DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 340 — DMEA NO. 1923

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [x] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [x] Royalty Audits
- [x] Certification of Discovery
- [ ] Closing Letter
- [x] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [x] Work Comoleted analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. 2 : Reports
- [x] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [x] Field Team Semi-Annual Report for Certified Project
- [x] Field Team Interim Reports
- [x] Operator's Monthly Reports with transmittal, narrative and maps.

Folders No. _____ : Maps (Use pocket folder or envelope)

Folders No. 3 : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty material

17963

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E340, Docket DMEA-1925 (lead-zinc), dated June 6, 1952, with

United Mining Development Co., Inc.
144 West 2nd South
Salt Lake City, Utah

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as the Ida Mine located in Tooele County, Utah, during the period April 16, 1959, through October 27, 1961.

A certification of discovery or development was issued on December 4, 1953, and, in accordance with Article 6 of the contract, royalty is payable on all minerals mined or produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated November 16, 1953, indicated accepted costs under the exploration contract amounting to $16,134.30 with the Government's contribution, on a 50 percent basis, being $8,067.15.

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

This review established no sales of production subsequent to the period covered by the prior Report of Royalty Review, which found the sales subject to Government royalty through April 15, 1959, to be $3,037.08. The royalty account as of April 15, 1959, was:

Total Royalty Due	$148.66
Total Royalty Paid	94.27
Balance of Royalty Due	$ 54.39

At October 27, 1961, the royalty account of this project was found to be:

Total Royalty Due	$148.66
Total Royalty Paid	121.47
Balance of Royalty Due	$ 27.19

E. D. Talbert

E. D. Talbert, OME Auditor

November 1, 1961

Idm-R340 United Mining Development Co., Inc. DMEA-1925

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

The Operator's only production from the property under the contract consisted of three lots of ore aggregating 98.805 SDT during the exploration work and shortly thereafter. Ronald Swift, Duane Smith, Bert Imeson, and Wetzel Imeson, sub-lessees, produced two lots amounting to 92.199 SDT during the first half of 1954. The Operators abandoned the property during 1954 and, except for annual assessment work on behalf of the owners, Harold T. Morgan and W. F. Morgan, no work was performed until 1957. During that year William C. Overson and Carl B. Anderson, leased the property and produced a small lot of 3.191 SDT. The property has been inactive since 1957 and all known production is covered by the prior Report of Royalty Review.

Attempts to collect the $54.39 balance of royalty due, as disclosed by the prior Report of Royalty Review, resulted in advice from C. M. Evans, the Operator's former secretary-treasurer, that the corporation was defunct and its assets had been liquidated in the payment of outstanding obligations. Accordingly, efforts were made to collect from the landowners, Harold T. Morgan and W. F. Morgan, under the June 6, 1952, Landlord's Subordination Agreements, which provide for assumption by the owners of the lessees royalty obligations in event of termination or surrender of the lease.

As all administrative means available resulted in the remittance of only $27.20 by Harold T. Morgan, the balance due of $27.19 was determined to be administratively uncollectible. Accordingly, in conformance with the provisions of 4 GAO 5000, the matter was reported to the Claims Division of the U. S. General Accounting Office by letter dated February 6, 1961.

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

(1) All production from the property since the date of the contract has been reported and proper royalty, except as stated above, has been paid;

(2) The property has been inactive since 1957; and

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

MME Form 22
Dec. 60

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name and Address

United Mining Development Company., Inc.

Ida Mine

Tooele County, Utah

Contract No.	Docket No.
Idm E340	DMEA 1923

Prepared by (Signature)	Date
Hugh M. Connors	10-27-61

Hugh M. Connors

Yes	No		
		1. (a)	Does the Operator stockpile ore subject to royalty repayment?
		(b)	If so, is segregation and identification procedure adequate?
		2. (a)	Does the Operator commingle production subject to DMEA or OME royalties with exempt production?
		(b)	If so, is the allocation of the commingled production equitable?
		3. (a)	Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?
		(b)	If so, are adequate records maintained on such material to protect the Government's interest?
		4.	Are the assay controls in effect adequate?
		5.	Does the manner of disposing of production give the Government its fair royalty returns?
		6.	Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties?
		7.	Does the Operator buy from or sell to other Operators?
		8.	Current status of property. (Check one).
			[ ] Operating.
			[ ] Inactive.
			[x] Abandoned.
			6-27-57 Date of last production if not operating.

Comment on items 1(b), 2(b), 3(b), and 4 to 6, if answer is No:

W. F. Morgan, one of the owners, told Mr. Romslo on August 1, 1961 that no assessment work has been done on this property for two years.

84861-60

wpl.

APR 20 1959
O.M.E.

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, OME Field Team, Region III, Denver, Colorado, pertaining to Contract No. Ida-2340, Docket No. DMEA 1923, (Lead-Zinc) dated June 6, 1952, and Amendments Nos. 1 and 2, with

United Mining Development Co., Inc.
565 South 22nd West
Salt Lake City, Utah

for the purpose of determining the amount of royalties due the United States Government on the sale of Lead-Zinc ores produced from the Ida mine, located in Tooele County, Utah, for the period June 6, 1952, through April 15, 1959.

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

My review established the net smelter value of sales of ore for this period to be $3,037.08. (See Schedule No. 1 attached.) Royalty due the United States Government at the contract rate of 4½ to 5% is $148.66. The royalty paid and the balance due are as follows:

Total Royalty Due	$148.66
Total Royalty Paid	94.27
Balance of Royalty Due (See Schedule No. 2)	$ 54.39

April 16, 1959

Donald W. Finch
Donald W. Finch
OME Auditor

UNITED MINING DEVELOPMENT CO., INC.

CONTRACT NO. Idm-E340 DOCKET NO. DMRA 1923

STATUS OF PROJECT, DESCRIPTION OF REVIEW AND REASONS THEREFOR

A Certificate of Discovery or Development was issued on December 4, 1953. A Report of Review in lieu of a Final Audit dated November 16, 1953, indicates accepted costs of $16,134.30, with Government participation on a 50 percent basis being $8,067.15. According to the terms of the contract royalty is payable on the minerals produced from the land described in Article 2 of the contract, for a maximum period of ten years from the date of the contract.

My review consisted of a tabulation and recomputation of all liquidation settlement sheets on file with the Executive Officer of the Field Team, during the period June 6, 1952, through April 15, 1959, reconciliation of royalty receipts with the records of CME Finance Office, Denver, Colorado, and a detailed review of all semi-annual examination reports from the examining engineers.

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

(1) Sales of ores were adequately supported by liquidation settlement sheets.

(2) The examining engineer is of the opinion that all sales of production have been properly accounted for.

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

Schedule No. 1

UNITED MINING AND DEVELOPMENT CO., INC.

CONTRACT NO. Idm-E340 DOCKET NO. DMEA 1923

SUMMARY OF PRODUCTION SUBJECT TO ROYALTY
FOR THE PERIOD JUNE 6, 1952, THROUGH APRIL 14, 1959

	Com. Metals Reduction Company	U.S. Smelt. Refining & Mining Co.	Total
Gross Weight: Pounds	318,420	79,300	397,720
Less: Moisture Content	8,536	794	9,330
Dry Weight: POunds	309,884	78,506	388,390
Dry Weight: Tons	154.942	39.253	194.195
Gross Value Net of Treatment Charge	$2,758.34	$586.05	$3,344.39
Less: Allowable Deductions*			
Freight	$ 212.02	$ 43.62	$ 255.64
Tax	6.36	1.31	7.67
Control Fees	32.00	8.00	40.00
Umpire Fees	4.00		4.00
Total Allowable Deductions	$ 254.38	$ 52.93	$ 307.31
Net Smelter Value Subject to Royalty	$2,503.96	$533.12	$3,037.08
Average Value Per Dry Ton	$ 16.16	$ 13.58	$ 15.64
Average Royalty Percentage	4.872	5	4.895
Total Royalty Due	$ 122.00	$ 26.66	$ 148.66
Total Royalty Paid	73.56	20.71	94.27
Balance of Royalty Due	$ 48.44	$ 5.95	$ 54.39

(See Schedule No. 2)

*Note: Hauling charges totalling $644.53 have been disallowed as allowable deductions in this report because the liquidation settlement sheets indicate that haulage checks were made payable to the United Mining and Development Co., Inc. and not to a public carrier.

Schedule No. 2

UNITED MINING AND DEVELOPMENT CO., INC.

CONTRACT NO. I6m-K340 DOCKET NO. DMEA 1923

SCHEDULE OF BALANCE OF ROYALTY DUE

Date	Purchaser	Liquidation Settlement Number	Balance Royalty Due	
1953				
2/4	Combined Metals Reduction Co.	45	$ 7.44	
10/6	Combined Metals Reduction Co.	415	4.57	
1954				
1/27	Combined Metals Reduction Co.	15	21.88	
4/7	Combined Metals Reduction Co.	61	14.55	
	Sub-Total			$48.44
1953				
3/2	U.S.Smelting, Refining & Min.Co.	1		5.95
	Total Balance of Royalty Due			$54.39

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name United Mining Development Co., Inc.

Address 565 South 22nd West, Salt Lake City, Utah

Ida Mine, Tooele County, Utah

Exploration Contract No. Idm-E 340 Docket No. DMEA 1923

	Check One	
	Yes	No
1. (a) Does the Operator stockpile ore subject to royalty repayment?		✓
(b) If so, is segregation and identification procedure adequate?		
2. (a) Does Operator commingle production subject to DMEA royalties with exempt production?		✓
(b) If so, do you consider the allocation of the commingled production equitable?		
3. (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?		✓
(b) If so, are adequate records maintained on such material to protect the Government's interest?		
4. Do you consider the assay controls in effect are adequate?	✓	
5. Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	✓	
6. Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA royalties?	✓	
7. Does the Operator buy from or sell to other Operators?		✓
8. Comment on any item 2(b) to 6, if answer is No.		

Date April 14, 1959

M. H. Howes
Mining Engineer

FILE COPY
SURNAME:

Griswold
Carlson
Boston
Chandler
Hedges
Thayer
Gilbridge
Johnson

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

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

To: Mr. C. H. Evans, Secretary-Treasurer
United Mining Development Co., Inc.
144 West 2nd South
Salt Lake City, Utah

Pursuant to the provisions of Exploration Project Contract No. Idm-E340, dated June 6, 1952, Docket No. DMA 1923, hereinafter called the "contract," between you and the United States of America, hereinafter called the "Government;" to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows: Drifting along the Blaine fissure has shown the existence of lead-zinc ores occurring on the lands cited in the contract.

Dated: DEC 4 1953

THE UNITED STATES OF AMERICA

By C. Mitteudorf
Administrator, Defense Minerals
Exploration Administration

WRGriswold/hmj
(11-3-53)
CC to: Docket
Irving Gumbel, Dr. MD, EPS.
Mr. Hedges, Rm 4604
Mr. Thayer, 5216, GSA Bldg.
Adm. R. File
Op. Committee
Cont. and Audit Div.
Finance Office
Region IV (2)
Mr. F. E. Johnson
Mr. Griswold
Base Metals Division
Chron.

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

RECEIVED
NOV 18 1953

Keeling
Fitzsimmons
Betty

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

United Mining Development Company, Inc.
144 West Second South
Salt Lake City, Utah

pertaining to Exploration Project Contract No. Idm-E340, Docket No. DMEA 1923, and including Amendments Nos. 1 to 2, covering a project for exploration of lead and zinc, located in Tooele County, Utah, commonly known as the Ida Mine, for the months of July 1952 to May 1953.

My review included an examination of the Monthly Reports (Form MF-104) and supporting documents attached thereto, comparison of costs claimed with the contract and pertinent schedules, consultation with the Executive Officer of the Field Team in charge of the project, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

> The contract provides for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor.

Total cost as billed by Contractor		$16,134.30
Exceptions:		
By DMEA Finance Officer	None	
Herewith	None	None
Total Accepted Cost		$16,134.30

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Eight Thousand Sixty-Seven and 15/100 Dollars

-$8,067.15-

is considered valid and proper.

Dated: November 16, 1953

T. H. Brading, Auditor

No. 2

AMENDMENT OF CONTRACT; No. Idm-E340

Contract Docket No. DMEA 1923, dated June 6, 1952, between the United States of America and United Mining Development Co., Inc. is hereby amended as follows, effective as of the date of said contract:

> Referring to "Article 3. Exploration Project" of Exploration Project Contract Form MF-200A, delete "ten (10) months", and in lieu thereof substitute twelve (12) months.

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "Allowable maximum."

Dated: APR 16 1953

UNITED MINING DEVELOPMENT CO., INC.

By [signature]
Sec - Treas.

UNITED STATES OF AMERICA

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 20 1953

AMENDMENT OF CONTRACT: No. Idm-E340 No. 1

Contract Docket No. DMEA 1923, dated June 6, 1952, between the United States of America and United Mining Development Co., Inc., is hereby amended as follows, effective as of the date of said Contract:

Referring to "EXHIBIT A" attached to Exploration Project Contract Form MF-200(A), caption "Description of the Work", delete the first paragraph and in lieu thereof substitute the following: Rehabilitate approximately 134 feet of the existing lower adit which caved in the interim between the submitting of the application and execution of the contract. The rehabilitation may consist of spiling through the caved portion, or drifting in the footwall of the Blaine fissure alongside of the cave. Extend the lower adit to the northwest within the mineralized zone of the Blaine fissure. The rehabilitation and drifting totals 600 feet.

Referring to the same Exhibit, caption "Estimated Costs of Project," delete the following: "600 feet of drifting @ $27.58 per foot", and in lieu thereof substitute the following: 600 feet of tunnel advance, including rehabilitation and new drifting @ $27.58 per foot.

This amendment shall not be construed to increase the estimated total cost of the project, the amount of the Government's contribution, or any item of allowable cost which is expressly designated "allowable maximum".

Dated October 22 1952.

UNITED MINING DEVELOPMENT CO., INC.

By [signature]
Sec. Treas.

UNITED STATES OF AMERICA

By W. H. King
Executive Officer - DMEA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 29 1952

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 East First South Street
Salt Lake City 1, Utah

September 15, 1952

Memorandum

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

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA-1923, United Mining Development Co., Tooele County, Utah. Your memorandum of September 8, 1952.

Enclosed is certified information submitted by the subject contractor depicting actual cost of spiling 17 feet from the point of beginning the project. It will be noted that the cost is in excess of $27.58 per foot, the amount allowed in the contract for drifting.

R. L. Middleton examined the property October 10, 1952. As of that date the drift was caved 85 feet from the face, as shown on figure 4 of the engineering report. Middleton could not determine the extent of the cave, nor could he know the operator's plans concerning rehabilitation of the drift to the face. Work was being done on the property at the time of examination, and it is conceivable that the drift could have been rehabilitated to the face. If this had been done, work under the contract would undoubtedly have been started from the face. Between the time of examination and the date of project beginning, the drift caved from a point 85 feet from the face to a point 134 feet from the face. The contract was started from this latter point and spiling was required to penetrate the caved section. It was deemed advisable by the operator to drift in the footwall of the Blaine fissure after 17 feet of spiling; thus, subsequent work was done here in place of spiling further in the caved drift.

The contract describes the work as "extend the lower adit approximately 600 feet to the northwest within the mineralized zone of the Blaine fissure." No specific starting point is indicated and no reference is made to limiting the drifting to the fissure proper, However, any controversy over interpretation of the contract could probably be avoided by an amendment permitting a drive around the caved area.

The contractor has drawn supplies for spiling from his established stock, and is unable, therefore, to furnish vendors' invoices for the supplies used only in the spiling.

/s/ Stephen R. Wilson
Stephen R. Wilson

Enclosure

United Mining Development Company, Inc.

144 WEST 2ND SOUTH
SALT LAKE CITY, UTAH

PHONE 9-1221

September 15, 1952

U. S. Bureau of Mines
Salt Lake City, Utah

Dear Mr. Wilson:

In accordance with your request I am submitting cost figures for the seventeen feet of Spiled and Timbered Drift shown on our report for July 1952.

8 shifts @	15.00	120.00
24 "	12.05	289.20
96 hours	.75	72.00
20 pcs 6x8x7	5.10	102.00
60 " 3x12x5	1.02	61.20
34 ft. 12# rail	.24	7.16
Wedges, Spikes, etc.		9.00
Total		660.56

Total Cost per Foot $38.8559

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

United Mining Development Co. Inc.

G. E. Evans Sec. - Treas.

Mining Division
Date Recd.
AUG 15 1952
BUREAU OF MINES
Denver, Colorado

August 14, 1952

Memorandum

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

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMEA-1923, Contract Idm-E340, United Mining Development Co., Tooele County, Utah. Operator's request for amendment.

Enclosed are six copies of a letter received from the subject contractor concerning an amendment to allow drifting in the footwall of the Blaine fissure to bypass a crushed zone. The contract permits drifting in the mineralized zone of the fissure, and does not specifically state that work be confined to the fissure. To avoid possible controversy, an amendment may be in order. Drifting in the footwall is within 25 feet of the fissure. A sketch accompanying the July progress report illustrates the situation.

Stephen R. Wilson

Stephen R. Wilson

Encls.

United Mining Development Company, Inc.

144 WEST 2ND SOUTH
SALT LAKE CITY, UTAH

PHONE 9-1221

August 13, 1952

U. S. Bureau of Mines
Salt Lake City, Utah
Attention: Mr. Wilson

Gentlemen:

Exploratory work on our contract under docket DMEA 1923 was begun during July 1952. The contract calls for 600 feet of drifting within the mineralized zone of the Blaine fissure. A crushed condition near the face of the present drift on the fissure makes it desirable to drift in the footwall of the fissure in more competent rock, to bypass the crushed area, and then cut back to the fissure. It is believed the crushed zone will be passed within 100 feet.

It is requested that an amendment to the contract be granted, if necessary for this work, the amendment to become effective as of the starting date of work under the contract.

Cordially,

UNITED MINING DEVELOPMENT COMPANY

O. H. Evans
Secretary-Treasurer

ohe/vm

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

224 New Customhouse
Denver 2, Colorado

July 9, 1952

REGISTERED MAIL

Memorandum

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

From: Executive Officer, Field Team, Region IV

Subject: Contract Idm-E340, Docket DMEA 1923, (Lead-Zinc), United Mining Development Company

Enclosed are the original and three copies of Contract Idm-E340. One copy of the contract has been given to the operator, and a copy has been retained for our files.

Since this contract was prepared the address of the company has been changed to 142 W. 2nd Street, Salt Lake City.

W. H. King

W. H. King

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals
JUL 14 1952

UNITED STATES 13771
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

REFERENCE SLIP

DATE 7-14-52

REFERRED TO:

1. ~~Mr. Berry, Rm. 4624~~
2. ~~Mr. Kelley, Rm. 2616~~
3. ~~Mr. Hofflund, Rm. 4627~~
4. ~~Hazel Berry, Rm. 4624~~

Mrs. Lindsay - Rm. 4539

J.E.H.

FOR:

.....Action	.....Recommendation
.....Approval	.....Record
.....Comment	of.....
.....Conference	.....Referring
.....Consideration	to.....
.....Filing	.....Ready for signa-
.....Instructions	ture of.....
.....Investigation	.....Rewriting
.....Initials	.....Signature
.....Mailing	.....Suggestions
.....Previous correspondence	.....Your informtion

RECEIVED
JUL 16 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

REMARKS: NOTE: This contract was submitted to Washington in early June on old form. It was returned to Field June 23 with request that it be drawn up on Short Form.

Check (X) before the items needing attention.

FRANK E. JOHNSON

(2/5) Adams (Int)

INT.-DUP. SEC., WASH., D.C. Initial of sender

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 1923

COMMODITY Lead-Zinc

Idm-2340 Docket Copy

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

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this 6th day of June, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] United Mining Development Co., Inc.
565 South 22nd West
Salt Lake City, Utah

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Utah County of Tooele described as follows:[3] The Ida mine consisting of six mining claims: Ida recorded in Book 3C, page 206; Ida No. 1 recorded in Book 3C, page 206; Ida No. 2 recorded in Book 3C, page 206-207; Ida No. 3 recorded in Book 3C, page 207; Ida No. 4 recorded in Book 3C, page 226; Ida No. 5 recorded in Book 3C, page 226 in the Tooele County Court House. These claims are in Sec. 35, T. 10 S., R. 8 W. SLB&M Erickson Mining District,

the Operator represents and undertakes:[4]

(a) ~~That the Operator is in possession and entitled to possession, and that possession and the possessory rights are free of the following claims, liens, or encumbrances as to each of which the subordination agreement is attached:~~

(b) That the Operator is a lessee, in possession and entitled to possession, and the ~~Owner's Consent to Lien is~~ Subordination Agreements of the lessors are attached.

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.

ARTICLE 3. *Exploration project.*—The Operator, within sixty (60) days from the date of this contract shall commence work on a project of exploration for[5] Lead-Zinc in or upon the described land; and shall bring the project to completion within a period of ten (10) months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. 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.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay fifty percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $8,274.00, which is 50 percent of $16,548.00, the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of units of work performed on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

[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, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) *Compliance with requirements.*—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, 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. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

ARTICLE 6. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales, or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be the gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided*, that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *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 worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

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

United Mining Development Co
(Operator)

By Stanley S. Weaver
Chairman of Board

I, O. H. Ehrman, certify that I am the secretary of the corporation named as Operator herein; that Stanley S. Weaver, Chairman of Board, who signed this contract on behalf of the Operator, was then of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

O. H. Ehrman [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

Exploration Project Contract
United Mining Development Co., Inc.
Docket No. DMEA 1923

Exhibit A

Description of the Work

Extend the lower adit approximately 600 feet to the northwest within the mineralized zone of the Blaine fissure .

The location of the proposed work is shown on the map attached hereto and made a part hereof and entitled "Geology and Topography, Sheet 1 of 2, Esther and Blaine Mines."

Estimated Costs of Project

600 feet of drifting @ $27.58 per foot	$16,548.00
Government's participation at 50%	8,274.00

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Tooele, State of Utah, described in a certain Exploration Project Contract dated June 6, 1952 between United Mining Development Co., the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated September 17, 1948, and agreement of sale dated June 30, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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

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

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

Dated this 6th day of June, 1952.

Harold S. Morgan

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Grand, State of Utah, described in a certain Exploration Project Contract dated June 6, 1952, between United Mining Development Co.,

the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated September 17, 1948, and agreement of sale dated June 30, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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

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

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

Dated this 6th day of June, 1952

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. dma-1923

Date received 8/3/51

Participation

UNITED MINING DEVELOPMENT COMPANY, INC.
656 South 2nd West
Salt Lake City 4, Utah

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 3 1951

Name and address of applicant

Date June 19, 1951

FILL IN THIS BLOCK

Date of application June 19, 1951

Estimated cost $11,218.37

Mineral or metal Lead and Zinc

Percentage of Government participation 50%

Location of mine Erickson Mining District
Tooele County, Utah

Date of filing MF-100 not filed

DMA Docket Number, if available

INSTRUCTIONS

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

THE APPLICANT

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

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

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

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

16—64067-1

THE PROPERTY

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

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

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

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

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

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

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

United Mining Development Co Inc By John S Bernard
(Name of company) (Signature of authorized official)

July 19, 1951 President
(Date) (Title)

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

*Same as footnote on page 1.

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

United Mining Development Company Inc.
565 South 2nd West
Salt Lake City, Utah
Application for Aid in Defense Project MF-103

THE APPLICANT

1. The applicant is a Utah Corporation

2. Not applicable

3. The names and addresses of the Officers and Directors are as follows:

John S. Bernard, 1760 East 3045 South, President and Director
Max L. Morrow, 361 East 7th South, Vice-President and Director
Milton H. Woolf, 656 So. 2nd West, Secretary-Treasurer and Director
Emil A. Oleson, 1760 East 3045 South, Director
Frank Upright, 1218 South 2nd West, Director

The names, addresses of the five largest shareholders are as follows:

John S. Bernard, address above
O. Harold Evans, 428 Coatsville Ave, City
Milton H. Woolf, address above
Max L. Morrow, address above
Bernard Construction Company, a corporation, 1760 E. 3045 South, City.

4. (a) Applicant has been engaged in the development, mining and milling of ores on the property described in this application for a period of the last twenty months.

(b) The operations of the applicant are under the direct supervision of John S. Bernard, President, who has had fifteen years experience in mining and construction business.

5. Applicant is the Leasee of the property

6. Not applicable

7. See exhibits: "A", Lease and Agreement; "B", Agreement of Sale; ~~and "C", Landlord's Subordination Agreement~~.

8. See exhibit "D", Financial Statement.

9. Applicant is prepared to invest $5000.00 or its share of the required costs as estimated in question #23.

THE PROPERTY

10. (a) The property that will be involved in this exploration project is described as the Ida Mine, which consists of six mining claims known and described as the Ida, the Ida #1, #2, #3, #4, and #5. The property is located in the Erickson Mining District, Township 10 S. Range 8 W. SLB&M, Section 35, Tooele County, State of Utah. The claims are located to the North and to the Northwest of the Happy Jack Mining Claim, U S M S 6423.

(b). The claim upon which the exploration is contemplated is the Ida #2 mining claim which is situated immediately North of the North end line of the Happy Jack Mining Claim U.S. M.S. #6423.

11. The present name of the mine is the Ida. It was formerly known as the Blaine Mine and also as the Utah Zinc Mine.

12. The property is located fifty-five miles North and West of Eureka, Utah and seventy miles South and West of Tooele, Utah. The shipping point is Jericho, Utah, which is one the Union Pacific. From Jericho, Utah, which is one mile north of Hi-way U.S. #6, the road is good gravel county road for twenty-five miles. The next seventeen miles is county (dirt road which is fair, and the last three miles is private dirt road which is passable for trucks and with care can be traversed with late model cars.

13. Water for culinary uses is obtained from a spring located north of the campsite 100 yards. Water for commercial use is obtained from the lower tunnel and is sufficient to treat fifty tons of ore per day.

14. Applicant owns two dwellinghouses for employees, one combination shop and tool shed, sufficient machinery, including a compressor, drills, steel, bits and miscellaneous hand tools to complete the exploration program.

15. The ores that have been produced by applicant have been shipped by truck to Jericho, Utah and thence by rail to local smelters and mills. Applicant has also shipped by truck direct to the Combined Metals Reduction Company at Bauer, Utah and to the U. S. Smelter at Midvale, Utah.

16. (a) The mine has been developed by three tunnels along the fissure as shown in the attached map. Little is known in connection with the production from this work. It seems that the former operators were in search of silver. The deposits do not show either silver or gold to any great extent and therefore would be non commercial at the then existing prices for lead and zinc which was 7¢ and 5¢ respectively.

(b) Adjoining property on the west, the Bar X Mine, (formerly known as the Esther) is now in production, shipping two or three carloads per week from a sizeable deposit. It has been said that the net receipts from each carload is more than $1000.00. Another mine located immediately to the South of the Bar X, which was known as the Imperial Lead Mine, is reported to have had considerable production. It is believed that the records of both properties are available at the local office of the Bureau of Mines.

(c) The only report on the property that is known to applicant is one made by Mr. Frank Cameron during 1925 while he was in the employ of the International Smelting and Refining Company. This report was very favorable as to exisitng ore reserves and considerable metalurgical data is therein contained. Applicant does not agree completely with this report in regard to indicated reserves and the grade reported, but with this exception we find the information materially correct. We note that Mr. Cameron states that he did not sufficiently sample the deposits; he merely sampled sufficiently to verify the findings of Mr. Glen C. Pritchett, who made a report for the American Smelting and Refining Company.

Mr. Cameron's map, showing the ore blocks and development work, including samples made, are attached. We cannot supply the complete report. However, Mr. Kildale, Chief Geologist of the International Smelting and Refining Company, indicates that he will make the report available to the Bureau of Mines. We also report that the mine has been reopened and is available for inspection.

Mr. Cameron states in his report that the projection of the lower tunnel a distance of 500 feet will undercut outcroppings exposed in the upper tunnel and that such projection should make available considerable additional tonage of ores. Mr. Cameron's map, which is attached, shows this projection and possible ore reserves as Block "C".

17. The applicant has for the past year been rehabilitating the lower tunnel and preparing it for production. From this cleanup, retimbering, and exploration work we have shipped 115.468 tons, averaging 10.261% lead and 9.627% zinc, which averaged $30.882 per ton.

18. The ore deposits are best described on the map attached. Mr. Cameron estimates that 11,078 tons of ore are available in blocks "A" and "B", and that the average grade of this ore is 5.7% lead and 6.3% zinc. Again we state that our findings vary from these estimates.

19. We believe that the foregoing presents a complete picture of the property; however, should your agency desire more complete or additional information we will be ahppy to furnish it to the best of our ability.

THE EXPLORATION

20. The Exploration will be conducted to develop additional ore desposits on the present fissure, the principal values of which are lead and zinc.

21. Applicant proposes to project the lower tunnel along the fissure for a distance of 600 feet. We estimate that it will require 200 shifts to complete this program.

22. Attached to this application is a map made by the Bureau of Mines, number 1500-859-B, showing the geology and topography of the property. It is our opinion that the ore deposits on the property were formed as a result of the porphyry intrusion shown between the 4000E and 5000E grid lines, which we find extends as far south as the 3000N grid line, being exposed in the washes.

A further study of the map made by Cameron shows that the size of the ore shoots continues to get larger as progress is made to the west. He shows the eastern portion of the fissure to contain "some scattered bunches of good carbonite ore" whereas he shows Block "B" to be continuous. Our finding have been that the grade and consistency of the ore becomes better as we progress in a western direction.

Therefore it is reasonable to assume that more and better ore will be encountered if the drift is projected in this direction.

THE REQUIREMENTS AND COSTS

23. (a) Applicant proposes to have the exploration work done on contract. Contractor to furnish labor, powder, gas, oil, bits, steel and all other miscellaneous items necessary to complete the job. Corporation will furnish rail, timber, and air pipe. We estimate contractor will charge $10.00 per foot or $6000.00 total for the project.

(b) Supervision will be confined to inspections for which no charge is anticipated.

(c) It will be necessary to replace existing mine rails in the lower tunnel for a distance of 1100 feet, costs of this is as follows:

20# mine rail, 15 foot lengths 148 each @ 7.80.....	$1,154.40
Fish plates, 148 pair @52¢ per pair.....	76.96
Track spikes, 400 # @ .114¢ per pound.....	45.60
Track bolts, 200 # @ .1765 per pound.....	35.30
4000 board feet 4x6 native timber for mine ties.....	400.00
Labor estimated at 50¢ per foot.....	550.00
Total	$2,262.26

(d) None

(e) To be furnished by contractor.

(f) To be furnished by contractor.

(g) Applicant expects to furnish sufficient machinery to complete the exploration program, including a truck for hauling and otherwise servicing the project. We estimate the rental value of this equipment to be $5.00 per day or $1,000.00 (i.e. 200 days to complete project at $5.00 per day.)

(h) Costs of the items applicant proposes to furnish are as follows:

1200 feet of 20# mine rail or 80 15 foot lengths @ 7.80 ea...	$624.00
80 pair fish plates @ 52¢ per pair.....	41.60
200# track spikes @.114 per pound.....	22.80
100# track bolts @ .1765 per pound.....	17.65
2000 board feet 4x6 native timber for track ties.....	200.00
600 feet 2 inch air pipe at 50 ¢ per foot.....	300.00
150 sets of drift timber @ 5.00 per set.....	750.00
Total	$1,956.11

(i) To be furnished contractor

24. We estimate that contractor can average 3 feet per shift in the drift. We expect him to work five shifts per week, therefore, he will complete 15 feet of drift per week or complete the contract in forty weeks.

United Mining Development Co
656 So 2nd West
Salt Lake City, Utah
Page 5 of 8

TRUE COPY OF
LEASE AND AGREEMENT

THIS LEASE, made as of the 17th. day of September 1948, by and between James Morgan (hereinafter termed Lessor) Party of the first part, and Desert Exploration Co. (hereinafter termed Lessee) party of the second part:

WITNESSETH:
That Lessor, for and in consideration of Royalties, covenants and agreements hereinafter reserved and by said Lessee to be paid, kept and performed, has granted, demised and Let, and by these presents do grant, demise and let unto said Lessee, all that portion of the mining property of the Lessor situated in the Ericksen Mining District, West Tintic, County of Tooele, State of Utah, and particularly described as follows: IDA CLAIMS Nos. 1,2,3,4,5, and 6. TO HAVE AND TO HOLD for the purpose of exploring, developing, mining and marketing ores therefrom, and erecting necessary machinery and buildings thereon for the term of Five (5) years from the date hereof, expiring at noon on the 17th. day of September 1953. But the terms of this Lease shall be extended for sucessive five year periods unless terminated for default on the part of the Lessee or by the Lessee giving notice, as hereinafter provided.

AND IN CONSIDERATION of said demise, said Lessees do covenant and agree with said Lessor as follows, to wit:

1. That said Lessee will enter upon said leased property and during every month of the term hereof, cause the same to be worked with reasonable dilligence and do agree to work forty-five (45) shifts per month on said property. That they will perform all work in a minerlike manner in accordance with the laws of the State of Utah.

2. That they will deliver to Lessor the said premises with all Timbers, Rails, Etc., on the last day of the term, or any extension of terms hereof: Provided that Lessees shall have thirty days from and after the date of such termination in which to remove all broken ore from the property for shipment under the terms of this agreement; and Lessees shall have the right during such inecrim to remove all tools, Equipment and Supplies owned by them.

3. That they will hold Lessor harmless and fully imdenify him against all claims and demands of every kind which may be made against Lessor or against the above described premises for on <u>on</u> account of any debts, expense or injuries by or under lessees.

4. That they will pay to Lessor as rental for property leased to them, a royalty of Ten-percent (10%) of the value of the ore marketed. Such value to be determined as NET Smelter Return Value. Royalty payments are to be deducted by Smelting Company and made payable to Lessor, James Morgan, P.O. Box 393, Eureka, Utah.
In the event that at some future date during the life of this agreement, the Govt. should reestablish some premimum price plan for metals produced on property, No royalties are to be paid <u>ona</u> any such <u>premimums</u> or bonuses received.

5. That Lessees will be liable for all assessment work as required by law to be performed upon the leased premises during the life of this agreement.

6. That the Lessees may at their option during this agreement, upon thirty days written notice to the Lessor, terminate their rights hereunder without further obligation on their part than the payment of indebtedness <u>incurredby</u> them in the development of the property. In case the Lessees give such notice, they shall not be liable for the assessment work on said property for the year in which the notice shall be given.

7. If and when the Lessees should elect not to go forward under said agreement, they agree to Quitclaim back to Lessor all its rights, title and interest in property covered by this agreement.

United Mining Development Co
656 So 2nd West
Salt Lake City, Utah
page 6 of 8

8. It is agreed by Lessor that any any time during the life of this agreement that the Lessees may at their option convert this agreement to a Bond and Lease under the following terms and conditions:

A. By the Lessees making an initial Cash-Payment of five-thousand-dollars (or more).

B. By the Lessees making an annual cash-payment of five-thousand-dollars (or more) until a total of Twenty-Five-Thousand-Dollars has been paid. At which time Lessor agrees to deliver to Lessees all of his titles, rights and interest in property covered by this agreement.

9. Upon violation by the Lessees of any of the covenants or a agreements of this lease, the term of this lease shall, at the option of the Lessor, terminate and expire, and the lease and leasehold rights of Lessees in the premises shall be forfieted except as to ore broken, and Lessees Equipment, as heretofore set out. If such default or violation shall continue at the expiration of thirty-days next after Lessor shall have given to Lessees written notice of such violation or default and demand the posession of the leased premises because thereof, Lessees shall be given thirty days to overcome the cause of such forfieture by full compliance withe the violated covenant or agreement, and if cause be not overcome at the expiration of said thirty-days time, without further demand or notice Lessor may enter upon the leased premises and disposess all persons occupying same. In the event Lessees deny that the violation has occured of which notice was given, they may, within thirty days from receipt of such notice, serve written demand upon Lessor for submission of such question to arbitration. Thereupon, Lessor and Lessees shall each within Fifteen days from the making of such demand, appoint an arbiter, and if the two so appointed do not agree within five days, such arbiters shall promptly appoint a third, and the decision of any two such arbiters shall be conclusive and binding upon Lessor and Lessees as to the fact of the occurance or non-occurance of such violation or default. Any expense as to the fact of the occurance or non-occurance of such violation or default. Any expense incurred in said arbitration shall be borne by the party found to be at fault by the arbiters.

10. Property is to be accepted as is.

11. Lessor or his agent have the privilege of entering on and making examination of property at any time.

12. Lessees agree to post notices to the effect that Lessor assumes no responsibility for accidents occuring thru operation of the property.

13. Operations may be suspended by the Lessees due to causes beyond their control: Such as: Acts of God, Fire, Destruction of mine, Strikes, Riots, Unavailability of labor, Supplies, or low price of metals.

14. This Lease and agreement shall be binding upon and inure to the benefit of the Heirs, Successors and Assigns of Lessor and Lessees.

15. The said Lessees or either of them shall have the right to assign their or his interest in this lease at any time. Neither of the said Lessees shall assign his interest in this lease without the written approval of the other lessees. All assignments or transfers of any of the parties interests shall be made subject to the terms of the lease.

IN WITNESS THEREOF, The said party of the first part has caused these presents to be signed by:

/s/ James Morgan

and said parties of the Second Part have hereunto set their hands the day and the year first above written.

DESERET EXPLORATION COMPANY

/s/ O. H. EVANS Partner

/s/ FRANK UPRIGHT Partner

/s/ H. W. HENRY Partner

Subscribed and sworn to before me this 17th day of Sept. 1948

/s/ Carl Galloway
Notary Public

EXHIBIT B

AGREEMENT OF SALE

This agreement made and entered into this 30th day of June 1951, By and between the Desert Exploration Company of Salt Lake City, Utah, hereinafter known as First Party, and United Mining Development Co., of Salt Lake City, Utah, Hereinafter known as second party:

WITNESSETH:

The first party desired to sell and the second party desired to purchase the Lease on the Ida Group Mining Claims, further described as the Ida, Ida #1, #2, #3, #4, & #5, said lease now existing between the Desert Exploration Co., and James Morgan and dated Sept. 17, 1948. That first party is sole owner of said lease.

Therefore, for and in consideration of the sum of One Dollar in hand paid by Second Party to First Party and other good and valuable considerations consisting of Seven Hundred and Fifty Thousand Shares of the Capital stock of the United Mining Development Co., Receipt of which is hereby acknowledged, First party does hereby sell, grant, transfer, and deliver to said Second party all its right, title and interest in and to said lease. That first party warrants that said lease is free and clear of any and all incumberances whatsoever and that first party will defend said sale and transfer of lease against any claims and demands of any and all parties whomsoever.

It is mutually understood between both parties herein that Mr. Stanley S. Cheever holds first lein on certain machinery and equipment now located on the Ida Mining Claims Property, and that second party has of this date entered into an agreement with Stanley S. Cheever to purchase said machinery and equipment on a percentage of the ore marketed by said second party. Therefore, first party agrees to relinquish any and all claims it may have to said machinery and equipment as soon as Mr. Stanley S. Cheever has been paid in full for same.

It is mutally agreed that Mr. O. H. Evans, owner of the Desert Exploration Company and now a stock holder of the United Mining Development Company, is to become through the regular and proper procedure a member of the Board of Directors of said Corporation.

Dated this 30th day of June 1951.

Desert Exploration Co.

/s/ Milton H. Woolf
Witness

/s/ O. H. Evans (Owner)
First Party Title

United Mining Development Co.

/s/ Milton H. Woolf
Witness

/s/ John S. Bernard, (President)
Second Party Title

EXHIBIT D

FINANCIAL STATEMENT

Assets

Cash on hand and in bank	74.
Accounts receivable	1,010.
Contract and lease	25,000.
Plant	1,907.
Machinery and equipment	10,431.
Organization expense	572.
Development Work	32,865.
	$71,859.

Liabilities

Bills payable	154.
Accounts payable	1,211.
Contract--for machinery and equipment, long term payments, based on 10% net Smelter returns on production of ore.	6,400.
Common stock outstanding	34,650.
Surplus	29,444.
	$ 71,859

I hereby certify that the foregoing financial statement is true and correct to the best of my knowledge and belief.

John S Bernard
John S. Bernard
President

File copy
Surname

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

PROJECT SUMMARY REPORT

By: W. R. Griswold June 10, 1954

1. Docket No. DMEA-1923 (Lead-Zinc)
Contract No. Idm-E340
Property: Ida Mine
Location: Tooele County, Utah

Operator: United Mining Development Co., Inc.
144 West 2nd South
Salt Lake City, Utah

Operator's Property Rights:
Lease dated - September 17, 1948
Agreement of Sale dated - June 30, 1951
Landlord's Subordination-
Agreement dated - June 6, 1952

2. Contract dated June 6, 1952

Work Authorized

600 feet drifting at $27.58	$16,548.00
Government's participation, 50%	8,274.00

Amendments

No. 1 Dated October 22, 1952

Allows tunnel rehabilitation as a cost and as a part of the 600 feet of work to be done under the contract.

No. 2 Dated April 16, 1953

Extends completion time from ten months to 12 months.

None of the above amendments permitted increase in over-all project cost.

Work Completed

585 feet drifting at $27.58	$16,134.30
Government's participation	$ 8,067.15

The work was completed near the end of May, 1953.

3. Audit Certificate - dated November 16, 1953

No exceptions

4. Certification of Discovery dated December 4, 1953.

Ore estimates-about 200 tons of ore has been shipped with an average grade of about nine per cent lead and nine per cent zinc. Very little more ore remains in sight but additional work by the Operator could perhaps reveal more ore.

5. Comments:

The Ida mine is on the south flank of the Simpson Mountains in an area of interbedded chloritic shales and chloritic quartzites of pre-Cambrian age. The ore mineralization appears to be confined to the Blaine fissure system with little or no replacement out into the walls.

It was effectively demonstrated that the Blaine fissure system is persistent along strike but that the ore occurrences within the fissure are extremely spotty.

The argillic rocks in the mine area are predominantly green and weather to a dark, rusty brown, locally they are slaty and contain sufficient chlorite and mica to be termed phyllite. They are often gradational in thin bedded, fine grained greenish gray to purple chloritic quartzite which also weathers to a dark brown color.

The sediments are cut by a few porphyry dikes and are covered in places by remnants of volcanic flows, however, no igneous rocks are exposed in the immediate mine area.

Structurally the beds in the mine area are essentially homoclinal with a fairly uniform northwest strike and shallow northeast dip. The major structural feature is the Blaine fissure system which strikes N. 50°-60° W. and dips 60°-70° NE. Fissure systems in the area with this general trend have been demonstrated to be the most persistent but are, nevertheless, relatively short compared to fault systems in major mining districts. Most of these fissures are mineralized to some degree.

No additional exploration can be recommended on the strength of the information developed by the DMEA project. Small and erratic ore pods do occur at intervals along the Blaine fissure, but their distribution is too erratic and they are too small in size to be given serious consideration.

W. R. Griswold

W. R. Griswold

WRGriswold:ar 6/10/54

☒ Audited

☒ Certified

Name United Mining Development Co., Inc.

State Utah.

RK ANALYSIS SHEET - DMEA PROJE

Analysis as of 12/13/54.

Incl. Voucher for June 1953

Commodity Lead-Zinc

☐ Actual Cost

☒ Agreed Unit Costs

Docket No. DMEA-1923.

Idm-E No. 340

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	600'	$16,548.00	585'	$16,134.30	$16,134.30
Raising					
Shafts					
Winzes					
Drilling (Specify)					
ur e Excavation					
derground Excavation					
ls and Trails					
ating Equipment Purchased					
ace Rehabilitation & Repairs					
ground Rehabilitation					
lding, Improvements, etc.					
ecify)					
Totals		$16,548.00		$16,134.30	$16,134.30

Prepared by [illegible]

71626

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/18		500
6/18	Talbert	800
6/18	Selfridge	120
		~~110~~
		100
		220

June 18, 1962

Memorandum to the File

From: W. R. Griswold, Chief
Division of Minerals

Subject: DMEA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract Idm-E340

The royalty period of this exploration contract expired June 6, 1962. A report by Connors June 11, 1962, shows no recent activity at the property. Consequently, the docket will be considered as closed but no closing letters will be written for the following reasons:

(1) Operator abandoned property;
(2) Operator is defunct;
(3) The Government is due a small amount of royalty; and
(4) Landowners have apparently abandoned property, as assessment work was not performed in recent years.

WRGriswold/EDTalbert/gla 6-18-62

cc to: Contract Division
Docket

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 14 1962

DATE	INITIALS	CODE
6/14	[illegible]	800
		~~120~~
"	Reserved	500
		220

June 11, 1962

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: DMEA-1923 (Lead-Zinc)
Contract Idm-E340
United Mining Development Co., Inc.
(Ida Mine)
Tooele County, Utah
FINAL INSPECTION

The final inspection of the subject property was made June 6, 1962. There were no persons nor equipment of any kind on the property, and there was no evidence of recent mining activities.

This inspection and a review of previous inspection reports also indicates that the property was last worked in 1957.

A Report of Royalty Review dated November 1, 1961 shows that royalty due on production from the mine is $27.19. The Claims Division, General Accounting Office was asked to collect the $27.19, but has not made the collection according to our records.

TMRonnors
for Hugh M. Connors

TMR

Re: DMEA-1923

Operator defunct. Uncollectible debt is lien on property. Owners would not pay & matter referred to GAO.

Accordingly, no closing letters should be issued. Case should be closed by memo to files.

See Royalty Report of Review for synopsis of case.

Talbut
6/14/02

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 13 1961

DATE	INITIALS	CODE
11/13	[illegible]	800
		~~400~~
"	gla	500
		220

Building 20 - Federal Center
Denver 25, Colorado

November 7, 1961

Memorandum

To: Fiscal Section, Division of Administrative Services
Office of the Secretary, Department of the Interior
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: DMEA-1923 (Lead-Zinc)
Contract Idm E340
United Mining Development Co., Inc.
(Ida Mine)
Tooele County, Utah

Enclosed is the original of the Report of Royalty Review on the subject property dated November 1, 1961 covering the period April 16, 1959, through October 27, 1961.

Hugh M. Connors

Attachment
HMC/lm
cc Chief, Division of Field Operations, OME
E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Royalty Corres. E981
Chron

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

NOV 2 1961

Memorandum

To: Acting Field Officer, Region III

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

Subject: DMEA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract Idm-E340

The original and one copy of a Report of Royalty Review covering the subject contract is attached. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary, Department of the Interior, Washington 25, D. C.; and

(b) One copy for your files.

This Report of Royalty Review is made for record purposes only; therefore, no copy for the Operator is provided.

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

ttachments

Talbert/ama
ember 1, 1961

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

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

OCT 2 5 1961

Memorandum

To: Acting Field Officer, Region III

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

Subject: DMEA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract Idm-E340

This Division is preparing a Report of Royalty Review on the subject contract. Accordingly, your submission of an original and one copy of MME Form 22, Check Sheet of Examining Engineer, will be appreciated.

It appears that this project has been inactive since 1957. If this is so, please make an appropriate statement under item 8 of MME Form 22.

EDTalbert/ama
October 25, 1961

Copy to: Docket
Director's Reading File
CA & A Division

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
2/3	Talbert	800
	Linwood	500
		~~500~~
2/6	Lefsrud	120
		110
2-6	gad	220

FEB 6 1961

Claims Division
General Accounting Office
Washington 25, D. C.

Re: DMEA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract Idm-E340

Gentlemen:

In accordance with the provisions of 4 GAO 5000 and the Comptroller General's decision B-136448 of July 31, 1958, there is referred to you the matter of delinquent royalty in the amount of $27.19 on minerals production applicable to Defense Minerals Exploration Administration contract Idm-E340 with the United Mining Development Co., Inc. This indebtedness has been determined to be administratively uncollectible. The facts pertinent to the determination of the debt and the collection efforts of this office, as successor to the DMEA, follow.

On June 6, 1952, the United Mining Development Co., Inc., 565 South 22nd West, Salt Lake City, Utah, entered into Exploration Project Contract Idm-E340 with the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration. In general, the contract provided that: (a) the United Mining Development Co., Inc. (hereinafter referred to as the Operator) should conduct explorations for lead and zinc as outlined in the contract; (b) the Government would pay the Operator 50 percent of the agreed costs for units of work acceptably performed; and (c) if the Government certified that a discovery or development resulted from the work, the Operator or its successor in interest should pay to the Government a percentage royalty on the gross revenues from sales of any mineral production from the land described in the contract for a period of ten years from the date of the contract, or until the amount contributed by the Government is repaid, whichever occurs first.

s the Operator was a lessee of the land under the contract, Landrd's Subordination Agreements were prerequisites to the execution the exploration project contract. Such subordination agreements, xecuted on June 6, 1952, by Harold T. Morgan, 807 39th Avenue,

43683

San Francisco, California, and W. F. Morgan, Nephi, Utah, subordinated all their rights, title, and interests under the lease with the Operator to the right, title, and interest of the United States under the exploration project contract. The subordination agreements further provided that, if the lease should be surrendered or terminated prior to the expiration of the rights of the Government under the exploration contract, the lessors should and did assume all the obligations of the lessee to make royalty repayments to the Government.

After completion of the work under the contract, to which the Government contributed a total of $8,067.15, a Certification of Discovery or Development under an Exploration Contract was issued on December 4, 1953. During the period from February 4, 1953, to April 7, 1954, the Operator sold lead-zinc ores produced from the land under the contract and paid the Government a total of $91.70 in royalty

In 1959 an administrative audit of the Operator's account disclosed that the proper amount of royalty payable on these sales was $146.09, leaving a balance of $54.39 due the Government. By letter dated November 10, 1959, addressed to the Operator at its last known address, 144 West 2nd South, Salt Lake City, Utah, the Executive Officer, OME Field Team, Region III, Denver, Colorado, requested payment of the balance due. Neither a remittance nor a reply was received.

A follow-up demand for payment sent by certified mail on December 10, 1959, was returned with a notation thereon signed by C. H. Evans, formerly the Operator's secretary-treasurer. This notation stated that the United Mining Development Co., Inc., was defunct, the assets had been liquidated in paying outstanding obligations, and the property had been abandoned.

Thereafter, on February 24, 1960, the Executive Officer, OME Field Team, Region III, and on August 9, 1960, his successor, the Acting Field Officer, OME, Region III, sent letters by certified mail to W. F. Morgan demanding payment of the balance due. Neither reply nor remittance resulted. Then, on August 18, 1960, a representative of the Acting Field Officer called on Mr. Morgan, who stated that he did not feel obligated to pay the debt of his former lessee.

Under dates of August 31, 1960, and October 24, 1960, this office sent letters by certified mail to both W. F. Morgan and Harold T. Morgan demanding payment of the $54.39 due the Government. The only reply received was a letter dated November 3, 1960, from

Harold T. Morgan requesting details of the indebtedness. This was furnished by letter dated November 9, 1960, a copy of which is enclosed. No reply was received to this letter, but a further follow-up on December 8, 1960, resulted in remittance of $27.20 by Harold T. Morgan.

On January 6, 1961, letters were addressed to both Harold T. Morgan and W. F. Morgan demanding payment of the $27.19 balance due the Government. Copies of these letters, to which no replies have been received, are enclosed.

The use of all means administratively available to this office to effect collection of this indebtedness for delinquent royalty have been unsuccessful. Accordingly, the matter is reported to you for such action as may be deemed appropriate.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Enclosures

EDTalbert/ama
February 2, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2)

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/5	Talbert	800
	Forward	500
1/5	GCL	120
1-6	gad	220

JAN 6 1961

Mr. Harold T. Morgan
807 - 39th Avenue
San Francisco, California

Re: DMEA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract Idm-E340

Dear Mr. Morgan:

Receipt is acknowledged of Cay Morgan's check for $27.20 in payment of half of the $54.39 delinquent royalty due the Government under the referenced contract.

This remittance is appreciated; however, acceptance thereof by the Government does not release you from the obligation for payment of the balance due. Under the Landlord's Subordination Agreement executed on June 6, 1952, you assumed all of the obligations of the lessee to make repayment to the United States of America.

Accordingly, unless payment of the $27.19 balance due is received from either you or W. F. Morgan within the next ten days, the indebtedness will be reported to the Comptroller General of the United States.

Sincerely yours,

/s/ George C. Selfridge

Acting Director

(-342)

EDTalbert/ama
January 5, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2)

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/5	Talbert	800
	Gerald	500
1/5	GCS	120
1-6	gad	220

JAN 6 1961

Mr. W. F. Morgan
Nephi, Utah

Re: DMEA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract Idm-B340

Dear Mr. Morgan:

By letters dated August 31 and October 24, addressed to you, and letters dated November 9 and December 8, addressed to Harold T. Morgan with copies to you, demand was made for payment of delinquent royalty in the amount of $54.39 due the Government.

A check for $27.20, in payment of half of the amount due, has been received from Harold T. Morgan. Your remittance within the next ten days of the $27.19 balance will alleviate the need for referring this indebtedness to the Comptroller General of the United States.

Sincerely yours,

/s/ George C. Selfridge
Acting Director

(542)

EDTalbert/ama
January 5, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2)

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

JAN 5 1961

Memorandum

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

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

Subject: DMEA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract Idm-8340

Attached for deposit to the subject DMEA account under symbol 14X4401 as a royalty receipt is Gay Morgan's check no. 251, dated December 28, 1960, in the amount of $27.20, drawn on the Bank of America, 38th and Balboa Branch, San Francisco, California.

This check is a partial payment by Harold T. Morgan of delinquent royalty due the Government by Harold T. Morgan and W. F. Morgan.

Attachment

EDTalbert/ama
January 5, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2)

43683

San Francisco, California.
December 24, 1960.

United States Dept. of Interior
Office of Mineral Exploration
Washington 25, D.C.

ATTENTION: FRANK JOHNSON: ACTING DIRECTOR:

OMEA-1973
United Mining Develop. Co.
E-340

Dear Sirs:

Enclosed please find check in the amount of $27.20, half of $54.39, as per your letter dated December 8, 1960.

I am not in touch with W.F. Morgan, so, do not know his decision pertaining to this matter.

Respectively Yours,

H. T. Morgan

H. T. Morgan.
807 39th Avenue
San Francisco, California.

HTM:EG:
ENCL:

OFFICIAL FILE COPY
O. M. E.
RECEIVED 1961 3 JAN

DATE	INITIALS	
1-3	gad	27.20
		8.00
		5.00

E 340 DMEA-1923

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, $300

SAN FRANCISCO, CALIF. 13 DEC 22 6-PM 1960

INSTRUCTIONS: Fill in items below and complete #1 on other side, when applicable. Moisten gummed ends and attach to back of article. Print on front of article RETURN RECEIPT REQUESTED.

RETURN TO

REGISTERED NO.	NAME OF SENDER
5980101	Minerals Exploration, Dept. of the
CERTIFIED NO.	STREET AND NO. OR P. O. BOX
	18 & 19 C & E Sts., N.W.
INSURED NO.	CITY, ZONE AND STATE
	WASHINGTON, D.C.

POD Form 3811 Jan. 1958

C55—16—71548-4

orm 7
-58)

OFFICIAL FILE COPY

Date	Surname	Code
12/8	Talbert	800
	Trowbridge	500
	Salem	
12/8	Selbridge	120
	McGillivray	140
12/14	Johnson	220
12/14	gad	220

14

DEC 8 1960

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Harold T. Morgan
807 - 39th Avenue
San Francisco, California

Re: MEA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract Idm-8340

Dear Mr. Morgan:

By letter dated October 24 I advised you that, unless payment of $54.39 due the Government under the referenced contract was received within 30 days, I would have no alternative but to report the matter to the Comptroller General of the United States.

In view of your November 3 request for details of the transactions involved, to which I replied on November 9, it was anticipated that payment would be forthcoming and, therefore, referral to the Comptroller General of the United States has been held in abeyance. However, this office does not have the authority to indefinitely defer such action as may be necessary for the collection of amounts due the Government.

Your remittance by return mail of the $54.39 due will be appreciated. Otherwise, the matter will be referred to the Comptroller General of the United States and subsequent action may result in further costs and inconvenience to you.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

FROM COLLECTOR
DEC 1 2 1960
FOR SIGNATURE

Copy to: Mr. W. F. Morgan

EDTalbert/ama
December 8, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2)

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
11/9	[illegible]	800
11/9	Talbert	800
	Darrell	500
11/9	[illegible]	120
11/9	[illegible]	110
11-9	gad	220

NOV 9 1960

Mr. Harold T. Morgan
807 - 39th Avenue
San Francisco, California

Re: DMEA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract Idm-E340

Dear Mr. Morgan:

The Government's claim for $54.39 referred to in your letter dated November 3, 1960, relates to five sales of ore produced from Ida Mine and sold during 1953 and 1954 on which insufficient royalty was paid under provisions of the exploration contract. Efforts to collect this amount from United Mining Development Co., Inc., who conducted the exploration operations, have proven unsuccessful and we have been informed that company is defunct and its assets have been liquidated to help pay off outstanding obligations and the property has been abandoned by them.

The Office of Minerals Exploration, as successor to the Defense Minerals Exploration Administration, is responsible for the proper administration of exploration contracts entered into by the latter, including the collection of any royalty due the Government. Accordingly, demand for payment has been made upon you and your brother, W. F. Morgan, who each, on June 6, 1952, executed Landlord's Subordination Agreement which subordinated all of their right, title, and interest under the provisions of lease dated September 17, 1948, and agreement of sale dated June 30, 1951, with United Mining Development Co., Inc., to the right, title, and interest of the United States under the referenced Exploration Project Contract. The Landlord's Subordination Agreement further provided as follows: your wife

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

43683

repayment to the United States of America according to the terms of said contract".

The underpayment of royalty resulted from improper deductions being made from the base on which the royalty paid was computed. The deductions in question were for transporting the ore and were paid by the mills to United Mining Development Co., Inc., who were the vendors of the ore. Under provisions of the exploration contract, the Government is entitled to its percentage royalty upon the gross revenue from the sales.

Attached hereto is a statement listing the five sales of ore in question, together with the computation of royalty paid and amount of royalty properly due on those sales.

I trust that with this explanation you will see fit to forward the amount of $54.59 promptly and that it will not be necessary to institute further action to protect the Government's interest.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

cc: Mr. W. F. Morgan

CEFisher/ama
November 9, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2)

Computation of Royalty Paid, Due, and Balance Due In Connection with Sales of Crude Ore by United Mining Development Co., Inc., While Operating Ida Mine

Settlement No.	Settlement Date	Ore SDT	Value - Less Treatment Per SDT	Value - Less Treatment Total	Deductions Allowable	Deductions Not Allowable	Net Value Total	Net Value Per SDT	Royalty Rate	Royalty Amount	
					Computation of royalty paid						
	United States Smelting, Refining, and Mining Company										
1	March 2, 1953	39.253	$14.93	$ 586.05	$52.93	$118.95	$ 414.17	$10.55	5%	$20.71	
	Combined Metals Reduction Company										
45	February 4, 1953	47.193	23.842	1,125.18	97.32	148.88	878.98	18.63	5%	43.95	
415	October 6, 1953	12.359	30.690	379.30	8.00	91.28	280.02	22.66	5%	14.00	
15	January 27, 1954	57.790	12.522	723.65	83.45	177.87	462.33	8.00	1½%	6.93	
61	April 7, 1954	34.409	15.916	478.84	65.61	107.35	305.68	8.88	2%	6.11	$ 91.70
					Computation of royalty due						
1		59.253		$ 586.05	$52.93		$ 533.12	$15.58	5%	$26.66	
45		47.193		1,125.18	97.32		1,027.86	21.78	5%	51.39	
415		12.359		379.30	8.00		371.30	30.04	5%	18.57	
15		57.790		723.65	83.45		640.20	11.08	4½%	28.81	
61		34.409		478.84	65.61		413.23	12.00	5%	20.66	$146.09
							Balance of royalty due				$ 54.39

San Francisco, California
Nov. 3,1960.

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 7 1960

DATE	INITIALS	CODE
11-7	gad	VVO
	DEG	800
		500

United States
Department of the Interior
Office of Minerals Exploration
Washington 25, D.C.

ATTENTION: Frank E. Johnson:(Acting Director)

Dear Sirs:

In answer to your letter of October 24,1960, I am at a loss to understand this $54.39 Royalty from Mineral shipped from the Ida Mining Claims.

I am no longer interested in the Ida Mining Claims, having disposed of my interest.

I would appreciate any information you can give me regarding the amount of ore shipped and the smelter returns, also the date of shipment.

Sincerely Yours

H.T. Morgan

H.T. Morgan

HTM:
eg:

E 340

DATE A - 1923
United Mining Reclamation

H. T. Morgam
807 39th Avenue
San Francisco 21
California.

SAN FRANCISCO, CALIF. 8
NOV 3
11-PM
1960

United States
Department of the Interior
Office of Minerals Exploration
Washington 25
D.C.

ATTENTION:
Frank E. Johnson
Acting Director

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10/24	Fisher	800
10/24	Talbert	800
	Frame	500
10/24	Selfridge	120
		110
10/25	Cae	220

OCT 24 1960

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Harold T. Morgan
807 - 39th Avenue
San Francisco, California

Re: DMEA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract Idm-E340

Dear Mr. Morgan:

Reply has not been received to my letter to you dated August 31, 1960 (copy attached for your ready reference) wherein request was made for the prompt payment of $54.39 due as royalty on production of minerals from land on which exploration was conducted with Government assistance under provisions of the referenced contract.

If payment of this amount is not received within 30 days from the date of this letter, I will have no alternative but to report this delinquency to the Comptroller General of the United States for such action as he may deem to be in the interest of the Government.

Sincerely yours,

signed) FRANK E. JOHNSON (fb)

Acting Director

Attachments

Copy to: Mr. W. F. Morgan

CEFisher/ama
October 24, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2)

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10/24	[illegible]	800
10/24	Talbert	800
	[illegible]	500
10/24	Selfridge	
		120
		110
10/25	Cae	220

OCT 24 1960

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. W. F. Morgan
Nephi, Utah

Re: DMEA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract Idm-E340

Dear Mr. Morgan:

Reply has not been received to my letter to you dated August 31, 1960 (copy attached for your ready reference) wherein request was made for the prompt payment of $54.39 due as royalty on production of minerals from land on which exploration was conducted with Government assistance under provisions of the referenced contract.

If payment of this amount is not received within 30 days from the date of this letter, I will have no alternative but to report this delinquency to the Comptroller General of the United States for such action as he may deem to be in the interest of the Government.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Copy to: Mr. Harold T. Morgan

CEFisher/ama
October 24, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2)

Attachments

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/29	Fisher	800
	[illegible]	500
	[illegible]	140
	Actg. Sol. Off.	
8/31	Selfridge	120
		110
8/31	Case	220

AUG 31 1960

CERTIFIED MAIL

Mr. Harold T. Morgan
807 - 39th Avenue
San Francisco, California

INTERIOR DEPT.
AUG 29 1960
SOLICITOR

Re: DMSA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract Idm-8340

Dear Mr. Morgan:

The matter of additional royalty amounting to $54.39 due to the Government in connection with production of minerals from the land on which exploration was performed with Government assistance under provisions of the subject contract has been referred to this office for appropriate action.

Our Region III office, Denver, Colorado, requested payment of this amount in a letter to you dated January 4, 1960, and in letters dated February 24, 1960, and August 9, 1960, to your brother, W. F. Morgan, who as co-owner of the land also signed a Landlord's Subordination Agreement. In addition, the matter was discussed with your brother by Mr. Romalo on August 10, 1960, at Nephi, Utah.

This office is charged with the responsibility of administering Defense Minerals Exploration Administration contracts, including the collection of proper royalty due on production from the land subject to such contracts. Accordingly, demand is made for the prompt payment of the amount of $54.39.

Your early attention to this matter will be appreciated.

RECEIVED
AUG 30 1960
ASSOC. SOLICITOR
MINERAL RESOURCES

Sincerely yours,

(signed) FRANK E. JOHNSON
Acting Director

Copy to: Mr. W. F. Morgan

CEFisher/ama
August 29, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2)
Mr. Selfridge

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/29	Fisher	800
	Johnson	500
	Sollers	140
	App'd. Sol. Off.	
8/31	Selfridge	120
		110
		220

CERTIFIED MAIL

AUG 31 1960

Mr. W. F. Morgan
Nephi, Utah

INTERIOR DEPT.
AUG 29 1960
SOLICITOR

Re: DMEA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract Idm-E340

Dear Mr. Morgan:

The matter of additional royalty amounting to $54.39 due to the Government in connection with production of minerals from the land on which exploration was performed with Government assistance under provisions of the subject contract has been referred to this office for appropriate action.

Our Region III office, Denver, Colorado, requested payment of this amount in letters to you dated February 24, 1960, and August 9, 1960, and in a letter dated January 4, 1960, to your brother, Harold T. Morgan, who as co-owner of the land also signed a Landlord's Subordination Agreement. In addition, the matter was discussed with you by Mr. Romsle on August 10, 1960, at Nephi, Utah.

This office is charged with the responsibility of administering Defense Minerals Exploration Administration contracts, including the collection of proper royalty due on production from the land subject to such contracts. Accordingly, demand is made for the prompt payment of the amount of $54.39.

Your early attention to this matter will be appreciated.

RECEIVED
AUG 30 1960
ASSOC. SOLICITOR
MINERAL RESOURCES

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Copy to: Mr. Harold T. Morgan

CEFisher/ama
August 29, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Acting Field Officer, Region III (2)
Mr. Selfridge

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 22 1960

DATE	INITIALS	CODE
8-22	gad	220
8/22	[illegible]	800
"	[illegible]	500
		225

August 18, 1960

Memorandum

To: George C. Selfridge, Chief
Division of Field Operations, OME
Washington 25, D. C.

From: Hugh M. Connors, Acting Field Officer, OME, Region III

Subject: Docket No. DMEA 1923 (Lead-Zinc)
Contract No. Idm E340
United Mining & Development., Inc.
(Ida Mine)
Tooele County, Utah

This has further reference to your memorandum of August 5, 1960 on the subject contract.

It now appears from the attached memorandum from T. M. Romslo, that the $54.39 Royalty due will not be forthcoming through our efforts in this office and the matter is being referred to you for final action.

Hugh M. Connors

Hugh M. Connors

Attachment

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 22 1960

DATE	INITIALS	CODE

August 18, 1960

Memorandum

To: Hugh M. Connors, Acting Field Officer, OME, ~~Region III~~

From: T. M. Romslo

Subject: Docket No. DMEA 1923 (Lead-Zinc)
Contract No. Idm - E340
United Mining & Development., Inc.
(Ida Mine)
Tooele County, Utah

Reference is made to Mr. Selfridge's memorandum, dated August 5, 1960, relative to the collection of $54.39 royalty due from W. F. Morgan and/or Harold Morgan in accordance with terms of Landlord's Subordination Agreements.

The following information relative to the referenced matter was obtained during conversations with Mr. W. F. Morgan, at Nephi, Utah, August 10, 1960 while I was in the area on other official business. Mr. Morgan said he had answered Mr. Townsend's letter, dated February 1960, stating that he (Mr. Morgan) did not feel obligated to pay a debt incurred by the lessee and which probably would have been paid by the lessee if the Government's notice of payment due had been made without undue delay. He went on to say that the opinion expressed in the letter to Townsend was still valid.

Mr. Morgan also furnished the following pertinent information during our conversation, which was carried out in an amicable manner.

The Ida Mine is still inactive.

His mailing address is:
Mr. W. F. Morgan
Nephi, Utah

The mailing address of his brother, who, as co-owner, signed a Landlord's Subordination Agreement is:
Mr. Harold T. Morgan
807-39th Avenue
San Francisco, California

The letter which Mr. Morgan reportedly sent to Townsend is not in our files nor do we have any evidence that it was received at this office.

T. M. Romslo

T. M. Romslo

OFFICIAL FILE COPY

RECEIVED 1960

DATE		
8-12	gad	1100
8/12	400	800
"	Woodward	500
		225

Building 20 - Federal Center
Denver 25, Colorado

August 9, 1960

CERTIFIED MAIL

Mr. W. F. Morgan
Santiquin
Utah

Re: Docket No. DMEA-1923 (Lead-Zinc)
Contract No. Idm-E340
United Mining & Development Co., Inc.
(Ida mine)
Tooele County, Utah

Dear Mr. Morgan:

We have received no reply to our letter to you dated February 24, 1960, which was received by you February 25, 1960.

If we do not receive the $54.39 Royalty due the Government before September 9, 1960, we will have no recourse but to refer the matter to the Washington Office, GMK for such action as they deem necessary to protect the best interests of the Government.

Yours very truly,

Original signed by
Original signed

Hugh M. Connors
Acting Field Officer
GMK, Region III

HMC/lm
cc: Chief, Division of Field Operations (2)
Royalty Corres. E 340
Chron

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/5	[illegible]	800
8/5	Talbot	800
	[illegible]	500
8/5	Selfridge	120
8/5	Johnson	110
8-5	gad	110

AUG 5 1960

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: DMEA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract Idm-E340

Reference is made to Mr. Townsend's letters dated January 4, 1960, to James Morgan and/or Harold Morgan and February 24, 1960, to W. F. Morgan demanding payment of $54.39 royalty due in accordance with terms of Landlord's Subordination Agreements. The reason for including James Morgan as addressee in the letter dated January 4, 1960, is not understood as the records of this office do not show him as a party to the subordination agreements.

Apparently, replies have not been received to these letters and the procedure set forth in the Special Notice in Operating Committee Minutes No. 398, July 30, 1954, is in order; that is, you should send follow-up letters and, if your further efforts at collection prove unsuccessful, refer the matter to this office.

Please proceed accordingly.

/s/ George C. Selfridge

CEFisher/ama
August 5, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Review Committee

43683

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 29 1960

DATE	INITIALS	CODE
2-29	gad	220
2/29	[illegible]	800
"	[illegible]	500
		225

Building 20 - Federal Center
Denver 25, Colorado

February 24, 1960

CERTIFIED MAIL

Mr. W. F. Morgan
Santiquin
Utah

Re: Docket No. DMEA-1923 (Lead-Zinc)
Contract No. Idm-E340
United Mining & Development Co., Inc.
(Ida mine)
Tooele County, Utah

Dear Mr. Morgan:

Enclosed is a copy of Report of Royalty Review which shows $54.39 (royalty) is due the Government for ore sold from the Ida mine.

We are informed that you continue the assessment work, and are still the owner of the property. We are also advised the United Mining & Development Company, Inc. is defunct, which in accordance with the Landlord's Subordination Agreement signed by you the 6th day of June 1952, makes you liable for payment of royalty to the Government. The Landlord's Subordination Agreement provided as follows:

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

Please forward, this office, your check for $54.39 made payable to the Office of Minerals Exploration.

Very truly yours,

Original signed by

J. W. Townsend
Executive Officer, OME
Field Team, Region III

Enclosure

cc: Chmn Op Comm (2)
Royalty corres E340
Chron

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 2 1960

DATE	INITIALS	CODE
2-2	gad	VVO
2/4	[illegible]	800
2/3	[illegible]	500
		225

Building 20 - Federal Center
Denver 25, Colorado
January 29, 1960

County Recorder
Tooele County Courthouse
Tooele, Utah

Re: Docket No. ~~DMEA 1983~~ (Lead-Zinc)
Contract No. Ida-E340
United Mining & Development Co., Inc.
(Ida mine)
Tooele County, Utah

Dear Sir:

Our files on the captioned contract show that the below listed claims were owned during 1952 by Harold Morgan and W. F. Morgan, Eureka, Utah. Do they still own the claims, and, if so, what is their mailing address? In event the ownership has changed, please furnish the name and address of the present owner.

Name	Book	Page
Ida	3C	206
Ida No. 1	3C	206
Ida No. 2	3C	206&207
Ida No. 3	3C	207
Ida No. 4	3C	226
Ida No. 5	3C	226

An early reply will be appreciated.

Very truly yours,

Original signed by

J. W. Townsend
Executive Officer, OME
Field Team, Region III

TMR:ltm

cc: Chmn. Op. Comm.
Roy. Corres. E340
Chron.

OFFICIAL FILE COPY

RECEIVED JAN 7 1960

DATE	INITIAL	CODE
1/7	C	520
		500
		225

Building 20 - Federal Center
Denver 25, Colorado
January 4, 1960

CERTIFIED MAIL

Mr. James Morgan
and/or Harold Morgan
Eureka, Utah

Re: Docket No. [illegible] 1923 ([illegible])
Contract No. Ida-E340
United Mining & Development Co., Inc.
(Ida Mine)
Tooele County, Utah

Dear Mr. Morgan:

Enclosed is a copy of a Report of Royalty Review which shows $54.39 royalty is due the Government for ore sold from the Ida Mine.

We are advised that United Mining Development Co., Inc. is defunct which in accordance with the Landlord's Subordination Agreement signed by each of you the 6th day of June 1952 makes you liable for payment of royalty to the Government. The Landlord's Subordination Agreement provided as follows:

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

Please forward this office your check for $54.39 made payable to the Office of Minerals Exploration.

Very truly yours,

Original signed by

J. W. Townsend
Executive Officer, OME
Field Team, Region III

EMC:ltm
Chron. Op. Comm. (2)
cc: Roy. Corres. E340
Chron.

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
12/28	Fisher	800
	[illegible]	500
12/30	[illegible]	130
	Johnson	110
		240
12/31	RCW	220

DEC 30 1959

Memorandum

To: Executive Officer, OME Field Team, Region III

From: Chairmen, Operating Committee

Subject: Docket No. DMEA-1923 (Lead-Zinc)
United Mining & Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract No. Idm-E340

We agree with the opinion expressed in your memorandum dated December 16, 1959, that it is unfortunate the underpayment of royalty due to the Government was not detected and attempts made to secure adjustment at the time the payments were received. However, reasonable efforts to make the collection at this time are in order and you should request payment of the amount of $54.39 by the lessors of the property.

/s/ George C. Selfridge (GCS)

APPROVED:

Frank D. Lamb (FDL)
Member, Bureau of Mines

Harold Kirkemo (HK)
Member, Geological Survey

CEFisher/ama
December 28, 1959

Copy to: Docket
Director's Reading File
CA & A Division
Operating Committee
Mr. Bishop, USBM
Mr. Kirkemo, USGS

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado
December 16, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 21 1959

DATE	INITIALS	CODE
12/21	RCW	225
		~~200~~
		~~500~~

Cy. to 500

Memorandum

TO: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 1923 (Lead-Zinc) United Mining and Development Company, Inc., (Ida mine) Tooele County, Utah, Contract Idm-E340

This replies to your memorandum dated November 6, 1959, on the subject contract.

It is unfortunate that the audit was made after the United Mining and Development Company, Inc., had been defunct for years as stated in the reply to our letter of December 10, 1959, copies of which are attached.

The Operator was a lessee, and subordination agreements were submitted by the lessors. Will you please advise if you wish us to contact the lessors, or will the matter be handled by your office.

J. W. Townsend

J. W. Townsend

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado
December 10, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 21 1959

DATE	INITIALS	CODE

CERTIFIED MAIL

Mr. C. H. Evans, Secretary-Treasurer
United Mining & Development Co., Inc.
144 West 2nd South
Salt Lake City, Utah

Re: Docket No. DMEA 1923 (Lead-Zinc)
Contract No. Idm-E340
United Mining & Development Co., Inc.
(Ida mine)
Tooele County, Utah

Dear Mr. Evans:

We have had no reply to our letter to you dated November 10, 1959, in which we requested your check for $54.39, the balance of royalty due the Government.

If we do not receive the amount of money due the Government on or before January 10, 1959, we will have no recourse but to refer the matter to the Washington Office, OME, for such action as they deem necessary.

Very truly yours,

J. W. Townsend
Executive Officer, OME
Field Team, Region III

OME
DEPARTMENT OF THE INTERIOR
DEC 16 1959
REGION III
DENVER, COLORADO

Dec 12.

Dear Mr. Townsend:

I can not understand how after all this lapse of time you find that royalty payment is due the government, inasmuch as what few shipments of ore we made to the smelter automatically had the royalty deducted by them.

The united Mining Dev. Co. has been defunct for years and what assets they had were liquidated to help pay off outstanding obligations and the property has been abandoned.

Very truly yours

C. H. Evans

Official

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

DATE	INITIALS	CODE
12/22	[illegible]	500
		225

Building 20 - Federal Center
Denver 25, Colorado
December 16, 1959

Memorandum

TO: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMRA 1923 (Lead-Zinc) United Mining and Development Company, Inc., (Ida mine) Tooele County, Utah, Contract Idm-E340

This replies to your memorandum dated November 6, 1959, on the subject contract.

It is unfortunate that the audit was made after the United Mining and Development Company, Inc., had been defunct for years as stated in the reply to our letter of December 10, 1959, copies of which are attached.

The Operator was a lessee, and subordination agreements were submitted by the lessors. Will you please advise if you wish us to contact the lessors, or will the matter be handled by your office.

Original signed by

J. W. Townsend

HMC:ltm

cc: Hoy. Corres. E340
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado
December 10, 1959

EXTRA COPY
O. M. E
RECEIVED DEC 21 1959

DATE	INITIALS	CODE

CERTIFIED MAIL

Mr. C. H. Evans, Secretary-Treasurer
United Mining & Development Co., Inc.
144 West 2nd South
Salt Lake City, Utah

Re: Docket No. DMEA 1923 (Lead-Zinc)
Contract No. Idm-E340
United Mining & Development Co., Inc.
(Ida mine)
Tooele County, Utah

Dear Mr. Evans:

We have had no reply to our letter to you dated November 10, 1959, in which we requested your check for $54.39, the balance of royalty due the Government.

If we do not receive the amount of money due the Government on or before January 10, 1959, we will have no recourse but to refer the matter to the Washington Office, OME, for such action as they deem necessary.

Very truly yours,

J. W. Townsend
Executive Officer, OME
Field Team, Region III

OME
DEPARTMENT OF THE INTERIOR
DEC 16 1959
REGION III
DENVER, COLORADO

Dec 12.

Dear Mr. Townsend:

I can not understand how after all this lapse of time you find that royalty payment is due the government, inasmuch as what few shipments of ore we made to the smelter automatically had the royalty deducted by them.

The united Mining Dev. Co. has been defunct for years and what assets they had were liquidated to help pay off outstanding obligations and the property has been abandoned.

Very truly yours

C. H. Evans

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 14 1959

DATE	INITIALS	CODE
12-14	gad	220
12/14	[illegible]	800
12/15	[illegible]	500
		225

Building 20 - Federal Center
Denver 25, Colorado
December 10, 1959

CERTIFIED MAIL

Mr. C. H. Evans, Secretary-Treasurer
United Mining & Development Co., Inc.
144 West 2nd South
Salt Lake City, Utah

Re: Docket No. DMEA 1923 (Lead-Zinc)
Contract No. Idm-E340
United Mining & Development Co., Inc.
(Ida mine)
Tooele County, Utah

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If we do not receive the amount of money due the Government on or before January 10, 1959, we will have no recourse but to refer the matter to the Washington Office, OME, for such action as they deem necessary.

Very truly yours,

Original signed by

J. W. Townsend
Executive Officer, OME
Field Team, Region III

HMC:ltm

cc: Chmn. Op. Comm. (2)
Roy. Corres. E340
Chron.

OFFICIAL FILE COPY O. M. E. RECEIVED NOV 13 1959		
DATE	INITIALS	CODE
11-13	gad	VVO
11/13	[illegible]	800
11/17	[illegible]	500
		225

Building 20 - Federal Center
Denver 25, Colorado
November 10, 1959

Mr. C. H. Evans, Secretary-Treasurer
United Mining & Development Co., Inc.
144 West 2nd South
Salt Lake City, Utah

Re: Docket No. BMEA 1983 (Lead-Zinc)
United Mining & Development Co., Inc.
(Ida mine)
Tooele County, Utah
Contract No. Ida-E340

Dear Mr. Evans:

A Report of Royalty Review on the captioned project dated April 16, 1959, shows $54.39 to be the balance of royalty due the Government.

We are not sure that you received a copy of the Report of Royalty Review so we are enclosing a copy for your records.

Will you please forward this office your check for $54.39, the balance of royalty due the Government.

Very truly yours,

Original signed by

J. W. Townsend
Executive Officer, OME
Field Team, Region III

BMC:ltm

cc: Chmn. Op. Comm. (2)
Roy. Corres. E340
Chron.

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
11/5	Talbert	800
	[illegible]	500
11/6	GCS.	130
"	Johnson	110
		~~240~~
11/10	RCW	220
11/10	gla	~~500~~

225

NOV 6 1959

Memorandum

To: Executive Officer, OME Field Team, Region III

From: Chairman, Operating Committee

Subject: Docket No. DMEA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract No. Idm-R340

A Report of Royalty Review, issued by Donald T. Finch on April 16, 1959, indicates a balance of $54.39 due the Government, occasioned by the improper deduction of hauling charges in the computation of the percentage royalty.

The Washington files do not disclose that the Operator has either been furnished with a copy of the Report of Royalty Review or requested to pay the balance due. Therefore, advice as to the present status of your collection efforts would be appreciated.

/s/ George C. Selfridge (GCS)

APPROVED:

Frank D. Lamb (FDL)
Member, Bureau of Mines

Harold Kirkemo (HK)
Member, Geological Survey

EDTalbert/ama
November 5, 1959

Copy to: Docket
Director's Reading File
Operating Committee
CA & A Division
Mr. O. M. Bishop, USBM
Mr. Harold Kirkemo, USGS

43683

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/21	Alley	800
4/21	[illegible]	800
4/21	C	220
	~~[illegible]~~	~~500~~
5/4	Ce	~~225~~
		~~500~~
		225

Memorandum

To: Mr. Donald T. Finch, OME Auditor

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

Subject: Docket No. DMEA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Contract No. Idm-E340

Your report of royalty review on the above cited project is acceptable and normal distribution is authorized.

AMAlley/ama
April 21, 1959

Copy to: Docket
Director's Reading File
CA & A Division

8623

COMBINED METALS REDUCTION COMPANY

P. O. BOX 150

SALT LAKE CITY 10, UTAH

July 17, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 19 1957

DATE	INITIALS	CODE
7/24	P.K.	220
7-24	[illegible]	800
7-24	[illegible]	500

DMEA
DEPARTMENT OF THE INTERIOR
JUL 19 1957
REGION III
DENVER, COLORADO

DMEA
1923-

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

Dear Sir:

With regard to your letter to us dated July 15, 1957, our check No. 68419 in the amount of $2.57, for Ida Mine - Wm. Overson Lease, is for the Exploration Contract Idm-E340. (United Mining Development)

Very truly yours,

COMBINED METALS REDUCTION COMPANY

Orlon L. Nordfelt

Orlon L. Nordfelt
Chief Clerk, Ore Settlement Dept.

PHOTOCY TO
DMEA/SLC
WO-2
ATTN: FOR SEMIANNUAL REPORT PURPOSES

Re:

Roy

224 New Customhouse
Denver 2, Colorado

July 15, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 19 1957
DMEA | MAIL | CODE
7/18 | C | 220
500

Combined Metals Reduction Company
P. O. Box 150
Salt Lake City 10, Utah

Attention: Accounting Department

Re: Royalty Payments

Gentlemen:

Your check No. 08419 in the amount of $2.57, and settlement sheets dated June 27, 1957 for Ida Mine - Wm. Overson Lease were received today.

May we please have the number of the DMEA contract to which this payment should be credited.

Thank you for your cooperation.

Very truly yours,

Original signed by
W. H. KING

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

vj

cc: Royalty File - General
Sec. Opr. Comm. (2)
DMEA/SLC
Marshall
Chron.

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

224 New Customhouse
Denver 2, Colorado

May 19, 1954

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region IV

Subject: Docket DMEA 1923 (Lead-Zinc), Contract Idm-E340, United Mining and Development Company, Tooele County, Utah

Enclosed are the following final reports pertaining to work completed under the subject contract:

1. Original and one copy of the operator's final report.

2. Original and three copies of the final geologic report by the U.S. Geological Survey.

3. Original and three copies of the final engineering report by the Bureau of Mines.

Final payment to the operator was processed by this office December 17, 1953, in conformance with the report of review by the Contract Administration and Audit Division dated November 16, 1953, which was released to this office December 16, 1953.

The exploration work completed consisted of 585 feet of drifting at a total accepted cost of $16,134.30, in which the Government participated to the extent of 50% or an amount of $8,067.15. The exploration work resulted in the discovery of lead-zinc ore for which a certification of discovery or development was issued December 4, 1953.

W. H. King

W. H. King

A. H. Koschmann

A. H. Koschmann

Enclosures

PHONE 9-1221

United Mining Development Company, Inc.

144 WEST 2ND SOUTH
SALT LAKE CITY, UTAH

July 25, 1953

Mr. Steve Wilson
Bureau of Mines
Salt Lake City, Utah

Dear Mr. Wilson:

This is the final report upon completion of uor contract Idm-E 340, (pb-zn) Docket No. DMEA-1923.

As per previous reports, we have drifted for a total of 585 feet along the mineralized zone of the Blaine Fissure. For practically this entire distance the fissure contained considerable iron-pyrite with some showing of fine-grained galena and blende crystals. In three places during this drifting we encountered a good grade of lead-zinc sulphide ore, occuring in a greenish gangue and filling the fissure from wall to wall. This on first appearance looked very encouraging but on further investigation proved to be disconnected ore-lenses which feathered out in a few feet. Inasmuch as these ore-lenses are found in the lower tunnel, middle tunnel, upper tunnel and can be found also on the surface, it is evident that altho they are not connected there must be a continuation either up or down in certain beddings which are favorable to ore deposition. Our hope is to find a favorable bedding large enough to make a commercial ore body. With this indication in mind it is our intention to do a limited amount of prospecting in the future as funds become available.

Due to the long tram, which was all done by man-power and the high cost of labor and supplies we find that our costs have been in excess of our estimate and the contract price of $27.58 per foot of drift.

At the present time we have two men on the property who are working part-time doing assesment work on another group of claims and part-time continuing the raise from the lower to the middle tunnel. They are saving a little ore from this operation and I shall notify you when a shipment is ready to go forward.

I wish to express appreciation for the help and co-operation we have received from the Bureau and especially from you personally and also from your engineer Mike Howes.

Very truly yours

O. H. Evans

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Defense Minerals Exploration Administration
Denver Federal Center
Denver 2, Colorado

May 17, 1954

Memorandum

To: DMEA Field Team, Region IV

From: A. H. Koschmann

Subject: DMEA Docket 1923 (lead-zinc), United Mining Development Company, Inc., Ida Mine, Tooele County, Utah

Enclosed are 9 copies of the final geologic report by R. W. Osterstock and C. G. Tillman of the U. S. Geological Survey covering the above docket.

No additional exploration can be recommended on the strength of the information developed by the DMEA project. A Certificate of Discovery has been issued.

E. M. Hauchman
for A. H. Koschmann
Supervising Geologist
Colorado-Wyoming

Enclosures (9)

Reviewed by
DMEA OPERATING COMMITTEE
6-2-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Room 208 - 222 So. West Temple
Salt Lake City 1, Utah
May 14, 1954

Memorandum

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

From: R. W. Osterstock, for R. J. Roberts
Utah-Nevada District Office

Subject: DMEA Docket 1923 (Lead-zinc), United Mining Development Company, Inc., Ida Mine, Tooele County, Utah

Field Team Final Rpt.

Enclosed are nine copies of the final geologic report on the Ida mine, DMEA Docket 1923, by R. W. Osterstock and C. G. Tillman, geologists, U. S. Geological Survey.

The United Mining Development Company, Inc. were granted a DMEA loan to aid in the exploration for lead-zinc ores in the Ida mine located in Blaine Canyon on the south slope of the Simpson Mountains in the Erickson mining district.

Lead-zinc mineralization in the Ida mine is confined to the Blaine fissure system and more specifically to those areas where branching fissures have intersected in the chloritic shale units. Drifting 585 feet along the fissure system has demonstrated its persistence along strike but only three small pockets of ore were exposed.

It is estimated that the DMEA work has increased the reserve picture by only 270 tons of possible and probable class ore of marginal grade. No further exploration appears to be warranted on the strength of the information developed by the DMEA project.

R. J. Roberts

By C. G. Tillman
C. G. Tillman

RWO/rs

Reviewed by
DMEA OPERATING COMMITTEE
6-2-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION IV

DMEA Docket 1923 (Lead-zinc) Ida Mine, United Mining and Development Company, Erickson District Tooele County, Utah

By

R. W. Osterstock and C. G. Tillman
U. S. Geological Survey

May 14, 1954

Reviewed by
DMEA OPERATING COMMITTEE

6-2-54
(date)

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ILLUSTRATIONS

Figure 1. Index map of Central Utah.

Figure 2. Map of lower level, Ida Mine.

GEOLOGIC REPORT

DMEA Docket 1923 (Lead-zinc) Ida Mine
United Mining and Development Company, Erickson District
Tooele County, Utah

SUMMARY

The United Mining Development Company, Inc., was granted a DMEA loan on work totaling $16,548.00 to aid in exploration for lead-zinc ore along the northwestern extension of the Blaine fissure in the Ida mine, Tooele County, Utah.

The Ida mine is on the south flank of the Simpson Mountains in an area of interbedded chloritic shales and chloritic quartzites of pre-Cambrian age. The ore mineralization appears to be confined to the Blaine fissure system with little or no replacement out into the walls.

It was effectively demonstrated that the Blaine fissure system is persistent along strike but that the ore occurrences within the fissure are extremely spotty. The contract was terminated after 585 of the authorized 600 feet of drifting.

Based on past production as well as the information developed by DMEA work it is estimated that the mine contains 70 tons of probable ore and 200 tons of possible ore averaging 6-8 percent lead and 7-8 percent zinc.

No additional exploration can be recommended on the strength of the information thus far available.

INTRODUCTION

The United Mining Development Company, Inc. applied for a loan, DMEA Docket 1923, to aid in exploration for lead-zinc ore at the Ida mine, Erickson district, Tooele County, Utah. The property was examined by R. C. Middleton, Mining Engineer, U. S. Bureau of Mines on October 10, 1952. The U. S. Geological Survey did not participate in the examination of the property. It was recommended that a loan be granted and on June 6, 1952 contract No. Idm-E340 was consummated authorizing a total of $16,548.00 for 600 feet of drifting northwest on the Blaine fissure system. The contract was terminated on May 31, 1953 after completion of 585 feet of drifting. A total of $16,134.30 was expended during the course of the project.

LOCATION AND ACCESSIBILITY

The Ida mine is situated in Blaine Canyon on the south flank of the Simpson Mountains in southeastern Tooele County, Utah. The exact location is Sec. 35, T. 10 S., R. 8 W., SLB&M, Erickson mining district. The property, about 50 airline miles westerly from Eureka, Utah, may be reached by travelling 17 miles south from Eureka on paved U. S. Highway 6 to Jericho, thence westerly 27 miles on the gravelled Jericho-Callao road, thence northerly 10 miles on an unimproved dirt road leading to the mine (fig. 1).

History and Production

The Ida mine, formerly known as the Blaine mine, shipped 100 tons of lead carbonate ore during the 1880's from the upper oxidized portions of the Blaine fissure. From 1918 to 1925 only 85 tons of ore averaging 2.2 oz. of silver per ton, 19.5 percent lead and 13.7 percent zinc were shipped. Just prior to the DMEA loan 115 tons of ore containing 10.3

percent lead and 9.6 percent zinc were shipped from the lower adit level. During the course of the exploration project two small pockets of ore on the lower adit level produced 39.65 tons containing 0.0075 ounces gold per ton, 0.85 ounces silver per ton, 7.41 percent lead, 8.4 percent zinc and 0.06 percent copper, and 48.18 tons containing 0.025 ounces gold per ton, 1.545 ounces silver per ton, 8.55 percent lead, 9.35 percent zinc and 0.275 percent copper.

GEOLOGY

Sedimentary rocks in Blaine Canyon in the vicinity of the Ida mine are green shales and quartzites. G. F. Loughlin first described the section in the U. S. Geological Survey Prof. Paper 111, (1920, pp 446-447) as being several thousands of feet thick and composed entirely of alternating beds of greenish shale, dark and light quartzites and conglomerate, with green shales most abundant on the lower slopes near the Ida mine and greenish chloritic quartzite most abundant in the upper part of the unit. There are no limestones exposed in the vicinity of the mine. Loughlin (1920, p. 448) suggests pre-Cambrian age for the lower series and Eardley and Hatch (G.S.A. Bull. Vol. 51, p. 840, 1940) date a similar series of interbedded quartzites and argillites in the Sheeprock uplift, of which the Simpson Mountains are a part, as Proterozoic.

The argillic rocks in the mine area are predominantly green and weather to a dark, rusty brown, locally they are slaty and contain sufficient chlorite and mica to be termed phyllite. They are often gradational in thin bedded, fine grained greenish gray to purple chloritic quartzite which also weathers to a dark brown color.

The sediments are cut by a few porphyry dikes and are covered in places by remnants of volcanic flows, however, no igneous rocks are exposed in the immediate mine area.

Structurally the beds in the mine area are essentially homoclinal with a fairly uniform northwest strike and shallow northeast dip. The major structural feature is the Blaine fissure system which strikes N. 50°-60° W. and dips 60°-70° NE. Fissure systems in the area with this general trend have been demonstrated to be the most persistent but are, nevertheless, relatively short compared to fault systems in major mining districts. Most of these fissures are mineralized to some degree. Loughlin (1920 p. 450) notes that owing to the unequal resistance of the different strata, clean cut fissures were developed in the more quartzitic beds but failed to persist in the more shaly beds. Such an explanation would also account for the numerous strands and splits making off from the main fissure. Argillites and shales where cut by the main fissure readily produced thick gouge, breccia and shatter zones.

ORE DEPOSITS

In the Ida mine the ore has been confined to the steeply dipping Blaine fissure system, there has been no significant replacement out from the fissures other than a slight impregnation of the walls of pyrite. The ore minerals are galena, sphalerite, a small amount of chalcopyrite and probably some tetrahedrite. Very minor gold has been reported on some assay returns. Gangue minerals include calcite, quartz, chlorite, possibly some sericite, and pyrite. Apparently the chloritic shaly beds were more readily susceptible to attack by the ore carrying solutions than the purer quartzite beds. The larger ore exposures appear to be locallized in the more chloritic beds where they are thoroughly shattered by either the main Blaine fissure, or a related set of branch fissures.

ORE RESERVES

Two shipments of ore were produced from the ore bodies exposed by DMEA work. The first lot of 48.18 tons (block A, Fig. 2) contained 1.54 ounces ~~gold~~ Ag, 8.55 percent lead and 9.3 percent zinc. The second lot of 39.65 tons (block B, Fig. 2) contained 0.85 ounces ~~gold~~ Ag, 7.41 percent lead and 8.4 percent zinc. In both instances the ore pods were virtually mined out. Although a third body of ore (block C, Fig. 2) exposed by DMEA work has not been mined, it is probable that only a few tens of tons are present. A certificate of discovery was issued on the basis of these small bodies of ore.

Francis Cameron of International Smelting and Refining Company, reported 11,087 tons of assured ore reserves containing 5.6 percent lead and 6.66 percent zinc. Such a figure would necessitate a solid body of ore about 3 feet wide with 150 feet of depth over 250 feet of strike length. The sporadic appearance of relatively small ore lenses and pods thus far developed in the Ida mine indicate that Cameron's tonnage estimate was far too high.

The reserve estimate based on past production as well as the information developed by DMEA work is as follows:

Proven ore	0 tons	
Probable ore		
Block A	40 tons	up dip extension
Block C	30 tons	
Possible ore	200 tons	Up and down dip extensions of blocks A, B, and C.
Total, all classes	270 tons of 6-8 percent lead and 7-8 percent zinc	

EXPLORATORY WORK

This project was designed to explore the northwestern extension of the Blaine fissure system on the lower adit level. Minable ore had previously been found in small shoots along the main fissure as well as in some of the branching fissures.

Three small pods of ore were exposed by the DMEA project. Each of the three bodies of ore are locallized by the intersection of fissures in chloritic shale and in each case the ore mineralization is restricted to the breccia and shatter zone with no appreciable amount of ore making making off into the walls. These small lens and pod-like ore bodies located by DMEA work are much like those mined from the Blaine fissure system in the past.

The allowed expenditure under contract Idm-E340 dated June 6, 1952 was $16,548.00 for 600 feet of drifting. The total cost of the project was $16,134.30. Although 600 feet of drifting had been authorized in the DMEA contract, the project was terminated after 585 feet of advance because of the small likelihood of encountering any noteworthy mineralization in the remaining 15 feet.

CONCLUSIONS AND RECOMMENDATIONS

Exploration work along the northwestern extension projection of the Blaine fissure system resulted in the discovery of three small pods of ore two of which were virtually mined out in producing about 40 tons each during the DMEA project. Drifting on and along the Blaine fissure system for 585 feet has demonstrated that the system is relatively persistent in strike and dip. Locallization of ore bodies appears to depend on the intersection of fissures and attendent shattering within the more chloritic shaly beds. Apparently the ores were deposited under such low intensity conditions that ground preparation was of prime importance.

It must be concluded that the necessary combinations of requisite factors for ore locallization are potentially few and that there is small liklihood of the future discovery of ore bodies of much greater size or grade than those developed in the past.

No additional exploration for lead-zinc ore can be recommended on the strength of the information developed by the now terminated DMEA project.

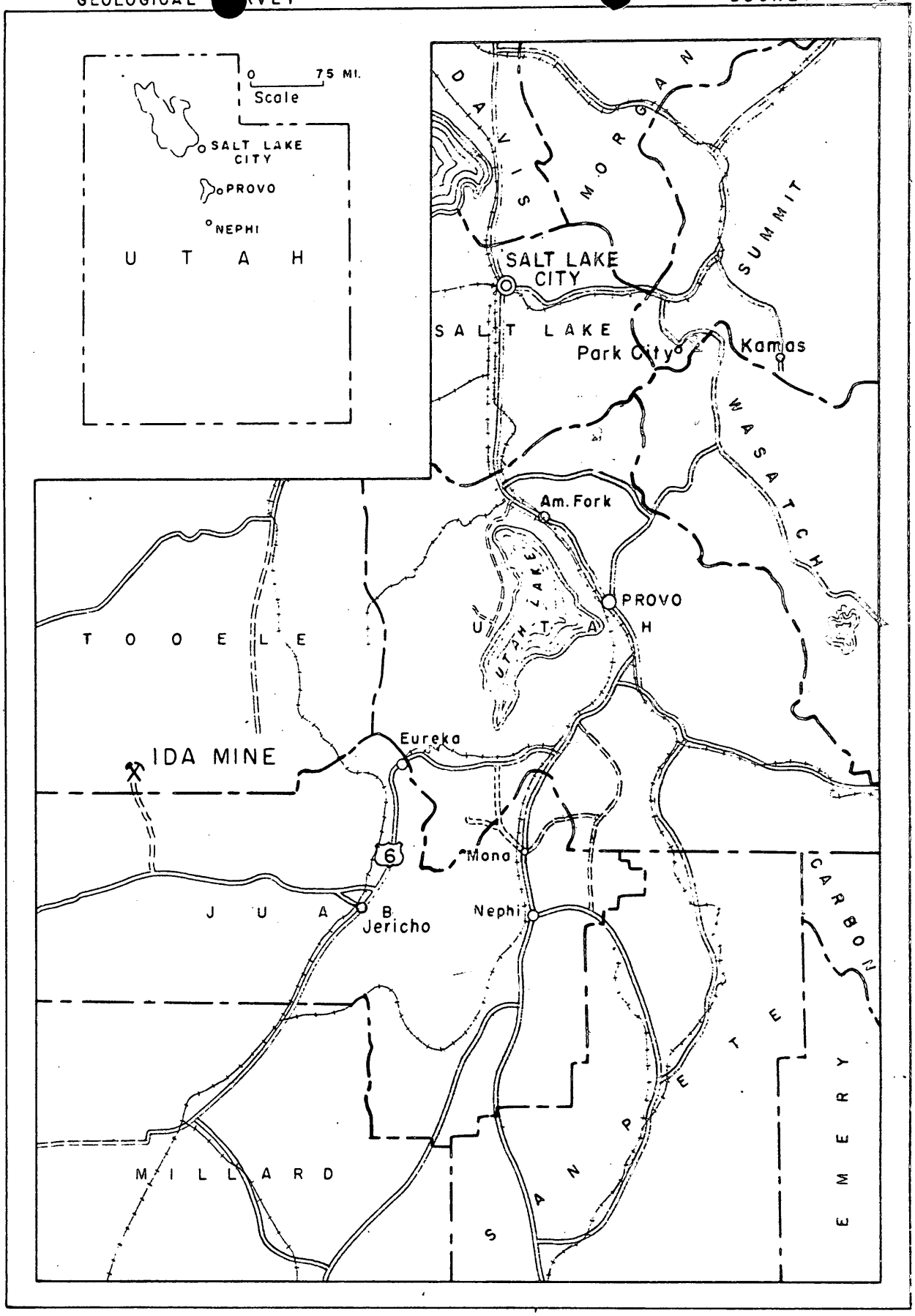

FIG. 1 INDEX MAP OF CENTRAL UTAH

0 5 10 15 20 MILES
Scale

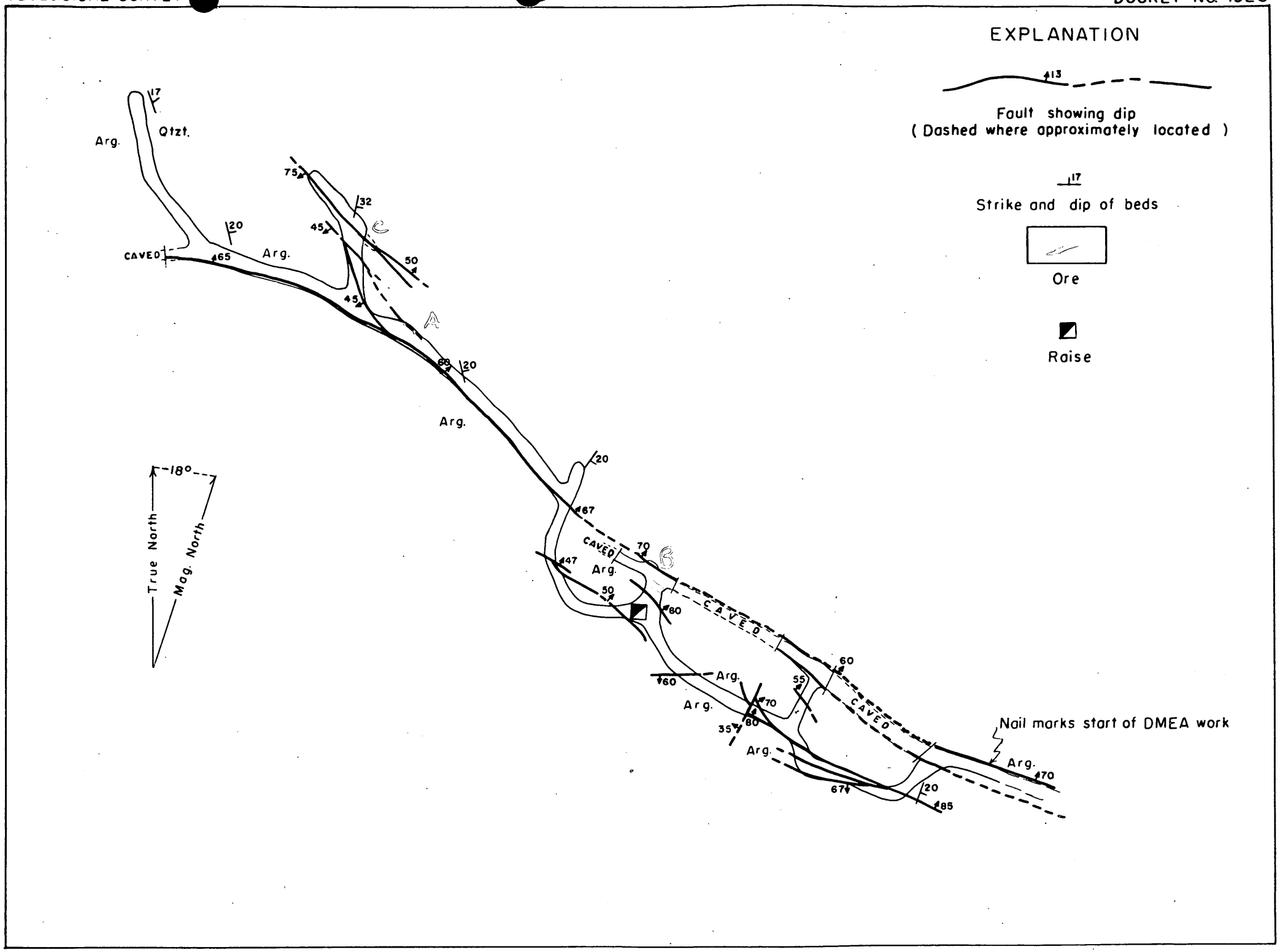

FIG. 2

By C. G. Tillman & R. W. Osterstock April 29, 1954

MAP OF UNITED MINING AND DEVELOPMENT CO.
LOWER LEVEL, IDA MINE
ERICKSON DISTRICT, TOOELE COUNTY, UTAH

0 40 80 120 ft.
Scale

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

Mining Division
Denver Branch

October 20, 1953

Memorandum

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

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

Subject: Docket No. DMEA 1923 (Lead-zinc), Contract Idm-E340, United Mining Development Co., Tooele County, Utah.

Attached are nine copies of a final engineering report covering operations under the subject contract. Also included are five copies of a final report submitted by the operator.

Stephen R Wilson
Stephen R. Wilson

Enclosures

Reviewed by
DMEA OPERATING COMMITTEE
6-2-54
(date)

UNITED MINING DEVELOPMENT CO.
TOOELE COUNTY, UTAH
DMEA 1923
Contract Idm-E340
Lead-zinc

Final Engineering Report

By M. H. Howes
Mining engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE

6-2-54
(date)

UNITED MINING DEVELOPMENT CO.
TOOELE COUNTY, UTAH

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Expenditures	8
Termination	8

ILLUSTRATIONS

Fig. 1 Geologic plan of Lower Tunnel illustrating work accomplished under contract.

Fig. 2 Surface geology and topography in area of exploratory project.

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Exploratory work at the Ida mine of the United Mining Development Co., Inc., was started on June 6, 1952, under docket No. DMEA 1923 (Lead-zinc), Contract Idm-E340 (short form), dated June 6, 1952, at a unit cost of $27.58. Drifting was advanced continuously within the mineralized zone of the Blaine fissure. The work was done on the lower adit level for a distance of 585 feet in a northwesterly direction. The project was terminated on May 31, 1953, 15 feet short of the 600 feet allowed by the contract, because of the slim possibility of discovering additional ore in that short distance. Finely disseminated pyrite is present in the fissure zone for almost the entire distance explored. Three separate, small lenses of fair-grade ore were encountered, and from these, two shipments were produced. From the ore shipped, $64.66 in royalties was paid to the Government. Total cost of advancing 585 feet at $27.58 per foot was $16,134.30, of which the Government's share, at 50 percent, was $8,067.15. This cost, less royalties of $64.66, was $8,002.49, the total cost of the project to the Government to date. The contract allowed the expenditure of $16,548.00 for 600 feet of drifting at $27.58 per foot, of which the Government's share, at 50 percent, was $8,274.00. The unexpended portion of the Government's share is $8,274.00 less $8,067.15, or $206.85.

It is concluded that although the project did not discover a large ore body, it did prove the existence of strong mineralization that may lead to larger deposits under favorable geologic conditions.

Recommendation is made that no more exploratory or development work be done with Government assistance, but that the company conduct a small exploratory project in the vicinity of the three ore lenses to prove or disprove the continuation of the deposition.

It is recommended that the DMEA certify that the project was successful and that the Government is entitled to royalties from production. When lenses or pockets of ore are found in the Ida mine, production is economically feasible.

INTRODUCTION

The United Mining Development Co., Inc., made application during 1951 for a DMEA loan for an exploratory drifting project at the Ida mine. The property was examined by a mining engineer of the Bureau of Mines in October 1951, and recommendation was made that the company be granted a loan. A contract was prepared, and on June 6, 1952, it was signed and work started on the project. The contract was terminated on May 31, 1953, after completion of 585 feet of the allowable 600 feet of drifting.

LOCATION

The Ida mine is situated on the south slope of the Simpson Mountains in the southeast part of Tooele County, Utah, about 54

miles west of Eureka. The specific location is Sec. 35, T. 10 S., R. 8 W., S.L.B. & M., Erickson mining district. The property may be reached by traveling 17 miles south from Eureka to Jericho on U. S. Highway 6, thence about 27 miles westerly on graveled Jericho-Callio road, and thence about 10 miles northerly on dirt road to the mine.

OWNERSHIP AND EXTENT

The Ida mine, formerly called the Blaine mine, is owned by the James Morgan estate, Eureka, Utah. The property consists of 6 unpatented lode mining claims, recorded in the Tooele County Court House, Tooele County, Utah, as follows:

Claim	Book	Page
Ida	3C	206
Ida No. 1	3C	206
Ida No. 2	3C	206-207
Ida No. 3	3C	207
Ida No. 4	3C	226
Ida No. 5	3C	226

A Landlord's Subordination Agreement was signed on June 6, 1952, by Harold Morgan.

Mr. Stanley S. Cheever is chairman of the Board of Directors and Mr. O. H. Evans is secretary-treasurer of the United Mining Development Co., Inc.

ALLOWABLE CONTRACT WORK

Docket No. DMEA 1923 (Lead-zinc), Contract Idm-E340, was signed on June 6, 1952. It is a short-form contract allowing a cost of $27.58 per foot for 600 feet of drifting for the total expenditure of $16,548.00, of which the Government contracted to pay 50 percent, or $8,274.00. Amendment No. 2 to the contract allows 12 months, instead of the original contract time limit of 10 months, from the date of the contract, to complete the project. The original contract describes the work as follows: "Extend the lower adit approximately 600 feet to the northwest within the mineralized zone of the Blaine fissure." When the project was started in June 1952, it was discovered that the adit was caved approximately 134 feet back from the face. For this reason the contract was amended to allow a total of 600 feet of tunnel advance, which includes rehabilitation consisting of spiling through the caved portion, or drifting in the footwall of the Blaine fissure alongside the cave, as well as new drifting.

DESCRIPTION OF WORK COMPLETED

The project was started on the lower adit at a point approximately 134 feet from the northwest face. After spiling and retimbering through caved drift for a distance of 17 feet, the management decided that it would be cheaper to by-pass the crushed area by drifting around it in the mineralized zone in the footwall of the Blaine fissure. The by-pass drift was turned back to the main adit

at two points, first, at approximately 70 feet, and second, at approximately 10 feet from the old face. Both places were caved and still within the crushed area. At the first point of reentry, the old adit was opened for 20 feet, and at the second point, it was opened to and beyond the old face for a distance of 25 feet. The by-pass drift was continued until the Blaine fissure was intersected at a point about 20 feet northwest of the old face of the adit. From that point on, drifting was conducted entirely along the main Blaine fissure or strands of the fissure. A total of 585 feet of advance was completed at the time the contract was terminated.

GEOLOGY

Rocks in the vicinity of the property consist of thin quartzites and interbedded shales. The beds strike northwesterly and dip 12° to 35° northeast. The principal mineralizer in this area is the Blaine fissure, which is a normal fault having undetermined, but probable small displacement. The fissure strikes northwesterly and dips 55° to 70° northeast. Fault gouge and crushed zones are common throughout the exposed length of the fissure. In places, splits or strands horsetail out from the main fissure, in both hanging wall and footwall sides. Finely disseminated pyrite is scattered through the rock in a zone along the Blaine fissure, which, in places, is several feet wide. Ore minerals, consisting chiefly of lead and zinc sulphides in a gangue of quartz, calcite and pyrite, occur

scattered along the fissure. The DMEA exploratory project encountered three separate, small lenses of ore. In each case the concentration of ore minerals occurred in a greenish, calcareous shale. During the exploration, a shipment of ore was produced from each of two of the lenses, and as a result, the ore from these two areas was practically exhausted. Boundaries of the ore in the third lens have not been established, but it is believed that only a few tons are present. The following analyses represent the ores encountered:

Sample	Location	Ounces per ton		Percent		
		Au	Ag	Pb	Zn	Cu
Smelter settlement 39.65 tons	Raise on Lens 1 3 to 4 feet thick	0.0075	0.85	7.41	8.4	0.06
Smelter settlement 48.18 tons	Drift on Lens 2 5 feet thick	0.025	1.545	8.55	9.35	0.275
2-foot cut	Drift on Lens 3 3 feet thick	<0.005	1.8	21.4	23.8	

ORE PRODUCTION

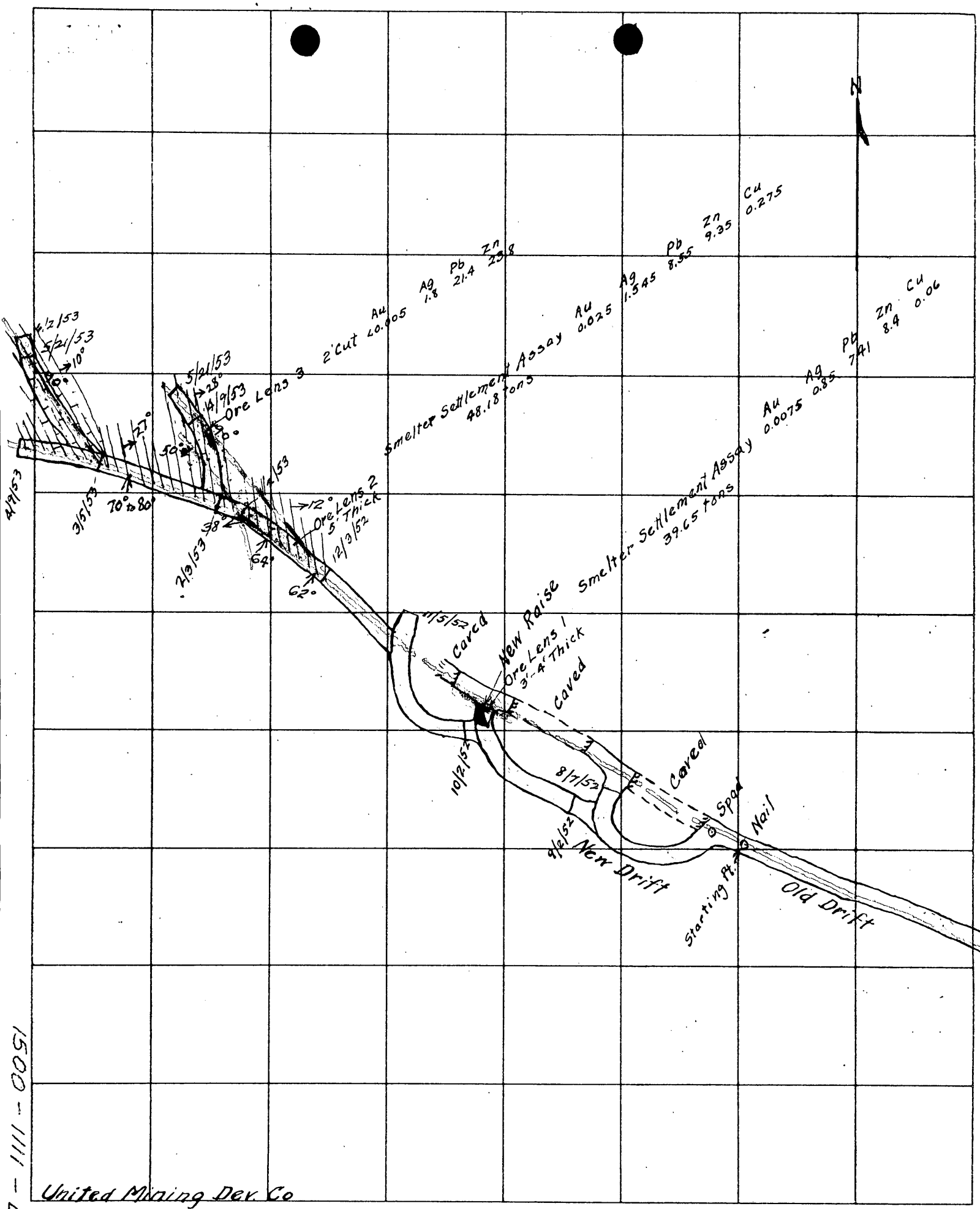
Two lots of ore were produced from lenses encountered in the exploratory project. The first lot, consisting of 48.18 tons wet weight, with a gross value of $1,125.18, shipped to Combined Metals Reduction Co. at Bauer, Utah, brought $43.95 in royalty to the Government. The second lot of 39.65 tons wet weight and gross value of $586.05, shipped to United States Smelting, Refining and Mining Co. at Midvale, Utah, brought $20.71 in royalty to the Government. Total royalties received by the Government as repayment of the loan are $64.66.

EXPENDITURES

The contract allowed expenditure of $16,548.00 for 600 feet of drifting at $27.58 per foot, of which the Government's share, at 50 percent, was $8,274.00. Since only 585 feet of drifting was completed before termination of the contract, the total cost was $16,134.30. The Government's share of this cost, at 50 percent, was $8,067.15. Royalties, in the amount of $64.66, deducted from the above cost, leave a total cost of project to the Government of $8,002.49.

TERMINATION

The contract was terminated after 585 feet of tunnel advance was completed, because of the extremely poor chance of finding ore in the next 15 feet of drifting on the existing poor mineral showing.



United Mining Dev. Co

MINE Ida Mine LOCATION Tooele County, Utah LEVEL Lower Adit

GEOLOGY BY M.H. Howes. SURVEY Brunton SCALE 1" = 50' DATE 1952-1953

1500 - 1111 - 3

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROYALTY REPAYMENTS
AS OF APRIL 30, 1954

Operator

United Mining Development Co. (c)

Contract No.

E-340

Docket No.

1923

Received during April

$ 6.11

Total Received

$ 91.70

Date of Last Receipt

4-14-54

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

224 New Customhouse
Denver 2, Colorado

April 13, 1954

Mr. O. H. Evans
United Mining Development Co., Inc.
144 West 2nd South
Salt Lake City, Utah

Re: Royalty payments
DMEA Docket 1923 (Lead-Zinc)
Contract Idm-E340

Dear Mr. Evans:

Copies of settlement sheets for CMR Co. Lot No. 61 and royalty payment in the amount of $6.11 have been received from Combined Metals Reduction Company.

It is our understanding that hauling charges shown on settlement sheets to date as being paid to United Mining have actually been paid by Combined Metals Reduction Company to a public carrier, payment being made through United Mining.

If this is so, please furnish this office with four copies of a formal statement establishing this fact.

If hauling was performed by the United Mining Development Company this charge is not an allowable deduction for the calculation of the net smelter value upon which the amount of royalty due is based. An official ruling explaining the method of calculation of royalty due the U.S. Government from production from certified DMEA projects is contained in section 10 of the enclosed copy of DMEA Order-1 Amended.

In order to forestall any confusion which may arise as to the proper amount of royalty due the Government we suggest that you request Combined Metals Reduction Company to show the firm name of the company performing the ore hauling on all copies of future settlement sheets instead of showing this payment being made to United Mining. As explained above, if United Mining did their own hauling, this charge is not an allowable deduction.

Please advise us.

Very truly yours,

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

RDB:jp
ccRoyalty File E340
SRWilson - Chron
TAChristensen - RDBerkenkotter
Sec. to Oper. Comm. (2)

Enclosure

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROYALTY REPAYMENTS
AS OF MARCH 31, 1954

Operator

United Mining Development Co. (c)

Contract No.

E-340

Docket No.

1923

Received During Feb. & March

$ 6.93

Total Received

$85.59

Date of Last Receipt

2-16-54

FILE COPY
SURNAME:

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

DMEA

WRGriswold/bjl
3669 4058

February 3, 1954

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

Reurlet January 28, 1954, Docket DMEA-1923, United Mining and Development Company, Inc., Contract Idm-E340, regarding royalties. Tentatively, all transportation costs which are deducted by purchaser in keeping with his usual practice are exempt from royalties. However, milling charges may not be deducted before royalty calculation when Operator mills his own ore.

George C. Selfridge
Chairman, Operating Committee

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Accounts
Mr. Bishop
Mr. Kinkel
Chron.

SENT
FEB 3 1954
Clerical Service Section

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

DMEA 1923

224 New Customhouse
Denver 2, Colorado

January 28, 1954

Memorandum

To: Secretary to the Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Calculation of Royalty due the U.S. Government on ore shipped under DMEA Contracts

Reference is made to your letter dated December 30, 1953, regarding DMEA Contract Idm-E340, United Mining and Development Company, Inc., in which you state that a formal ruling covering questions of royalty calculations would be released shortly after January 1, 1954. To date this information has not been received.

A definite ruling as to the allowability of hauling charges and milling charges when performed by the operator himself or by a third party other than the smelter to whom the ore is sold is urgently needed in order that royalty due on DMEA ore may be correctly calculated.

Please inform this office by teletype when we may expect the information referred to in your letter.

W H King.
W. H. King

FILE COPY
SURNAME:

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

DEC 30 1953

Mr. [illegible] M. King, Executive Officer
[illegible] Field Team, Region IV
224 New Customhouse Building
Denver 2, Colorado

Re: Docket No. [illegible] 1923 (Lead-Zinc)
United Mining & Development Co, Inc.
Ida Mine
Tooele County, Utah
Contract No. Idm-E340

Dear Mr. King:

We have your memorandum of December 18, 1953, referring to the above project.

We believe that shortly after the end of this year we will have a formal ruling covering questions of royalty calculations, and we shall advise you immediately thereafter.

Sincerely yours,

George C. Selfridge (JHB)
Chairman, Operating Committee

[illegible]:

J. H. Hedges (JHB)
Member, Bureau of Mines

D. M. Larrabee (JHB)
Member, Geological Survey

WRGriswold/hmj (12-28-53)

CC to: Docket
Adm. R. File
Op. Committee
Mr. Kinkel
Mr. Bishop
Base Metals Division

R.C.S. 12-30-53

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

224 New Customhouse
Denver 2, Colorado

December 18, 1953

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMEA 1923 (Lead-Zinc), Contract Idm-E340, United Mining and Development Company

Reference is made to your teletype dated December 16, 1953 regarding ore haulage.

The United Mining and Development Company has shipped three lots of ore. The first two lots were trucked to Jericho, Utah at the rate of $3.00 a ton. Lot No. 1 was shipped by rail to Bauer, Utah; Lot No. 2 was shipped by rail to Midvale, Utah. Lot No. 3 was hauled by truck from the mines to Bauer, Utah at the rate of $7.00 per ton.

All trucking was done by private truckers. The United Mining and Development Company paid the trucking charges. The settlement sheets carried the trucking charges as a separate item payable to the United Mining and Development Company. In all three cases the United Mining and Development Company received payment as an intermediary between the ore buyer and the trucker.

W. H. King

FILE COPY
SURNAME:

Original
Selfridge
Mathewson

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

INTERIOR DEPARTMENT
AGENCY: DMEA

Originator: WRGriswold/bjl
Rm: 4058 Ext: 3669

Date: December 16, 1953

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

Reurtt December 15, Docket DMEA-1929, United Mining and Development Company, Contract Idm-5340. Please advise if ore haulage was done directly by company or by haulage contractor who was then reimbursed by company. Upon receipt of this information, letter will be prepared.

George C. Selfridge
Chairman, Operating Committee (WB)

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals (DMEA)
Accounting
Mr. Kinkel (USGS)
Mr. Bishop (USBM)
Chron.

SENT
DEC 16 1953
Clerical Service Section

R.C.S.
12-16-53

Mr. George C. Selfridge
12-15-53
4:05 P.M.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 16 1953

BUR MINES DN 235 12-15-53 1-56 PM

CHAIRMAN OPERATING COMMITTEE, DMEA

REURTT DECEMBER 3,1953, ROYALTY CALCULATIONS, DOCKET NO. DMEA 1923, CONTRACT IDM-E340, UNITED MINING AND DEVELOPMENT COMPANY. LETTER REFERRED TO HAS NOT BEEN RECEIVED.

W H KING

Denver, Colo.

DEC 16 8 29 AM '53

BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

DEC - 4 1953

Griswold
Carlson
Quinn
Engman
Hedges
Foshay
Selfridge
Johnson

Mr. C. [illegible] Evans, Secretary-Treasurer
United Mining Development Co., Inc.
144 West 2nd South
Salt Lake City, Utah

Re: Docket No. [illegible] 1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract No. Idm-340

Dear Mr. Evans:

Transmitted herewith is a "Certificate of Discovery or Development" related to the Exploration Project Contract No. Idm-340, dated June 6, 1952, on the lands described in the contract.

By the terms of the Exploration Project Contract and of the Certification, all production from the lands described in the contract after June 6, 1952, the date of the contract, are subject to the Government's percentage royalty as set forth in the said contract until the sum of $8,067.15, which the Government has advanced as its participating interest is repaid, or until June 6, 1962, whichever occurs first.

Payments should be made to Mr. [illegible] King, Executive Officer, [illegible] Field Team, Region IV, 224 New Customhouse Building, Denver 2, Colorado. Checks should be drawn in favor of the Treasurer of the United States. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward the checks to the Executive Officer.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets, showing quantity and grade of the products sold, the name of the purchaser, and the price and charges, certified to be correct by the purchaser.

You are requested to notify Mr. King of any changes in ownership or production rights that might affect the Government's right to its percentage royalty. Also, if production ceases at any time for an extended period please notify Mr. King at six-month intervals that such is the case.

Sincerely yours,

G. O. Mittendorf (for)
Administrator

Enclosure

12-4-53

WRGriswold/hmj (11-3-53)
CC to: Docket
Irving Gumbel, Dr. MD, EPS
Mr. Hedges, Rm 4604
Mr. Thayer, 5216, GSA Bldg.
Adm. R. File
Op. Committee
Cont. and Audit Div.
Finance Office
Region IV (2)
Mr. F. E. Johnson
Mr. Griswold
Base Metals Div.
Chron.

FILE COPY
SURNAME:

Financial
KANE
Butin
Olsenlun
Hedges
Gorsuch
Gelbridge
K. Johnson

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

DEC - 4 1953

Mr. Irving Gumbel, Director
Materials Division
Emergency Procurement Service
General Services Administration
Washington 25, D. C.

Re: Docket No. DMA 1923 (Lead-Zinc)
United Mining & Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract No. Idm-340

Dear Mr. Gumbel:

Enclosed is a copy of a "Certificate of Discovery or Development" related to Exploration Project Contract No. Idm-340.

The contract was dated June 6, 1952, with the Government participating to the extent of 50 per cent in an exploration project estimated to cost $16,548.00. Actual expenditures were $16,134.30, with the Government's share being half of such amount, or $8,067.15.

The total amount of work provided for under the contract consisted of drifting for 600 feet. Work actually done consisted of 585 feet of drifting.

The discovery consisted of lead-zinc ores with auxiliary amounts of silver occurring in a fissure in calcareous shale, both as a vein and as deposits of replacement type. Due to the erratic nature of the deposits, it would be difficult to make an estimate as to an ore reserve tonnage.

WRGriswold/hmj
(11/3/53)

Sincerely yours,

C. O. Mittendorf
Administrator

CC to: Docket
Mr. Hedges, Rm 4604
Mr. Thayer, 5216, GSA Bldg.
Adm. R. File
Op. Committee
Finance Office
Region IV (2)
Mr. F. E. Johnson
Mr. Griswold
Base Metals Division
Chron.

Enclosure

12-4-53

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

FILE COPY
SURNAME:

Original
Selfridge
Matteucci

DEPARTMENT OF THE INTERIOR
AGENCY: DMEA

Originator: WRGriswold/bjl
Rm.: 4058 Ext. 3669

Date: December 3, 1953

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

From settlement sheets available on ore shipments of United Mining and Development Company, Inc., Docket No. DMEA-1923, Contract Idm-E340, it appears that Operator's haulage costs are deducted before royalty calculations. This is not in accord with allowed deductions. Letter follows.

George C. Selfridge
Chairman, Operating Committee (GCS)

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals (DMEA)
Accounts
Mr. Bishop (USBM)
Mr. Kinkel (USGS)
Chron.

SENT
DEC 3 1953
Clerical Service Section

R.C.G. 12-3-53

Defense Minerals Administration
RECEIVED
FEB 4 1953

FILE COPY
SURNAME:

140

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

NOV 24 1953

Keating
Griswold
AEKane
Rubin
Keating
Griswold
Talbert
Hofflund
AEKane
Keating
Griswold
Chandler
Martin

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

Rewritten by

Re: Docket No. DMEA-1923 (lead-zinc)
United Mining Development Co., Inc.
Tooele County, Utah
Contract No. Idm-E340

Dear Mr. King:

In your memorandum to the Administrator dated October 13, you inquire ". . . if a formal termination agreement is necessary . . . where only a minor amount of the work is not completed."

The description of the work is "600 feet of tunnel advance, including rehabilitation and new drifting." The attachments accompanying your letter state that: "The Operator completed 585 feet, and because of the lack of mineralization in the Blaine fissure at this point, believed it advisable to terminate the work. This office recommends that the Operator's request be granted."

Ordinarily, the footage of work specified in an exploration project contract is something of an estimate, and precise compliance is not required. In any case where the work has been substantially completed, is satisfactory to the Government, and both parties wish to treat the work as completed, no termination agreement is necessary. The winding up and settlement of the contract and of the account with the Operator will be sufficient evidence of the agreement of the parties.

Sincerely yours,

~~Enclosures~~

W. S. Martin
ACTING Chairman, Operating Committee

Approved:

Ira H. Hedges
Member, Bureau of Mines

A. R. Kinkel, Jr.
Member, Geological Survey

AGKeating/AEKane/JLHofflund/ema
11-19-53

Copy to: Mails & Files, Adm. R. File, Op. Comm., Mr. Thayer, Mr. Hedges, ~~Mr. Hedges~~, W.R.Griswold, J. L. Hofflund, A. E. Kane, Chron., Pending

R.C.J. 11-24-53

FILE COPY
SURNAME:

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

Rewritten by

Keating
Griswold
AEKane
Baker
Keating
Talbert

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

Re: Docket No. DMEA-1923 (lead-zinc)
United Mining Development Co., Inc.
Tooele County, Utah
Contract No. Idm-E340

Dear Mr. King:

Reference is made to your memorandum to the Administrator dated October 23, 1953, in which you ask whether a formal termination agreement is necessary where all except a minor amount of the work has been completed.

An agreement to terminate the work should be entered into wherever possible when the work provided for by the contract has not been fully completed, and both parties desire that no further work be done. Enclosed for your use is such an agreement which you will please return for the signature of the Administrator after it has been signed by the Operator. Where it is contemplated that a certification of discovery or development should issue, the contract itself should never be terminated, although an agreement terminating further work may be entered into.

If there is any possibility of a certification of a discovery or development being issued in this case, such a certification should be issued as soon as possible in order to bind the lessor of the property in this case as he has signed only a Landlord's Subordination Agreement and not an Owner's Consent to Lien.

Sincerely yours,

Enclosures

Approved:

Chairman, Operating Committee
Written by AGKeating/10-27-53
Rewritten by AEKane/ema/11-3-53
cc: Mails & Files
Adm. R. File
Op. Comm.
Mr. Thayer
Mr. Hedges
W. R. Griswold
J. L. Hofflund
A. E. Kane
Chron.
Pending

Member, Bureau of Mines

Member, Geological Survey

FILE CO
SURNAME

500

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

Keating
Finished

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

Re: Docket No. DMEA-1923 (Lead-Zinc)
United Mining Development Co., Inc.
Ida Mine
Tooele County, Utah
Contract No. Idm-E340

Dear Mr. King:

This refers to your memorandum to the Administrator dated October 13, 1953, in which you make inquiry regarding a formal termination agreement before completion of the work provided by the contract, but where only a very minor portion of the program remains incompleted.

As a general rule a project may be terminated by mutual consent as follows:

1. If it can be certified.

2. If the work to date has not definitely disproved objectives and there is still a possibility of certification with additional work, in which case the termination agreement should include a clause guaranteeing repayment of the Government's participation on a royalty basis from future production as though the project had been certified.

3. If the work to date has definitely indicated that the project would never be certified if it were completed, in which case a repayment clause is not necessary.

In your memorandum of September 30, 1953 regarding the subject company, you advise us that recommendations relative to a certification of discovery are pending in the field. Under the circumstances, if it is determined that certification is to be made, then termination by mutual consent may be made. If certification cannot be recommended, but there is a possibility of future production, then the clause guaranteeing repayment should be included in the termination agreement.

In cases where there is any question as to proper procedure we suggest that you advise us giving the circumstances, the required data, and your recommendations so that we may determine the necessary action and prepare an agreement for your execution.

Sincerely yours,

Chairman, Operating Committee

APPROVED:

Member, Bureau of Mines

Member, Geological Survey

AGKeating/bjl (10/27/53)

Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
Mr. Bishop
Mr. Kinkel
Chron.

not used

Docket Copy

TERMINATION OF WORK UNDER AN EXPLORATION PROJECT CONTRACT BY AGREEMENT

It is agreed this ____ day of _____, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and United Mining Development Company, Inc., hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-5340, Docket No. DMEA-1923, dated June 6, 1952, that:

1. All exploration work under the said contract shall be terminated as of the date first above written.

2. Any work prosecuted by the Operator after the date first above written shall be for the sole account of the Operator.

3. The undersigned Operator hereby releases and agrees to save the Government harmless from all claims and demands under or arising out of said Exploration Project Contract.

4. The Government's right to a percentage royalty on production and lien for its payment, and all provisions relevant thereto, are preserved with respect to all of the land described in the contract and any production therefrom, in the same manner and to the same extent as if the Government, as of the date first above written, had made its certification of discovery or development as provided in the Exploration Project Contract.

Witness the following signatures as of the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Administrator, Defense
Minerals Exploration
Administration

OK and Robin Talbert

UNITED MINING DEVELOPMENT COMPANY, INC.

By _____

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

Defense Minerals Administration
RECEIVED
NOV 30 1953

224 New Customhouse
Denver 2, Colorado

November 5, 1953

Memorandum

To: Secretary to the Operating Committee
Defense Minerals Exploration Administration

From: Executive Officer, DMEA Field Team, Region IV

Subject: Recommendation of Certification, Contract Idm-E340, Docket DMEA 1923, United Mining Development Co., Inc., Tooele County, Utah (Lead-Zinc)

Enclosed are four copies of a Recommendation of Certification covering Contract Idm-E340.

W. H. King

W. H. King

Enclosures

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

November 3, 1953

Memorandum

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

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

Subject: Docket No. DMEA 1923 (Lead-zinc), Contract Ida-E340, United Mining Development Co., Inc., Tooele County, Utah

Enclosed are six copies of a memorandum prepared by M. M. Hewes concerning recommendation for certification of discovery on the subject property.

Small bodies of lead-zinc ores were disclosed by the exploratory work in the zone of the Blaine fissure. Two small lots of ore totaling 87.83 tons were shipped during the period of the exploratory work. Production history of the property indicates that additional similar small ore bodies may be found by work along the Blaine fissure. The short-form contract requires that royalty be paid the Government on production from property included in Article 2 of the contract. It is believed that ores in addition to those already shipped will be mined from the property within the total contract period. It is recommended that a certification of discovery be issued.

Stephen R. Wilson

Stephen R. Wilson

Enclosure

S. R. Wilson November 2, 1953

M. H. Hawes

Docket No. DMEA-1923 (Lead-Zinc), Contract Ida-E340, United Mining Development Co., Inc., Ida Mine, Tooele County, Utah. Recommendation for certification of discovery.

The area from which production will be subject to the Government's percentage royalty is the same as that set forth in Article 2 of Contract Ida-E340.

Three separate, small lenses or pods of ore were encountered during the course of the DMEA exploratory project. These deposits, consisting of galena and sphalerite concentrations, occur along the Blaine fissure in a greenish, calcareous shale. The ore occurrence is a combination of vein and replacement type deposits with the Blaine fissure acting as the structural control.

A shipment of ore was produced from each of the first two lenses, and as a result these deposits were practically exhausted. Boundaries of the ore in the third lens have not as yet been established.

Lens No. 1 was 3 to 4 feet thick, about [illegible] feet long, and 25 feet high. A lot of 39.65 tons of ore, assaying 0.0075 ounce gold and 0.85 ounce silver per ton, 7.41 percent lead, 8.4 percent zinc and 0.06 percent copper, was produced.

Lens No. 2 was 5 feet thick, about 15 feet long, and 8 feet high. A lot of 48.18 tons of ore, assaying 0.025 ounce gold and 1.545 ounces silver per ton, 8.55 percent lead, 9.35 percent zinc, and 0.275 percent copper, was produced.

As already stated, lens No. 3 has not yet been delineated. However, it can be assumed that this ore body will contain about the same value as the average of the other two. The lens, where exposed, is 2 feet thick. Analysis of a 2-foot cut sample is 0.005 ounce gold, and 1.8 ounces silver per ton, 21.4 percent lead and 23.8 percent zinc.

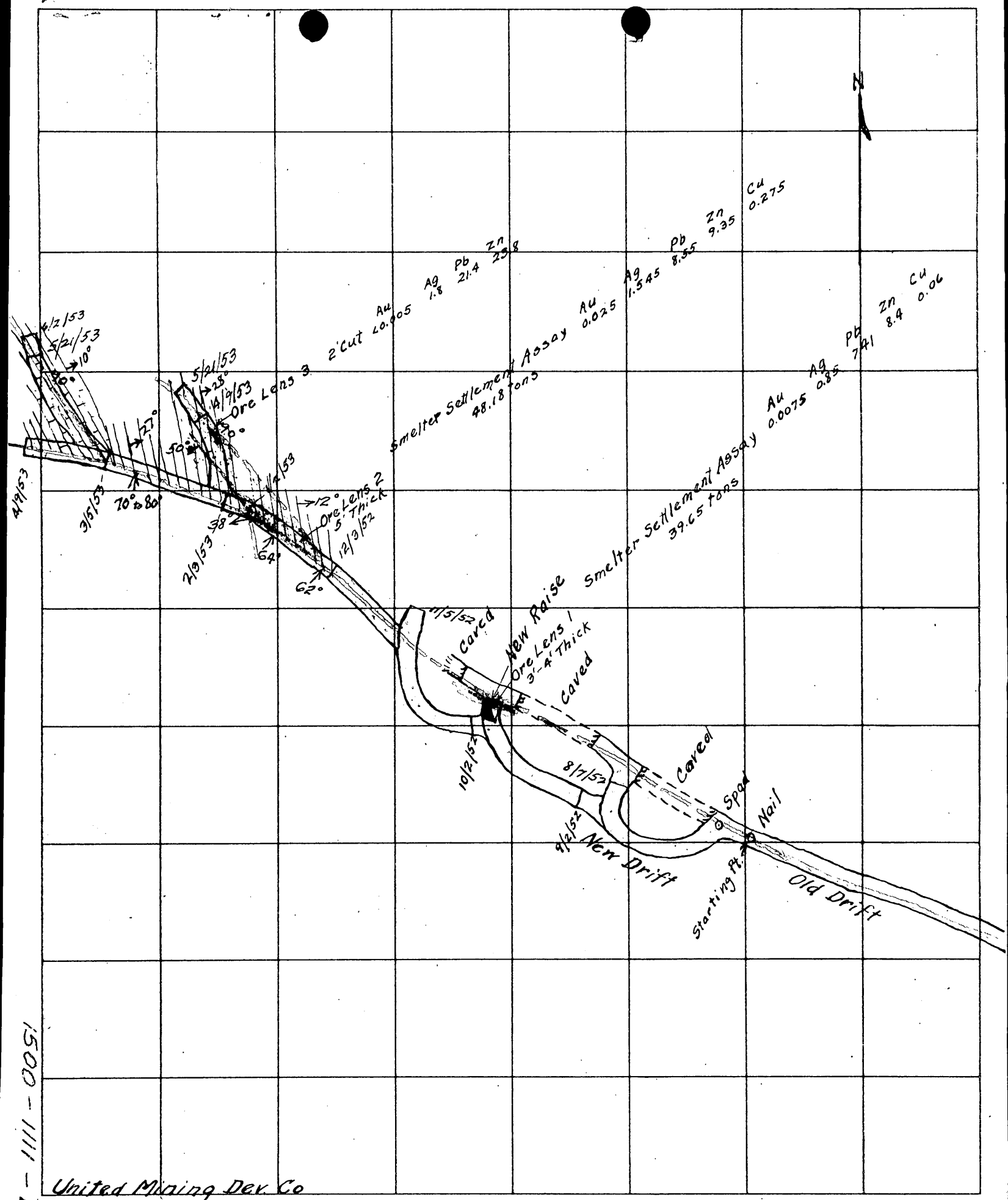
Gross value of the two lots of ore produced, comprising 87.83 tons, was $1,711.23, or an average of $19.48 per ton. The royalties received by the Government to date total $64.66.

History of the property shows similar lens or pod ore occurrences in the old mine workings along the Blaine fissure. No production record prior to the DMEA project is available, but it has been reported that the mine has produced several thousand tons of ore.

Because of the nature of the ore occurrences at the Ida mine, it would be extremely difficult to make an ore estimate with any degree of reliability. It is believed, however, that possibilities for encountering future ore bodies along the Blaine fissure, similar to those of the past, are good. It is therefore recommended that certification of discovery be made for this property.

M. H. Howes

M. H. Howes



United Mining Dev. Co

MINE Ida Mine LOCATION Tooele County, Utah LEVEL Lower Adit

GEOLOGY BY M.H. Howes. SURVEY Brunton SCALE 1" = 50' DATE 1952-1953

E - 1111 - 0051

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 16 1953

224 New Customhouse
Denver 2, Colorado

October 13, 1953

Memorandum

To: C. O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMEA 1923 (Lead-Zinc), Contract Idm-E340
United Mining Development Co., Inc., Tooele County, Utah

Enclosed are the original and three copies of a letter from O. H. Evans of the United Mining Development Company, Inc., dated October 6, 1953, and transmittal thereof from the Chief of the Minerals Development Branch, Mining Division, Region IV, dated October 8, 1953, which are relevant to the termination of the contract after starting, but before completion of all work authorized in the contract.

Please advise if a formal termination agreement is necessary, as in this case, where only a minor amount of the work is not completed.

John F. Shaw
For W. H. King

Enclosures

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

Minerals Management
RECEIVED
OCT 16 1953

October 8, 1953

Memorandum

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

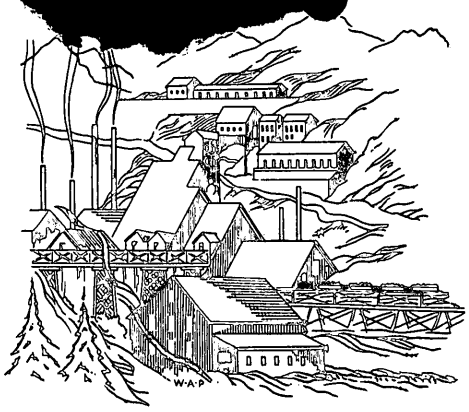
From: Chief, Minerals Development Branch, Mining Division, Region IV

Subject: Docket No. DMEA 1923 (Lead-zinc), Contract Idm-E340, United Mining Development Co., Inc., Tooele County, Utah

Attached are six copies of a letter received from the subject operator requesting permission to terminate the contract work at a point 15 feet short of the allowable footage. The total work allowed by contract is 600 feet of drifting. The operator completed 585 feet, and because of the lack of mineralization in the Blaine fissure at this point, believed it advisable to terminate the work. This office recommends that the operator's request be granted.

Stephen R Wilson
Stephen R. Wilson

Enclosure



PHONE 9-1221

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 13 1953

United Mining Development Company, Inc.

144 WEST 2ND SOUTH
SALT LAKE CITY, UTAH

October 6, 1953

Mr. Steve Wilson
U. S. Bureau of Mines
Salt Lake City, Utah

Dear Mr. Wilson:

In accordance with your request, this letter will confirm information contained in our final report that it was our desire to terminate our DMEA contract even tho we were fifteen feet short of completing the six-hundred feet allowed. The fissure was quite barren at this point with little probability of finding ore in the fifteen feet remaining in the contract. Therefore in the intrest of economy for ourselves and DMEA we requested that we be permitted to terminate the contract. We felt that our money could be spent to better advantage in some other section of the mine. Your department concurred and we ceased drifting at this point.

Very truly yours

O. H. Evans

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 5 1953

224 New Customhouse
Denver 2, Colorado

September 30, 1953

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMEA 1923 (Lead-Zinc), Contract Idm-E340, United Mining & Development Co., Inc., Ida Mine, Tooele County, Utah

Reference is made to your letter of August 24, 1953, wherein you inquire as to the status of work under the subject contract.

The operator believed it advisable to terminate the contract work at the extent of 585 feet in lieu of the 600 feet authorized under the contract. The work was completed to that extent on May 26, 1953 at a reported expenditure of $16,134.30.

Recommendations relative to a certification of discovery are pending in the field and will be forwarded as soon as received.

W. H. King

W. H. King

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

[redacted]tomhouse
[redacted]olorado

August 28, 1953

Memorandum

To: S. R. Wilson

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMEA-1923 (Lead-Zinc), Contract Idm-E340, United Mining and Development Co., Inc., Ida Mine, Tooele County, Utah

Enclosed is a copy of a letter, dated August 24, 1953, from the Acting Chairman of the Operating Committee, inquiring as to the status of work under the subject contract.

The last information in this office is that work was completed May 26, 1953. However, we have not received Form MF-104, Operator's Monthly Report and Voucher, for the month of May.

Please request the operator to supply the missing report and advise us so that we may answer the letter from Washington.

W. H. KING

W. H. King

Enclosure

JWT:jp
cc Contract
Chron
AHKoschmann
JWTownsend
Chairman, Operating Committee

500 FILE COPY
SURNAME:

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

Keating
Original
Ellis
Attendant

AUG 24 1953

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

Re: Docket No. DMEA1923 (Lead-Zinc)
United Mining and Development Co., Inc.
Ida Mine, Tooele County, Utah
Contract No. Idm-5340

Dear Mr. King:

This is to inquire regarding the status of the above project. The contract executed June 6, 1952, provides for completion of the work within ten months, extended by amendment No. 2 to twelve months to June 6, 1953. We have not been informed that recess of work or further extension of time has been allowed.

We note that the last Operator's Monthly Report for the month of April 1953 shows that of the total estimated cost of the project, $16,548.00, there remains $661.92 unexpended. Royalties have been paid to the Government because of a discovery or development which has resulted from work under the contract, therefore, it is evident that a certification should be made.

If you have not already done so, we suggest that you determine the status of this project at your early convenience, and if the project is to terminate, you forward the required reports and recommendations so that formal notice may be given and certification effected.

Sincerely yours,

Ernest Wm. Ellis
EGS

ACTING Chairman, Operating Committee

AGKeating/hmj
(8/21/53)
CC to: Docket
Adm. R. File
Op. Committee
Base Metals Division
Mr. Kinkel
Mr. Bishop
Chron.

Concurred:

M. H. Kline EGS
Member, Bureau of Mines

D. M. Larrabee
EGS
Member, Geological Survey

8-24-53

Docket Copy

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 20 1953

224 New Customhouse
Denver 2, Colorado

April 17, 1953.

Memorandum

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

From: Executive Officer, DMEA Field Team, Region IV

Subject: Docket No. DMEA-1923, Contract Idm-E340 (Lead-Zinc), United Mining Development Company, Inc,

Enclosed are the original and two copies of Amendment No. 2 to Contract Idm-E340, Docket No. DMEA-1923.

Copies of this Amendment have been given to the Operator, Fiscal Officer, Region IV, and a copy has been retained for our files.

Also enclosed are three copies of a letter from the Operator requesting this Amendment.

W. H. King
W. H. King

Enclosures

RECEIVED
APR 30 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

case 5/14

PHONE 9-1221

United Mining Development Company, Inc.

144 WEST 2ND SOUTH
SALT LAKE CITY, UTAH

April 1, 1953

DEPARTMENT OF THE INTERIOR
Bureau of Mines
RECEIVED
APR 6 1953

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

Dear Mr. King:

Re DMEA Docket 1923, contract Ida-E 340, United Mining Development Company, Inc., which expires on April 6, 1953.

It is requested that the expiration date be extended for an additional sixty days in order to enable us to complete the specified footage as per contract. This extension is necessary because of the time lost in unexpected heavy ground and caving conditions, and also to time consumed in running air-raise.

Very truly yours,

UNITED MINING DEVELOPMENT COMPANY, INC.

O. H. Evans

O. H. Evans
Secretary-Treasurer

ohe/vm

Docket copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 29 1952

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

224 New Customhouse
Denver 2, Colorado

October 22, 1952

DMEA 1923

Memorandum

To: C.O. Mittendorf, Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region IV

Subject: Amendment No. 1 to Contract Idm-E340, United Mining Development Company, Inc. (Lead-Zinc)

Enclosed are the original and two copies of Amendment No. 1 to Contract Idm-E340. Copies of this amendment have been given to the operator, the Fiscal Officer, Region IV, and a copy has been retained for our files.

Also enclosed are three copies of a letter from the operator requesting this amendment, three copies of a memorandum from the Bureau Engineer recommending this amendment, and three copies of a letter from the operator certifying as to the cost of spiling through part of the caved area.

W. H. King

W. H. King

Enclosures

RECEIVED
NOV - 7 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

10-29-52

FILE COPY
SURNAME:

200

Adams
FE Johnson

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

JUL 25 1952

Mr. H. C. King
Executive Officer
Region IV
Bureau of Mines
224 New Customhouse Building
Denver 2, Colorado

Dear Mr. King:

There is enclosed herewith the Finance Office's copy of Contract Idm-E340, Docket No. DMEA 1923, on the United Mining Development Company, Inc.

Ordinarily this copy of the contract would be transmitted by the Bureau of Mines Fiscal Office, however, in accordance with a new circular being prepared, the copy for the Finance Officer will be distributed by the Executive Officer at the time a copy is retained for his files, and a copy forwarded to the operator.

The DMEA circular covering this change will be issued shortly.

Sincerely yours,

(signed) FRANK E. JOHNSON (B.J.H.) JN 7-25-52

Acting Administrator
Defense Minerals Exploration
Administration

Enclosure
READams/meb
7-23-52
cc to: Adm.Reading File
Mails & Files Br.

SD

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

224 New Customhouse
Denver 2, Colorado

July 15, 1952

Memorandum

To: Acting Administrator, Defense Minerals Exploration Administration, Attention: Code 210

From: Field Team, Region IV

Subject: Final Report, DMA Docket 1923, (Lead-Zinc) Ida Mine, Tooele County, Utah

Attached are four copies of the final report on DMA-1923.

The contract is signed and is in effect.

W. H. King

W. H. King

Donald R. Macharen
for
A. H. Koschmann

Enclosures

SDS
7-21-52

Mining Division
Region IV

December 18, 1951

Memorandum

To: BMM Field Team, Region IV

From: Chief, Mining Division, Region IV

Subject: Final Report, BMM Docket 1923, Ida Mine (Lead-Zinc),
Applicant: United Mining and Development Co., Inc.,
656 South 2nd West, Salt Lake City 4, Utah

The application of the subject docket was for government assistance in exploration work estimated to cost $11,218.37. The work proposed consisted of extending the adit 600 feet on the Blaine Fissure in the lower adit.

The Geological Survey does not participate in the examination of this property.

The applicant's estimate of costs was considered to be too low.

The examining engineer recommends the project for Government assistance and submitted a revised estimate of costs totaling $16,543. Government participation would be 50 per cent, or $8,272.

We concur in the recommendations of the examining engineer.

W. H. King
W. H. King for
Paul V. Allaman

December 14, 1951

Memorandum

To: Paul T. Allsman, Chief, Mining Division, Region IV

From: Chief, Utah-Wyoming Branch, Mining Division

Subject: DMA 1923, United Mining and Development Co., Ida Mine, Tooele County, Utah

Under separate cover we have mailed the original and 7 copies of the subject report, together with a section on Summary, Conclusions and Recommendations. The brochure and 10 copies of Figures 2, 3 and 4 have also been transmitted under separate cover.

The Survey did not participate in the examination of this property. The examining engineer, R. L. Middleton, recommends that 600 feet of drifting be done on the property. It appears that a fair chance exists that a moderate tonnage of lead-zinc ores will be disclosed by the proposed exploration.

I concur with the recommendations in the report.

Stephen R. Wilson

Stephen R. Wilson

Reviewed by
DMEA OPERATING COMMITTEE
7-25-52
(date)

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

By R. L. Middleton

The Ida property in the Erickson district, Tooele County, Utah, under lease to United Mining and Development Co., was examined by a Bureau of Mines engineer during October 1951. The lessee has requested a DMA loan of $11,278.37 to explore a mineralized fissure 600 feet along its strike.

Rocks in the area of the Ida property consist chiefly of quartzite with intercalated chloritic shale. An irregular mass of fine-grained granitic rock has intruded the sediments and is exposed in one area at the surface a short distance from the underground workings. Lead-zinc mineralization is present in the northwest-striking Blaine fissure which roughly parallels the strike of the enclosing rocks in the area of development. Mineralization consists of galena, sphalerite and pyrite in a gangue of quartz and calcite. Ore shoots are found along the fissure principally in areas of intersection of the fissure and favorable chloritic shale.

Cost of the proposed drifting, as estimated by the applicant, is believed to be too low. The examining engineer has estimated the proposed 600 feet of drifting will cost $16,548.

It is concluded that a fair chance exists that sufficient ores will be found to repay the proposed loan. It is recommended that the United Mining and Development Co. be granted a loan of $16,548 to complete 600 feet of drifting as outlined in the report.

UNITED MINING AND DEVELOPMENT CO.
IDA MINE
TOOELE COUNTY, UTAH
DMA-1923
Lead-zinc

Engineering and Geologic Report

By: R. L. Middleton
Mining engineer
Bureau of Mines

UNITED MINING AND DEVELOPMENT CO.
IDA MINE
TOOELE COUNTY, UTAH

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Description of the deposits	4
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ILLUSTRATIONS

Fig. 1 Location map, Ida mine, Tooele County, Utah.
Fig. 2 Geologic plan of surface.
Fig. 3 Idealized section AA'.
Fig. 4 Plan of underground workings.

INTRODUCTION

A preliminary examination of the Ida lead-zinc property was made October 10, 1951, by R. L. Middleton of the U. S. Bureau of Mines. The engineer was accompanied to the property by John Bernard, mine lessee and manager.

Application for exploration, Docket DMA 1923, asked approval of a $11,218.37 loan with Government participation of 50 percent in matching funds. The cost estimates included in the loan application have been revised to $16,548, and this cost is agreeable to the Ida mine management.

ACKNOWLEDGMENTS

Data obtained from U. S. Geological Survey Professional Paper 111 by B. S. Butler and G. F. Loughlin, War Minerals Report of the Blaine Mine (1944) by J. I. Kasteler, U. S. Bureau of Mines, and report and maps by Francis Cameron of the International Smelting and Refining Company were used in preparation of this report.

LOCATION AND TOPOGRAPHY

The Ida property lies on the south slope of the Simpson Mountains in the southeast part of Tooele County, Utah (fig. 1). The specific location is 55 miles west of Eureka, Utah, in T. 10 S., R. 8 W., S.L.B.M., Erickson mining district. The best route to the mine is a graveled road westerly for 27 miles from U. S. Highway 6 at Jericho, 17 miles south of Eureka, thence north 10 miles by dirt road.

The property, at an altitude of approximately 6,000 feet, is in a region of sparse vegetation which affords a limited supply of poor mine timbers. The topography is moderately steep, and hill slopes insure drainage, dumpage, and mining backs. A spring in Blaine Canyon, 100 yards north of the camp site, yields culinary water, and drainage from the lower adit furnishes mill and mine water.

HISTORY AND PRODUCTION

During the 1880's the Ida mine, then known as the Blaine mine, produced 100 tons of lead carbonate ore from the shallow, oxidized zone of the Blaine fissure. From 1918 to 1925 the property, operated by the Utah Zinc Co., produced 85 tons of ores which averaged 2.2 ounces of silver per ton, 19.5 percent lead, and 13.7 percent zinc. During the past year, the present mine management has rehabilitated the lower adit and 115 tons of ores averaging 10.3 percent lead and 9.6 percent zinc has been produced. The adjoining property to the west, the Bar-X mine, is producing approximately 150 tons of lead-zinc-silver ores per week.

OWNERSHIP AND EXTENT

The Ida mine property, owned by James Morgan of Eureka, Utah, consists of six unpatented lode mining claims. These claims are leased to the United Mining and Development Co. of Salt Lake City. John Bernard, president of the company and Ida mine manager, stated that a landlord's subordination agreement can be obtained from Morgan.

DESCRIPTION OF THE DEPOSITS

Rocks in the immediate area of the Ida property are principally quartzite with intercalated chloritic shale. A small, irregular mass of fine-grained granitic rock has intruded the area and is exposed at the surface a short distance to the northwest of the underground workings (fig. 2).

Structure in the area is essentially homoclinal. The sedimentary series strikes northwest and dips 25° to 35° northeast. The Blaine fissure, the most prominent in the area, roughly parallels the strike of the enclosing rocks in the area of development. The fissure dips steeply to the northeast. Considerable movement has taken place on the fissure as shown by strong slickensides present in the wall rocks, and crushing of fissure filling.

Mineralization consists of galena, sphalerite and pyrite with quartz and calcite gangue as fissure filling. Little replacement of the wall rock has occurred. Minable ore is found in small shoots along the fissure, principally in areas of intersection of the fissure and favorable chloritic shale. The shoots vary from 1 to 4 feet in width, probably averaging approximately 3 feet.

Outcrops of the Blaine fissure are covered by considerable overburden northwest of the underground workings; thus, the strike length of the fissure has not been determined. The relation of the

strike and dip of the fissure with the topography is favorable for development of extensive backs above the lower adit, as drifting progresses to the northwest.

The wall rock of the Blaine fissure is not highly altered and stands fairly well without timber. Timbering is necessary in some areas that have been crushed by movement.

MINABLE ORE RESERVES

Francis Cameron, while employed by the International Smelting and Refining Co., reported 11,087 tons of assured ores assaying 5.6 percent lead and 6.66 percent zinc ores. The mine produced 115 tons of ore, principally from rehabilitation work, after the above estimate was made. No sampling was done relative to the preparation of this report, but examination of the irregular and sporadic mineralization suggests a tonnage estimate less than that given by Cameron.

PRESENT STATUS

The Ida mine has been developed by three adits which expose the Blaine fissure for 1,200 feet (figs. 2, 3 and 4). Except for replacing a few rail sections, the lower adit has been rehabilitated and exploration work can begin from that area.

The mine is adequately equipped with housing, tool shed, compressor house, mining equipment and tools. A gravity mill with a capacity of 2 tons per hour has the following flow sheet:

1. 15-ton wooden ore bin
2. Automatic pan feeder
3. Shaker screen with 1/4" openings
4. Screen undersize feeds mechanical activated jig
5. Screen oversize feeds hammer mill set at 1/4" discharge
6. Jig tails flow by gravity to tailing pond
7. Jig concentrates shipped by truck to Combined Metals Reduction Co. at Bauer, Utah.

Efficiency of metallurgical recovery would be increased by finer grinding and greater jig area, followed by flotation. The management intends to make these improvements whenever ore reserves justify the cost of mill capacity increase.

PROJECT PROPOSALS WITH COSTS

The proposed project consists of extending the lower adit approximately 600 feet in a northwest direction within the mineralized zone of the Blaine fissure (figs. 2 and 4). The applicant has estimated the program will cost $11,218.37; however, this cost is based on a direct cost of $10 per foot for drifting, which is too low. The cost of this drifting, as estimated by the examining engineer, is $27.33 per foot. A total of 200 working days will be required to complete the project.

Cost of Drifting
(3 feet advance per 8-hr. shift)

Labor - 2 miners at $13.50 per shift 1 miner-supervisor at $14.00 per shift	$ 41.00
Insurance, compensation, etc., 11 percent of payroll	4.51
Mine rail and accessories	2.25
Pipe, 2" air line	1.05
Bits, tungsten-carbide inserts	.45
Gasoline and oil for compressor	8.00
Explosives (powder, fuse and caps)	9.00
Timber, including ties	7.00
Equipment depreciation (company owned)	2.48
Equipment maintenance, repair and parts	1.75
Transportation of supplies	2.00
Assaying	1.00

Miscellaneous ---------- $ 1.50

Total cost for 3 feet of advance ---------- $ 81.99

Cost per feet $\frac{\$81.99}{3}$ = $27.33

Fixtures and Improvements

No new facilities, buildings or other installations are required for the proposed work.

Operating Equipment
(To be furnished by operator)

	Fair Value
1 compressor, IR, D-60, portable	$ 1,500
1 jackhammer, IR, S-49	350
1 water pressure tank	50
Air hose, 50 feet, 1-inch	65
Water hose, 50 feet, 3/8-inch	35
Drill steel	90
Miscellaneous small tools	100
1 mine car, 1-ton	150
1 truck, dump bed, 1947 model	2,500
Total value	$ 4,840

Depreciated over 60 months (5 years)

$\frac{\$4840}{60}$ = $80.66 monthly depreciation

$ 2.48 daily depreciation (based on 365-day year)

Operating Equipment
(To be purchased)

1 mine car, 1-ton ---------- $ 150

Labor and Supervision

1 miner-supervisor at $14.00 per 8-hr. shift*
2 miners at $13.50 per 8-hr. shift

* Will direct work, supervise sampling, and do all required office work.

Supplies

Mine rail, 600 feet, 12# with splicer bars, bolts, spikes	$ 450.00
Pipe, 600 feet 2" iron for air line at $ .35 per foot	210.00
Bits, 6 tungsten-carbide insert bits at $15 each	90.00
Gaseline and oil for compressor operation	1,600.00
Explosives (powder, fuse and caps)	1,800.00
Timber	1,400.00
Total	5,550.00

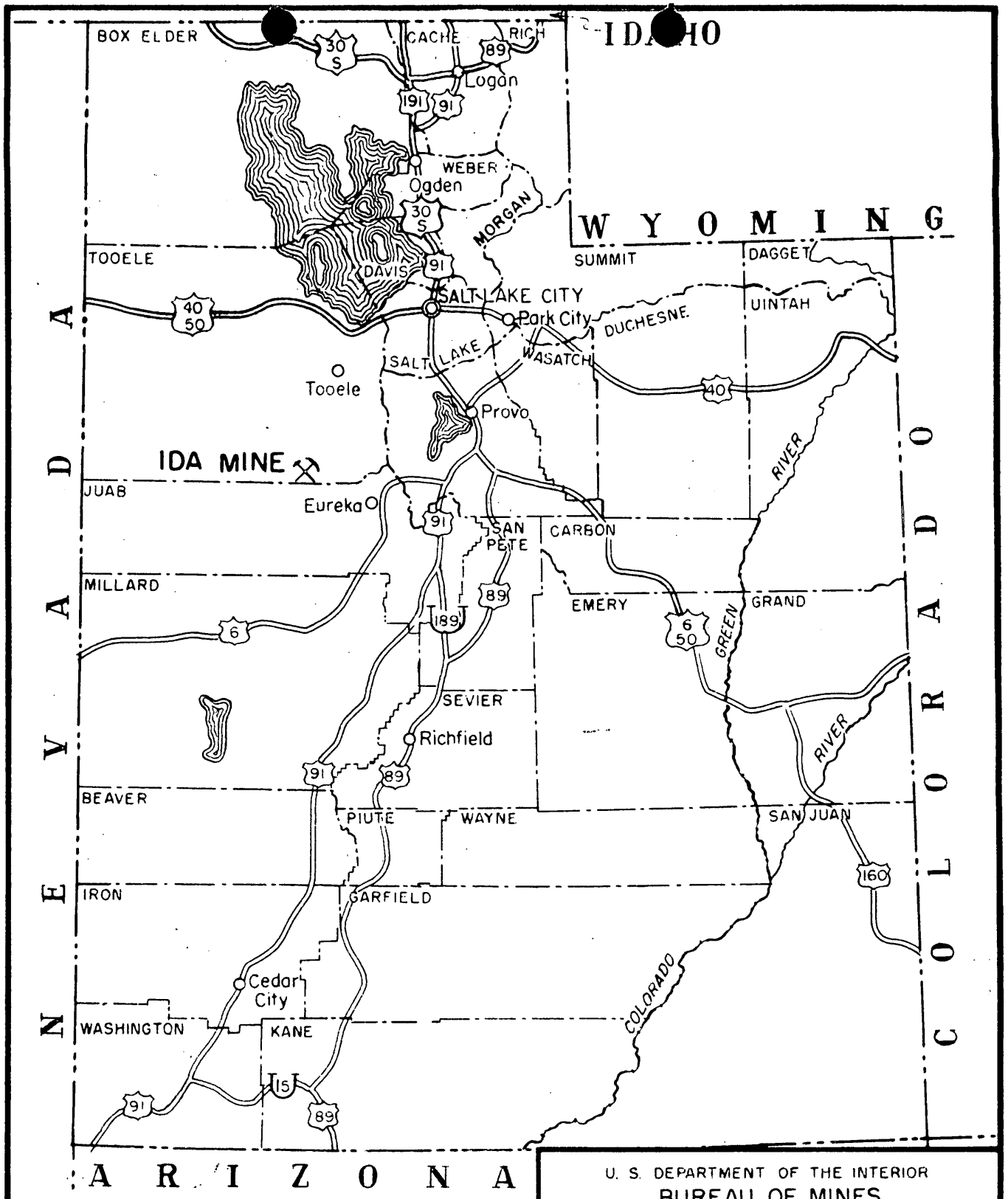
SUMMARY OF COSTS

600 feet of drift at $27.33 per foot	$16,398.00
Equipment purchase	150.00
Total	$16,548.00

CONCLUSIONS AND RECOMMENDATIONS

The engineering and geologic aspects of the proposed project appear feasible for probable disclosure of ores along the strike of the Blaine fissure. The area within the rectangular "Block A" (fig. 4) appears to be the most promising, as this area is a projection of strong mineralization at the surface. It is believed that ore shoots encountered in the proposed work will be small and comparable in grade to those mined from the property. The applicant has indicated ability and willingness to provide funds on a matching basis.

It is concluded that a fair chance exists that sufficient ores will be found to repay the proposed loan. It is therefore recommended that the United Mining and Development Company, as lessee of the Ida mine, be granted a loan of $16,548 to conduct exploration as outlined in this report.



U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Fig. 1 Proj. No.

Location Map

IDA MINE

TOOELE COUNTY, UTAH

ENGINEER: R. L. MIDDLETON	DATE: OCT. 23, 1951
TRACED: OCT., 1951; A.P.T.S.	1500-1078-E
CHECKED:	

Memorandum

June 24, 1952

To: Mr. J. L. Hofflund
Chief Counsel

From: C. O. Mittendorf
Acting Administrator

Subject: DMEA-1923 - United Mining Development Co. (Lead-Zinc)
DMEA-2271 - Glenny and Cutler (Uranium)

You will recall that we recently returned to Region IV the contracts which they had prepared for the United Mining Development Company because they were drafted on the old contract form. Before these contracts were actually forwarded to Denver I discussed the matter with King over the telephone and he was quite agreeable to making the change.

During a phone conversation this morning, King advised me that he had received the contracts and was prepared to redraft the project on one of our new forms; however, he wished to know if it would be necessary for the operator to furnish a new subordination agreement on the "Owner's Consent to Lien" form, or whether the existing Landowner's Subordination Agreement (old form MF-202) could be used. He explained that the long delay in finalizing this case has been due to the difficulty in obtaining the present Landowner's Subordination Agreement and he felt that, should it be required on the new form, "Owner's Consent to Lien," a delay of several additional months would result, since there are several owners who are scattered all over the country.

I told King that he could delete the words "Owner's Consent to Lien" in the first line of paragraph (b), under Article 2 of either contract form and substitute the words "Landlord's Subordination Agreement." King recalled that we had made such a substitution recently in the case of DMEA-2328. I told him that I would confirm this advice with you and inform him accordingly, if you objected to the substitution of words.

King inquired as to what action had been taken on his letter to you dated May 22, which involved docket DMEA-2271. I am totally unfamiliar with the contents of his request, but it is my understanding that it involves the validity or acceptability of a lease which was made on a "split-check" basis. Provided you have not already replied to King's letter, I would appreciate discussing this particular problem with you.

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

C. O. Mittendorf

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

Re: Docket No. DMEA-1923 (Lead-Zinc)
United Mining Development Company, Inc.
Exploration Contract No. Idm-K340

Dear Mr. King:

Pursuant to your telephone discussion with Mr. C. O. Mittendorf on June 19, 1952, concerning the subject contract, we are returning herewith six copies of the contract to be redrafted and executed on the new form.

Please complete the contract with the date and insert the assigned Contract No. Idm-K340 in the upper right hand corner of the face of the Contract Form. On completion, forward the four copies required by this office for distribution.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

APPROVED:

J. H. Hedges

Member, Bureau of Mines

D. M. Lemmon

Member, Geological Survey

Enclosures (6)

FEJohnson/bih 6/20/52
cc to: Docket
Admr's. Reading File
Operating Committee
Region IV
Messrs. Lemmon R-5216 GSA Bldg.
Hedges R-4604
Hofflund
Chambers
Keller
FEJohnson

FILE COPY
SURNAME:

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

Memorandum June 19, 1952

To: Operating Committee

From: C. O. Mittendorf
Acting Administrator

Subject: United Mining Development Company - Ida Mine - DMEA-1923

Region IV have executed a contract on the subject case under their delegated authority and have submitted it to Washington for assignment of a contract number. The contract is dated June 6, 1952 and has been prepared on the old contract form MF-200. General Counsel has recommended that the contracts be returned to the field to be redrafted on the new form, and I concur in his recommendation, provided there are no extenuating circumstances in this particular case.

I have today discussed the matter with Mr. King by telephone and found him to be quite agreeable to a redraft of the contract. I cited the Committee's instructions appearing in minutes no. 66, dated May 14, to the effect that contracts prepared on the old form would not be approved in the future. King's attitude was excellent, and he was frank in stating that he was learning new things from day to day and would be very careful in the future to see that his cases which have been pending for considerable periods are drafted on the new form. We agreed that subject contract would be returned to him by airmail.

I also talked with Jay Chambers, who was present in Mr. King's office, and discussed the case with him. He agreed that the contract should be redrafted, and said he would discuss with members of the Field Team the objectionable features of using the old form.

COMittendorf/fw
cc: Admr. Reading File
Mails & Files
Base Metals Div.
~~Field Team, Reg. IV~~
O.M. Bishop, Rm.3423
E.T.McKnight, Rm.4204 GSA Bldg.
COMittendorf

140

FILE COPY
SURNAME:

aek.anu

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

June 17, 1952

n. s. in R. & R.

Memorandum

To: Acting Administrator

From: Chief Counsel

Subject: United Mining Development Company, Ida Mine, DMEA No. 1923

The subject contract is within the delegated authority of the Executive Officer, DMEA Field Team, Region IV, and has been executed by the parties. It is, however, written on the old form, MF-200. I recommend that it be returned to the field to be redrafted on the new form, in conformance with DMEA Circular 21.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

Attachments

AEKane/JLHofflund/em

Copy to: Mails and Files
J. L. Hofflund
A. E. Kane
chron.

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

224 New Customhouse
Denver 2, Colorado

June 6, 1952

REGISTERED MAIL

Memorandum

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

From: Executive Officer, Field Team, Region IV

Subject: Contract, Docket DMA 1923 (Lead-Zinc) United Mining Development Co., Inc.

Enclosed are six copies of a contract between the Government and United Mining Development Co., Inc., covering Docket DMA 1923. All six copies have been signed by an authorized official of the company and by the Executive Officer, Region IV, and the corporate seal has been affixed.

Kindly assign a contract number and return the required number of copies to this office.

W. E. King
W. E. King

Enclosures

JFS:ld

cc: Docket, chron.
Koschmann
Wilson

OFFICE OF THE ADMINISTRATOR

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

224 New Customhouse
Denver 2, Colorado

December 18, 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 26 1951

Memorandum

To: Executive Secretary, Defense Minerals Administration

From: DMA Field Team, Region IV

Subject: Final Report, DMA Docket 1923, Ida Mine, (Lead-Zinc)
Applicant: United Mining and Development Company, Inc., 656 South 2nd West St., Salt Lake City, Utah

The application of the subject docket has been approved for Government assistance in exploration work estimated to cost $16,548.00. Government participation would be 50 per cent, or $8,274.

A copy of the final report will be forwarded with your copy of the contract.

J. H. East, Jr.

J. H. East, Jr.

A. H. Koschmann

A. H. Koschmann

Copy of this memo. to Base Metals Div. - 2/13/52 - GE

FILE COPY
SURNAME:

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

Newcomb (ETM)
McKnight
Legan
Mote
Thayer

Re: Docket DMA-1923

AUG 27 1951

a. E. C.

Mr. John S. Bernard
United Mining Development Company, Inc.
656 South 2nd West
Salt Lake City 4, Utah

Dear Mr. Bernard:

The Lead-Zinc Branch of the Defense Minerals Administration has reviewed your application for a loan to explore the Ida Mine in Tooele County, Utah.

Further information is necessary in order to more fairly appraise your application. It has been sent to Mr. J. H. East, jr., Executive Officer, DMA Field Team, 224 New Customhouse, Denver 2, Colorado, for further information and advice.

Very truly yours,
SIGNED
Tom Lyon, Director
Supply Division

8/27

ELNewcomb:emp
G 8-23-51
Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
R. H. Mote
Reports & Records
Directors r. file 4214 GSA
Br. r. file 4214 GSA
Files

McKnight
O'Leary
(CFO Notice)

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

AUG 27 1951

Mr. J. H. East, Jr.
Executive Officer, DMA Field Team
Region IV
224 New Customhouse
Denver 2, Colorado

Dear Sir:

We attach "Review of Application for Exploration Assistance"

on:

Docket No. DMA-1923

Commodity Lead-Zinc

Applicant Mr. John S. Bernard, United Mining Development Co. Inc.
656 S 2nd West, Salt Lake City 4, Utah

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review."

Very truly yours,

Chairman
Coordinating Committee

For Bureau of Mines

For Geological Survey

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA-1923

Commodity Lead-Zinc

Total Amount $11,218.37

Govt. Participation 50% ($5,609.19)

1. Name and Address of Applicant Mr. John S. Bernard, United Mining Development Company, Inc. 656 S. 2nd West, Salt Lake City 4, Utah

2. Location of Property Erickson Mining District, Tooele County, Utah (Ida Mine)

3. Mineral or metal 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

b) Poor

c) None

d) Don't know—needs field examination Yes

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
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? Yes

Does the lease have sufficient time to run to cover a future productive period? Yes

*question numbers are those of MF-103

7. Are subordination agreements necessary? Yes

a) MF-201? _____

b) MF-202 Yes

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)* Not certain

e) Power (question 13)* No

Is a field check needed on any of these points? Yes (d) and (e)

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

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

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? Don't know

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. (yes)

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? No If so, attach a draft.

c) Is a field check needed? Yes

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes

b) Sufficient data? Yes If so, attach a draft. Refer to 10 (d)

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

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? Yes

10. (d)	Replacing existing rails for 1100 ft.....	$ 2,262.26
	600 ft. of drifting at $10 per foot.....	6,000.00
	Rails for 600 feet of new drifting.....	1,206.11
	150 sets of drift timber at $5.00 per set.	750.00
	Truck for hauling and service at $5 per day	1,000.00
	Total.....	$11,218.37

14. Exhibit E (question 23-c)*

a) Is it applicable? Yes

b) Sufficient data? Yes

c) Reasonable? Yes

d) Field check needed? Yes

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.

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? Drifting at $10 per ft. seems very low. Check for possible error in estimate. Check existing rails. Perhaps they do not need replacing.

Reviewed by: E.L. Newcomb GS

Date 8-23-51

INT.-DUP. SEC., WASH., D.C. 99009

August 7, 1951

Mr. John S. Bernard, President
United Mining Development Co., Inc.
656 South 2nd West
Salt Lake City 4, Utah

Subject: DMA-1923
Re: Exploration Loan -
Ida, Ida 1 to 5

My dear Mr. Bernard:

Receipt is acknowledged of your application and attachments of June 19, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1923 and referred to Mr. Thomas Billings, Chief, Lead-Zinc Branch on August 6, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1923.

Sincerely yours,

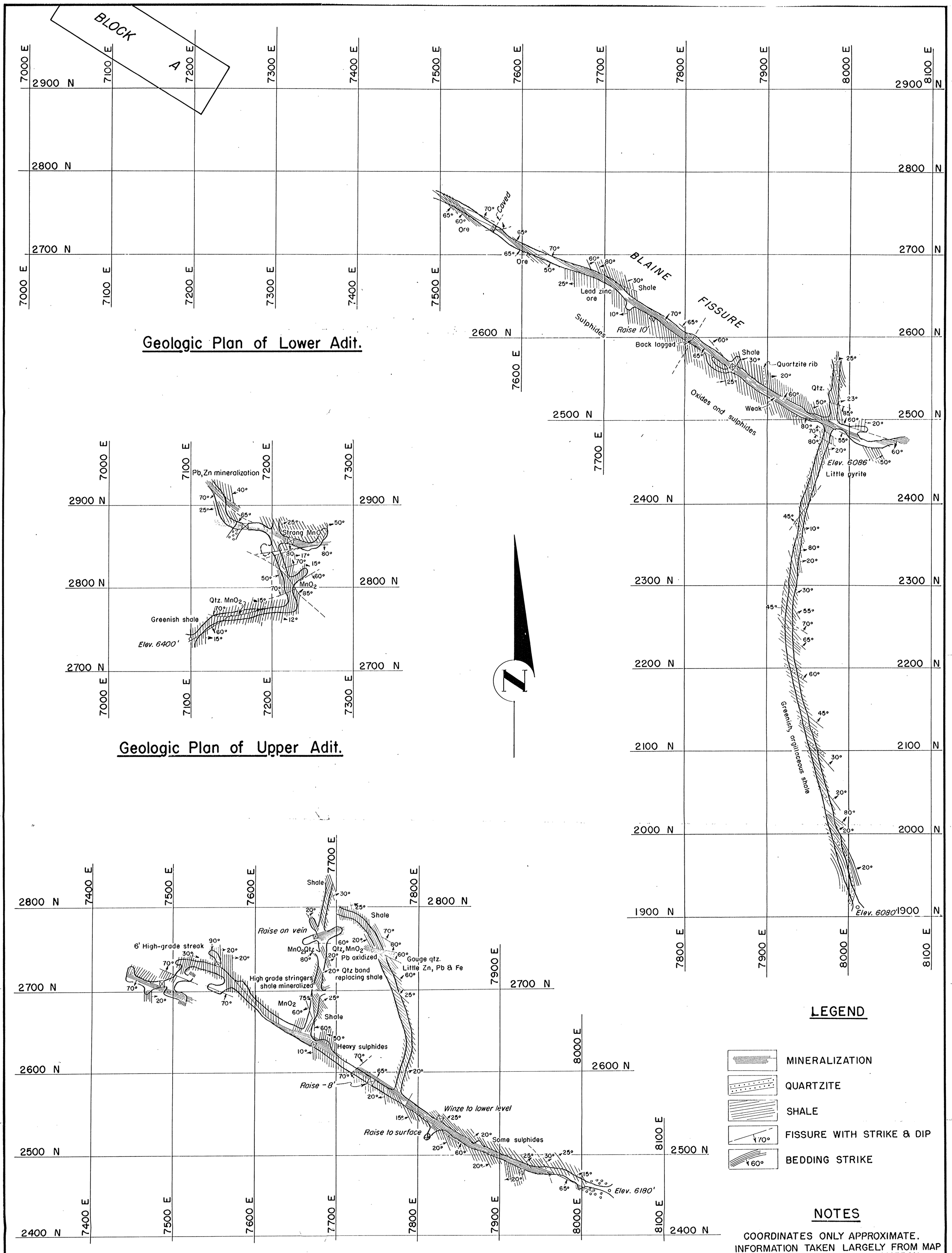
ROBERT E. ADAMS BA 8/7

Robert E. Adams
Chief, Reports & Records Unit

REAdams:jc
cc: Billings
Lyon
Reports & Records File

AUG 7 1951

4



Geologic Plan of Lower Adit.

Geologic Plan of Upper Adit.

Geologic Plan of Middle Adit.

LEGEND

- MINERALIZATION
- QUARTZITE
- SHALE
- FISSURE WITH STRIKE & DIP
- BEDDING STRIKE

NOTES

COORDINATES ONLY APPROXIMATE.
INFORMATION TAKEN LARGELY FROM MAP PREPARED BY FRANCIS CAMERON.

0 50 100 150 200 250
SCALE OF FEET

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

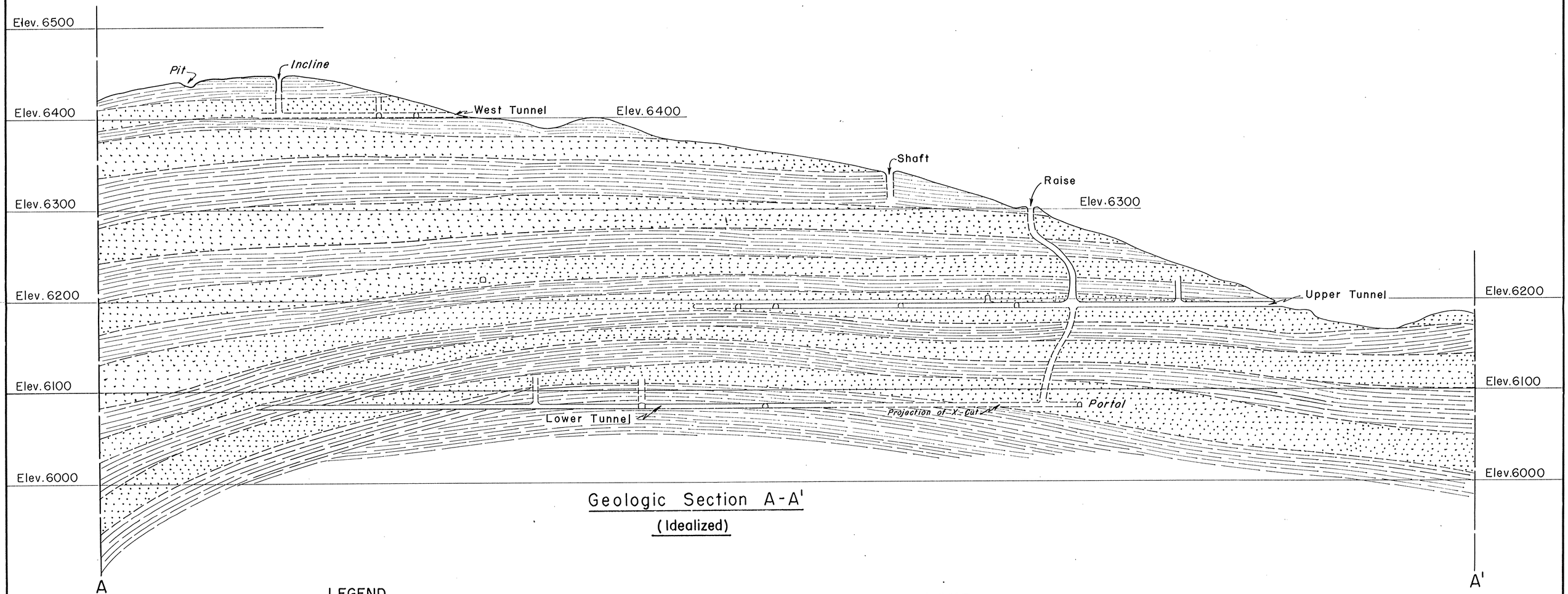
Fig. 4 Proj. No.

Geologic Plan of Mine Workings

IDA MINE

TOOELE COUNTY, UTAH

ENGINEER:	DATE: NOV. 2, 1951
TRACED: NOV., 1951, BY: A.P.T.S.	1500-1079-B
CHECKED:	



Geologic Section A-A'

(Idealized)

LEGEND

QUARTZITE

SHALE

0 50 100 150

SCALE OF FEET

NOTE

FOR LOCATION OF LONGITUDINAL SECTION A-A'-SEE PLAN-DWG.1500-859-B

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

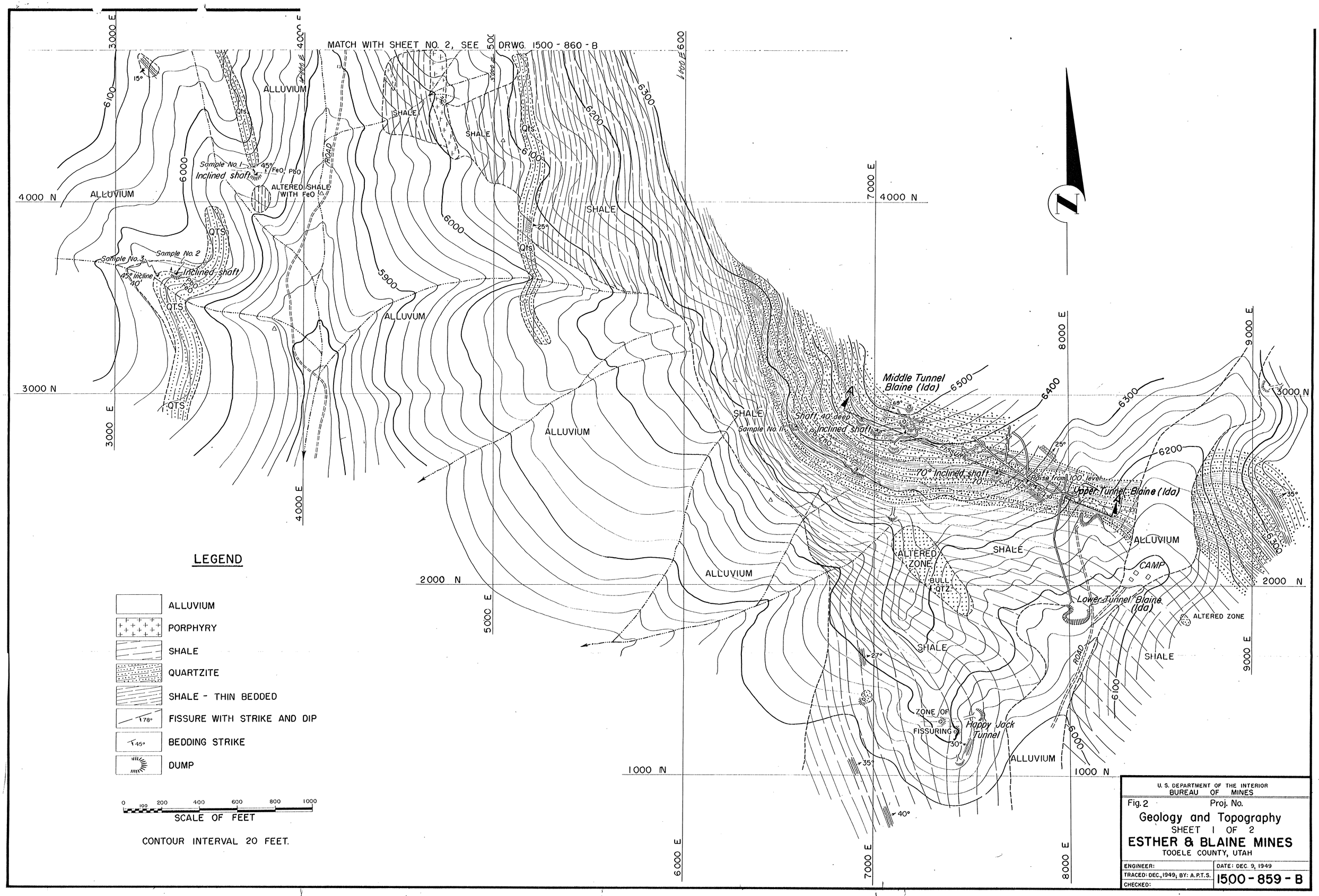
Fig. 3 Proj. No.

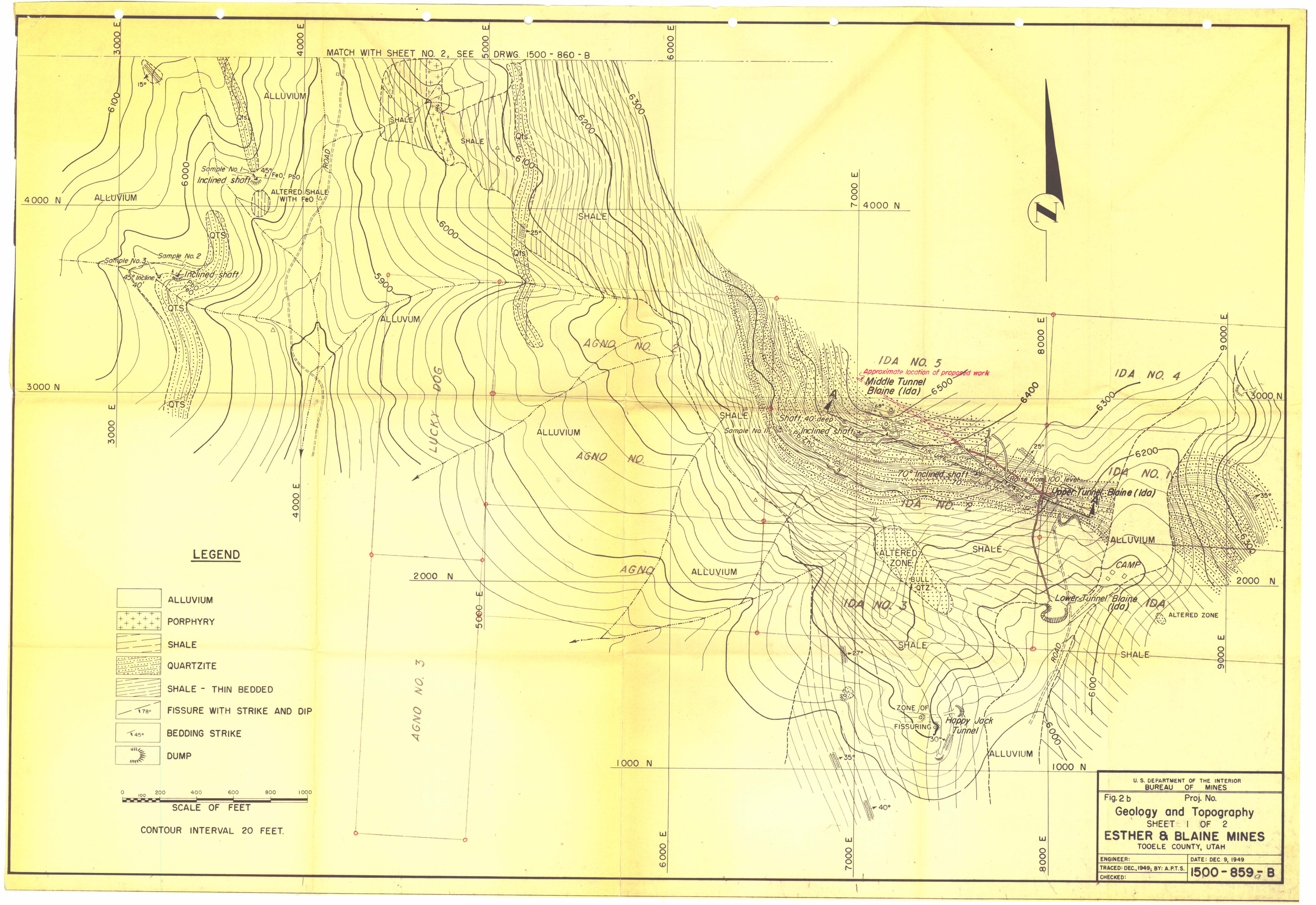
Vertical Section A-A'
Blaine Fissure - Looking NE

ESTHER & BLAINE MINES

TOOELE COUNTY, UTAH.

ENGINEER:	DATE: MAY, 11, 1950.
TRACED: MAY-1950, BY D.R.N.	1500-984-B
CHECKED:	


MATCH WITH SHEET NO. 2, SEE DRWG. 1500 - 860 - B
ALLUVIUM
SHALE
QTS
Sample No. 1
45°
FeO, PbO
Inclined shaft
ALTERED SHALE WITH FeO
ROAD
Sample No. 3
Sample No. 2
45° incline 40'
Inclined shaft
PbO
FeO
Middle Tunnel Blaine (Ida)
Shaft 40' deep
Sample No. 11
Inclined shaft
FISSURE
70° Inclined shaft
Raise from 100' level
Upper Tunnel Blaine (Ida)
ALTERED ZONE
BULL QTZ.
CAMP
Lower Tunnel Blaine (Ida)
ALTERED ZONE
ZONE OF FISSURING
Happy Jack Tunnel
6100
6000
5900
6200
6300
6400
6500
4000 N
3000 N
2000 N
1000 N
3000 E
4000 E
5000 E
6000 E
7000 E
8000 E
9000 E
LEGEND
ALLUVIUM
PORPHYRY
SHALE
QUARTZITE
SHALE - THIN BEDDED
FISSURE WITH STRIKE AND DIP
BEDDING STRIKE
DUMP
0 100 200 400 600 800 1000
SCALE OF FEET
CONTOUR INTERVAL 20 FEET.
U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Fig. 2
Proj. No.
Geology and Topography
SHEET 1 OF 2
ESTHER & BLAINE MINES
TOOELE COUNTY, UTAH
ENGINEER:
DATE: DEC. 9, 1949
TRACED: DEC., 1949; BY: A.P.T.S.
CHECKED:
1500 - 859 - B


MATCH WITH SHEET NO. 2, SEE DRWG. 1500 - 860 - B
ALLUVIUM
SHALE
QTS
ROAD
Sample No. 1
Inclined shaft
FeO, PbO
ALTERED SHALE WITH FeO
Sample No. 2
Sample No. 3
45° incline 40'
AGNO NO. 1
AGNO NO. 2
AGNO NO. 3
LUCKY DOG
IDA NO. 1
IDA NO. 2
IDA NO. 3
IDA NO. 4
IDA NO. 5
Approximate location of proposed work
Middle Tunnel Blaine (Ida)
Shaft 40' deep
Sample No. 11
70° Inclined shaft
Raise from 100' level
Upper Tunnel Blaine (Ida)
ALTERED ZONE
BULL QTZ
CAMP
Lower Tunnel Blaine (Ida)
ZONE OF FISSURING
Happy Jack Tunnel
N
LEGEND
ALLUVIUM
PORPHYRY
SHALE
QUARTZITE
SHALE - THIN BEDDED
FISSURE WITH STRIKE AND DIP
BEDDING STRIKE
DUMP
0 100 200 400 600 800 1000
SCALE OF FEET
CONTOUR INTERVAL 20 FEET.
U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Fig. 2 b
Proj. No.
Geology and Topography
SHEET 1 OF 2
ESTHER & BLAINE MINES
TOOELE COUNTY, UTAH
ENGINEER:
DATE: DEC. 9, 1949
TRACED: DEC., 1949, BY: A.P.T.S.
CHECKED:
1500-859-B

MATCH WITH SHEET NO. 2, SEE DRWG. 1500 - 860 - B
ALLUVIUM
SHALE
QTS
ALTERED SHALE WITH FeO
Sample No. 1
Inclined shaft
Sample No. 2
Sample No. 3
45° incline 40'
ROAD
LUCKY DOG
AGNO NO. 1
AGNO NO. 3
IDA NO. 1
IDA NO. 2
IDA NO. 3
IDA NO. 4
IDA NO. 5
Middle Tunnel Blaine (Ida)
Upper Tunnel Blaine (Ida)
Lower Tunnel Blaine (Ida)
Shaft 40' deep
Sample No. 1A
Pb, ZnO
70° Inclined shaft
Raise from 100' level
Starting Point
ALTERED ZONE
BULL QTZ
CAMP
ZONE OF FISSURING
Happy Jack Tunnel
4000 N
3000 N
2000 N
1000 N
3000 E
4000 E
5000 E
6000 E
7000 E
8000 E
9000 E
6100
6000
5900
6300
6200
6400
6500
LEGEND
ALLUVIUM
PORPHYRY
SHALE
QUARTZITE
SHALE - THIN BEDDED
FISSURE WITH STRIKE AND DIP
BEDDING STRIKE
DUMP
0 100 200 400 600 800 1000
SCALE OF FEET
CONTOUR INTERVAL 20 FEET.
U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
Fig. 2
Proj. No.
Geology and Topography
SHEET 1 OF 2
ESTHER & BLAINE MINES
TOOELE COUNTY, UTAH
ENGINEER:
TRACED: DEC., 1949; BY: A.P.T.S.
CHECKED:
DATE: DEC 9, 1949
1500 - 859 - B