,403.42
Tons broken	48,410
Cost/ton	0.28

Cost/ft. of drift advance, @ 5 2/3 tons/ft. = $1.58
This is rounded off to $1.50 in the estimate.

Project No. 1

(New crosscutting and drifting, all timbered)

Work and Rate: 500' @ 8'/day = 63 days

Direct Labor : 82.52/day = $10.32/ft.

Supplies:

Track	$ 1.73
Air line	0.34
Water line	0.34
Vent pipe	1.38
Hardware	0.25
Timber	5.42
Explosives	2.70
Bits & steel	1.50
	$13.66/ft.

Indirect Charges:

10.32 x 1.118 = $11.54/ft.

Equipment Rental:

10.32 x 0.0387 = $0.40/ft.

Total:

Cost per foot = $ 35.92

Total cost = $17,960.00

Project No. 2

Clean-up work thru open sections of tunnel:

(Install pipe & track, some mucking)

Work and Rate: 2,000' @ 80'/day = 25 days

Direct Labor : 82.52/day = $1.03/ft.

Supplies:

Track	$1.73
Air line	0.34
Vent pipe	1.38
Hardware	0.25
Water line (1,000'@ 0.32)	0.16
	$3.86/ft.

Indirect Charges:

1.03 x 1.118 = $1.15/ft.

Equipment Rental:

1.03 x 0.0387 = $0.04/ft.

Total:

Cost per foot = $6.08

Total cost = $12,160.00

Clean-up work thru caved sections of tunnel:

(Muck, timber, install pipe & track)

Work and Rate: 500' @ 10'/day = 50 days

Direct Labor: 82.52/day = $8.25/ft.

Supplies:

Track	$1.73
Air line	0.34
Vent pipe	1.38
Hardware	0.25
Timber	5.42
	$9.12

Indirect Charges:

8.25 x 1.118 = $9.22/ft.

Equipment Rental:

8.25 x 0.0387 = $0.32/ft.

Total:

Cost per foot = $26.91

Total cost = $13,455.00

New Drifting

(All timbered)

Work and Rate: 1,500' @ 8'/day = 188 days

Direct Labor : 82.52/day = $10.32

Supplies:

Track	$ 1.73
Air line	0.34
Water line	0.34
Vent pipe	1.38
Hardware	0.25
Timber	5.42
Explosives	2.70
Bits & steel	1.50
	$13.66/ft.

Indirect Charges:

10.32 x 1.118 = $11.54/ft.

Equipment Rental:

10.32 x 0.0387 = $0.40/ft.

Total:

Cost per foot = $ 35.92

Total cost = $53,880.00

Respectfully submitted,

Ray E. Gilbert

Ray E. Gilbert,
Chief Geologist,
New Park Mining Company

July 20, 1951

East Utah Mining Company
Keetley, Utah

DMA - 993

Discussion of Diamond Drill Possibilities

East Utah Exploration Plan

A plan of diamond drilling for structural information, before driving the Connor Tunnel north in search of the McHenry fissure, has been seriously considered, and finally rejected for the following reasons.

1. Information obtained from geologists of the American Smelting and Refining Company and the Park Utah Mines Company, together with a re-examination of the surface geology on the East Utah property, has convinced us that the big displacement along the McHenry fault is distributed over three major fissures and several smaller ones, and that at least one, and probably two, of the major fissures are definitely on East Utah property. Because of this, it is felt that the tunnel can safely be driven north to cut the foot-wall part of the McHenry faulting without the need of first checking structure by diamond drilling.

2. It is felt that at least three holes from the surface, totalling 1,200 feet of drilling, would be necessary to provide reliable structural information. The estimated cost is $7.00 per foot, or a total of $8,400. Drilling difficulties and poor core recovery, both to be expected in the fault zone, might increase the per foot cost or call for additional drilling. Because we are convinced that the tunnel will be driven anyway, we feel that we would only be adding the cost of drilling to the other planned work.

Respectfully submitted,

Ray E. Gilbert

Ray E. Gilbert,
Chief Geologist
New Park Mining Company

July 20, 1951

Docket DMA-993

Question No. 2, Form MF-200

Annex 1

Those certain mining claims known and described as-

Project No. 1 "Mountaineer" Lot 211, Patented

"Mountaineer No. 1" Lot 211, Patented

Blue Ledge Mining District, T.2 S., R.4 E., Sec. 26

Project No. 2 "Norris" Lot 101, Patented

"Evans No. 1" Survey 6732, Patented

Blue Ledge Mining District, T.2 S., R.4 E., Sec. 24

Docket DMA-993

East Utah Mining Company
Exploration Project Contract
"Exhibit A"

Question No. 3, Form MF-200

This project will consist of the following:

Project No. 1. 500 feet of crosscutting and drifting northerly from the face of the southwest drift of the Connor Tunnel.

500 feet at an estimated cost of $35.92 per foot — $17,960.00
(See map, fig. 1, attached)

Project No. 2. 1,000 feet of crosscutting northerly from the face of the East Utah drift of the Connor Tunnel, to explore strands of the McHenry fissure; 500 feet of drifting on structures found in the crosscutting; 2,000 feet of drift cleaning and pipe and track installation; 500 feet of drift repair.

Exploration of the McHenry fissure system:

1000 feet crosscutting @	$35.92/foot	$35,920.00
500 feet drifting @	35.92/foot	17,960.00
2000 ft. drift cleaning @	6.08/foot	12,160.00
500 feet drift repair @	26.91/foot	13,455.00
	Total	$79,495.00

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

Summary

Cost per foot for each Project

Item	Project 1	Project 2		
		Drift & Crosscut	Drift Cleanup	Drift Repair
Labor	10.32	10.32	1.03	8.25
Supplies	13.66	13.66	3.86	9.12
Indirect charges [1]	11.54	11.54	1.15	9.22
Equipment rental [2]	0.40	0.40	0.04	0.32
	$35.92	$35.92	$6.08	$26.91

"Exhibit A" - Continued

Note 1. Indirect charges are items charged to each project in proportion to the labor charge, and include the following: power, heat, supervision, engineering, geological, and clerical services, maintenance and repair supplies, and truck service. Details of these items are included in the cost estimates attached hereto.

Note 2. Equipment rental is charged to each project in proportion to the labor charge.

Project 1. 500 feet of crosscutting and drifting (cross section size 8' x 6½') at an average driving rate of 200 feet per month.

Labor (Refer to "Exhibit D" for schedule, with base rates) An additional cost for night shift differential, vacations, group insurance, workmen's compensation, life insurance, F.O.A.B., contract bonus, and unemployment insurance will be in addition to the base pay. Total estimated labor cost is $10.32/foot -	$ 10.32
Supplies, including explosives, timber, and small tools, estimated to be $13.66/foot	$ 13.66
Indirect charges, including power, heat, supervision, engineering, clerical, maintenance, and trucking services, estimated to be $11.54/foot	$ 11.54
Equipment rental estimated to be $0.40/foot	$ 0.40
	$ 35.92
500 feet crosscutting and drifting @ $ 35.92	$17,960.00

Project 2. 1,500 feet of crosscutting and drifting (cross section size 8' x 6½') at an average driving rate of 200 feet per month; 2,000 feet of drift clean-up and pipe and track installation; 500 feet of drift repair.

Labor (Refer to "Exhibit D" for schedule, with base rates.) Additional cost to be added to above rates inc ludes overtime, insurance, etc., as listed under Project 1, above. Total estimated labor cost is estimated at 10.32 per foot of drift and crosscut	$ 10.32

"Exhibit A" - Continued

Project 2 (cont'd)	Supplies, including explosives, timber, and small tools, estimated to be $13.66/foot	$ 13.66
	Indirect charges, including power, heat, supervision, engineering, clerical, maintenance, and trucking services, estimated to be $11.54/foot	$ 11.54
	Equipment rental estimated to be $0.40/foot	$ 0.40
		$ 35.92

2,000 feet of drift clean-up, pipe and track installation is estimated to be required at $6.08/foot.

500 feet of drift repair and retimbering is estimated to be required to reach the old crosscut face, at a cost of $26.91/foot.

1,500 feet of crosscut and drift	@ $35.92/foot	$53,880.00
2,000 feet of drift clean up	@ $ 6.08/foot	$12,160.00
500 feet of drift repair	@ $26.91/foot	$13,455.00
		$79,495.00

Summary

Project No. 1	$ 17,960.00
Project No. 2	$ 79,495.00
Machinery	$ 11,719.00
Total cost of projects	$109,174.00

"Exhibit A" - Continued

Exploration Plan
East Utah Mining Company
Keetley, Utah

Project No. 1:

Objective:

Exploration of area north of the face of the southwest drift of the Connor tunnel, for the Contact fissure.

Work to be Done:

Crosscut northerly from the drift face, then drift on any vein structure found, to a total advance of 500 feet of crosscutting and drifting. It is estimated that all of the work will have to be timbered.

Rate of Work:

Two crews, averaging 200 feet advance per month, will complete the project in 2½ months.

Project No. 2:

Objective:

Exploration of area north of the East Utah heading of the Connor Tunnek for the McHenry fissure system.

Work to be Done:

Clean-up and install pipe and track in 2,000 feet of the old workings; repair and re-timber 500 feet of caved section of the old workings, to reach the face of the old work; extend this heading 1,000 feet northerly; drift 500 feet on any vein structure found.

Rate of Work:

Two crews, clean up 2,000 feet of old tunnel at the rate of 2,000 feet per month; repair 500 feet of drift at the rate of 250 feet per month; drive 1,500 feet of crosscut and drift at the rate of 200 feet per month; total time for project 10½ months.

"Exhibit A" - Continued

Geology

Project No. 1:

Reference is made to the report on the East Utah Mining Company by E. A. Hewitt, November 15, 1950, and submitted with the original application for this project. The axis of a magnetic low revealed by a surface magnetometer survey is believed to represent the position of the northeast extension of the Contact fissure, a fissure that carries both fissure ore and limestone replacement ore bodies in the New Park mine to the west. In the heading of the southwest branch of the Connor Tunnel, a diamond drill hole has opened a large flow of water about where the magnetometer indicates the Contact fissure should be. Because of these things, it is recommended that a crosscut be driven northerly from the southwest heading of the Connor tunnel to search for and drift on the Contact fissure. The location of this work is shown in figure 1, attached hereto.

Project No. 2:

A large fault zone, known as the McHenry fissure system, strikes easterly across the Park City district, The system has been traced along a strike length of one mile, and has yielded a production of $15,000,000 from workings in the Park Utah Mine (figure 1, attached). The faulting has been followed east on the surface into East Utah property, and it is believed to be 500 to 800 feet north of the face of the East Utah heading of the Connor Tunnel (figure 2, attached). The system is expected to consist of at least three major fissures in the area to be explored, so it is planned to crosscut north to East Utah's property line in order to explore as much of the fissure system as possible, and then to drift east and west on the best mineralized structures.

"Exhibit B"

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

"Exhibit C"

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

Equipment	Cost
Two drifters, complete with bars, arms clamps, hoses	$ 1,940.00
One cherry picker	200.00
Two 5½ H.P. fans	700.00
One duplex water pump	150.00
One 12-B Eimco mucker	2,800.00
Compressor and receiver installation (24 manshifts @ 12.05) -	289.00
3000' power line, 3 conductor, #0	5,640.00
	$11,719.00

Following is a list of operating equipment to be furnished by the operator with the allowable monthly rental.

Equipment	Value	Life	Monthly Depreciation
3 transformers	$1,500.00	10 Yrs.	12.50
G.E. Locomotive	2,500.00	10 Yrs.	20.83
Motor generator	1,665.00	10 Yrs.	13.88
10 mine cars	1,650.00	10 Yrs.	13.76
1 Pump	173.28	10 Yrs.	1.44
1 Tank - 3,000 gal.	252.45	10 Yrs.	2.10
1 Loco. battery	3,161.00	10 Yrs.	26.34
1 Compressor	950.00	10 Yrs.	7.91
			$98.76

"Exhibit D"

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

Project No. 1

Number	Class	Wage [1]
1	Lead miner	Base rate - $13.05 per 8 hr. shift
3	Miners	Base rate - $12.05 per 8 hr. shift
2	Motormen	Base rate - $12.05 per 8 hr. shift
3	Maintenance men [2]	Base rate - $12.05 per 8 hr. shift
1	Watchman [2]	Base rate - $11.55 per 8 hr. shift
1	Shift boss [2]	$401. per month
1	Truck driver [3]	Base rate - $12.55 per 8 hr. shift
1	Machinist [3]	Base rate - $12.80 per 8 hr. shift
1	Electrician [3]	Base rate - $12.80 per 8 hr. shift

Note 1.

In addition to the indicated base pay, operator must pay time and one-half (overtime for Saturday), contract bonus earned in driving projects, night shift differentials, and such labor charges as vacations, group insurance, Workmens Compensation, life insurance, F.O.A.B., and unemployment insurance. (Rate used in cost estimates is 12.58% of wages.)

Note 2.

Maintenance men, watchmen, and shift boss will be charged to this project at the rate of 4 hours per day.

Note 3.

Truck driver, machinist, and electrician will be charged to this project only as they are needed for specific tasks. Truck driver's time is expected to average 1½ hours per day, and the combined time of machinist and electrician is expected to average 4 hours per week.

"Exhibit D" - Continued

Project No. 2

Number	Class	Wage [1]
1	Lead miner	Base rate - $13.05 per 8 hr. shift
3	Miners	Base rate - $12.05 per 8 hr. shift
2	Motormen	Base rate - $12.05 per 8 hr. shift
3	Maintenance men [2]	Base rate - $12.05 per 8 hr. shift
1	Watchman [2]	Base rate - $11.55 per 8 hr. shift
1	Shift boss [2]	$401. per month
1	Truck driver [3]	Base rate - $12.55 per 8 hr. shift
1	Machinist [3]	Base rate - $12.80 per 8 hr. shift
1	Electrician [3]	Base rate - $12.80 per 8 hr. shift

Note 1. of Project No. 1 applies to Project No. 2.

Note 2.

Maintenance men, watchmen, and shift boss will be charged to this project at the rate of 4 hours per day as long as Project No. 1 is in operation. After that these men will be charged to Project No. 2 at the rate of 8 hours per day.

Note 3.

Truck driver, machinist, and electrician will be charged to this project only as they are needed for specific tasks. As long as Project No. 1 is in operation, truck driver's time is expected to average 1½ hours per day, and the combined time of machinist and electrician is expected to average 4 hours per week. After that, the truck driver's time will average about 3 hours per day, and the combined time of machinist and electrician is expected to average 8 hours per week.

EAST UTAH MINING COMPANY

(Incorporated under the laws of Utah)

Annual Report

For Year Ended December 31, 1950

OFFICERS AND DIRECTORS

As of April 30, 1951

W. H. H. CRANMER	*President and Director*
FRED A. MORETON	*Vice-President and Director*
ROBERT L. CRANMER	*Secretary and Director*
R. C. WILSON	*Treasurer and Director*
ORVEL BONNET	*Director*
CLARK L. WILSON	*Director*

MINE OFFICE—P. O. Box 922, Park City, Utah

SALT LAKE CITY OFFICE—904 Walker Bank Building, Salt Lake City, Utah

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Transfer Agent

THE CONTINENTAL NATIONAL BANK & TRUST COMPANY

Salt Lake City 10, Utah

EAST UTAH MINING COMPANY

To the Stockholders of

EAST UTAH MINING COMPANY:

The New Park Mining Company purchased the entire interest in the East Utah Mining Company held by Newmont Mining Corporation and its associates, Olin Industries, Inc. and F. Eberstadt & Co., Inc. On January 8, 1951, Fred Searls, Jr., President and Director; H. DeWitt Smith, Vice-President and Director; Carroll Searls, Secretary and Director; Wells S. Brimhall, Director; F. S. Elfred, Jr., Director; H. E. Dodge, Director; Gus Mrkvicka, Treasurer; Walter P. Schmid, Assistant Treasurer and William T. Smith, Assistant Secretary, all resigned as officers and directors and the present officers and directors were elected as successors to fill the vacancies thus created.

The geologists of the New Park Mining Company and Mr. E. H. Hewitt, Geologist for the Park Utah Mining Company, have made a recent geological study of the East Utah property, having in mind the filing of an application with the United States Government for an exploration and development project on a basis whereby the Government will furnish half of the cost of exploration and development and East Utah to furnish one-half of this cost, the Government to be reimbursed out of any ore discovered and marketed and in the case no ore is found, the money advanced will not be a lien on the property. If this application is granted, we expect to begin operations immediately as we have everything in readiness to start this work.

The possibilities of finding ore in the East Utah property are, in our opinion, very good, because a diamond drill hole was drilled from the General Connor branch of the Newmont Tunnel which encountered a large fissure containing water under pressure. The ore bearing fissures usually contain water in this area and the exploration of this fissure will be most interesting where it crosses the East Utah property.

The East Utah branch of the Newmont Tunnel has cross-cut the McHenry Fissure, but at a shallow depth and no drifting has been done. The McHenry Fissure has been highly productive in the Park Utah Mining Company property. After this branch of the tunnel has been repaired, it is planned to drift in both directions on the McHenry Fissure and if favorable mineralization is found, a winze will be sunk to explore the fissure at a depth sufficient to reach the sulphide zone. The fissures are usually leached to a depth of about 500 feet.

It is planned to operate the East Utah property in connection with the New Park organization, at a minimum of cost and with a maximum of efficiency. We trust that these operations will be productive and profitable.

Sincerely,

W. H. H. CRANMER, President

Salt Lake City 1, Utah
April 30, 1951

EAST UTAH MINING COMPANY

BALANCE SHEET AS AT DECEMBER 31, 1950

ASSETS

CURRENT ASSETS:			
Cash		$ 21,005.44	
United States Government securities—at cost (value based on market quotations December 31, 1950, $100,781.25)		101,062.50	
Stock of domestic corporations—at cost (value based on market quotations December 31, 1950, $112,500.00)		62,500.00	
Accounts receivable		104.17	
Materials and supplies		3,113.99	
			$187,786.10
PROPERTY ACCOUNTS:			
Mining claims, land and rights		$ 75,559.10	
Mine development		344,918.15	
			$420,477.25
DEFERRED CHARGES:			
Insurance			$ 523.92
			$608,787.27

LIABILITIES AND CAPITAL

CURRENT LIABILITIES:			
Accounts payable		$ 256.06	
Provision for estimated Federal Income taxes		100.00	
			$ 356.06
CAPITAL STOCK AND SURPLUS:			
Common stock — par value 10 cents per share:			
Authorized, 3,250,000 shares	$325,000.00		
Issued and outstanding, 3,225,000 shares		$322,500.00	
Surplus:			
Capital surplus	$283,698.27		
Earned surplus	2,232.94	285,931.21	
			$608,431.21
			$608,787.27

EAST UTAH MINING COMPANY

STATEMENT OF PROFIT AND LOSS AND EARNED SURPLUS

For the Year ended December 31, 1950

INCOME:		
Interest on United States Government securities		$ 2,500.00
Dividends		3,000.00
Total Income		$ 5,500.00
EXPENSES:		
Shut-down expense	$ 1,897.71	
Transfer and registrar expense	727.11	
Taxes	10.00	
General expense	423.67	
Total Expenses		$ 3,058.49
Net Profit before provision for Federal Income Taxes		$ 2,441.51
Provision for Federal Income Taxes		100.00
Net Profit for the Year		$ 2,341.51
Deduct Deficit at December 31, 1949		108.57
Earned Surplus at December 31, 1950		$ 2,232.94

TO THE BOARD OF DIRECTORS AND STOCKHOLDERS,

EAST UTAH MINING COMPANY:

We have examined the balance sheet of East Utah Mining Company as of December 31, 1950 and the related statement of profit and loss and earned surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The exploration and development program which was discontinued on March 26, 1949 was resumed to a limited extent during the first six months of 1950. The property accounts are carried on the balance sheet at an amount representing the cost of all exploration and development to June 30, 1950, together with the net results of salvage operations since March 26, 1949.

In our opinion, the accompanying balance sheet and the statement of profit and loss and earned surplus present fairly the financial position of East Utah Mining Company at December 31, 1950 and the results of its shutdown operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

PEAT, MARWICK, MITCHELL & CO.
Certified Public Accountants

New York, N. Y.,
February 6, 1951.

dma-993

TIME AND COST ESTIMATES ON PLANNED EXPLORATION PROJECTS

East Utah Mining Company
c/o New Park Mining Company
Keetley, Utah
January 20, 1951

Summary

	Total Time Months	Total Cost $
1. Equipment & supplies, chargeable to life of projects -	16	15,219.00
2. Overhead - $2,475.32/month	16	~~39,605.12~~ 39,445.12
3. Project No. 1: 500' new drifting @ 28.54	3	14,270.00
Project No. 2:		
4. Clean-up thru open sections, 2,000' @ $6.04	1	12,080.00
5. Clean-up thru caved sections, 500' @ $18.52	2	9,260.00
6. New drifting, 1,500' @ $28.54	10	42,810.00
Total	16	$ ~~133,244.12~~ 133,084.12

Average cost/month = ~~$8,327.76~~ 8,317.76

Total advance = 4,500'

Average cost/foot = $ ~~29.61~~ 29.37

Project No. 1: Crosscutting and drifting a total of 500 feet from the southwest heading of the Cunningham tunnel, to prospect the Contact fissure.

Project No. 2: Drifting east and west a total of 1,500 feet on the McHenry fissure from the north crosscut of the Cunningham tunnel

Cost Estimates

Introduction:

This report on cost estimates is intended to accompany the Nov. 15, 1950 geological report of E. A. Hewitt on the East Utah Mining Company. The estimates cover the two projects recommended by Mr. Hewitt: Project No. 1, crosscutting and drifting from the southwest heading of the Cunningham tunnel to explore the Contact fissure; Project No. 2, drifting east and west from the north crosscut of the Cunningham tunnel to explore the McHenry fissure. Included in the estimates are the cost of equipment and clean-up work necessary to re-open the north crosscut to the point where the new drifting is to be started.

1. Equipment & supply items, chargeable to life of project:

A.	Two Drifters, complete with bars, arms, clamps. hoses	$1,940.00
B.	Cherry picker	200.00
C.	Spare set of batteries for locomotive	3,500.00
D.	Two $5\frac{1}{2}$ H.P. Fans @ $350.00	700.00
E.	Duplex water pump, for drilling water	150.00
F.	12-B Eimco mucker, 30" gauge	2,800.00
G.	Compressor & receiver installation (24 manshifts @ 12.05)	289.00
H.	3,000' power line, 3 conductor, #0 @ $1.88	5,640.00
	Total	$15,219.00

2. Monthly Overhead:

		Cost/month
A.	Power	$ 300.00
B.	Heat	200.00
C.	Supervision (one muck boss)	429.06
D.	Eng. and Geol. services, 5 days/month @ $16.00	80.00
E.	Timekeeping, accounting, & purchasing services $20/week	80.00
F.	Maintenance & Repair Labor	738.25
	1. 2 men for surface & underground, full time.	
	2. Special repair, maint., or installation work (machinist or electrician), average 1 day per week.	
G.	Maintenance & Repair Supplies	196.80
	2,000 b. ft. timber/month @ .065 = 130.00	
	20' 16" vent pipe/month @ 1.38 = 27.60	
	20' 4" air line/month @ 1.03 = 20.60	
	20' 40# rail/month @ 0.93 = 18.60	
H.	Compressor Rental	25.00
I.	Truck service, including share of Salt Lake deliveries	250.00
J.	Rental of surface buildings and equipment and mine machinery and equipment, owned by New Park Mining Company	166.21
	Total	$ ~~2,475.32~~ 2465.32
	Total for life of project 30,000	$~~39,605.12~~ 39,445.12

Direct Labor:

Men for two shifts:	Cost/day
1 lead miner, night shift, @ $13.05	$ 13.05
3 miners @ $12.05	36.15
2 motormen @ $12.05	24.10
	$ 73.30
Total, including insurance, F.O.A.B., etc.	$ 82.52

Supplies Chargeable to Advance:	Cost/ft.
A. Track (40 lb. rail and ties)	$ 2.19
B. Air line, 4"	1.03
C. Water line, 2"	0.32
D. Ventilation pipe, 16"	1.38
E. Hardware (small tools, nails, track hardware, pipe fittings and hangers)	0.25
F. Explosives	2.70
G. Timber (completely lagged, sides & back)	5.42

23	linear ft.	of	8" x 8" =	123 Bd. Ft.
9	"	"	4" x 6" =	18 Bd. Ft.
35	"	"	3" x 12" =	105 Bd. Ft.
100	"	"	2" x 8" =	133 Bd. Ft.
				379 Bd. Ft.
			+ 10% for wedges blocks, & waste	38
				417
				@.065
				$27.11/5' set

H. Bits & steel	1.50

3. Project No. 1

(New crosscutting and drifting, all timbered)

Work & Rate: 500' @ 6'/day = 83 days

Direct Labor: 82.52/day = $13.75/ft.

Supplies:

Track	$ 2.19/ft.
Air line	1.03
Water line	0.32
Vent pipe	1.38
Hardware	0.25
Timber	5.42
Explosives	2.70
Bits & steel	1.50
	$14.79/ft.

Total: Cost per foot = $28.54

Total Cost = $14,270.00

Project No. 2

X 4. Clean-up work thru open sections of tunnel:

(Install pipe & track, some mucking)

Work and Rate: 2,000' @ 80'/day = 25 days

Direct Labor:

82.52/day = $1.03/ft

Supplies:

Track	$2.19/ft
Air line	1.03
Vent Pipe	1.38
Hardware	0.25
Water line (1,000' @ 0.32)	0.16
	$5.01/ft.

Total:

Cost per foot = $ 6.04
Total cost = $12,080.00

11,990
9,780

X 5. Clean-up work thru caved sections of Tunnel:

(Muck, timber, install pipe & track)

Work and Rate: 500' @ 10'/day = 50 days

Direct Labor:

82.52/day = $8.25/ft.

Supplies:

Track	$2.19/ft.
Air line	1.03
Vent pipe	1.38
Hardware	0.25
Timber	5.42
	$10.27/ft.

Total:

Cost per foot = $ 18.52
Total cost = $9,260.00

8655

6. New Drifting:

(All timbered)

Work & Rate: 1,500' @ 6'/day = 250 days

Direct Labor:

82.52/day = $13.75/ft.

Supplies:

Track	$2.19/ft.
Air line	1.03
Water line	0.32
Vent pipe	1.38
Hardware	0.25
Timber	5.42
Explosives	2.70
Bits & steel	1.50
	$14.79/ft.

Total:

Cost per foot = $ 28.54 =
Total Cost = $42,810.00

24,25'

Respectfully submitted,

Ray E. Gilbert

Ray E. Gilbert,
Chief Geologist
New Park Mining Company

January 21, 1951

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-993 X

Date received DMA 00621

26120

EAST UTAH MINING COMPANY
KEETLEY, UTAH

Name and address of applicant

Date May 14, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) ~~Necessity Certificate pursuant to the provisions of Sec. 124 A (Amortization)~~ priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

5 GENERAL TECHNICAL DATA

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

SEE ACCOMPANYING SHEETS

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: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
W. H. H. Cranmer, Keetley, Utah	Pres. & Gen. Mgr. -D	- -		3,500	None	None	None
Fred A. Moreton, Salt Lake City, Utah	Vice-President -D	- -		5,000	None	None	None
R. C. Wilson, Salt Lake City, Utah	Treasurer -D	- -		1,000	None	None	None
Robert L. Cranmer, Salt Lake City, Utah	Secretary -D	- -		1,000	None	None	None
Clark L. Wilson, Keetley, Utah	Supt. -D	- -		1,000	None	None	None
Orvel Bonnett, Provo, Utah	-D	- -		3,800	None	None	None
	Total	- -	x x x x x	15,800	- -	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	$ 325,000	$ 322,500	$ 10¢	3,225,000	No Dividends Paid
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.

Supplemental Data
Form MF-100
(March 1951)

EAST UTAH MINING COMPANY
KEETLEY, UTAH
MAY 14, 1951

1. Materials produced:
   (a) If successful in bringing this property into production, the ores will probably be copper, lead and zinc.
   (b) Byproduct will probably be cadmium.

2. Names of Properties:

   (1.) Evans Tunnel: This was driven to prospect for the eastern extension of the McHenry fissure. This was intersected, but in an area very near the surface. Work was suspended about the middle of 1935 with no production record. Water in this tunnel has been drained by other development work.

   (2.) Connor Tunnel: (Also known as Cunningham or Newmont Tunnel) The first 3,000 feet of this tunnel was driven by Newmont Mining Corporation through their ground to intersect East Utah Mining Company property. On entering East Utah property, this tunnel was driven an additional 2,300 feet to prospect East Utah property. This tunnel is 165 feet below the Evans Tunnel and is the means of access for further exploration in this area.

	Evans Tunnel	Connor Tunnel
(a) Linear feet of Shafts:	100'	- -
(b) Linear feet of Drifts & XCuts:	4700'	- -
(c) Linear feet of Tunnels or Adits:	1800'	2,300' (East Utah property)
	6600'	2,300'

3. Geographical location

	Evans Tunnel	Connor Tunnel
(a) Distance and direction from nearest town:	11 miles south to Heber; 3 miles NW to Park City.	10 miles south to Heber; 4 miles NW to Park City.
Shipping point:	Railroad at portal of Mayflower tunnel, New Park Mining Co.	Railroad at portal of Mayflower tunnel, New Park Mining Co.
(b) Mining District:	Blue Ledge	Blue Ledge
(c) Township, Section, Range;	T2S,R4E SLM-Sec.24	T2S,R4E SLM -Sec. 25
(d) County and State:	Wasatch County, State of Utah	Wasatch County, State of Utah

4. Operation:

   (a) Property is not in operation at present time.

   (b) East Utah Mining Company owns 21 patented claims, 1 unpatented claim and has a mining lease on an additional 160 acres.

5. Production: No history of ore production. Future production dependent upon success of proposed exploration projects.

6. Experience of Operators:

(a) The Board of Directors of the East Utah Mining Company with the exception of Fred A. Moreton, is composed of Board members of the New Park Mining Company. Officers and operating officials are members of the New Park Mining Company staff.

(b) Mining and general business experience of persons managing and operating the project are as follows:

W. H. H. Cranmer, President and Director:

Graduate of Yale University - Mining Engineering - 1906.

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

Captain in Artillery - World War I

Mineral Examiner, U. S. Department of Interior

Geologist employed by Union Oil Company

President & General Manager of Navajo Petroleum Corporation.

Organized New Park Mining Company - 1932

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

President of Oil Incorporated

President of Utah Mining Association 1949

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

Clark L. Wilson, Superintendent & Director:

Graduate of University of Utah - Geological Engineering - 1936

Masters Degree, University of Arizona - Geology - 1938

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

Engineer for Utah Copper Company at Bingham Canyon, Utah

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

Served One Year in U. S. Navy - World War II as Electronics Technician.

Mineral Surveyor U. S. Bureau of Mine Management.

Licensed Engineer and Land Surveyor - State of Utah

7. History:

(a) Incorporated under Laws of Utah on March 24, 1922. Charter terminates March 24, 2022.

Early development work included driving the Evans Tunnel to prospect for the eastern extension of the McHenry fissure. This was intersected, but in an area very near the surface. Work was suspended about the middle of 1935, with no production record.

On September 24, 1945, an option was given a representative of the Newmont Mining Company and they placed $132,106.04 as a development fund on demand deposit, thereby taking over control of the East Utah Mining Company.

Newmont Mining Co. acquired several miscellaneous claims and a quarter section of mining ground adjoining the property of East Utah and New Park Mining Companies. A main haulage tunnel was driven through this quarter section (3000 feet) at the expense of Newmont Mining Company. On entering East Utah property this tunnel was driven an additional 2300 feet by the East Utah Mining Company. A main strand of the McHenry fissure was crosscut in this work but the management of East Utah decided not to explore further. The working force in this project was transferred to the General Connor Mining Company, a joint operation of Newmont Mining Co. and New Park Mining Company. This work utilized the 3000foot tunnel section that had been driven by Newmont.

During the period of this work New Park acquired 62,916 shares of East Utah Mining Company. During 1950 New Park acquired additional stock from Newmont Mining Company and their associates and now owns 1,118,407 shares of East Utah Mining Co. New Park now owns 34.68 percent of the outstanding stock of East Utah Mining Company. Operating control of East Utah is vested in officers of New Park Mining Company.

(b) The accompanying map illustrates the location of East Utah property with reference to the large producing mines in the Park City District. The value of ores produced in this District is now approximately $400,000.000. In the past 10 years New Park Mining Company (Operators of East Utah Mining Company) has produced 661,246 dry tons of ore, with a total net value of $13,385,637.

(c) Reference is made to the accompanying report by E. A. Hewitt of the Park Utah Consolidated Mines Company.

8. Officers & Directors: (See Application)

Five Largest Stockholders: New Park Mining Company, Keetley, Utah
Jasee Syndicate, 300 Main Street, Stamford, Connecticut
Shearson, Hammill & Co., 14 Wall Street, New York 5, N. Y.
Jarumaha & Company, 300 Main Street, Stamford, Connecticut
J. A. Hogle & Company, 132 South Main Street, Salt Lake City, Utah

9. Capital Stock Issues: (See Application)

10. Production: No production record.

11. No production record.

12. No ore reserves

13. Access Roads: East Utah Mining Company will use the Connor Tunnel of New Park Mining Company in its exploration work. The tunnel portal is connected by 1/4 mile dirt road to a paved road at the portal of the Mayflower tunnel of the New Park Mining Company. The shipping and supply points for East Utah will be at the portal of the Mayflower tunnel. Residence areas are in Heber, Park City and intermediate points.

14. Water Supply: A year round water flow of 300 gallons per minute has been developed in the Connor Tunnel and is adequate for mining purposes.

15. Power: Electric power is available at the portal of the Connor Tunnel from an 11,000 volt service of the Utah Power & Light Company.

16. Labor: There is no payroll at the present time. Labor for future work is available in this area.

17. Equipment & Facilities: East Utah has no equipment available for proposed exploration projects. The necessary surface facilities (changeroom, shop, ventilation fans, haulage equipment, etc.) are available on a reasonable rental basis from New Park Mining Company.

18. An application has been submitted to the Defense Minerals Administration in the amount of $133,244.12 for an exploration program to develop the McHenry and Contact fissures on East Utah Mining Company property. The McHenry fissure has been crosscut in the Connor tunnel. The facilities of this tunnel are available for this work and the East Utah Mining Company proposes to either explore the present McHenry fissure structure exposed in the Park City limestone, or to do further crosscutting in search of other strands of the McHenry fissure.

R E P O R T

on the

EAST UTAH MINING COMPANY

Located in Blue Ledge Mining
District, Wasatch County, Utah.

by

R. A. Hewitt, Park City, Utah,
Mining Engineer & Geologist

November 15, 1950.

LOCATION

The East Utah Mining Company is located in the eastern part of the Park City district, in Sections 23, 24, 25 and 26, T 2S, R 4E SLM, Wasatch County, Utah. The county seat is Heber, nine miles south of the property. The nearest town is Park City four miles west of the property. The main office of the company is at Keetley, Utah, ℄ New Park Mining Co. A branch of the Union Pacific R.R. from Park City traverses the property.

PROPERTY

The property consists of some 420 acres of patented mining claims including a desert entry of 160 acres which is also patented and carries mineral rights.

WORKINGS

The ground was located by prospectors some 30 years ago and has workings consisting of pits and shallow tunnels characteristic of such owners of limited means. These diggings have exposed the veins in many places.

The most ambitious working made by the earlier owners consists of over a mile of drifts and crosscuts in the Evans Tunnel at elevation 6480. The greatest depth attained in this working was about 200'.

In the past 5 years the East Utah Mining Company with ample financial backing has driven a main tunnel some 5300' long at elevation 6260. From this main drive a branch 3800' long has been driven to the southwest. The latter was driven by General Connors Mining Company whose property consists of a group of East Utah Mining Company claims and the Desert Entry together with a similar acreage of patented mining claims contributed by New Park Mining Company. Both East Utah Mining Company and General Connors Mining Company are now controlled by New Park Mining Company.

The 5300' tunnel, known as the Cunningham tunnel, is the only working now accessible. The last 500' of the north crosscut is partly caved due to timbers being removed by the recent prior owners. This will have to be repaired before work can be resumed.

HISTORY

The first important ore discovery in Park City District was made in 1872 on the Ontario claim one half mile south of Park City. Since then the district has produced almost continuously and there is no indication of ore exhaustion in the near future. The district has produced some $225 million, of which some $80 million has been paid in dividends.

The discovery in 1928 of the Park Utah ore bodies a mile to the west inspired the organization of the East Utah Mining Company

and the driving of the Evans tunnel. Then again, the discovery of the New Park ore bodies in the late "30s" prompted, soon after, the driving of the Cunningham tunnel.

The Cunningham tunnel was stopped in March, 1949 and the southwest branch in mid-1950. Since a maintenance crew has kept the workings open with the exception of the last 500' in the north crosscut.

There is no record of any production from any part of the property.

GEOLOGY

Park City mining district is situated near the junction of the east-west major uplift known as the Uintah Range and Wasatch Mountains, the major north-south uplift which extends nearly the length of the State. This union of structures makes the area one of profound disturbance and, as a result of these upheavals, rocks as old as Pennsylvanian are exposed by erosion in the district and flanked by rocks as young as upper Cretaceous.

More than 7500' of sedimentary rocks are exposed in the district at the surface or in mine workings. The sediments range in age from Nugget sandstone of Jurassic age, through Ankareh shale, Thaynes limestone and Woodside shale of Triassic age, followed by Park City limestone of Permian-Pennsylvanian age which in turn is underlain with Weber quartzite of Pennsylvanian age. The deepest sediment, Wasatch line of Mississippian age is exposed only in the mine workings.

These sediments by mountain-building forces have been twisted, broken and finally raised into a broad anticlinal arch whose axis trends slightly east of north and plunges gently downward to the north. In early Tertiary time the sediments were invaded and truncated by quartz diorite and its porphyry. In the southwestern and the southern parts of the district, erosion has exposed these intrusive masses dipping northerly and extending downward under the sediments. From these great intrusive stocks numerous steep dikes have broken up through the sediments. These dikes are pre-mineral and usually pre-fissure and the latest are rather basic.

The last igneous activity in the district was a great out-pouring of andesite flows, which are post-fissure and pre-mineral, and blanket the eastern part of the district just east of this property.

FISSURING AND FAULTING

The intrusives breaking up through the sediments caused such distortion of these formations, but the principal fissuring occurred after the major intrusives had been emplaced as the intrusives are themselves fissured and faulted. In some cases fissures have formed

along the small dikes which may become a wall of the veins. In other places the fissure may follow a contact. The principal fissures strike northeasterly to about east. Perhaps a favorable course might be N 80 E.

EAST UTAH GEOLOGY

As shown on the surface geology map the rocks exposed are Thaynes limestone which is usually 1100' thick, Weber quartzite which is 1750' thick, Park City limestone, 600' thick, lying just above the Weber and quartz diorite porphyry. These are the formations shown in the workings also. The property is on the easterly limb of the Park City anticline as are the neighbors, Park Utah mine adjoining on the west and New Park mine adjoining on the southwest.

These rocks are all productive in the district. The lower part of the Thaynes has been productive in the Keystone and in the Silver King mines in the western part of the district. The Park City lime has yielded perhaps two-thirds of the production of the district principally in the Park Utah Consolidated Mines Company and the Silver King Coalition properties in the western part of the district. Weber quartzite is a famous producer at the Ontario, Daly, Daly West and Park Utah mines; while much of the New Park ore, currently the largest producer in the district, is in quartz diorite porphyry.

In the East Utah property there are two major fissures shown on the surface map, viz: the Contact fissure and McHenry fissure. The Contact fissure in the New Park mine carries both fissure ore and limestone replacement ore bodies in the Wasatch. On the surface an axis of magnetic low from a magnetometer survey is shown in Glencoe canyon and appears to represent the position of the northeast extension of the Contact fissure. On the Evans tunnel geology I have shown a fissure parallel in strike to the Contact fissure which I have called the West Contact fissure. In the heading of the southwest branch from the Cunningham tunnel a diamond drill hole has opened a large flow of water perhaps 1000 gpm at 20' in the hole. Large flows of water are often associated with fissures and since this position is about where the Contact fissure should be at that level, it could well be that fissure. With such a flow any evidence of mineral in the sludge would be lost and there was no core, so it is suggested an angle crosscut to the north of about 100' be driven as shown to expose this water course. It might be mineralized or even ore-bearing.

The more promising fissure exposed in Cunningham tunnel is McHenry fissure, which at the crosscut, faults Thaynes lime on the hanging wall against Park City lime and Weber quartzite on the footwall, a displacement of about 2000'. In the Park Utah mine ore deposits on this fissure have yielded some $15 million. The Cunningham crosscut tunnel, as shown, has merely crossed the fissure and done no drifting therefrom. It would be most unusual in Park City district to cut ore in the crosscut without having done some lateral drifting. For instance, in the Park Utah mine no ore was found in the crosscut which cut the McHenry fissure but drifting either way

several hundred feet opened good ore.

The plan of the Cunningham north crosscut and the longitudinal section along the McHenry fissure indicates a drift easterly in dashed lines of 700' which should open the favorable ore horizons in the Park City lime, viz: the Jenney, the 1243, the 1254 and the 920 quartzite beds in the Park City lime which elsewhere in the district have been productive. Likewise on these maps a drift in dashed lines of 800' to the west along the McHenry fissure is indicated. This drive should open the base of the Park City lime, another very productive horizon. This drift will also be along the lower 300' of the Theynes lime which has been productive in the district. Here it is the hanging wall. At 800' the base of the Theynes may be reached on the hanging wall and also possibly the West Contact fissure where it joins the McHenry on the footwall side.

A prominent feature of the structure is the Evans fault which drops the Park City lime downward to the east and steepens the beddings.

CONCLUSION

It is therefore recommended that on the Cunningham tunnel level in the southwest heading about 100' back of the face a 100' crosscut in a N 30 W direction be driven to prove the presence of the Contact fissure which at this depth could be ore-bearing. Second, in the north crosscut on the Cunningham tunnel a 700' drift along McHenry fissure easterly and an 800' drift westerly along that fissure be driven.

Experience in ore-finding in the district would seem to justify this work to prove the property, because

1. The rock formations present have been productive elsewhere in the district.
2. The prominent fissures which have been productive in neighboring mines will be explored here.
3. The property adjoins two large producing properties.
4. The fissures where exposed both underground and at the outcrops show evidence of residual mineral.
5. The depth at the Cunningham tunnel level should be about the bottom of the leached zone. Throughout the district little ore has been found above 400' to 500' depth. There are but three spots in the district where ore has outcropped.
6. The most expensive work is already done, some $400,000 being expended on the Cunningham level. This is now open except possible the last 500' in the north crosscut which must be retimbered.

Respectfully submitted,

/s/ E. A. HEWITT

Park City, Utah.
November 16, 1950

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

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

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

TOTAL ORE OR MINERAL RESERVES

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

(*c*) If placer:

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

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

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

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

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

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

13. Access Roads:

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

14. Water Supply:

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

15. Power:

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

16. Labor:

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

17. Equipment and Facilities:

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

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

CERTIFICATION

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

EAST UTAH MINING COMPANY
(Name of company)

By W. H. H. Cranmer
(Signature of authorized official)

May 14, 1951
(Date)

W. H. H. Cranmer,
President
(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

R E P O R T

on the

EAST UTAH MINING COMPANY

Located in Blue Ledge Mining
District, Wasatch County, Utah.

by

E. A. Hewitt, Park City, Utah.
Mining Engineer & Geologist

November 15, 1950

LOCATION

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PROPERTY

The property consists of some 420 acres of patented mining claims including a desert entry of 160 acres which is also patented and carries mineral rights.

WORKINGS

The ground was located by prospectors some 30 years ago and has workings consisting of pits and shallow tunnels characteristic of such owners of limited means. These diggings have exposed the veins in many places.

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HISTORY

The first important ore discovery in Park City district was made in 1872 on the Ontario claim one half mile south of Park City. Since then the district has produced almost continuously and there is no indication of ore exhaustion in the near future. The district has produced some $325 million, of which some $80 million has been paid in dividends.

The discovery in 1920 of the Park Utah ore bodies a mile to the west inspired the organization of the East Utah Mining Company and the driving of the Evans tunnel. Then again, the discovery of the New Park ore bodies in the late "30s" prompted, soon after, the driving of the Cunningham tunnel.

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Respectfully submitted,

E A Hewitt

E. A. Hewitt

Park City, Utah.
November 15, 1950

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

PROJECT SUMMARY REPORT

By: W. P. Klugescheid August 30, 1954

1. Docket No. DMEA-993X (Lead-Zinc-Copper)
Contract No. Idm-E119
Property: East Utah Mine
Location: Wasatch County, Utah

Operator: East Utah Mining Co.
Park City Mining District
Keetley, Utah

Operator's Property Rights: Owner

2. Contract dated August 17, 1951. To complete -12 months

Work Authorized

Project No. 1

500 feet of crosscutting and drifting @ $35.92 per foot	$ 17,960.00

Project No. 2

1000 feet of crosscutting @ $35.92 per foot	$ 35,920.00
500 feet of drifting @ $35.92 per foot	17,960.00
2000 feet of drift cleaning @ $6.08 per foot	12,160.00
500 feet of drift repair @ $26.91 per foot	13,455.00
Machinery	11,719.00
Total Cost	$109,174.00
Government's participation	$ 54,587.00

Amendments

No. 1 Dated October 4, 1951

Changes the value of some items under "Exhibit C".
No increase in cost of the project.

No. 2 Dated November 30, 1951

Changes the number of mine cars to be depreciated from 10 to 5 in "Exhibit C".
No increase in cost of the project.

No. 3 Dated January 24, 1952

Adds a clause for driving a drift around the caved area in the East Utah Tunnel.
No increase in cost of the project.

No. 4 February 5, 1952

Adds base rate of pay for a number of classifications of labor.
No increase in cost of the project.

No. 5 Dated March 25, 1952

In "Exhibit A" - Project #2, increases the crosscutting by 200 feet and decreases the amount of drifting by the same amount. Changes wording of work to be done in Project No. 2.
No increase in cost of the project.

No. 6 Dated September 18, 1952

Voids Amendment No. 4. Deletes "Exhibit D", and substitutes new base rates of pay effective as of the date of Contract No. Idm-E119.
No increase in cost of the project.

Work Completed

Project No. 1

512.5 feet of crosscutting @ $37.17 per foot	$ 19,048.14

Project No. 2

1322 feet of crosscutting @ 39.78 per foot	52,585.10
2320 feet of drift clean-up and 165 feet of repair @ $9.08 per foot	21,077.35
Total Cost	$ 92,710.59
Government's participation	46,355.30

Work was completed during the month of July 1952.

3. Audit - Certificate issued March 17, 1953.

Total cost claimed by contractor	$ 93,314.95
Exceptions by Audit	604.36
Total accepted cost	$ 92,710.59
Government's participation	$ 46,355.30

4. Certificate of Discovery - None was issued.

No ore reserves
No production.

5. Comments:

Project No. 1 was planned to consist of 500 feet of crosscutting and drifting in a northerly direction from the southwest drift of the Connor Tunnel to explore easterly extensions of veins that are productive elsewhere in the district.

Project No. 2 was planned to consist of 1,000 feet of crosscutting to explore strands of the McHenry fissure and for 500 feet of drifting along the fissure when encountered.

The rocks in the Park City district consist of quartzite, limestone, shale and sandstone. These sedimentary rocks have been intruded by quartz

diorite, diorite porphyry, and quartz monzonite. The formations in the area form an anticline that trends northeast and pitches northeast. This broad arch is modified by strong faulting and minor local folding. Six important zones of faulting have considerably modified the continuity of the Park City anticline. The McHenry fault crosses the East Utah property and is the principal target of exploration. Another fault, the Contact fault, crosses the East Utah property several hundred feet south of the McHenry fault, and is also of interest as an exploration target. The principal primary ore minerals in the district are galena, sphalerite, chalcopyrite, tetrahedrite and pyrite.

The Park City ore occurs as lode deposits and bedded replacement deposits. The two types of deposits are commonly associated throughout the region, though some lodes and veins occur alone. The rocks of the East Utah Mine consist of the Weber quartzite, the Park City limestone and the Thaynes formation.

The exploratory work on the Contact fault cut eight minor faults which showed rock alteration, but no significant mineralization. The work on the McHenry fault system cut the Weber quartzite, Park City limestone, Thaynes limestone, a diorite porphyry, and a few minor faults but no important mineralization was found and the project was abandoned. No further exploratory work was recommended.

The Operator's reports were satisfactory and the work was well carried on.

Walter P. Klugescheid
W. P. Klugescheid

WPK:er

Copy to: Docket
Base Metals
Chron.

☒ Audited

☐ Certified

U.S. AMMADIS SHEET - DMEA PROJECT

Analysis as of 12/6/54
Incl. Voucher for July 1952.

☒ Actual Cost

☐ Agreed Unit Costs

Name East Utah Mining Co.

Docket No. DMEA-993X

State Utah.

Commodity Zinc, Lead, Copper, Silver + Gold.

Idn-E No. 119

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	2000'	$71,840.00	1,834.5'	$70,161.86	$71,633.24
					67,903.
Raising					
Shafts					
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased		11,719.00		8,870.30	3,729.40
Surface Rehabilitation & Repairs					
Underground Rehabilitation 2000' Drift clean 500' Drift repair		12,160.00 13,455.00		21,077.35	21,077.35
New Building, Improvements, etc.					
Other (Specify)					
Totals		$109,174.00		$100,109.51	$92,710.59

Liquidation Settlement

Pipe	$ 966.20
Track	1,291.82
Equip. Purchase	5,140.90
	$7,398.92

C & D

70,161.86
2,258.02
67,903.84

Prepared by W. P. Klugeschend

3729.40
5140.90
8870.30

Office of Minerals Exploration
Building 53 Room 203

July 22, 1968

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 23 1968
INITIALS | CODE
~~130~~
~~110~~
220

Mr. David Clegg, President
East Utah Mining Company
863 First Security Building
Salt Lake City, Utah 84111

Re: DMEA-993X

Dear Mr. Clegg:

Enclosed is a sepia and a copy of a portion of the 104XC of the East Utah Tunnel showing the amount of work completed under the subject contract. I hope this will be satisfactory to you.

Sincerely yours,

J. William Hasler

J. William Hasler,
Field Officer, Region III
Office of Minerals Exploration

Enclosures

cc: Chief, OME ✓
OME chron
Mr. Hasler
DMEA-993X

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
7/1/68		110
		220

Mr. David E. Clegg
President
East Utah Mining Company
863 First Security Building
Salt Lake City, Utah 84111

JUL 1 1968

Re: DMEA-993 (Lead-Zinc-Copper)
East Utah Mining Company
East Utah Mine
Wasatch County, Utah
Contract Idm-K119

Dear Mr. Clegg:

In response to your letter of June 28, 1968, we have again checked our files, and find that we have sent you copies of all available material relating to progress reports submitted by the Operator under the subject contract.

We do not have any maps showing the monthly progress or completed work on Project No. 1, other than the one showing the advance of 13 feet mentioned in your letter. It is suggested that you check with Mr. J. W. Hasler, Field Officer, OME Region III, Geological Survey, Room 203, Building 53, Federal Center, Denver, Colorado 80225. By a copy of this letter we are authorizing Mr. Hasler to furnish you copies of any Operator's progress maps for Project No. 1 that he may have in his files.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME docket
OME Reading File
OME Region III w/cys incoming letter and letter 6/17, 1968

FEJohnson/gla 7-1-68

EAST UTAH MINING COMPANY
INCORPORATED 1922
863 FIRST SECURITY BUILDING
SALT LAKE CITY, UTAH 84111

DAVID H. CLEGG
PRESIDENT

TELEPHONE 363-1111
AREA CODE 801

OFFICIAL COPY
O. M. E.
RECEIVED
JUL 1 1968
INITIALS | CODE
110

June 28, 1968

Mr. Frank E. Johnson, Chief
Office of Minerals Exploration
United States Department of the Interior
Geological Survey
Washington, D. C. 20242

Re: DMEA-993: East Utah Mining Company
Contract Idm-E119
Monthly Progress Map No. 1, File B-14

Dear Mr. Johnson,

Thank you for the requested material re the above project. Our geologist advises, however, that there appears to be missing a copy of the map showing the advance to and including March, 1952, for an additional 499½ feet. In other words, no progress map of crosscut 104 shows any advance later than November 1, 1951, at which time 13 feet only had been completed, though the completion of drifting was accomplished during March, 1952 to a total of 512½ feet.

We will appreciate your having the proper persons check into this and supply any additional material available. If there is a further charge we will, of course, be happy to take care of it at once.

Best regards.

Sincerely,

David H. Clegg
President

AME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/17/68		110
		220

JUN 17 1968

Mr. David H. Clegg
President
East Utah Mining Company
863 First Security Building
Salt Lake City, Utah 84111

Re: DMEA-993 (Lead-Zinc-Copper)
East Utah Mining Company
East Utah Mine
Wasatch County, Utah
Contract Idm-E119

Dear Mr. Clegg:

Thank you for your letter of June 12, 1968, and enclosed check in the amount of $6.00 to cover the cost of duplicating and mailing material relating to the subject contract.

In response to your request, enclosed are copies of the Operator's Monthly Progress Reports and accompanying maps.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosures

cc: Director's Reading File
Economic Geology File
OME docket
OME Reading File

FEJohnson/gla 6-17-68

EAST UTAH MINING COMPANY
INCORPORATED 1922
863 FIRST SECURITY BUILDING
SALT LAKE CITY, UTAH 84111

DAVID H. CLEGG
PRESIDENT

TELEPHONE 363-1111
AREA CODE 801

OFFICIAL
COPY
O. M. E.
RECEIVED
JUN 14 1968
INITIALS CODE
150
110
220

June 12, 1968

Mr. Frank E. Johnson, Chief
Office of Minerals Exploration
Geological Survey
U. S. Department of the Interior
Washington, D.C. 20242

Re: DMEA-993
Contract Idm-E119
East Utah Mining Co.

Dear Mr. Johnson,

In reply to your kind letter of June 6 we enclose our check for $6.00 with many thanks if you will be good enough to send us duplicates of the Operator's Monthly Progress Reports and accompanying maps, as requested in our letter of May 27.

For reasons which we both understand I will try to stay away from your fine city these coming summer months but I wish for you a safe and pleasant sojourn and will look forward to seeing you again at your office at a later date.

Kindest regards.

Sincerely,

David H. Clegg
President

PAYEE: DETACH THIS STATEMENT BEFORE DEPOSITING CHECK

EAST UTAH MINING COMPANY

DATE	INVOICE NO.	DESCRIPTION	AMOUNT	DISCOUNT OR DEDUCTION	NET AMOUNT
6-12-68		Duplicates of Operator's Monthly Progress Reports and accompanying maps DMEA-993; Contract Idm-E119 East Utah Mining Company			6.00

EMPLOYEE'S NAME

PAY PERIOD ENDING	HOURS	RATE	GROSS EARNINGS	DEDUCTIONS						NET EARNINGS PAID
				F.I.C.A.	FEDERAL INC. TAX	STATE INC. TAX				
	REG. TIME OVERTIME									

EMPLOYEE: THIS IS A STATEMENT OF YOUR EARNINGS AND DEDUCTIONS FOR THE PERIOD INDICATED. KEEP THIS FOR YOUR PERMANENT RECORD.

EAST UTAH MINING COMPANY, SALT LAKE CITY, UTAH

OFFICE OF MINERALS EXPLORATION
U.S. GEOLOGICAL SURVEY

TO: Budget and Finance

FROM: Office of Minerals Exploration

- ABSTRACT OF REMITTANCES -

Date	Amount	Bank, City and State	Name of Remitter	Docket & Contract Numbers	Purpose
6/12/68	$6.00	1st Security Bank of Utah	East Utah Mining Co.	DMEA 993 E-119	Duplicating

REMARKS: (List smelter or mill lot numbers covered by royalties)

6/14/68
Date Prepared

Catherine J. Curtis
Person Preparing Abstract

Date Received

Person Receiving Remittance

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/6/68		110
		220
		110

JUN 6 1968

Mr. David H. Clegg
President
East Utah Mining Company
863 First Security Building
Salt Lake City, Utah 84111

Re: DMEA-993 (Lead-Zinc-Copper)
East Utah Mining Company
East Utah Mine
Wasatch County, Utah
Contract Idm-E119

Dear Mr. Clegg:

This is in reply to your letter of May 27, 1968, requesting certain information furnished by the Operator under the subject contract.

We do not have any extra copies of the Operator's Monthly Progress Reports and accompanying maps. However, we can have these duplicated at a nominal cost. Upon receipt of your check payable to the U. S. Geological Survey in the amount of $6.00 to cover the cost of duplication and mailing, we will have copies of the requested material made and forwerded to you.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME docket
OME Reading File
OME Region III w/cy incoming letter

FEJohnson/gla 6-5-68

EAST UTAH MINING COMPANY
INCORPORATED 1922
863 FIRST SECURITY BUILDING
SALT LAKE CITY, UTAH 84111

DAVID H. CLEGG
PRESIDENT

TELEPHONE 363-1111
AREA CODE 801

Pub R-993

OFFICIAL
COPY
O. M. E.
MAY 1968

110

May 27, 1968

Mr. Frank Johnson
Deputy Director, O.M.E.
New Interior Building, Rm. 4460
Washington, D. C. 20242

Dear Mr. Johnson,

We are making a detailed study of our property that adjoins the Mayflower mine in the Park City mining district of Utah and would be known in your records as the "East Utah Mining Company project".

In 1951 a D.M.E.A. loan was granted for a rather extensive program on this property and it would be extremely helpful to us if we could obtain the maps and progress reports that were furnished your office. Unfortunately our own records that should cover this matter had disappeared prior to our assuming management of the company. Your cooperation in making the requested information available to us would be much appreciated.

I had lunch with John Norton earlier this week and he again asked for you. He is hoping to get back to Washington some time this year if the strikes and riots permit.

Kindest regards.

Sincerely,

David H. Clegg
President

500

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

AUG 11 1953

Mr. W. H. H. Cranmer, President
East Utah Mining Company
Keetley, Utah

Re: Docket No. DMA 993 (Lead-Zinc)
Park City Mining District
Wasatch County, Utah
Contract No. Icm-a119

Dear Mr. Cranmer:

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

The final audit of the contract expenditures of the Operator and the final report of the Field Team have been received and accepted by this Administration. Of the total amount of $109,174.00 approved under the contract, the sum of $92,710.59 was actually expended, 50 per cent of which, or $46,355.30, represented the Government's share. Equipment which was left over has been liquidated and accounted for. The exploration work was completed in a satisfactory manner.

Because the results of the exploration were unfavorable, it is not our intention to make a certification of discovery or development which would create a lien against the subject property. We are, therefore, closing our books and records with respect to this project. Your attention is called, however, to Article 12 of the Contract which requires the Operator to "keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract".

Your interest in the Exploration Program of the Defense Minerals Exploration Administration and your willingness to participate therein are appreciated.

WRGriswold/hmj (8/6/53)
CC to: Docket
Admr. R. File
Op. Committee
Base Metals
Cont. Admin & Audit Div.
Mr. Bishop
Mr. Kinkel
Chron.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

R. C. G. 8-11-53

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

224 New Customhouse
Denver 2, Colorado

July 27, 1953

F.T. RPT.

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Field Team, DMEA, Region IV

Subject: Docket No. 993X, Contract Idm-E119, East Utah Mining Co., Keetley, Utah (Lead-Zinc-Copper-Gold and Silver).

Enclosed are the following final reports pertaining to work performed under the subject contract.

(1) Original and one copy of the Operator's Report.

(2) Original and three copies of the final Geological Report by the Geological Survey.

(3) Original and three copies of the final Engineering Report by the Bureau of Mines.

The Operator has complied under the terms of the contract, and final payment to him was processed April 1, 1953. The exploration work did not result in a significant discovery of lead-zinc ore, and the exposures indicate that no further exploration work is warranted. No certification of discovery is recommended.

W. H. King
W. H. King

E. N. Hanschmann
for A. H. Koschmann

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
8-3-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

Mining Division
Date Rec'd.
NOV 7 - 1952
BUREAU OF MINES
Denver, Colorado

November 5, 1952

Memorandum

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

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA-993X, Contract Idm-E119, East Utah Mining Co., Keetley, Utah. Final Project Report

Enclosed are the original and eight copies of a final report covering work performed under the subject contract. The report was prepared by F. L. Wideman. The final report was submitted by the operator, together with MF-104 forms, and mailed to your office November 3, 1952.

Stephen R Wilson
Stephen R. Wilson

Enclosure

Reviewed by
DMEA OPERATING COMMITTEE
8-3-53
(date)

EAST UTAH MINING CO.
WASATCH COUNTY, UTAH
Zinc-Lead-Gold-Silver-Copper
DMA-993X
Contract Idm-E119

Final Project Report

By F. L. Wideman
Mining engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
8-3-53
(date)

The property of the East Utah Mining Co. is located in the East Park City district, Wasatch County, Utah. There are no records of production of ore from the property, although more than 10,000 feet of mine workings were driven prior to August 1951. A DMEA exploration contract, authorizing an expenditure of $109,174, was signed August 17, 1951. The aggregate total of all sums paid by the Government was specified to be $54,587, or 50 percent of the total amount. Work under the contract was started September 11, 1951.

PROJECT SCOPE

A total of 2,000 feet of drifting or crosscutting, 2,000 feet of drift cleaning and 500 feet of drift repair were authorized by the contract. Project No. 1 was planned to consist of 500 feet of crosscutting and drifting in a northerly direction from the southwest drift of the Connor Tunnel to explore easterly extensions of veins that are productive elsewhere in the district. Project No. 2 was planned to consist of 1,000 feet of crosscutting to explore strands of the McHenry fissure and for 500 feet of drifting along the fissure when encountered. Drift cleanup and repairs were also a part of the project.

Authorized expenditures consisted of:

1. Project No. 1 - 500 feet of crosscut and drift at $35.92 ---------- $17,960.00

2. Project No. 2 - 1,000 feet of crosscut at $35.92 - $35,932.00

500 feet of drifting at $35.92	$17,960.00	
2,000 feet of drift cleaning at $6.08	12,160.00	
500 feet of drift repair- at $26.91	13,455.00	
		$75,495.00

3. Equipment purchase ---------- 11,719.00

Total contract amount ----------$109,174.00

Permission was granted to the company to enter into a subcontract with the Centennial Development Co. to drive the exploratory headings and retimber caved sections of the old workings. An amendment was granted to allow the company to drive around certain caved sections when it became apparent that clean-up and repairing badly caved sections would be more costly than driving a new crosscut. The footage in project No. 1 was revised to 512.5 feet and in project No. 2 to 1,200 feet of crosscutting and 300 feet of drifting.

WORK ACCOMPLISHED - PROJECT NO. 1

The project was completed on March 23, 1952, after 512.5 feet of crosscut had been driven. All advance was made through quartz diorite that is cut by eight fracture systems. The rock in and adjacent to the fracture systems shows some alteration, but little or no metallization is present.

WORK ACCOMPLISHED - PROJECT NO. 2

Project work was completed on or about July 24, 1952, after a total of 1,322 feet of crosscut had been driven in less than 8 months. An advance of 319 feet was made during April 1952. The advance was made through Weber quartzite, Park City formation, Thaynes formation, and a diorite porphyry. The Evans fault, which may be a strand of

the McHenry fault, was cut near the beginning of the crosscut. This is the largest fault encountered, and is thought to have brought the Thaynes formation against the Park City formation, since no rock in the crosscut can be definitely identified as Woodside, the formation that is stratigraphically between the Thaynes and Park City formations. The contact between the Thaynes formation and the quartz diorite is a fault system of probable lesser displacement. Another series of small slips and fractures is present, but does not appear to be of any importance. No ore mineralization was observed in any of the structures encountered. The project was terminated, as no mineralization was encountered to merit further exploration.

COSTS

The equipment purchased under terms of the contract has been sold to the East Utah Mining Co. However, final settlement has not been made and an audit of the accounts is pending. Revision of the costs presented below will be necessary after settlement of the equipment account and final audit.

Project No. 1

Costs estimated for contract -

500 feet of drifting at $35.92 ------	$17,960.00	
50 percent of equipment purchase ----	5,859.50	
Total ----------		$23,819.50

Costs reported on MF-104 forms for July 1952 -

512.5 feet of drifting at $32.44 ----	$16,625.03	
Rehabilitation and preparation ------	985.14	
Operating equipment purchased -------	4,435.15	
Total ----------		$22,045.32

Project No. 2

Costs estimated for contract -

1,500 feet of crosscutting and drifting at $35.92 ------	$53,890.00	
2,000 feet of drift cleaning at $6.08 --------	12,160.00	
500 feet of drift repair at $26.91 ----------	13,455.00	
40 percent of equipment purchase ----	5,859.50	
Total expenditures ----------		$83,354.50

Costs reported on MF-104 forms for July 1952 -

Crosscutting 1,322 feet at $40.21 ---	$53,156.05	
Rehabilitation and preparation (Drift cleaning and repairs) ------	21,077.35	
Equipment purchase ----------	4,435.15	
Total expenditures ----------		$78,668.55

RESULTS

No discovery of ore was made by either project; however, geologic information was obtained which should be helpful to the East Utah Mining Co., as well as other companies operating in the eastern part of the Park City district.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
200 New Customhouse
Denver 2, Colorado

July 24, 1953

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 993X, East Utah Mining Company, Wasatch County, Utah

Enclosed are 9 copies of a final geologic report by J. William Hasler of the U. S. Geological Survey covering the above docket.

A. H. Koschmann
A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (9)

Reviewed by
DMEA OPERATING COMMITTEE
8-3-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Room 208 - 222 So. West Temple
Salt Lake City 1, Utah
July 20, 1953

Memorandum

To: A. H. Koschmann, Field Team, Region IV

From: J. William Hasler, for Ralph J. Roberts
Utah - Nevada District Office

Subject: East Utah Mining Company, Wasatch County, Utah (lead-zinc), DMEA No. 993X.

Enclosed are nine copies of a final geologic report of the East Utah Mining Company, Wasatch County, Utah, Docket DMEA 993X (Lead-zinc), by J. William Hasler.

The East Utah Mining Company, Wasatch County, Utah applied to the Defense Minerals Exploration Administration for a loan to explore for lead-zinc at depth on the McHenry, and Contact faults in the Park City Mining district, Utah. The loan was approved in Washington, D. C., and no field examination or recommendation was made by the Field Team, Region IV.

The East Utah Mining Company property is in the eastern part of the Park City mining district which has produced in excess of $325,000,000.

The objective of the exploration project by the East Utah Mining Company was to explore the eastward extension of two mineralized, northeast striking faults, the McHenry fault, and the Contact fault, that have produced ore to the west on adjacent properties.

The two phases of the project were completed and no ore was found. There has been no discovery of lead-zinc ore on the East Utah Mining Company property as a result of the DMEA projects, and it is, therefore, recommended that no further exploratory work be done by the DMEA at the present time.

Ralph J. Roberts

By J. William Hasler
J. William Hasler

Reviewed by
DMEA OPERATING COMMITTEE
8-3-53
(date)

RECEIVED
JUL 1953
U.S. Geological Survey
Mineral Deposits Branch
Denver

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMEA Docket 993X - East Utah Mining Company

Wasatch County, Utah

By

J. William Hasler
U. S. Geological Survey

July 22, 1953

Reviewed by
DMEA OPERATING COMMITTEE
8-3-53
(date)

CONTENTS

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Location and Accessibility	1
History and Production	1
Geology and Ore Deposits	2
Exploratory Work	4
Results of Exploratory Work	5
Summary, Conclusions, and Recommendations	6

ILLUSTRATIONS

Fig. 1 - Index Map of Central Utah

2 - Index Map - East Park District Utah

3 - Geologic Map - East Utah Mining Company

FINAL GEOLOGIC REPORT

DMEA DOCKET 993X - EAST UTAH MINING COMPANY

WASATCH COUNTY, UTAH

INTRODUCTION

The East Utah Mining Company, Wasatch County, Utah applied to the Defense Minerals Exploration Administration for a loan to explore for lead-zinc ore at depth on the McHenry and Contact faults. The loan was approved in Washington, D. C., and no field examination or recommendation was made by the Field Team, Region IV.

Location and Accessibility

The East Utah Mining Company property is in the eastern portion of the Park City Mining District, four miles east of Park City, Utah in sections 23, 24, 25 and 26, T. 2 S., R. 4 E., SLB&M, Wasatch County, Utah. The property may be reached by travelling southeast from Park City, Utah on U. S. Highway 40, eight miles to Keetley, Utah, thence northwest on a gravelled road 1 1/2 miles to the East Utah property. (Fig. 1).

History and Production

The first discovery of ore in the Park City Mining district was made in 1872 on the now famous Ontario claim, one-half mile south of Park City, Utah. Since the date of discovery of ore, the Park City district has produced in excess of $325,000,000 of which over $30,000,000 has been paid in dividends.

The East Utah Mining Company was incorporated in 1922 and owns mining property situated on the eastward extension of faults that have been productive on property owned by Park-Utah Consolidated Mining Company and New Park Mining Company near Park City.

The Newmont Mining Company acquired control of the East Utah property in 1945 and drove an adit 5,300 feet long, known as the Cunningham (General

Connor) adit, to further prospect the east striking McHenry fault. The work disclosed no mineralized faults and the Newmont Mining Company abandoned the work.

Later geologic work by Mr. E. A. Hewitt, consulting geologist, showed that the Newmont work did not cut the main McHenry fault system, and in 1950 the New Park Mining Company acquired control (Fig. 4) of the East Utah Mining Company and with Marymont Mining Company, jointly explored the area in the southeast part of the Utah Mining Company ground by diamond drilling. An excessive amount of water was encountered and the project was abandoned (Fig. 2).

Discovery of the Park Utah, and New Park ore bodies a mile to the west of the East Utah property, and earlier production from the McHenry fault serves as a basis for further exploratory work, as applied for in the DMEA application.

GEOLOGY AND ORE DEPOSITS

The rocks in the Park City district consist of quartzite, limestone, shale and sandstone ranging in age from Permian to Jurassic. These sedimentary rocks have been intruded by quartz diorite, diorite porphyry, and quartz monzonite. The formations in the area form an anticline that trends northeast and pitches northeast. This broad arch is modified by strong faulting and minor local folding. 1/

1/ Butler, B. S., & et al., U.S.G.S., Prof. Paper 111, 1920 "The Ore Deposits of Utah" pp 294-307.

The Park City arch, comprising all the sedimentary formations, embraces the entire Park City district. It is broad and low, the formations on its flanks dipping gently northwest, east and southeast, and its axis dipping gently northeast.

Six important zones of faulting have considerably modified the continuity of the Park City anticline. These include, on the west side, the Ontario, and Daly West, the Crescent, and Massachusetts fault zones, and on the east the Frog, McHenry, and Cottonwood zones. The faults strike generally N. 60°-80° E. and dip steeply northwest. The McHenry fault crosses the East Utah property and is the principal target of exploration. Another fault, the Contact fault, crosses the East Utah property several hundred feet south of the McHenry fault, and is also of interest as an exploration target.

The principal primary ore minerals in the district are galena, sphalerite, chalcopyrite, chalcocite, tetrahedrite and pyrite. Cerusite and anglesite are the principal secondary minerals in the Park City district.

The Park City ore occurs as lode deposits and bedded replacement deposits. The two types of deposits are commonly associated throughout the region, though some lodes and veins occur alone.

Fissures trending northeastward carry lode ore in the intrusives as well as in quartzite and limestone. The principal lodes extend northeast through the main part of the district, across Ontario, Empire and Woodside canyons. Much of the current lode production has come from fissures in the quartz diorite porphyry at the New Park mine.

Bedded replacement ores are most extensive and of highest grade in the Park City formation and Weber quartzite and are less abundant and leaner in the Thaynes formation. The chief bedded deposits have been found in Empire and Woodside Canyons.

The Weber quartzite of Pennsylvanian age has produced ore in the Ontario, Daly, Daly West, and Park Utah mines. The Park City formation has yielded about two-thirds of the production of the district in the Park Utah Consolidated Mines and the Silver King Coalition properties in the western part of the district. The lower part of the Thaynes formation has been productive in

the Keystone and Silver King mines in the western part of the district.

Deposits of both lode and bedded replacement types also occur east and west of the above named canyons.

Rocks on the East Utah Mining Company property (fig. 3), consist of the Weber quartzite of Pennsylvanian age, the Park City limestone of Pennsylvanian and Permian ages, and Thaynes formation of Triassic age. Quartz diorite porphyry has intruded these formations.

The sedimentary rocks have been broken by two northeast striking faults, The McHenry fault, and the Contact fault. Where the McHenry fault crosses the East Utah property it dips 45° north and forms an intense zone of shearing and brecciation as much as 170 feet wide. The Contact fault crosses the East Utah property several hundred feet south of the McHenry fault. Both of these faults have produced ore elsewhere in the district and are the main targets for exploratory work proceeding from the Cunningham (General Connor) adit.

Exploratory Work

The East Utah Mining Company applied to the Defense Minerals Exploration Administration for a loan to explore for lead and zinc on the eastward extension of the McHenry and Contact faults (fig. 3). Additional geologic data has shown that previous exploratory work did not penetrate the entire McHenry fault system in the Conner tunnel, and that only a small footwall branch of the McHenry fault was cut. It was proposed that 1,000 feet of crosscut be driven northward, to cut the main McHenry fault, and that 500 feet of drifting on the most favorable fault be done. It was also proposed to explore the Contact fault to the south by 500 feet of crosscutting and drifting northward from the face of the southwest drift of the Cunningham (General Connor) tunnel (fig. 3).

Results of Exploratory Work

Project No. 1

This project was proposed to explore the area north of the face of the southwest drift off the Conner tunnel to prospect for ore on the Contact fault (fig. 5). The 104 crosscut was driven for 510.5 feet northward. The crosscut was driven entirely in quartz diorite porphyry and eight minor faults were cut. All of the eight faults showed rock alteration but there was no lead or zinc of commercial grade found. The Contact fault was not recognized as it appears in other mines in the Park City district, and Project No. 1 was abandoned.

Project No. 2

The objective of this project was to explore for ore on the McHenry fault system north of the East Utah crosscut of the Cunningham (General Connor) tunnel. This work cut Weber quartzite, Park City limestone, Thaynes limestone and a diorite porphyry (fig. 5). The Evans fault, throwing the Thaynes formation down against the Park City formation was the largest fault found, and may be the eastern extension of one of the splits of the McHenry fault. A smaller fault, of moderate displacement, faulted the Thaynes formation against the diorite porphyry. A series of minor faults were also found but were small, and were not considered to be of any consequence. No mineralization was noted on any of these faults and Project No. 2 was also abandoned.

Geologically the exploratory work on the Contact fault and the McHenry fault was promising even though no significant discovery of lead and zinc ore resulted from the DMEA contract work. It is recommended that no further exploratory work, under DMEA, be done at this time.

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

The East Utah Mining Company, Wasatch County, Utah applied to the Defense Minerals Exploration Administration for a loan to explore for lead-zinc ore at depth on the McHenry and Contact faults in the Park City Mining district. The loan was approved in Washington, D. C., and no field examination or recommendation was made by the Field Team, Region IV.

Exploratory work has previously been done on the East Utah property by the Newmont Mining Company, and the objective of the present DMEA work is to explore for the eastward extension of the McHenry fault system and the Contact fault, both of which have produced ore on properties immediately to the west of the East Utah Mining Company.

Sedimentary rocks in the mine area are largely limestone, quartzite, and shale of Pennsylvanian, Permian and Triassic age, that have been intruded by quartz diorite porphyry. In the mine area these rocks have been broken by two mineralized northeast striking faults, the McHenry and the Contact fault.

Exploratory work to prospect for ore on the Contact fault, cut eight minor faults that showed rock alteration, but no mineralization of any significance was found.

Exploration for ore on the McHenry fault system cut the Weber quartzite, Park City limestone, Thaynes limestone and a diorite porphyry, and a few minor faults, but no mineralization on any of these faults was found and the project was abandoned. It is therefore concluded that there has been no significant discovery of lead-zinc ore, as a result of the DMEA exploration project at the East Utah Mining Company property in the Park City District, Utah, and it is recommended that no further exploratory work be done under the DMEA at the present time.

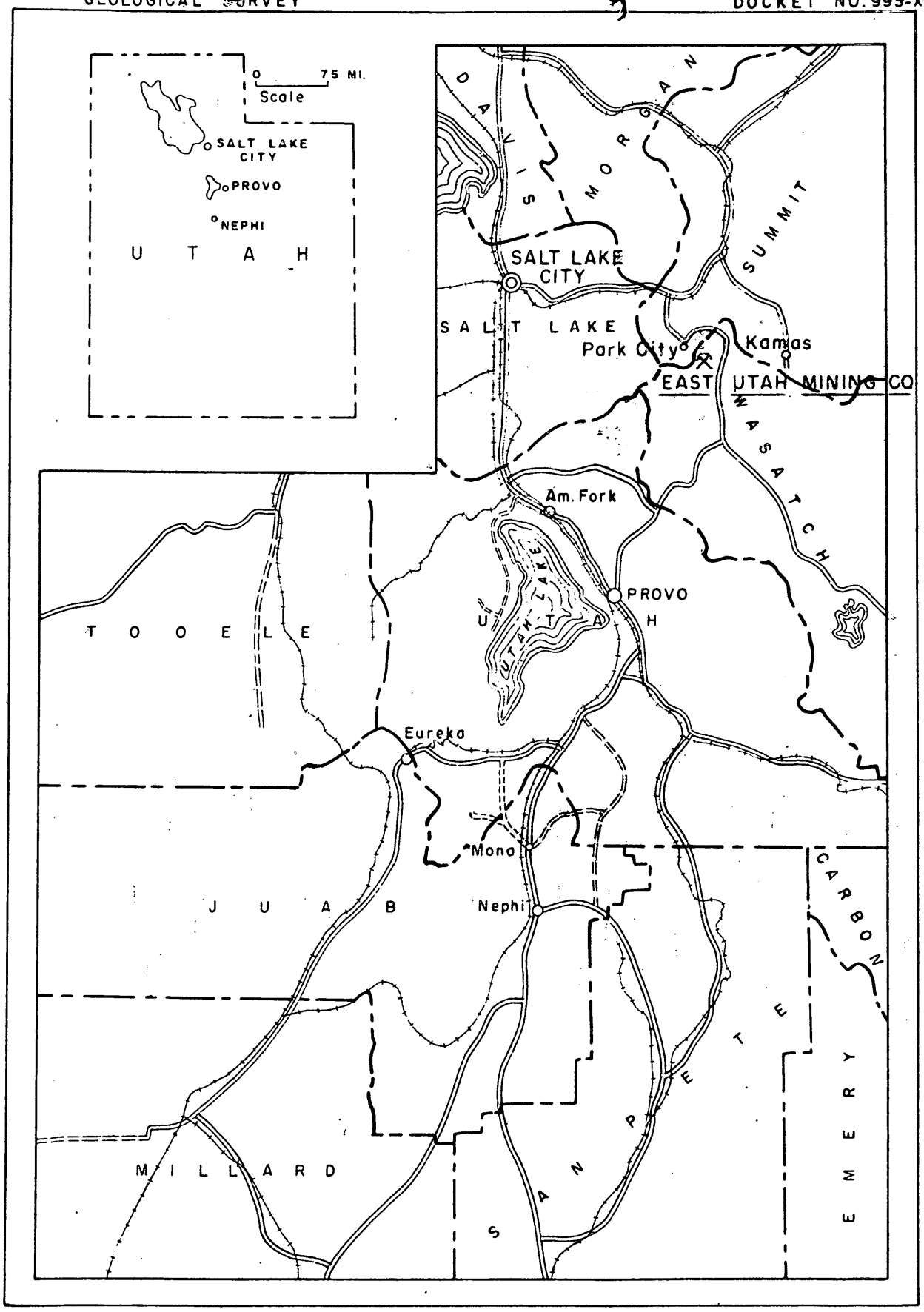


FIG. 1 INDEX MAP OF CENTRAL UTAH

0 5 10 15 20 MILES
Scale

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

Greenwald
Betty

224 New Customhouse
Denver 2, Colorado

April 2, 1953

[illegible]
[illegible]
[illegible]
[illegible] 6 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: DMA Docket 993X, Contract Idm-E119 (Lead-Zinc-Copper-Gold and Silver), East Utah Mining Company, Keetley, Utah. Operator's Final Progress Report for the period July 1952 for Project No. 1 and No. 2 and also combined Supplemental Report for May 1952.

Enclosed are two copies of the Operator's Final Progress Report MF-104 and MF-104A for the period July 1952, Operator's Narrative Report, Inspecting Engineer's Narrative Report, combined Supplemental Report for May 1952, and other supporting data pertaining to DMA Docket 993X, Contract Idm-E119, East Utah Mining Company, Keetley, Utah. Also enclosed are the Operator's bid in the disposal of jointly-owned property purchased under the contract, and Government's acceptance of the bid.

Forms were processed for payment in conformance with the final Audit Report by the Contract Administration and Audit Division dated March 17, 1953.

Copies of Engineer's Final Report, Geologist's Final Report, and Operator's Final Report will be transmitted at a later date after all have been submitted.

W. H. King

W. H. King

Enclosures

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION IV

Administrative Audit Difference Statement

Date March 31, 1953
Payee's
Reference: Progress Report - July 1953, Projects 1 & 2 & Supplemental Proj. 2. Final

U.S. DEPT. OF THE INTERIOR
Bureau of Mines Administration
RECEIVED
APR 6 1953

East Utah Mining Co.
Westley, Utah

Upon examination of the above Payee's Reference a difference was found which made it necessary to suspend your account accordingly:

Amount Claimed $ 8,314.03

Difference $ 8,003.28

Amount Approved $ 310.75

The reason for the difference was due to:

Power Disallowed by DMEA Auditors report Proj. 1 - $143.97
" " " " " " Proj. 2 - 460.39
$604.36

Operators accepted bid Projs. 1 & 2
Pipe 966.20
Track 1291.82
Equip. Pur. 5140.90
$7,398.92

$8,003.28

Any reclaim for deductions made above must be supported by the ORIGINAL of this form.

Very sincerely yours,

N. E. Stokes
Audit Section

R-IV-B & F Form No. 4
4-15-52 D

FILE COPY
SURNAME:

800

Chambers

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

MAR 24 1953

J.C. 3/24/53

Mr. Thomas H. Breding
DMEA Auditor
224 New Customhouse Building
Denver 2, Colorado

Re: DMA-993X, Idm-K119
East Utah Mining Company

Dear Mr. Breding:

Reference is made to your letter of March 19, 1953, transmitting three copies of Audit Certificate and two copies of Audit Report on the above-cited contract.

I would like to take this opportunity to compliment you on a job well done. Distribution of the remaining copies may be made.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

WBorovies/wb
March 24, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

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

224 New Customhouse
Denver 2, Colorado

March 16, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 19 1953

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Contract Idm-E119, Docket DMA 993X (Zinc-Lead-Copper-Gold-Silver), East Utah Mining Company, Wasatch County, Utah - Unexpended pipe and track.

Enclosed for your information is one copy each of the following matter relative to the settlement of the Government's interest in the pipe and track charged to the DMEA project under Contract Idm-E119.

1. Operator's bid, dated February 10, 1953, with attached schedule showing the basis of the bid.

2. Memorandum report, dated March 2, 1953, from F.L. Wideman of the Bureau of Mines relative to the Operator's bid.

3. Memorandum of transmittal of the above data, dated March 4, 1953, from the Chief, Minerals Development Branch, Mining Division, Region IV.

4. The Government's acceptance of the Operator's bid, which has been executed by this office.

Additional copies of the matter will be attached to the final Form MF-104 report when it is processed for reimbursement to the operator.

For prior correspondence in the matter you are referred to our memorandum to C.O. Mittendorf dated December 30, 1952, and your letter of reply dated January 19, 1953.

W. H. King
W. H. King

Enclosures

C
O
P
Y

224 New Customhouse
Denver 2, Colorado

March 9, 1953.

East Utah Mining Company
904 Walker Bank Building
Salt Lake City, Utah

Re: Docket No. DMA-993X
Contract Idm-E119

Gentlemen:

Consistent with the authority delegated to this office under Order No. 2684, from the Office of the Secretary, Department of the Interior, we hereby accept your bid in the amount of $1129.01, as detailed in the letter dated February 10, 1953 from Clark L. Wilson, Superintendent, in the settlement of the Government's interest in pipe, track and incidental accessories which was charged under Contract Idm-E119 at a total cost to the DMA Project of $8095.45, which is broken down as follows:

Item	Original Cost	
Pipe	$3220.65	
Track	4874.80	1/
	$8095.45	

1/ Includes incidental accessories amounting to $270.89 which was charged elsewhere other than to "Pipe and Track" on Form MF-104.

Reimbursement to the Government for the amount of its interest in the pipe, track and accessories, in accordance with your bid, will be effected by deducting an amount of $2258.02 from the total costs of the project, as reported on your final Form MF-104 Monthly Report and Voucher, which will automatically reflect a deduction of $1129.01 from amounts due you as final payment for work performed under Contract Idm-E119.

Very truly yours,

W. H. King

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

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

March 4, 1953

Memorandum

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

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

Subject: DMA-993X, Contract Idm-E119, East Utah Mining Co., Keetley, Utah. Salvage of pipe and track

Attached are two copies of a letter from the subject company pertaining to possible salvage of pipe and track purchased under the DMEA contract. Copies of F. L. Wideman's comments are included.

Stephen R. Wilson
Stephen R. Wilson

Enclosures 2

S. R. Wilson

March 2, 1953

F. L. Wideman

DMA-993X, Contract Idm-E119, East Utah Mining Co., Keetley, Utah.
Salvage of pipe and track.

Reference is made to a letter from the East Utah Mining Co. dated February 10, 1953, concerning salvaging the pipe and track from mine workings driven under DMA contract. Mr. Clark Wilson has stated verbally that $1,129.01, as mentioned in the letter, is the East Utah Mining Co.'s bid for the Government's equity in the pipe and track. The original cost of the pipe and rail was $8,095.45, and 50 percent, or $4,047.72, has been invoiced to the Government by the company. The company bid of $1,129.01 for the Government's equity is approximately 28 percent of the original cost thereof. Quotations by jobbers for used pipe vary from 40 to 60 percent of the cost of new pipe, and therefore, the company's bid of 60 percent of the new cost is reasonable.

The track was charged out at 70 cents a foot, of which approximately 8 cents a foot would represent the cost of spikes and bolts and 25 cents the cost of ties. Therefore, the total original charge of the used rail and fish plates would be 70 cents, less 33 cents or 47 cents. Considering ties, spikes and bolts to be expendable, the company bid of 53 percent of the total cost equals 78.9 percent of cost of the rail. This bid appears reasonable.

The statement that it would cost half the salvage value to remove the material is probably an overestimation of the cost of such work. However, because of cleanup necessary to remove the track and pipe, it may be that disinterested parties would not bid as much as the East Utah Co. has. J. J. Cosm Co. of Salt Lake City is not interested in the material; Monsey Iron and Metal Co. and American Barrel and Cooperage Co. will consider bidding upon receipt of a request to bid and after inspecting the property.

F. L. Wideman

F. L. Wideman

February 10, 1953

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

Re: DMA Docket 993X
Contract IDM-E-119

Dear Mr. King:

I have been informed through the Salt Lake office of the DMEA that some additional settlement is requested on the pipe and track that were used in the two projects of this contract.

We still feel that our policy remains as outlined in my letter to you of December 19, 1952, but in order to close this contract, I am making the following estimates of equipment values and labor for taking this material out of the drifts covered under the projects.

Accompanying this letter is a recapitulation showing the original investment in pipe and track as reported under our DMA accounts. I have checked with the local dealers who handle used equipment and they inform me that used pipe is quoted at approximately 60% of the new price. The current quotation on good used rail is approximately $75.00 per ton. Our accounts indicate that the 30 pound rail was charged out at 70 cents per foot. This included accessories such as ties, fish plates, spikes and bolts. In trying to salvage this material, there will be considerable loss in the accessories, particularly the ties. There will also be some loss in the rail itself, due to rail from curves and particularly rail that has surface breaks. Taking into account these losses and the current used price, we estimate that the salvage rail will have a value of 53% of new. Accordingly, the accompanying tabulation will show a salvage value of pipe at 60% of the DMA account value and the salvage value of rail is shown at 53% of DMA account value.

Our experience indicates that the labor involved for removal of this material will be at least 50% of its salvage value. The value remaining after this cost, of course, will

be divided 50% to East Utah and 50% to the DMA. Accordingly, the enclosed tabulation will show that from the original investment of $8,095.40 for the pipe and rail in these two projects, the total DMA credit will be $1,129.01.

As indicated previously, East Utah has no staff and is not prepared to remove this equipment from the premises.

We trust this will answer any questions regarding this matter.

Yours very truly,

EAST UTAH MINING COMPANY

Clark L. Wilson

Clark L. Wilson, Superintendent

CLW:FZ

Encl.

COPY

	Project No. 1	Project No. 2
Value of pipe as per DMA account	$340.29	$2,880.36
Value of Rail as per DMA account	681.80	4,193.00
	$1022.09	$7,073.36
Salvage value of pipe at 60% of DMA account	$ 204.17	$1,728.22
Salvage value of rail at 53% of DMA account	361.35	2,222.29
	$ 565.52	$3,950.51
Less labor for removal at 50% of material value	282.76	1,975.25
	$ 282.76	$1,975.26
DMA credit at 50% of Balance	$ 141.38	$ 987.63
TOTAL DMA CREDIT	$ 987.63 141.38	
	$1129.01	

FILE COPY
SURNAME:

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

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

JAN 1 9 1953

Re: Docket No. DMA-993X
(Lead-Zinc-Copper)
East Utah Mining Company
Contract No. Idm-E119

Dear Mr. King:

Reference is made to your memorandum of December 30, 1952 addressed to Mr. C. O. Mittendorf, and attached copy of letter to you of December 19, 1952 from East Utah Mining Company, relating to disposal of pipe and track on two projects under the subject contract. The Operator's final Form MF-104 reported the pipe and track as an expenditure of $7,824.56.

We note that in view of the Operator's protest against the requirement for making settlement for the Government's equity in the pipe and track, and inasmuch as it is not within the delegated authority of your office to waive this equity, you have forwarded the matter to Washington for consideration and appropriate action.

The Operator's protest, based on terms contained in certain leases on mining property in the West is not valid, in our opinion. Although some leases have a provision which requires that pipe and track installed under the lease remain in the mine when the lease is terminated, many leases do not contain such a provision. However, in the present case there is apparently no such lease, as the Operator represented that it owned the mining property described in the contract.

In the second paragraph of the copy of the Operator's letter to you, a more valid reason for waiving our equity in the pipe and track is given. However, the Operator's statement concerning the value of these items is somewhat ambiguous since it is stated that "once this material has been used, it immediately is priced as used rail and suffers approximately a 30% loss in the value," and "With respect to the pipe and track involved in the --- contract, I am sure it would cost more to dismantle these materials and prepare them for sale than we would receive for sale of these items."

As to disposition of items in which the Government has an equity, the Field Team should be governed by DMEA Circular No. 10 of January 2, 1952, and supplements thereto. In this connection the Government may waive its interest in any items of property, the sale of which would cost more than could be realized from the net proceeds from sale. Where it is not within the Field Team's delegation to make a determination and take action, it should make a recommendation to this office for the disposal of the items involved and give the basis of such recommendation. This basis should include the cost of the items and the Field Team's estimated salvage value of them, as well as its estimated cost of salvaging such items. Any efforts to dispose of the items should be described, such as contacts with possible purchasers, bids solicited or received, etc. This information should be furnished to this office even in connection with items that are disposed of under your delegated authority.

We will appreciate receiving as soon as possible your recommendation with respect to disposal of the items involved in this case.

Sincerely yours,

George C. Selfridge

(2HB)

Chairman, Operating Committee

APPROVED:

J. H. Hedges (2HB)

Member, Bureau of Mines

T. P. Thayer (2HB)

Member, Geological Survey

FEJohnson/bih
1/12/53
cc to: Docket
Admr's. Reading File
Region IV
Operating Committee
Messrs. J.H.Hedges R-4604
A.R.Kinkel, Jr. GSA R-4234
Hofflund
Chambers
Keating
FEJohnson

FILE COPY
SURNAME:

140

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

January 8, 1953

N. S. in R. & R.

Memorandum

To: Administrator

From: Chief Counsel

Subject: East Utah Mining Company, Docket No. DMEA-993X
Contract Idm-E119

Reference is made to a memorandum from the Executive Officer, Region IV, to you dated December 30, to which is attached a copy of a letter from the Operator to the Executive Officer dated December 19, relating to the disposition of pipe and track.

I am unable to approve of the letter which is drafted for your signature authorizing the Executive Officer to waive the Government's equity in the pipe and track.

It appears that the pipe and track cost $7,824.56. In the Operator's letter to the Executive Officer it is stated: "As you realize, once this material has been used, it immediately is priced as used rail and suffers approximately a 30% loss in value." This seems to me to conflict with a subsequent statement in the same letter: "With respect to the pipe and track involved in the ... contract, I am sure it would cost more to dismantle these materials and prepare them for sale than we would receive for the sale of these items."

It is not for this office to determine whether there is any salvage value in the pipe and track. It seems to me that the Executive Officer should make a recommendation in this respect. At any rate, the question of whether the Operator should be required to dismantle and dispose of the pipe and track, or whether the Government should waive its interest therein, depends entirely on whether the disposal would be for the advantage of the Government.

I do not understand what is meant by the second paragraph of the letter that was prepared for your signature.

JLHofflund/em
Copy to: Mails & Files
A.G.Keating
J.L.Hofflund
chron

J. L. Hofflund
Chief Counsel

500 FILE COPY
SURNAME:

Corbett
Keating
Fackert

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

Mr. W. H. King
Executive Officer, Region IV
DMEA Field Team
224 West 3rd Street
Denver 2, Colorado

Re: Docket No. DMEA 993X
Contract Idm-E119
(Zinc, Lead, Copper, Gold, Silver)
East Utah Mining Company
Wasatch County, Utah

Dear Mr. King:

In regard to your letter of December 30th, in which you requested a decision on the disposition of track and pipe used in the exploration contract referred to above, you are hereby authorized to waive the Government's equity in the equipment and settle the account.

Mr. Wilson is correct in his contention that it is customary for the partners to such an exploration project to agree to leave track and pipe in the mine under such circumstances.

Sincerely yours,

Chairman, Operating Committee

APPROVED:

Member, Bureau of Mines

Member, Geological Survey

FXCorbett/hmj
1-7-53
CC to: Adm. Reading File
Docket
Operating Committee
Base Metals Division
Mr. Corbett
Mr. Kinkel
Mr. Bishop

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

File

224 New Customhouse
Denver 2, Colorado

January 5, 1953

Memorandum

To: J. H. East, Jr., Regional Director, Region IV

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket DMA 993X, Contract Idm-E119, East Utah Mining Company

Enclosed is a copy of a letter from Clark L. Wilson, Superintendent, East Utah Mining Company, in which he questions the disposition of track and pipe used in the exploration project. Also enclosed is a copy of our memorandum transmitting this letter to the Administrator, DMEA, and a memorandum dated November 19, 1952, explaining the meaning of the word "unexpended" as used in DMEA Circular 10, Supplement 1.

We agree with the operator that track and pipe used underground should be considered as expended. We anticipate that other operators will raise the same objection as the East Utah Mining Company. It is suggested that this matter be discussed with the Administrator as we anticipate considerable trouble will arise from their interpretation of the word "unexpended".

W. H. King
W. H. King

Enclosures

Please Hold up [illegible] until [illegible] information

File
See letter 1/19/53
to W H King.

224 New Customhouse
Denver 2, Colorado

December 30, 1952

Memorandum

To: C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMA 99XX (Zinc-Lead-Copper-Gold-Silver), Contract Idm-E119, East Utah Mining Company, Wasatch County, Utah - Settlement of Government Equity in "Unexpended" Pipe and Track

Enclosed are three copies of a letter, dated December 19, 1952, from the East Utah Mining Company relative to the disposition of the pipe and track installed as a part of the costs under contract Idm-E119.

The operator's final Form MF-104 Reports indicate that there was an expenditure of $7,824.56 for pipe and track on the two projects under the contract.

Inasmuch as the operator is protesting the necessity of making a settlement for the Government's equity in the pipe and track, and since it is not within the authority delegated this office under Order No. 2684 to waive the requirement of a settlement, we are forwarding the matter for your consideration and appropriate action.

This office has approved of the disposition of the Operating Equipment purchased under the contract, the aggregate cost of which was $8,715.05, less state sales tax, or a total of $8,870.30 which is split half and half on MF-104 Reports between Projects 1 and 2. Bids submitted on the property are as follows:

1 - Roger Pierce Equipment Sales Co.	$3,921.77
2 - Cate Equipment Company	4,098.25
3 - J. J. Coan Company	4,387.65
4 - East Utah Mining Company	5,140.90

The operating company's bid being high the property was awarded to them and adjustment will be made on their final Form MF-104 Reports of Projects 1 and 2, to effect the credit to the total costs of the Project.

FM

Work under contract Idm-E119 was completed August 24, 1952. The final audit by the contract Administration and Audit Division is in process; however, we are informed that the audit cannot be completed and final payment cannot be made until the matter of the pipe and track is settled. Your prompt consideration and advice on the matter will be appreciated.

A significant discovery of ore did not result from the exploration work; therefore no certification will be recommended.

W. H. King

Enclosure

JWT:fwo

cc SRWilson
JWTownsend
Contract
Chron
Koschmann (2)

EAST UTAH MINING COMPANY

SALT LAKE CITY OFFICE
[illegible] WALKER BANK BUILDING

MINE OFFICES
BERTLEY, UTAH

December 19, 1952

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

Re: DMA Docket 993X
Contract Idm-E119

Dear Mr. King:

I have been informed that upon completion of DMA contracts it is now necessary to indicate the disposition of track and pipe that were installed as a part of the cost of the projects. It has always been our understanding in driving tunnels or drifts that the pipe and track become a permanent part of the project. Standard lease terms in the mining industry, at least in the West, specify that all working places must be left in good working order and pipe and track are considered a part of this requirement. I, therefore, do not consider this order realistic and believe that its validity is to be questioned.

Considering the economic aspects of this order, we have experimented with this problem of removing pipe and track from drifts and tunnels. As you realize, once this material has been used, it immediately is priced as used rail and suffers approximately a 30% loss in value. There is also a certain percentage that has only scrap value due to bends, wear, etc. We find there is also a certain amount of clean-up and preparation for this type of work, and, in general, we don't use our manpower in this type of salvage operation.

With respect to the pipe and track involved in the two projects under the above referred to contract, I am sure it would cost more to dismantle these materials and prepare them for sale than we would receive for the

34

sale of these items. I, therefore, feel that the material should be left and our final account considered to be closed.

Yours very truly,

EAST UTAH MINING COMPANY

Clark L. Wilson,
Superintendent

CLW:FZ

224 New Customhouse
Denver 2, Colorado

November 19, 1952

Memorandum

To: B. R. Wilson
W. P. Storms
W. N. Traver

From: Executive Officer, DMEA Field Team, Region IV

Subject: Salvage of pipe and track and other unexpended supplies or material purchased under DMEA contracts

There follows for your guidance an excerpt from a letter from the Operating Committee under date of November 17, 1952, which is self-explanatory:

> "The word 'unexpended' as used in DMEA Circular 10, Supplement No. 1, means: remaining in some tangible form and with some salvage value. It follows that merely because track or pipe have been installed underground is not to say that they have been expended. They remain 'unexpended' if there is any salvage value. If it would cost more to dismantle them and prepare them for sale than could be obtained from the sale price, it would be a suitable case for waiving the Government's equity in such supplies. The Operator's final account should not be settled until such matters have been properly adjusted."

W. K. King

JWT:jp
cc Subject
Chron
JFShaw (3)
THBrading (3)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 1953

224 New Customhouse
Denver 2, Colorado

December 30, 1952

Memorandum

To: C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMA 993X (Zinc-Lead-Copper-Gold-Silver), Contract Idm-E119, East Utah Mining Company, Wasatch County, Utah - Settlement of Government Equity in "Unexpended" Pipe and Track

Enclosed are three copies of a letter, dated December 19, 1952, from the East Utah Mining Company relative to the disposition of the pipe and track installed as a part of the costs under contract Idm-E119.

The operator's final Form MF-104 Reports indicate that there was an expenditure of $7,824.56 for pipe and track on the two projects under the contract.

Inasmuch as the operator is protesting the necessity of making a settlement for the Government's equity in the pipe and track; and since it is not within the authority delegated this office under Order No. 2684 to waive the requirement of a settlement, we are forwarding the matter for your consideration and appropriate action.

This office has approved of the disposition of the Operating Equipment purchased under the contract, the aggregate cost of which was $8,715.05, less state sales tax, or a total of $8,870.30 which is split half and half on MF-104 Reports between Projects 1 and 2. Bids submitted on the property are as follows:

1 - Roger Pierce Equipment Sales Co. ---	$3,921.77
2 - Cate Equipment Company----------	4,098.25
3 - J. J. Coan Company ----------	4,387.65
4 - East Utah Mining Company----------	5,140.90

The operating company's bid being high the property was awarded to them and adjustment will be made on their final Form MF-104 Reports of Projects 1 and 2, to effect the credit to the total costs of the Project.

Work under contract Idm-E119 was completed August 24, 1952. The final audit by the contract Administration and Audit Division is in process; however, we are informed that the audit cannot be completed and final payment cannot be made until the matter of the pipe and track is settled. Your prompt consideration and advice on the matter will be appreciated.

A significant discovery of ore did not result from the exploration work; therefore no certification will be recommended.

W. H. King

W. H. King

Enclosure

C O P Y

EAST UTAH MINING COMPANY
904 Walker Bank Building
December 19, 1952

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

Re: DMA Docket 993X
Contract Idm-E119

Dear Mr. King:

I have been informed that upon completion of DMA contracts it is now necessary to indicate the disposition of track and pipe that were installed as a part of the cost of the projects. It has always been our understanding in driving tunnels or drifts that the pipe and track become a permanent part of the project. Standard lease terms in the mining industry, at least in the West, specify that all working places must be left in good working order and pipe and track are considered a part of this requirement. I, therefore, do not consider this order realistic and believe that its validity is to be questioned.

Considering the economic aspects of this order, we have experimented with this problem of removing pipe and track from drifts and tunnels. As you realize, once this material has been used, it immediately is priced as used rail and suffers approximately a 30% loss in value. There is also a certain percentage that has only scrap value due to bends, wear, etc. We find there is also a certain amount of clean-up and preparation for this type of work, and, in general, we don't use our manpower in this type of salvage operation.

With respect to the pipe and track involved in the two projects under the above referred to contract, I am sure it would cost more to dismantle these materials and prepare them for sale than we would receive for the sale of these items. I, therefore, feel that the material should be left and our final account considered to be closed.

Yours very truly,

EAST UTAH MINING COMPANY

/s/ Clark L. Wilson

Clark L. Wilson,
Superintendent

CLW:FZ

SPECIAL

U. S. GOVERNMENT PRINTING OFFICE 6—23820

Mr C.O. Mittendorf
Nov. 19, 1952
1:00 PM

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 19 1952

DN 235 BUREAU MINES 11-19-52 10-55 AM

C O MITTENDORF

REFERENCE OUR TELEPHONE CONVERSATION NOVEMBER 12,1952 WITH MITTENDORF AND HOFFLUND CONCERNING EXPENDABILITY OF RAIL AN D PIPE. FINAL PAYMENT OF DMA 993X, CONTRACT IDM-E119, EAST UTAH MINING COMPANY INVOLVES SETTLEMENT OF GOVERNMENT EQUITY IN EXPENDITURE OF $7824.56 FOR RAIL AND PIPE. PLEASE CONFIRM POLICY STATEMENT AS IT IS NEEDED IN CONNECTION WITH FINAL AUDIT BY AUDITORS OF CONTRACT ADMINISTRATION AN D AUDIT DIVISION, BEING STARTED NOVEMBER 20.

W H KING

Denver, Colo

Mr. Mittendorf:
Answered in connection with
Nash Mines. (Copy
attached.)
Send on to Base Metals for
reply?

fw

NOV 19 1 38 PM '52
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D.C.

FILE COPY
SURNAME:

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

Defense Minerals Exploration Administration
C. O. Mittendorf
5371
4624

14,13923, Working Fund, Interior, DMEA
November 19, 1952

Mr. W. H. King, Executive Officer, Defense Minerals Exploration Administration
224 New Customhouse Building, Denver 2, Colorado

Reurteltype 19th DMA-993X, confirmation policy concerning expendability of rail and pipe transmitted by letter to you November 17 through Operating Committee.

C. O. Mittendorf (-fw)

C. O. Mittendorf
Administrator

N.S. in R. v R.

COMittendorf/fw

cc: Admr Reading File
Base Metals Div.
Mr. Mittendorf
Mails & Files

SENT
NOV 19 1952
General Service Section

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

Mining Division
Date Rec'd.
NOV 5 1952
BUREAU OF MINES
Denver, Colorado

November 3, 1952

Memorandum

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

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA-993X, Contract Idm-E119, East Utah Mining Co., Keetley, Utah. Final report submitted by operator

Attached are the original and four copies of a final project report prepared by the contractor. The information covers projects 1 and 2 under the contract.

The contractor was successful bidder on the jointly owned equipment. The credit amount for the purchase is shown on the operator's sheet, but is not prorated between the two projects, as was the purchase cost of the equipment. The operator has been asked to make this division by separate letter. An audit of accounts is pending.

Stephen R. Wilson

Stephen R. Wilson

Enclosure 1

EAST UTAH MINING COMPANY
SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

MINE OFFICES
KEETLEY, UTAH

October 13, 1952

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

Re: DMA Docket 993X
Contract Idm-E119

Dear Mr. King:

Following is the final report completing the work authorized under the above referred to contract.

Exploration Plan and Results

Project No. 1

This project was proposed to explore and area north of the face of the southwest drift of the Connor Tunnel to prospect for mineralization on the Contact Fissure. The 104 Crosscut was driven a distance of 512½ feet northerly in this area during the period of October 1, 1951, to May 1, 1952.

All of this advance was in a quartz diorite porphyry that had been cut by eight minor fracture systems. All of these fracture systems had some rock alteration, but metalization if present was very weak and scattered. The Contact Fissure was not recognized as it appears in other mines in the area. No further work is contemplated at the present time, due to lack of mineralization.

Project No. 2

The objective of this project was to explore an area north of the East Utah Crosscut of the Connor Tunnel in an effort to crosscut the McHenry Fissure system. A total of 1,322 feet of crosscut was driven during the period from December 1, 1951, to August 1, 1952.

This advance was in Weber quartzite, Park City limestone, Thaynes formation and a diorite porphyry. The Evans Fault, faulting Thaynes formation against Park City formation was the largest fault encountered and is probably the eastern extension of one strand of the McHenry Fault. A second fault system of lessor importance faulted Thaynes formation against the diorite porphyry.

The displacement on this fault is unknown but the gouge and faulted area itself suggests a moderate displacement. A series of minor slips and small faults are present but are not considered to be of great importance. No mineralization was noted on any of the structures encountered in this crosscut and further work is not considered at this time.

Report of Work Completed

	Work Authorized	Work Completed
Project No. 1		
Drifting	512½ Feet	512½ Feet
Project No. 2		
Drift Cleanup	2,000 Feet	2,320 Feet
Drift Repair	500 Feet	165 Feet
Crosscutting & Drifting	1,500 Feet	1,322 Feet

Report of Work Costs

	Expense Authorized	Actual Costs
Project No. 1	$ 17,960.00	$ 17,610.17
Project No. 2	79,495.00	74,233.40
Equipment	11,719.00	8,870.30
Total	$109,174.00	$100,713.87

At this time we would like to summarize the financial status of this contract in regard to the D.M.E.A. and East Utah Mining Company. At the present time the payments from the D.M.E.A. to East Utah Mining Company for the months of June and July are still outstanding. Under the date of October 7th, we received a letter from your office indicating acceptance of the East Utah Mining Company's bid on equipment that was a joint purchase under this contract. It is our understanding that East Utah Mining Company will obtain full ownership in this equipment by reimbursing the D.M.E.A. for 50% of that bid. Following is a summary of these financial matters:

D.M.E.A. Credit to East Utah Mining Company

50% of June Statement	$5,174.11
50% of July Statement	4,021.44
Total	$9,195.55
Less 50% of East Utah Equipment Bid	2,570.45
Balance D.M.E.A. owes East Utah	$6,625.10

We are enclosing copies of maps of both projects indicating the work that has been completed under this contract. Also enclosed is an index map indicating the relationship of the two projects with respect to other mines in this area. Unfortunately no commercial mineral was encountered, but we still feel that this has been a worthwhile project both in the interests of the East Utah Mining Company and the possible expansion of the mining industry in the United States.

Very truly yours,

EAST UTAH MINING COMPANY

By Clark L. Wilson

Clark L. Wilson,
Superintendent

CLW:sh
Enclosures

FILE COPY
SURNAME:

140

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

October 20, 1952

Memorandum

To: Administrator

From: Chief Counsel

Subject: East Utah Mining Company, Docket No. DMA-993X
Contract Idm-E119

Amendment No. 6 to the above contract was submitted to this office with a copy of a letter dated August 4 from the Operator to Mr. King; a copy of a memorandum dated August 6, from Mr. Wideman to Mr. Wilson; and a copy of a memorandum dated August 8 from Mr. Wilson to Mr. King.

The subject contract is dated August 17, 1951, and there is a subcontract dated September 14, 1951, approved by the Field Team Executive Officer under the same date, which I believe provides for the performance of all of the work by subcontract. The subcontract provides for payments for crosscutting, drifting and other elements of the work at unit prices, and for rehabilitating cave drifts at cost-plus-a-fixed-fee.

Exhibit "D", amended, states the classifications and rates of pay for labor. Amendment No. 6 changes the classifications and increases the allowable rates of pay. This amendment relates back to the date of the contract, which would be difficult to justify, except for the fact that correspondence in the file shows that the rates of pay have been the subject of discussion with the Union ever since the date of the contract, with the understanding that the final determination would relate back to July 1, 1951. In the letter of Wideman to Wilson, dated August 6, it is stated: "The [new] wage scale affects East Utah Mining Company [the Operator] employees, but does not affect employees of the Centennial Development Company, the subcontractor."

If I am correct in assuming that all of the work is being performed under the subcontract, it is difficult to see, under the circumstances above stated, that an

amendment of Schedule "D" to amend the classifications and wage rates, can serve any useful purpose. However, I can see no harm to the Government in the amendment, and it is therefore approved. Apparently, the amendment has already been executed by the parties and is in effect.

J. L. Hofflund
Chief Counsel

Attachment

JLHofflund/em
Copy to: Mails and Files
H. F. Keller
J. L. Hofflund
chron.

August 8, 1952

Memorandum

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

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA-993X, Contract Idm-E119, East Utah Mining Co., Keetley, Utah. Amendment request submitted by the operator.

Enclosed are six copies of a letter received from the subject contractor requesting an amendment to the contract to establish wage rates to conform with recent retroactive wages and increase in wage agreements with the labor union. Copies of a memorandum prepared by F. L. Wideman are also included.

Stephen R. Wilson

Stephen R. Wilson

Encls.

S. R. Wilson August 6, 1952

F. L. Wideman

DMA 993X, Contradt Idm-E119, East Utah Mining Co., Keetley, Utah.

Transmitted herewith are the original and five copies of a letter from the East Utah Mining Co.,dated August 4, 1952, requesting an amendment to the contract to establish the wage scale illustrated by an attachment to the letter.

The wage scale affects East Utah Mining Co. employees, but does not affect employees of the Centennial Development Co., the subcontractor.

The exploratory work under the contract has probably been completed by now. There should be an unexpended balance sufficient to pay the retroactive wages and the increase in wages since July 1, 1952, if the amendment is granted.

It will be noted that the attached wage scale does not break down the increase in pay to salaried personnel. It states that all salaries are increased by 14.3 percent.

F. L. Wideman

F. L. Wideman

August 4, 1952

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

Re: Contract Idm-H119
Docket DMA-993X

Dear Mr. King:

In previous correspondence we have indicated that negotiations with the local union for adjusted base rates were being conducted during the past year and would be retroactive to July 1, 1951. The Company's wage offer and the Union's wage request were in dispute and this dispute was referred to the Wage Stabilization Board in Washington, D. C. This was known as Case D-22-V and a settlement of the issue was announced during the month of June, 1952.

According to our earlier requests, we are now submitting a revised list of the labor classifications and rates to be used in projects 1 and 2 of the above contract. In issuing it's decision the Wage Stabilization Board directed that all employees should receive a minimum increase of 8¢ per hour regardless of their position in the new job evaluation classes. This resulted in some of our employees receiving a new base wage that is actually higher than the new job classes would authorize. These are known as red circle jobs. The following job descriptions included on the attached list are red circled. Labor, job class 3 under job evaluation is rated at $11.74 per 8 hour shift but is red circled at $12.69. The intermediate mechanic previously rated as a toolsmith is red circled at $12.94. The other rates shown on the attached list are correctly rated according to job evaluation. A revised payroll will also be submitted, showing the gross amount of wages paid under the old and new rates and the difference now due because of this wage increase.

We request that the contract be amended to include these job descriptions and wage scales and the payrolls will be submitted as additional cost to the above projects.

Very truly yours,

EAST UTAH MINING COMPANY

By Clark L. Wilson
Clark L. Wilson,
Superintendent

CLW:sh
Enclosures

Old Job Description	Old Rate	New Job Class	New Job Description	New Rate
Miner (Performing laborer class of work)	$12.05	3	Laborer	$12.69
Pipe & Track (Performing laborer class of work)	12.05	3	Laborer	12.69
Laborer	11.30	3	Laborer	12.69
Mucker	11.55	6	U. G. Helper	12.40
Pipe & Track	12.05	8	Inter. Mechanic	12.84
Toolsmith	12.30	8	Inter. Mechanic	12.94
Truck Driver	12.05	9	Truck Driver	13.06
Laborer	12.05	9	Bungman	13.06
Miner (Performing timber work)	12.05	9	Timber Sawyer	13.06
3rd Electrician	12.05	11	3rd Electrician	13.50
Cat. Operator	12.55	12	Truck & Tractor Operator	13.72
Blacksmith	12.55	13	Blacksmith	13.94
Welder	12.55	13	Welder Combination	13.94
Miner (Performing motor work)	12.05	13	Tunnel Motorman	13.94
2nd Electrician	12.55	14	2nd Electrician	14.16
Miner	12.05	14	Miner	14.16
Mechanic	12.80	15	Welder Mechanic	14.38
Lead Miner	12.55	15	Timber Repairman	14.38
1st Electrician	12.80	16	Electrician 1st Class	14.60
Machinist	12.80	16	Machinist	14.60

All salaries increased by 14.3%

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

224 New Customhouse
Denver 2, Colorado

August 1, 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 993X, Contract Idm-E119 (Zinc-Lead-Copper), East Utah Mining Company, Wasatch County, Utah - Operator's Monthly Progress Report, for the period May, 1952--Project #2

Enclosed are two copies of the Operator's Monthly Progress Report, Form MF-104, Operator's Narrative Report, Inspecting Engineers' Narrative Report, and other supporting data for the month of May, 1952, pertaining to DMA Docket 993X, Contract Idm-E119 (Zinc-Lead-Copper), East Utah Mining Company.

W. H. King
W. H. King

Enclosures

Docket Copy

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

224 New Customhouse
Denver 2, Colorado

July 24, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 28 1952

Mr. W. H. H. Cranmer
East Utah Mining Company
904 Walker Bank Bldg.
Salt Lake City, Utah

Re: DMA Docket 993
Contract Idm-E119

Dear Mr. Cranmer:

Consistent with authority delegated the Executive Officer, DMEA Field Team, Region IV, we hereby waive the requirement for you to provide documentary support of Form MF-104 (Revised-April 1952) Operator's Monthly Report and Voucher, beginning with the month of June, 1952, or the first monthly report using the revised forms, MF-104 and MF-104A, except for support of equipment purchases for which the individual costs exceed $50.00 as explained on the reverse side of Form MF-104 (Revised).

In lieu of documentary support of the monthly voucher, an auditor from the Contract Administration and Audit Division will make interim audits of your books, and will make a final audit on completion or termination of the contract, before the final voucher is processed for reimbursement.

This waiver does not forego the requirement for a concise but complete narrative that must accompany the original and each copy of the Monthly Report.

WID:oc
cc: Oper. Committee (3)
Fiscal Off., Reg. IV (1)
T. H. Brading
S. R. Wilson
J. W. Townsend
Contract
Chron.
Koschmann (2)

Very truly yours,

W. H. King

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

SES 7-30-52

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

224 New Customhouse
Denver 2, Colorado

May 22, 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 993X, Contract Idm-E119, Project No. 2, East Utah Mining Company, Keetley, Utah

Enclosed are the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data for the period March, 1952, pertaining to Project No. 2, DMA Docket 993X, Contract Idm-E119, East Utah Mining Company.

W. H. King

W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
2 1952

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

224 New Customhouse
Denver 2, Colorado

May 22, 1952

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Form MF-104, DMA Docket 993, Contract Idm-E119, Project No. 1, East Utah Mining Company, Keetley, Utah

Enclosed are the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data for the period March, 1952, pertaining to Project No. 1, DMA Docket 993, Contract Idm-E119, East Utah Mining Company.

W. H. King

W. H. King

Enclosures

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

224 New Customhouse
Denver 2, Colorado

March 26, 1952

MAR 3 - 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator
Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Amendment to Contract Idm-E119, Docket DMA 993X, East Utah Mining Company

Enclosed are the original and two copies of an amendment to the above contract. Copies of this amendment have been given to the operator, the Fiscal Officer, Region IV, and we have retained a copy for our files.

J. H. East, Jr.

J. H. East, Jr.

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Mineral Administration
Washington 25, D. C.

224 New Customhouse
Denver 2, Colorado

March 20, 1952

Memorandum

To: Secretary to the Operating Committee, Defense Minerals Exploration Administration

From: Executive Officer, Region IV

Subject: Monthly Progress Reports, Form MF-104

Enclosed is one copy of the Monthly Progress Report, Form MF-104 and one copy of the narrative report for DMA Docket 993 , Contract No. Idm-E119 for the months of September 51 (Project 1), September 51 (Project 2), October-51 (Project 1 & 2), November 51 (Project 1), November 51 (Project 2).

W. H. King.

W. H. King, for
J. H. East, Jr.

Enclosures

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D.C.
MAR 24 8 25 AM '52

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

224 New Customhouse
Denver 2, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 14 1952

March 10, 1952

Memorandum

To: Secretary to the Operating Committee, Defense Minerals Exploration Administration, Washington 25, D. C.

From: Executive Officer, Field Team, DMEA, Region IV

Subject: MF-104, DMA Docket 993X, Contract Idm-E119, East Utah Mining Company, Keetley, Utah - Project No. 1

Enclosed are the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data for the month of December, 1951, pertaining to DMA Docket 993X, Contract Idm-E119, East Utah Mining Company, Project No. 1.

J. H. East, Jr.

J. H. East, Jr.

Enclosure

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

224 New Customhouse
Denver 2, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 14 1952

March 10, 1952

Memorandum

To: Secretary to the Operating Committee, Defense Minerals Exploration Administration, Washington, D. C.

From: Executive Officer, Field Team, DMEA, Region IV

Subject: Form MF-104, DMA Docket 993X, Contract Idm-E119, East Utah Mining Co., Keetley, Utah - Project No. 2

Enclosed are the Operator's Monthly Progress Report Form MF-104, Operator's Narrative Report, Inspecting Engineer's Narrative Report and other supporting data for the month of December, 1951, pertaining to DMA Docket 993X, Contract Idm-E119, East Utah Mining Co., Project No. 2.

J. H. East, Jr.

J. H. East, Jr.

Enclosure

S.A.
2-11-52

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

MW Chambers
Rm 2612

224 New Customhouse
Denver 2, Colorado

February 5, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator, Defense Minerals Exploratinn Administration

From: Executive Officer, Field Team, Region IV

Subject: Amendment to Contract Idm-E119, Docket DMA 993X, East Utah Mining Company

Enclosed are the original and two copies of an amendment to the above contract.

Copies of this amendment have been given to the operator, to the Fiscal Officer, Region IV, and we have retained a copy for our files.

J. H. East, Jr.

J. H. East, Jr.

Enclosures

MW Mouldd reviewed attached amendment and approved.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 11 1952

S.A.

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

224 New Customhouse
Denver 2, Colorado

January 24, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator, Defense Minerals Exploration Administration

From: Executive Officer, Field Team, Region IV

Subject: Amendment to Contract Idm-E119, Docket DMA 993X, East Utah Mining Company

Enclosed are the original and two copies of an amendment to the above contract.

Copies have been given to the operator and to the Fiscal Officer, Region IV, and we have retained a copy for our files.

J. H. East, Jr.

J. H. East, Jr.

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 31 1952

OFFICE OF THE ADMINISTRATOR

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

DEPARTMENT OF THE INTERIOR
RECEIVED
DEC 17 1951
Defense Minerals Administration,
Production Expansion Division.

224 New Customhouse
Denver2, Colorado

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 17 1951

December 12, 1951

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division
Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

Subject: Amendment to Contract Idm-E119, DMA Docket 993X, East Utah Mining Company

Enclosed are the original and two copies of an amendment to the above contract which provides for monthly depreciation of five mine cars.

Copies of the amendment have been given to the operator and to the Fiscal Officer, Region IV, and we have retained a copy of the amendment for our files.

P. T. Allsman, for
J. H. East, Jr.

Enclosures

FILE COPY
SURNAME:

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

A. E. C.

Mittendorf

OCT 1 8 1951

Contract Service Section
General Accounting Office
Washington 25, D. C.

Re: Docket No. DMA 993X
Exploration Project Contract
Idm-E119
East Utah Mining Company
Keetley, Utah

Gentlemen:

Enclosed please find a copy of the contract between the East Utah Mining Company and the Centennial Development Company, together with the approval thereof, to be attached to the contract, Idm-E119, which you have in your files.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

Enclosure-2
PBBlakemore/meh 10/11/51
cc to: Reports and Records
Adm. Reading File
Messrs. Mittendorf, Olund
Mr. Blakemore
Docket

FILE COPY
SURNAME:

400

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

October 11, 1951

Memorandum

To: Reports and Records

From: C. O. Mittendorf, Director
Production Expansion Division

Subject: Docket No. DMA 993X, Idm-E119
East Utah Mining Company

Please attach the copy of the contract between the East Utah Mining Company and the Centennial Development Company, together with the approval thereof, to your copy of the exploration contract.

Attachments-2

C. O. Mittendorf (fw)

PBBlakemore/meh
cc to: Reports and Records
Messrs. Mittendorf, Clund
Mr. Blakemore
Docket

10-18

FILE COPY
SURNAME:

Blakemore
Mittendorf

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

OCT 1 0 1951

a.e.c.

Contract Service Section
General Accounting Office
Washington 25, D. C.

Re: Docket DMA 993X
East Utah Mining Company
Exploration Project Contract
Idm-E-119
Amended: October 4, 1951

Gentlemen:

Enclosed for recording in your office is the original of an amendment to the Exploration Project Contract between the operator named in the above reference and the Government of the United States.

Sincerely yours,

C. O. Mittendorf (J.H.) B.J. 10-10

C. O. Mittendorf, Director
Production Expansion Division

Enclosure-1
PBBlakemore/hmj
cc to: Reports and Records
Adm. Reading File
Messers. Mittendorf, Olund
Mr. Blakemore
Docket
Chron.

FILE COPY
SURNAME:

Blakemore
Mittendorf (for)

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

October 9, 1951

Memorandum

To: Reports and Records Unit

From: Director, Production Expansion Division

Subject: Docket No. DMA 993X, East Utah Mining Company

The attached amendment to the above contract is to be filed with your copy of the contract.

C. O. Mittendorf (J. W.)

Attachment-1

PBBlakemore/hmj
cc to: Reports and Records
Messrs. Mittendorf, Olund
Mr. Blakemore
Docket
Chron.

S. J.
10-10

400 FILE COPY
SURNAME:

Blakemore
Mittendorf (for)

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

October 9, 1951

Memorandum

To: J. H. East Jr., Executive Officer
DMA Field Team, Region IV

From: C. O. Mittendorf, Director
Production Expansion Division

Subject: Docket DMA 993X Contract-E-119
Agreement between East Utah Mining Company
and Centennial Development Company

Your official approval of the subject agreement, dated September 17, 1951 in the next to the last line, refers to "Article 13" of the contract which we have changed to Article 11, inasmuch as the old contract form was used in this case.

Please have the other copies corrected to correspond.

C. O. Mittendorf (J. H.)

PBBlakemore/hmj
10-9-51
cc to: Reports and Records
Adm. Reading File
Messrs. Mittendorf, Olund
Mr. Blakemore
Field Team, Region IV
Docket
Chron.

J. H.
10-10

FILE COPY
SURNAME:

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

October 5, 1951

Memorandum

To: Director, Production Expansion Division

From: General Counsel

Subject: East Utah Mining Company exploration project contract -- Docket No. DMA-993X

The contract between the Operator in this case and the Centennial Development Company and Mr. East's approval of the contract, both submitted with your memorandum of October 4, 1951, are approved as to legal form, except the reference in the second paragraph of Mr. East's approval to Article 13 of the exploration contract must be changed to Article 11, inasmuch as the old form of contract was used in this case.

Your file is returned herewith.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachment

RRGuthrie/bjl

Copy to: Repts. & Records
R. R. Guthrie
J. L. Hofflund
Chron.

not typed
R+R

A. E. C.

FILE COPY
400 SURNAME:

Blakemore
Mittendorf
(Hu)

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

October 4, 1951

not stripped in RXR.

Memorandum

To: General Counsel

From: Director, Production Expansion Division

Subject: Docket DMA 993X, Idm-E119
East Utah Mining Company, Operator

Attached hereto are Mr. J. H. East's letter of September 26, 1951 and three copies of an agreement between the subject operator and the Centennial Development Company, together with approval of same by Mr. East.

Your opinion is requested.

C. O. Mittendorf (JH)

Attachments-3

PBBlakemore/meh
cc to: Reports and Records
Messrs. Mittendorf, Olund
Mr. Blakemore
Docket

A.E.

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.

OCT 8 12 07 PM '51

Mr. Eckhardt

DEPARTMENT OF THE INTERIOR RECEIVED OCT 8 1951 Defense Minerals Administration, Production Expansion Division.

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

224 New Customhouse
Denver 2, Colorado

October 4, 1951

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division
Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

Subject: Contract Idm-E119, DMA Docket 993X, East Utah Mining Company, Keetley, Utah, Amendment to Contract

Enclosed herewith are original and two copies of an amendment to Contract Idm-E119 for the East Utah Mining Company as listed above.

J. H. East, Jr.

J. H. East, Jr.

Enclosures

OFFICIAL FILE COPY

To	Initial	Date
400	G.E.C.	10-8

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

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D. C.
OCT 1 11 31 AM '51

224 New Customhouse
Denver 2, Colorado

September 26, 1951

DEPARTMENT OF THE INTERIOR
RECEIVED
OCT 1 1951
Defense Minerals Administration,
Production Expansion Division.

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division
Defense Minerals Administration

From: Executive Officer, DMA Field Team, Region IV

Subject: DMA Docket 993X, Contract Idm-E119, Agreement between East Utah Mining Company and Centennial Development Company

Enclosed are three copies of an agreement dated September 14, 1951, between the East Utah Mining Company and the Centennial Development Company, and the original and two copies of our signed approval of this agreement.

One copy of the above agreement and one copy of the approval has been given to the Regional Finance Officer, Region IV, one copy of the approval has been sent to the operator, and one copy has been retained for our files.

J. H. East, Jr.

Enclosures

OFFICIAL FILE COPY

To	Initials	Date
Hoo	G. EC	10-1
210		

350

FILE COPY
SURNAME:

Billings
McKnight
Brady

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

DMA-993

Mr. Clark L. Wilson
West Utah Mining Company
[illegible] Walker Bank Building
Salt Lake City, Utah

SEP 7 1951

Dear Clark:

I am pleased to receive your recent letter and note what you say respecting your exploration loan under DMA-993.

You have no doubt received your copy of the subject exploration contract which is authority to proceed with the work specified therein.

I hope that you have the good fortune of developing a nice body of ore related to the McHenry Fissure which is your objective here.

Yours very truly,

F. P. Billings, Chief
Lead-Zinc Branch

A.J.
9-7

TPBILLINGS:ks

cc: Administrator 9/6/51
✓ DMA Docket File 993
Mote
McKnight
Billings
C O Mittendorf

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

400

August 29, 1951

Memorandum

TO: T. P. Billings, Chief (Via Mr. Lyon)
Lead-Zinc Branch

FROM: C. O. Mittendorf, Director
Production Expansion Division

SUBJECT: Docket DMA 993X
East Utah Mining Company
Their letter of August 21, 1951 to T. P. Billings

On August 20, 1951 the Operator's copy of the subject contract and the Field Team's copy of the above contract were sent to Mr. J. H. East, DMA Field Team, Region IV. He was to have forwarded the Operator's copy from his office.

By this time the Operator has more than likely received his copy of the contract so I am returning his letter dated August 21, 1951 to you for reply.

On August 20, 1951 we also sent a letter to the Operator (a copy of which you have in your files) telling him that within the next few days he should receive his copy of the subject Exploration Contract, bearing effective date of August 17, 1951, and which is his authority to proceed with the work specified therein.

Attachment

SEP 4 1951

This went to
P.E.D on July 3.

Contract has
been sent
to applicant
for signature

350

EAST UTAH MINING COMPANY

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

MINE OFFICES
KEETLEY, UTAH

DEPARTMENT OF THE INTERIOR
RECEIVED
AUG 2 3 1951
Defense Minerals Administration,
Production Expansion Division.

August 21, 1951

Dr. Blakemore

Mr. T. P. Billings
Chief, Lead-Zinc Branch
Defense Minerals Administration
New Interior Building
Washington 25, D. C.

Re: DMA Contract ~~933~~ 993-X

Dear Mr. Billings:

As you will recall during our visit with you last May, in Washington, we mentioned the possibility of exploring for the McHenry Fissure under the exploration project referred to above.

This application was referred to Mr. P. B. Blakemore. I contacted him by telephone last Thursday and was informed that the contract had cleared his office and had been forwarded to the legal department.

If convenient to do so we would certainly appreciate knowing the status of the application, as we are very interested in having this project approved so that work may procede in the near future.

We are happy to hear that you took over the responsibilities of the lead-zinc branch, as we believe it is certainly to the interest of mining people to have a Western man with your experience in that position.

With best wishes I am

Very truly yours,

EAST UTAH MINING COMPANY

By Clark L. Wilson
Clark L. Wilson,
Superintendent.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 2 3 1951

CLW:sh

AUG 24 1951

2

FILE COPY
SURNAME:

Blakemore (mel)
Mittendorf

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

August 29, 1951

Memorandum

TO: T. P. Billings, Chief (Via Mr. Lyon)
Lead-Zinc Branch

FROM: C. O. Mittendorf, Director
Production Expansion Division

SUBJECT: Docket DMA 993X
East Utah Mining Company
Their letter of August 21, 1951 to T. P. Billings

On August 20, 1951 the Operator's copy of the subject contract and the Field Team's copy of the above contract were sent to Mr. J. H. East, DMA Field Team, Region IV. He was to have forwarded the Operator's copy from his office.

By this time the Operator has more than likely received his copy of the contract so I am returning his letter dated August 21, 1951 to you for reply.

On August 20, 1951 we also sent a letter to the Operator (a copy of which you have in your files) telling him that within the next few days he should receive his copy of the subject Exploration Contract, bearing effective date of August 17, 1951, and which is his authority to proceed with the work specified therein.

C. O. Mittendorf

Attachment

not stripped in R&R.

PBBlakemore/bjs/jem
8-29-51

cc to: Mr. Billings
Reports & Records
Mr. Mittendorf, Mr. Olund
Mr. Blakemore
Docket
Chron.

400

FILE COPY
SURNAME:

Mittendorf

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

AUG 29 1951

a.s.e.

Contract Service Section
General Accounting Office
Washington 25, D. C.

Re: Docket No. DMA-993X
Exploration Project Contract
Idm-E119
East Utah Mining Company
Keetley, Utah

Gentlemen:

Enclosed for recording in your office is the original, signed copy of an Exploration Project Contract executed between the operator named in the above reference and the Government of the United States.

Sincerely yours,

C. O. Mittendorf (a.h.)

C. O. Mittendorf, Director
Production Expansion Division

J 8/29

Enclosure-1

PBBlakemore/jem
8-20-51

cc to: Adrm. Reading File
Reports & Records
Messrs. Mittendorf-Olund
Blakemore
Docket

FILE COPY
SURNAME:

Blakemore
Mittendorf

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

AUG 22 1951

Mr. J. H. East, Jr.
Executive Officer
DMA Field Team, Region IV
Bureau of Mines
224 New Customhouse Building
Denver 2, Colorado

Re: Docket DMA 993X Idm-E119
Zinc-Lead-Copper
East Utah Mining Co., Keetley, Utah
Park City Mining District

Dear Mr. East:

There are enclosed your copy of the subject contract together with the Operator's copy for forwarding by you, and a copy of the covering recommendation.

The copy for your finance officer has been handed to the Chief of the Finance Section for recording and forwarding.

Sincerely yours,

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

Enclosures-3

PBBlakemore/bjs
8/20/51
cc to: Adm. Reading file
Reports & Records
Mr. Mitteddorf, Mr. Olund
Mr. Blakemore
Region IV
Docket copy
Chron. copy

FILE COPY
SURNAME:
400

Blakemore
Mittendorf (J.H.)

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

A. E. C.

AUG 22 1951

East Utah Mining Company
Keetley, Utah

Re: Docket No. DMA 993X, Idm-E119
Lead, Zinc, Copper
Park City Mining District

Gentlemen:

Within the next few days you should receive your copy of the subject Exploration Contract, the effective date of which is August 17, 1951, and is your authority to proceed with the work specified therein.

There are enclosed five copies of Form MF-104, which must be prepared and handled in accordance with the instructions on the first page. These reports are used as vouchers for payment of the Government's share of the expense. Additional forms should be obtained from the DMA Field Office in Denver, Colorado.

Requests for further advice, if required, should be made to Executive Officer, DMA Field Team, Denver, Colorado.

Sincerely yours,

BJ 8/22

C. O. Mittendorf (J.H.)

C. O. Mittendorf, Director
Production Expansion Division

Enclosures-5

PBBlakemore/meh
cc to: Adm. Reading File
Reports and Records
Messrs. Mittendorf, Olund
Mr. Gowen
Mr. Billings
Mr. McKnight
Region IV (2)
Mr. Blakemore
Docket

FILE COPY
SURNAME:

400 Blakemore

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

August 20, 1951

A.E.C.

MEMORANDUM

To: C. O. Mittendorf, Director
Production Expansion Division

From: P. B. Blakemore

Subject: Recommendation: Docket DMA 993X, Lead, Zinc, Copper
East Utah Mining Company, Keetley, Utah
Property: 420 acres of patented mining claims, Blue Ledge Mining District, in Sections 24 and 26, T2SR4E Utah County, Utah
No ores have ever been produced from these claims.
Total cost of Exploration recommended $109,174.00 (100%)
Total Governmental Participation 54,587.00 (50%)
To be completed within 12 months.
Exploration Recommended: 2000 feet of drifts and crosscuts

Discussion: This property is adjacent and continuous geologically to the producing properties of the New Park Mining Co. and the Park City Consolidated Mines Co., which have excellent records over many years of profitable operation. Certain formations, limes, quartzites and fissures which are commercially mineralized on these adjacent properties are present within the tract covered by this project. Geologists of the New Park Mining Co. and the American Smelting and Refining Co. have recommended the exploration work proposed, based on recent geological measurements and other data.

The estimated cost given for the identical work in the original application was $133,084.12. As there were a number of questionable items included, the company was requested to revise the application, the the estimated cost reduced to $109,174.00 as a consequence.

Previous extensive exploration totalling 3 miles of drift, tunnel and crosscuts showed very little if any mineralization. The first work was done by AS&R Co., and the last work, ended in 1949, was done by Newmont Mining Company. Apparently, these companies no longer have any interest in this property, as it is managed by officials of the New Park Mining Company.

This work is to be carried on in two widely separated locations, both of which will be entered and served by the General Connor Tunnel. Project 1, located near the southwest corner of the property, covers 500 feet of drift to crosscut a water bearing structure which is believed to

be the "Contact Fissure". Project 2, located in the north central portion of the property, covers 1000 feet of drift northward to cross-cut the "McKenny Fissure" which structure contains two large ore bodies on the Park Utah Consolidated Mines Company property, about a mile west of this drift and at approximately the same elevation as the General Connor Tunnel.

A very considerable portion of the total expense, $25,615.00 is estimated for cleaning out and retimbering portions of the General Connor Tunnel. The actual cost of drifting, $35.92 per foot is reasonable and in line with the average costs in this district for this class of work.

Probability of Success:
Project 1. Poor
Project 2. Less than 50-50 chance
Probability of Repayment to Government - Poor

Competence of Operator: The supervision and crews are to be supplied from the experienced personnel of the New Park Mining Company.

The financial statement dated December 1950 shows a quick asset position in excess of $180,000.00 and $356.06 current liabilities. The financial competence is, therefore, adequate.

Recommendation:

Approval of contract in entirety.

P. B. Blakemore

PBBlakemore/meh
cc to: Reports and Records
Mr. Mittendorf, Mr. Olund
Mr. Blakemore
Docket

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

August 16, 1951

Memorandum

To: Director, Production Expansion Division

From: General Counsel

Subject: East Utah Mining Company exploration Contract — Docket No. DMA-993X

I am unable to approve the contract in the captioned case because of the failure to include in it the total estimated cost of the project and the amount and percentage of the Government's contribution to that cost.

Your file is returned herewith.

J. L. Hofflund
General Counsel

Attachment

Mr. M:

Mr. Blakemore got oral approval from Legal to insert the missing figures, which cancels the Legal Div. disapproval memo.

FILE COPY
SURNAME:

Mittendorf
100

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

Memorandum

August 15, 1951

a.l.e.

TO: J. L. Hofflund
General Counsel

FROM: C. O. Mittendorf
Director, Production Expansion Division

SUBJECT: Legal Opinion
Exploration Docket No. DMA 993X
Lead-Zinc-Copper
East Utah Mining Company
Keetley, Utah

Examination and opinion of the attached subject Exploration Contract.

C. O. Mittendorf

Attachment

PBBlakemore/bjs
cc to: Hofflund
Reports and Records
Mr. Mittendorf, Mr. Olund
Mr. Blakemore
Docket copy
Chron. copy

EAST UTAH MINING COMPANY

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

MINE OFFICES
KEETLEY, UTAH

July 28, 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 3 1951

Mr. P. B. Blakemore
Defense Minerals Administration,
Department of the Interior,
New Interior Building,
Washington 25, D.C.

Ref: DMA 993-x

Dear Mr. Blakemore:

I am enclosing six copies of the following information regarding the East Utah request for assistance in exploration work, referred to above.

1. Form MF-200 executed by Mr. W. H. H. Cranmer, President, of the East Utah Mining Company.

2. The necessary exhibits to supplement this contract.

3. A detailed explanation of the cost break-down of the various items referred to in the contract.

I trust this will provide the necessary information to complete our application: if not, please contact me by telephone and we will provide the necessary additional information.

Very truly yours,

EAST UTAH MINING COMPANY

By Clark L. Wilson
Clark L. Wilson
Superintendent

CLW:ih
Enclosures

LANDON F. STROBEL

EAST UTAH MINING COMPANY

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

MINE OFFICES
KEETLEY, UTAH

May 16, 1951

Dr. James Boyd, Administrator,
Defense Minerals Administration,
Department of the Interior,
Washington 25, D. C.

Re: DMA - Docket No. 993

Dear Sir:

Enclosed with this letter is Form MF-100 of the Defense Minerals Administration for serialization of the East Utah Mining Company under Mineral Order 7. It is our understanding that this form must be filed previous to June 1, 1951 for priority and allocation assistance under the programs of the Defense Minerals Administration.

If any additional information should be needed, we will do our best to provide such as indicated.

Very truly yours,

EAST UTAH MINING COMPANY

By C L Wilson
Clark L. Wilson,
Superintendent

CLW:wga
Encl.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 21 1951
LANDON F. STROBEL
Executive Secretary

1951 MAY 21 AM 11 41
BUREAU OF MINES
WASHINGTON, D.C.

LANDON F. STROBEL
Mr. Herres

EAST UTAH MINING COMPANY

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

MINE OFFICES
KEETLEY, UTAH

April 21, 1951

Defense Minerals Administration,
Attention: Mr. Otto Herres, Chief
Lead-Zinc Branch,
Department of the Interior,
Washington 25, D. C.

Re: DMA-993

Dear Mr. Herres:

At the time of submitting the above application for consideration as an exploration project, we made no statement regarding our proposal to share in the expense of the project.

It is our understanding that these projects are being considered on an equal basis whereby we match funds with the Government. At this time I wish to indicate that the East Utah Mining Company is willing to provide its share of the funds needed to carry out the proposed exploration program.

If there is any other information needed on our application, we will be happy to provide such if available.

Very truly yours,

EAST UTAH MINING COMPANY

By Clark L. Wilson
Clark L. Wilson,
Superintendent

CLW:wga

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 24 1951

LANDON F. STROBEL
Executive Secretary

APR 25 1951

BUREAU OF MINES
WASHINGTON, D.C.

APR 24 9 38 PM '51

FILE COPY
SURNAME:

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

April 17, 1951

Mr. W. H. H. Cranmer, President
East Utah Mining Company
Keetley, Utah

Subject: DMA-993 X
Re: Exploration Loan - McHenry and Contact Fissures

My dear Mr. Cranmer:

Receipt is acknowledged of your application and attachments of March 23 from the EAST UTAH MINING COMPANY for a Government loan under the Defense Production Act of 1950.

The application was assigned Docket Number 993 X and referred to Mr. Otto Herres, Chief, Lead-Zinc Branch, on April 16.

In any future correspondence relating to your application, kindly refer to DMA-993 X.

Sincerely yours,

LANDON F. STROBEL
a.e.c.

Landon F. Strobel
Executive Secretary

LFStrobel: aec
copies to- Strobel 2
files ✓
Mr. Herres
Mr. Lyon

Mr. Henry
~~LANDON F. STROBEL~~
Dma-993

EAST UTAH MINING COMPANY

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

MINE OFFICES
KEETLEY, UTAH

March 23, 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 1 3 1951
LANDON F. STROBEL
Executive Secretary

Dr. James Boyd, Director
Defense Minerals Administration
c/o U. S. Bureau of Mines
Washington, D. C.

Dear Sir:

We are submitting our application of the East Utah Mining Company to the Defense Minerals Administration for assistance under the Production Act of 1950 so that we may proceed with an exploration program as outlined in the accompanying reports.

The East Utah Mining Company was incorporated in 1922 and owns mining property situated on the easterly extension of fissures that have been important ore producers in the Park-Utah Consolidated Mines Company and New Park Mining Company. The East Utah Mining Company drove the Evans tunnel to prospect this fissured area, but the work was too near the surface to prove commercial mineralization.

The Newmont Mining Company acquired control of the East Utah in 1945 and during the years 1946-1949, drove a 5,300 ft. tunnel to further prospect this area. The particular objective was to investigate the ore possibilities of south easterly striking strands of the large McHenry fissure. These did not materialize and Newmont Mining Company abandoned the work. The tunnel did cut the easterly extension of this fissure as shown in the accompanying report by Mr. E. A. Hewitt. In October, 1950, New Park Mining Company acquired the stock interest of Newmont Mining Company and others, and now has voting control of East Utah Mining Company. At the present time the property is not operating.

During 1949 and 1950 Newmont Mining Company and New Park Mining Company financed a joint operation to drive the south-westerly drift of the Cunningham Tunnel. The face of this drift was diamond drilled and developed a large flow of water mentioned in the accompanying report of Mr. Hewitt.

The report by Mr. Hewitt describes the property with particular reference to the projects contemplated. Mr. Hewitt has been a Geologist for the Park-Utah Consolidated Mines Company for many years and is well qualified to express the opinions of his report. The geological conditions are quite similar to those that have produced large ore bodies in the Park City mines.

A property map is also enclosed which will further emphasize the favorable location of East Utah property with reference toother operating companies. The portal of the tunnel to be used in this project is situated 1½ miles from U. S. Highway 40, and is also connected by road with surface facilities of the New Park Mining Company's Mayflower tunnel operation.

APR 17 1951 S

Accompanying this letter is a summary of time and cost estimates for the exploration projects prepared by Mr. R. E. Gilbert, Chief Engineer and Geologist of the New Park Mining Company. These are based on our estimates of the work involved and current costs at our Mayflower mine. We feel that the costs are very reasonable, and partly so because facilities of New Park Mining Company are available at moderate expense to East Utah.

The project will be operated through the Cunningham (Newmont) tunnel driven by the Newmont Mining Company. New Park now controls this tunnel. The first 2,800 feet of the main tunnel and the 3,800 feet in the southwesterly drift are completely equipped with 60 lb. rail, 6" air line, 16" ventilation line and an electric cable for fans. The surface facilities available for this project include a shop building, warehouse, employees changeroom, 5-ton battery locomotive with charging equipment, ten 3-ton cars, power sub-station, water system and other miscellaneous facilities that are all in good operating condition. New Park Mining Company will also furnish an air compressor on a monthly rental basis.

It will be necessary to purchase and install rail, air line, ventilation pipe and power cable to rehabilitate the last 2,500 feet of the main tunnel. Other items to be purchased are drilling and mucking equipment as indicated in Mr. Gilbert's report.

We estimate that 9 men will be needed on this project. The local labor supply is adequate to provide this help as indicated by the current work applicants at our Mayflower mine.

In Project No. 1 of the application, we propose 500 feet of additional crosscutting and drifting from the face of the south west drift to expose and develop the contact fissure. This section of the tunnel is being maintained in good working condition to the face.

Project No. 2 covers the drifting necessary to prospect the intersection of the McHenry fissure through the Park City limestone. It is quite possible that further work may be indicated such as diamond drilling or drifting on favorable ore bedded horizons in the sedimentary rocks.

These projects have the advantage of being excellent geological prospects that can be operated at reasonable costs, an adequate labor supply is available, the operating facilities are excellent, investment in new capital equipment is moderate, good roads allow easy accessibility and the work will be supervised by an active, competent mining organization.

If commercial ore is developed in this work, it will be possible to begin producing essential metals, probably lead, zinc and copper during the 16 month period that is estimated as the time to complete these projects.

Very truly yours,

NEW PARK MINING COMPANY

By Clark L. Wilson

Clark L. Wilson,
Superintendent

CLW:wga

BUREAU OF MINES
WASHINGTON, D. C.

APR 13 1 37 PM '51

To Production Expansion Division

Okay for McKnight
Mots 6/5/51
Herres

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. 993X

To: Director, Production-Expansion Division

Commodity Copper-lead-zinc

From: Director, Supply Division

Total Amount $133,084.12

Govt. Participation 50%

1. Name and Address of Applicant East Utah Mining Company, Keetley, Utah

2. Location of Property Secs. 24, 25, 26, T. 2 S., R. 4 E., S.L.M., Wasatch County, Utah

3. Mineral or metal copper-lead-zinc Is it listed in Section 9 of MO-5? Yes

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good See attached draft

b) Poor

c) None

d) Don't know—needs field examination

e) Is there an alternative and favorable project? No
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes (see item 4, MF-100, (question 5, 6, 7)* items 7 and 10, MF-103, and claim map attached to MF-100)

6. If applicant is a lessee, is a copy of the lease attached? Not applicable

Does the lease have sufficient time to run to cover a future productive period? Not applicable

*question numbers are those of MF-103

4. (a) In the Park City district, Utah ore is produced from fissures where they intersect favorable horizons such as the Thaynes and Park City limestones, the Weber quartzite and the Wasatch limestone. All of these formations are present on the East Utah Mining Company's property and study of the surface and underground geology has shown that the trend of two major fissures, the Contact fissure and the McHenry fissure, is such that their extensions will cross the property.

Ore has been produced both from the Contact fissure and from replacement bodies in the Wasatch limestone adjacent to that fissure in the New Park mine on the adjoining property. Also, the McHenry fissure has been productive in the Lowell, McHenry, Hawkeye, and Park Utah mines.

The proposal offered by the company is to drive crosscuts from, or extend, the present tunnel to intersect these fissures and then drift along them to explore for ore. In view of the geologic evidence and of the past production record of these fissures, it appears that there is a good possibility of uncovering new orebodies.

7. Are subordination agreements necessary? No

a) MF-201? _____

b) MF-202 _____

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? No

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

_____

Is a field check needed on this point? No

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Yes, See item 21, MF-103

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? Yes, see introductory sheet 2 and maps accompanying E.A. Hewitt's report

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes

If not, what part of it is? _____

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? Yes

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? Yes If so, attach a draft.

e) Are the cost estimates reasonable? Yes

f) Should more information be requested from applicant? No

g) Is a field examination necessary to complete Exhibit A? No

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes

b) If so, are sufficient data furnished? Yes If so, attach a draft.

c) Is a field check needed? No

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes

b) Sufficient data? Yes If so, attach a draft.

c) Are rents and charges reasonable? Yes

d) Is a field check needed? No

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Yes (see attached draft)

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? Yes

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? No

10. (d) Exhibit A.

Equipment purchase and rental.....	$ 12,349.36
Project 1. 500 ft. of drifting at $28.54/ft.....	14,270.00
" 2. 1500 ft. " " " 28.54/ft.....	42,810.00
Rehabilitation, maintenance, and installation.....	42,229.80
Overhead, including power, heat, supervision, accounting, engineering and geological services, trucking costs.....	21,424.96
	$133,084.12

11. Exhibit B.

Compressor and receiver installation.....	$ 289.00
~~300'~~ 3000 ft power line, 3 conductor, # 0 at $1.88.....	5,640.00 ?
	$ 5,929.00

12. Exhibit C.

Equipment purchase -	
2 drifters, complete with bars, arms, clamps, hoses.....	$ 1,940.00
1 cherry picker.....	200.00
1 spare set of batteries for locomotive.....	3,500.00
2 5½ H.P. fans.....	700.00
1 Duplex water pump, for drilling water.....	150.00
1 12-B Eimco mucker, 30" gauge.....	2,800.00
	$ 9,290.00
Equipment rental -	
1 compressor at $25/month.....	$ 400.00
Surface buildings and equipment and mine machinery and equipment owned by New Park Mining Company.....	2,659.36
	$ 12,349.36

13. Exhibit D.

Supervision -		
1	muck boss	$ 429.06/mo.
	Engineering and geological services 5 days/month at $16.00/day	80.00/mo.
Labor -		
	Timekeeping, accounting, and purchasing services at $20/wk	80.00/mo.
1	lead miner, night shift	13.05/shift
3	miners at $12.05/shift	36.15/shift
2	motormen at $12.05/shift	24.10/shift

14. Exhibit E (question 23-c)*

a) Is it applicable? Yes

b) Sufficient data? Yes

c) Reasonable? Yes

d) Field check needed? No

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.
Recommended for approval

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question?

Reviewed by: Erwin J. Lyons, GS

approved
Jim Lyon

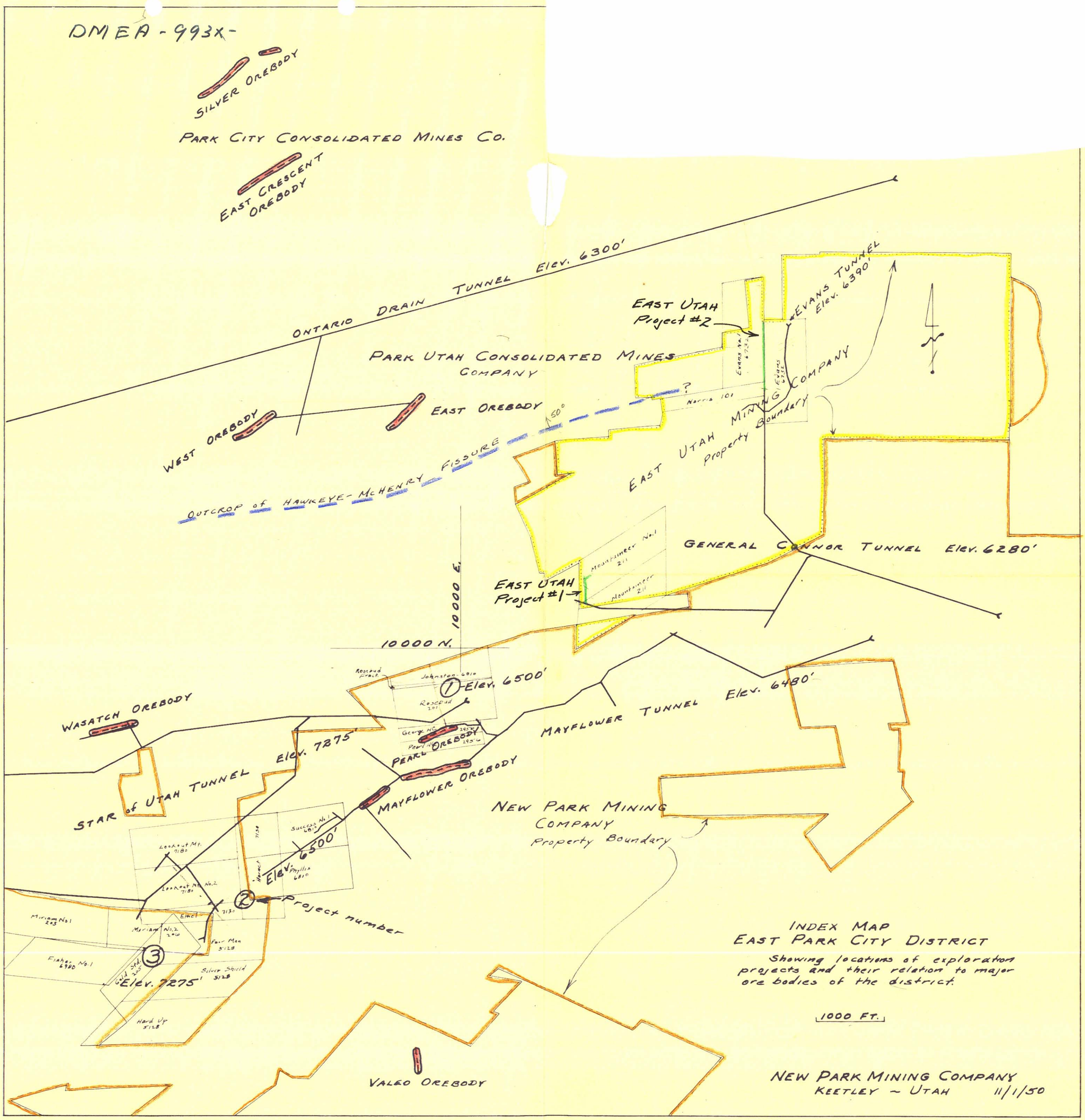
Date 7-5-51

97692

14. Exhibit E.

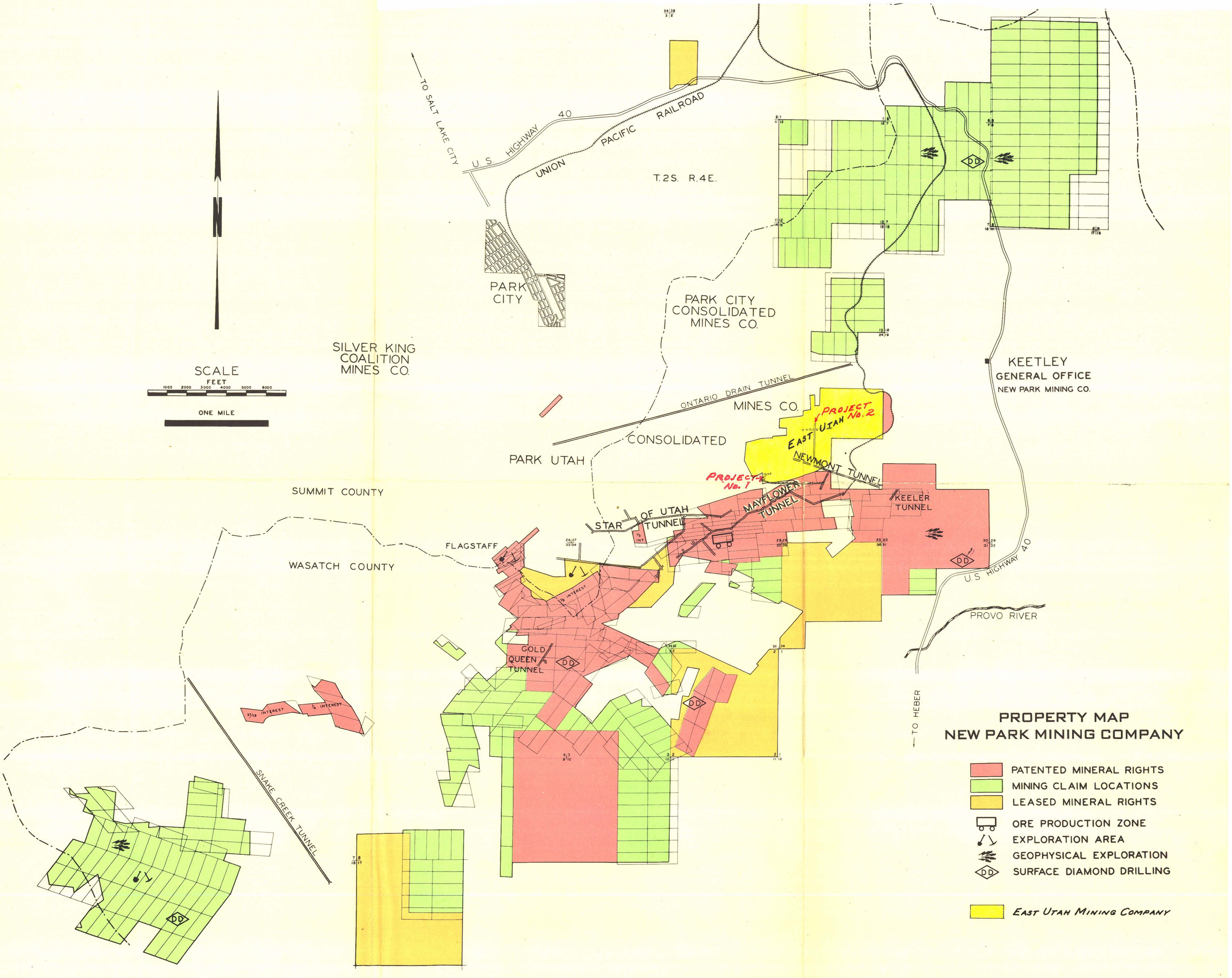
2000 ft. of clean-up through open sections of tunnel at $6.04/ft.....		$ 12,080.00
500 ft. of clean-up through caved sections of tunnel at $18.52/ft.....		9,260.00
Maintenance and repair -		
Labor.....	$ 11,812.00	
Supplies.....	3,148.80	
		14,960.80
		$ 36,300.80

DMEA - 993x -



INTRODUCTORY - SHEET 2

DMEA-993x.



dma-993

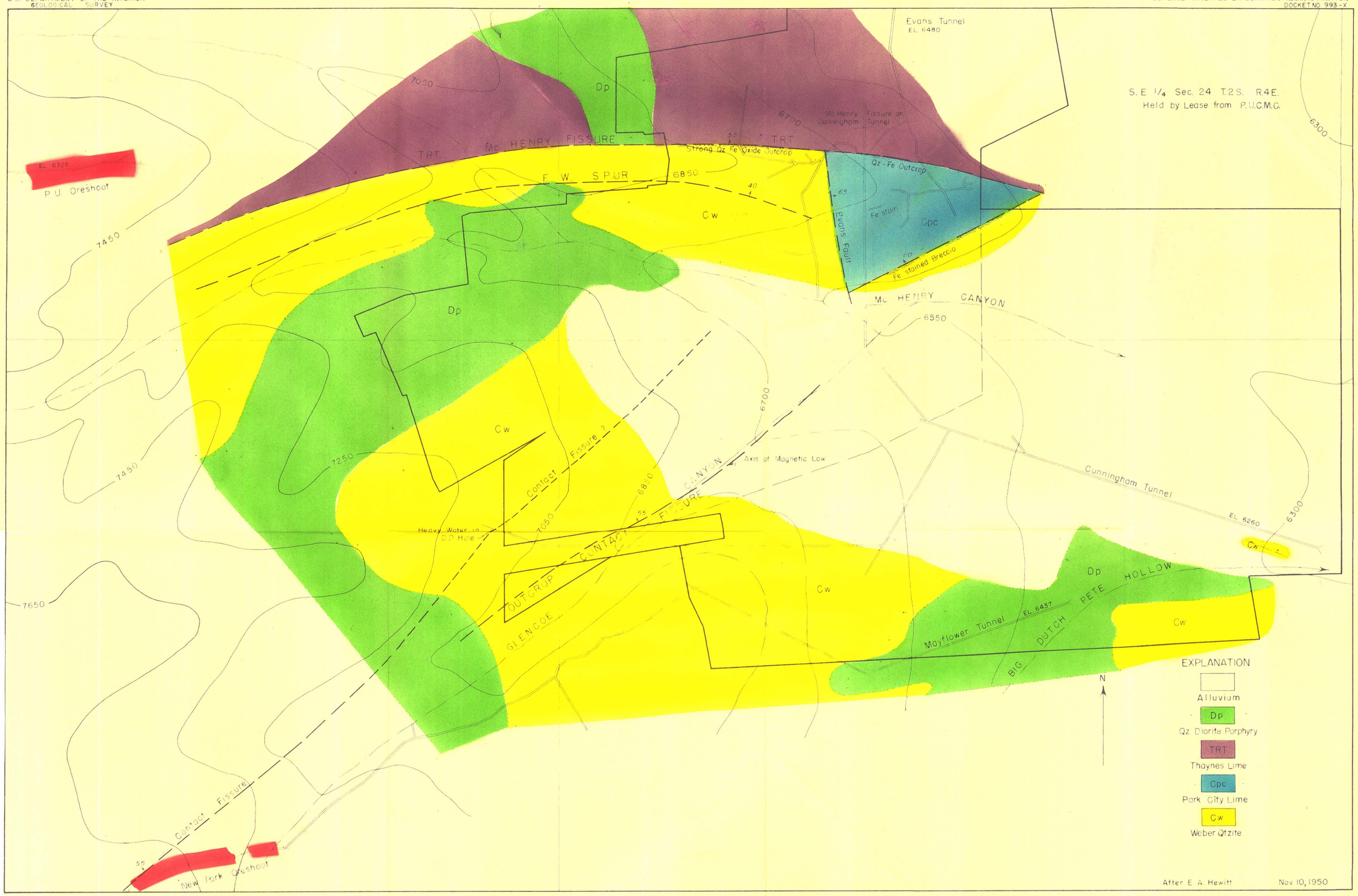


FIG. 3

GEOLOGIC MAP - EAST UTAH MINING COMPANY
PARK CITY, UTAH

0 400 800 1200 FEET
Scale

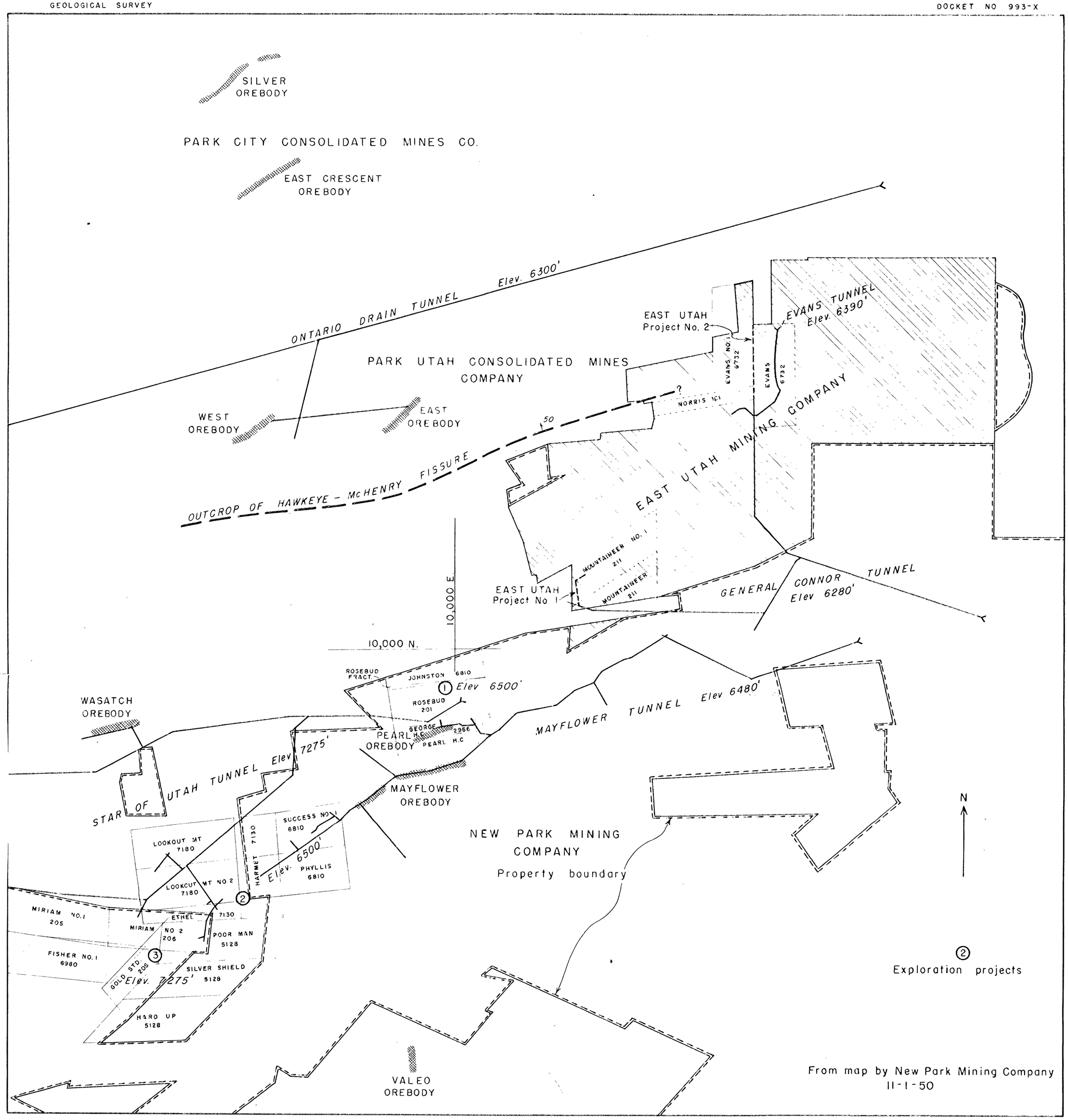


FIG. 2 INDEX MAP, EAST PARK CITY DISTRICT, UTAH

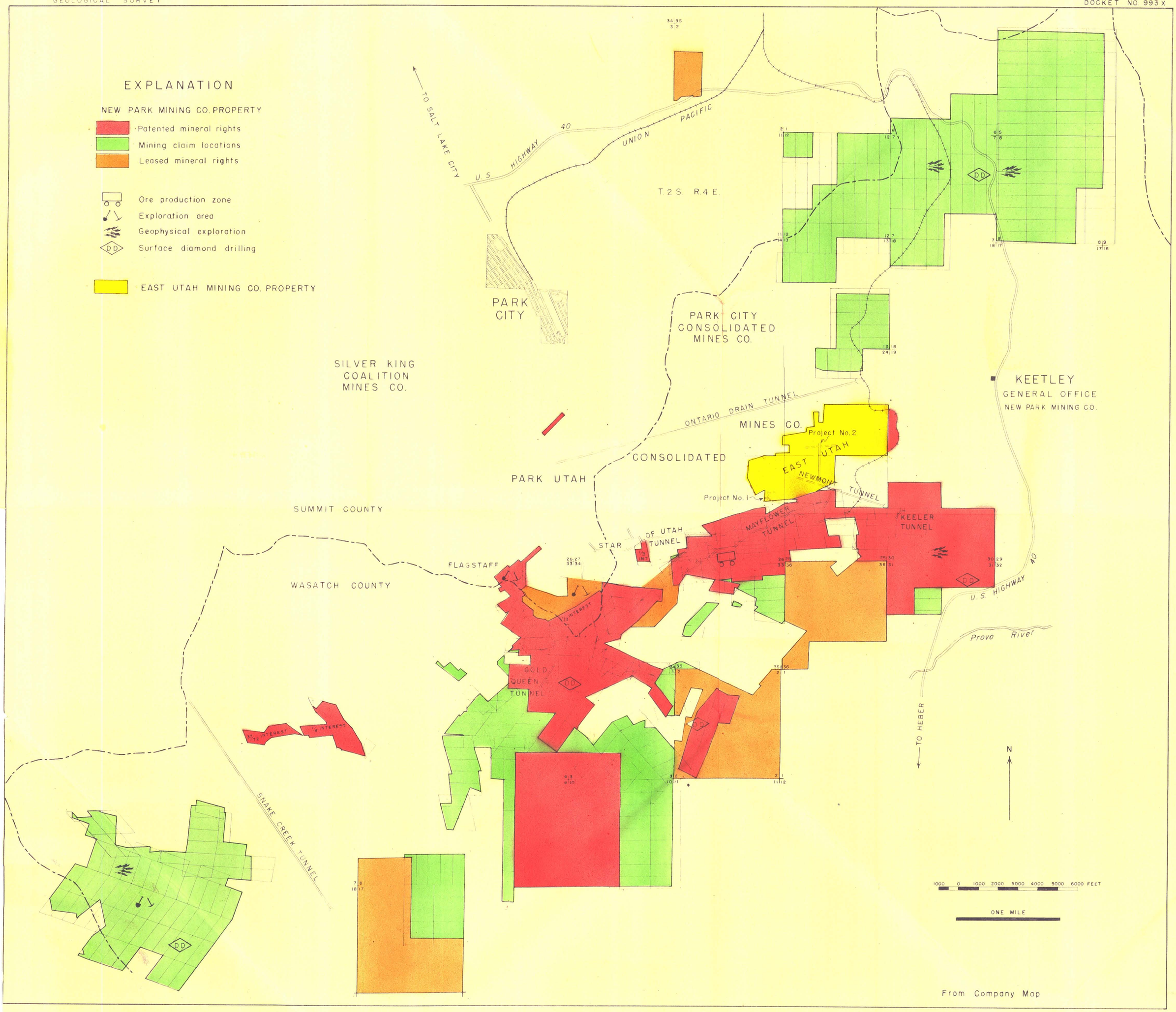


FIG. 4 PROPERTY MAP - NEW PARK MINING COMPANY, PARK CITY MINING DISTRICT, UTAH

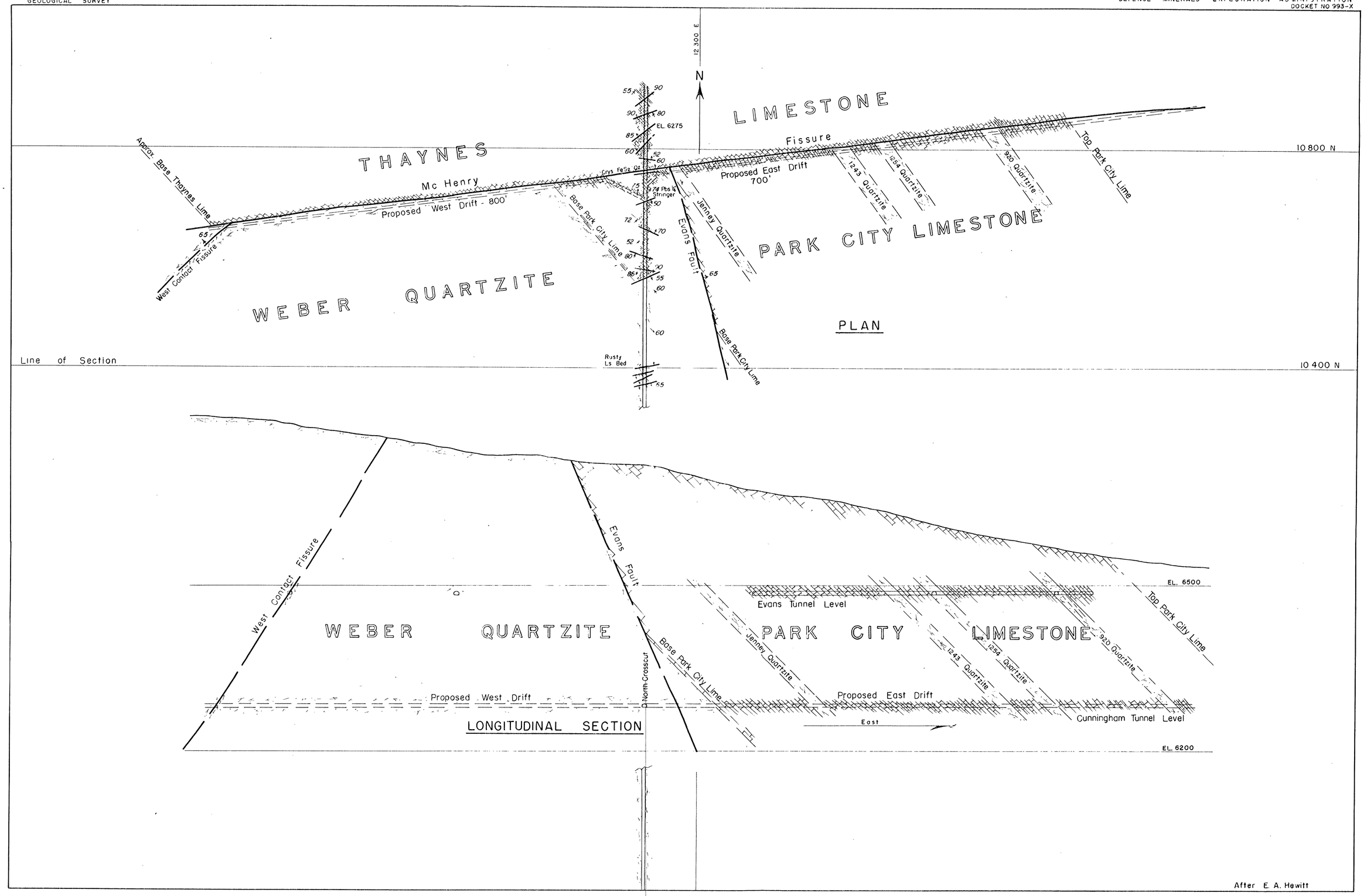


FIG. 5 CUNNINGHAM TUNNEL GEOLOGY – EAST UTAH MINING CO., PARK CITY, UTAH

0 100 200 300 FEET
Scale