OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

New Park Mining Company
907 Walker Bank Building
Salt Lake City 11, Utah

pertaining to Exploration Project Contract Idm-81218, DMEA No. 4931, including Amendments Nos. 1 through 7, for June 1958 to October 1961, inclusive, covering a lead, zinc, and copper project at the Mayflower Mine, Wasatch County, Utah.

My review included an examination of the Monthly Reports (Forms MT-104 and MME Forms 60) and supporting documents, comparison of the claimed costs with the contract and pertinent schedules, confirmation of work performed by reference to field reports and correspondence, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the reasons given in the attached schedule.

The findings of this review are stated in the following summary and the attached schedule:

Total cost billed by Operator		$267,782.39
Exceptions:		
Prior to this review	$ -0-	
Herewith	1,738.33	1,738.33
Total acceptable cost		$266,044.06

The contract calls for a 50 percent contribution of the allowable costs by the Government. Therefore, if the project is otherwise accepted as having met the terms of the contract, payments as follows are valid and proper:

Payable on audited claim	$133,022.03
Paid to date	133,391.15
Balance due Government	$ 369.12

E. D. Talbert

E. D. Talbert, OME Auditor

May 17, 1962

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

(a) a major portion ($183,008.50) of the acceptable costs was under a contract provision for contribution by the Government on the basis of fixed unit costs for work performed;

(b) a large portion ($73,844.26) of the acceptable actual costs was covered by Interim Audit Certificates and Reports dated June 3, 1959, and May 9, 1960; and

(c) the administrative cost to the Government of an additional audit would be excessive in relation to the estimated amount of possible further exceptions.

Exceptions by this review:

(a) The first 115 feet of timbered raising were claimed by the Operator on a basis of actual costs aggregating $5,310.33, whereas 115 feet at the fixed unit cost of $46.00/ft. provided by Amendment No. 7 amounts to only $5,290.00; difference disallowed ... $ 20.33

(b) 1,718 feet of diamond drilling were claimed by the Operator at $6.35/ft., the maximum allowable under the contract. The work was not performed by an independent contractor as specified by the contract, but was performed under the Mayflower Lease at $6.35/ft. less an aggregate of $3.35/ft. for equipment and materials supplied by the Operator; in affect, a labor contract at $3.00/ft.

The contractual allowable maximum of $6.35/ft. was based on a May 22, 1958, bid by Boyles Bros. Drilling Company of $4.75/ft. plus bonus for core recovery as follows:

70% - 80%	$ .60/ft.
80% - 90%	.90/ft.
90% - 95%	1.20/ft.
Over 95%	1.60/ft.

As the Operator has affirmed that an aggregate of only 1,220.11 feet of core, or 71.02%, were recovered from the 1,718 feet of drilling, the maximum allowable is $4.75/ft. plus $.60/ft., or $5.35/ft. Difference disallowed (1,718/ft. at $1.00/ft.) 1,718.00

Total Exceptions $1,738.33

Acceptable costs:

Category (1) Diamond Drilling, 1,718 ft. @ $5.35	$ 9,191.30
" (7) Water Disposal Facilities	41,036.71
Pumps & Pump Column Installation	32,807.55
Fixed Unit Costs:	
Installation of Water Door, 1 @ $980.00	980.00
Drifting and Crosscutting, 3,339 ft. @ $45.00	150,255.00
Timbering and Steel Sets, 953½ ft. @ $11.00	10,488.50
Timbered Raising, 272½ ft. @ $46.00	12,535.00
Longhole Drilling, 7,255¼ ft. @ $1.00	7,255.50
Assay Determinations, 1,065 @ $1.00	1,065.00
Incidental Allowance, 1,718 ft. @ $.25	429.50
Total	$266,044.06

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

-- ABSTRACT OF REMITTANCES --

14X4401 & [redacted]

Date of Remittance	Name of Remitter	Purpose	Type of Remittance	Amount	Deposit Date: Date	Deposit Date: Schedule
[redacted]	[redacted]	[redacted] Dated 5-17-62 Refund of Overpayment	[redacted]	[redacted]		

[redacted]

Date of Receipt

Person Preparing Abstract
[redacted]

Date of Receipt

Person Receiving Above Remittances

[redacted]
[redacted]
[redacted]
[redacted]
[redacted]

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
RECEIVED MAY 25 1962
DATE | INITIALS
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May 22, 1962

New Park Mining Company
P. O. Box 929
Park City, Utah

Re: DMEA-4981 (Copper-Lead-Zinc)
Contract I&m-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Gentlemen:

Enclosed is a copy of the Report of ~~Royalty~~ Review on the subject contract dated May 17, 1962 covering the period June 1958, through October 1961.

Please note that the balance due the Government according to this Report of Review is $369.12. Your prompt payment of $369.12 to this office will be appreciated.

Yours very truly,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

Enclosures
HMC/lm
cc Chief, Division of Field Operations, OME
E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Royalty Corres E1218
Chron

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
RECEIVED MAY 25 1962

May 22, 1962

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-4981 (Lead-Zinc-Copper)
Contract Idm-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Attached is the original Report of Royalty Review on the subject property dated May 17, 1962 covering the period June 1958, through October 1961 inclusive.

Please return to the project account the $500.00 which was previously withheld from the Operator and placed in a suspense account.

Original signed by

Hugh M. Connors

Attachments
HMC/lm
cc Chief, Division of Field Operations, OME
E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Royalty Corres E1094
Chron

MAY 18 1962

Memorandum

To: Acting Field Officer, Region III

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

Subject: DMEA-4981 (Lead, Zinc, and Copper)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract Idm-U1218

As requested by your February 15 memorandum, a Report of Review in lieu of a final audit was prepared for the subject contract. Release, however, was withheld pending formal termination of the contract. As this now has been accomplished, the original and two copies of the report are enclosed.

If you concur in the facts stated in this Report of Review, please make the distribution authorized by section 4 of OME Circular 2 dated February 17, 1960. As evidence of your concurrence, a copy of your letter transmitting the Operator's copy of the report should be furnished this Division. If for any reason you do not concur, the original and both copies should be returned to this Division with your comments.

Your letter to the Operator should request prompt refund of the $369.12 overpayment stated in the Report of Review. Also, your memorandum transmitting the original of the report to the Department's Fiscal Section should request that the $500.00, which was withheld from the Operator and placed in a suspense account, be returned to the project account.

Enclosures

EDTalbert/ama 5-18-62

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

APR 18 1962

Mr. F. M. Smith, Accountant
New Park Mining Company
Keetley, Utah

Re: DMRA-4981 (Lead-Zinc-Copper)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract Idm-K1218

Dear Mr. Smith:

Your April 10 letter addressed to our Acting Field Officer, OME Region III, requests an identification of the items covered by a $5,761.40 check.

This check covers the Government's 50% contribution to the $5,621.80 and $2,901.00 costs claimed on your September 1961 and October 1961 vouchers, less $500.00 withheld pending execution of a termination agreement and audit of the contract account.

Sincerely yours,

George Fumich, Jr.

Director

EDTalbert/ama 4-18-62

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

Building 20 - Federal Center
Denver 25, Colorado

April 12, 1962

RECEIVED APR 16
DATE
O. M. E
800

Memorandum

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

From: Acting Field Officer, OME, Region III

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm K1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah

Attached is a copy of a letter from Mr. F. M. Smith, Auditor for the subject Operator and a copy of my reply.

Will you please furnish Mr. Smith a breakdown for a check he received for $3,761.40 and forward this office one copy of the letter for our file.

Original signed by

Hugh M. Conners

Attachments

NEW PARK MINING COMPANY

KEETLEY, UTAH

April 10, 1962

OME
DEPARTMENT OF THE INTERIOR
APR 12 1962
REGION III
DENVER COLORADO

Mr. Hugh M. Connors
Acting Field Officer, OME
Region 111
Building 20-Federal Center
Denver 25, Colorado

Dear Mr. Connors:

Would you please furnish this office a breakdown of what our last check received would cover? The amount of the check was $3,761.40.

There has been a change of personnel at this office and the correspondence has been misplaced.

Thank you,

NEW PARK MINING COMPANY

F. M. Smith
Accountant

FMS/sr

Building 20 - Federal Center
Denver 25, Colorado

April 12, 1962

Mr. F. N. Smith
Accountant
New Park Mining Company
P. O. Box 929
Park City, Utah

Re: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah

Dear Mr. Smith:

This will acknowledge receipt of your letter dated April 10, 1962 requesting a breakdown of your check for $3,761.40.

I am unable to give you this breakdown so I am referring the matter to our Washington Office and they will advise you.

Yours very truly,

Original signed by

Hugh M. Conners
Acting Field Officer, OME
Region III

HMC/lm
cc Chief, Division of Field Operations, OME
Contract Idm E1218
Chron

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

Extra
FILE COPY
O. M. E.
RECEIVED MAR 12 1962
DATE | INITIALS | CODE
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March 9, 1962

Memorandum

To: E. D. Talbert, Acting Chief
Division of Contract Administration and Audit, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: DMEA-4981 (Copper-Lead-Zinc)
Contract No. Idm E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah

This responds to your memorandum of February 26, 1962 on the subject contract.

Attached is a copy of the reply from the Operator showing the footage of core recovery for each of the three holes.

Hugh M. Connors

Hugh M. Connors

Attachments

Building 20 - Federal Center
Denver 25, Colorado

March 1, 1962

Carl R. Harper, Secretary
Bear Creek Mining Company
P. O. Box [illegible]
Park City, Utah

Re: [illegible] (Bonanza-Lucky-Star)
Contract No. [illegible]
Bear Creek Mining Company
(Bonanza mine)
Wasatch County, Utah

Dear Mr. Harper:

Please furnish this office the footage of core recovered from each of the three holes drilled under the subject contract.

Yours very truly,

Original signed by

Ralph E. Cummins
Acting Field Officer, OE
Region III

CEW

HOLE #1 402.91 ft. recovered

HOLE #2 541.60 ft. recovered

HOLE #3 275.60 ft. recovered

Building 20 - Federal Center
Denver 25, Colorado

RECEIVED
800

February 26, 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-4981 (Lead-Zinc-Copper)
Contract Idm-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

This responds to Mr. Talbert's memorandum of February 19, 1962 on the subject contract.

The original and two copies of MME Forms 60 and 61 for September and October 1961 were forwarded the Fiscal Section, Airmail, on February 12, 1962 and a copy of the transmittal letter was forwarded you by regular mail. On February 15 I requested a Report of Review in accordance with OME Circular 2.

It appears to me that something is wrong with your mail distribution system.

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

FEB 26 1962

Memorandum

To: Acting Field Officer, Region III

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

Subject: DMRA-4981 (Lead-Zinc-Copper)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract Idm-81218

Please disregard my February 19 memorandum requesting the originals of the subject Operator's September and October 1961 MMS Forms 60 and 61. These vouchers were paid by the Department's Fiscal Section on the same date as my memorandum and I now have them in hand.

In reviewing this project it is noted that the diamond drilling was done under the Mayflower Lease rather than under an independent contract as required by the contract. The Mayflower Lease has consistently been recognized by the Washington office as a labor contract rather than an independent contract. This was the position taken in two prior audits and in the Acting Director's April 14, 1960, letter to the Operator.

The Operator has claimed a total of 1,718 feet of diamond drilling in three holes at $6.35/ft., the maximum allowable under the contract. Its claims are supported by certified copies of invoices showing footage costs at $6.35, less an aggregate of $3.35 for equipment and materials supplied by the Operator. In effect, Mayflower Lease was paid for labor only at the rate of $3.00/foot.

Although the work was not done by an independent contractor, as required by the exploration contract, it appears equitable to allow costs to the extent of acceptableness under the low bid on which the contract's $6.35/ft. maximum price was based. This was Boyles Bros. Drilling Company's May 22, 1958, bid of $4.75/ft. plus bonuses of $.60/ft. to $1.60/ft. for various percentages of core recovery.

The reports and other documents submitted to the Washington office do not disclose either the footage or percentage of core recovery. Accordingly, your advice as to the footage of core recovery for each of the three holes will be appreciated.

EDTalbert/ama
2-26-62

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

FEB 19 1962

Memorandum

To: Acting Field Officer, Region III

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

Subject: DMEA-4981 (Lead-Zinc-Copper)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract Idm-E1218

Please forward to this Division the original MME Forms 60 and 61, together with supporting documentation, submitted by the subject Operator for September and October 1961. These unpaid vouchers were not attached to your February 15 memorandum requesting a Report of Review in accordance with OME Circular 2.

EDTalbert/ama 2-19-62

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

Cy Sent to 500

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

OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 19 1962

DATE	INITIALS	CODE
		800

February 15, 1962

Memorandum

To: Contract Administration & Audit Division, OME
Washington 25, D. C.

From: Acting Field Officer, OME, Region III

Subject: DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Work under the subject contract was terminated effective November 1, 1961 in accordance with the contract dated June 23, 1958.

The number of units of work completed by the Operator and accepted by this office as conforming to contract specifications were:

Crosscutting	3,339 feet
Timbering	953 ½ feet
Raising	272 ½ "
Pumps and pump column	1,513 "
Sample analyses	1,065 "
Water door	1 job
Diamond drilling	1,718 feet
Incidental allowance	1,718 "
Long hole drilling	7,255 ½ feet
Transite pipe	7,149 ½ "

A final engineering and geological report was received from the Operator on January 25, 1962.

A Report of Review, or final audit, is in order and requested.

Hugh M. Connors

Hugh M. Connors

Sch 1223

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 4981
Contract No. E-1218
14-23-090- ~~564,880.00~~
Contract Amount $
Gov't. Participation % 50 $ 282,440.00
Mineral(s) Lead, Zinc & Copper

OPERATOR'S MONTHLY VOUCHER

For Month of October, 1961

Operator's Name New Park Mining Company
Address 907 Walker Bank Bldg., Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~Sinking~~ Timbering		10,488.50	10,488.50			
Drifting & Crosscutting		150,255.00	150,255.00			
~~Crosscutting~~ Raising		12,555.33	12,555.33			
Drilling Percussion	392.00	6,863.50	7,255.50			
" Diamond	2,317.75	8,591.55	10,909.30			
Analytical Work	100.00	965.00	1,065.00			
(2) ~~Supervision & Technical~~ Water Door		980.00	980.00			
Incidental Allowance	91.25	338.25	429.50			
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Transite Pipe		41,036.71	41,036.71			
Pumps & Column		32,807.55	32,807.55			
TOTALS	2,901.00	264,881.39	267,782.39	2901.00	264,881.39	267,782.39

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

Date 1-2-62 *Payee New Park Mining Company

Per Carl D Hoyer Title Secretary

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of: 500.00 Luxpiper

$ 950.50

Signature RAV
(Authorized Certifying Officer)

Date 2/19/62 Vou. No. 3767

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. Idm-E1218

Signature [illegible] Title Mining Engineer Date 1-29-62

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connors Title Acting Field Officer Date 2-9-62

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of October, 1961 Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090-E-1218

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
#3 Drifting & Crosscutting	Feet	None	3,339	150,255.00			
Timbering	Feet	None	953½	10,488.50			
#4 Raising	Feet	None	272½	12,555.33			
#2 Pumps & Column	Feet	None	1,513	32,807.55			
Analytical	Each	100	1,065	1,065.00			
Other Underground *	Each	None	1	980.00			
#7 Drilling, Core-Diamond	Feet	365	1,718	10,909.30			
Incidental Allowance Rotary	Feet	365	1,718	429.50			
Drilling, Non-core-Diamond							
Rotary							
Churn							
#6 Percussion	Feet	392	7,255½	7,255.50			
Miscellaneous							
#1 16" Transite Pipe	Feet	None	7,149½	41,036.71			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				267,782.39			

REMARKS

* Water Door

(Continue on back)

REMARKS

(Continue on back)

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

Date 1-2-62 Operator New Park Mining Company

Per [signature] Title Secretary

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature [signature]

Title Mining Engineer
Government Representative

Date 1-29-62

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

9 vouchers

EXTRA COPY
O. M. E
RECEIVED FEB 23

800

Building 20 - Federal Center
Denver 25, Colorado

February 12, 1962

AIRMAIL

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: Docket No. DMRA-4981 (Lead-Zinc-Copper)
Contract No. Idm E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for October 1961

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, certified true copy of drill costs on hole No. 3, map showing longhole drilling, map showing diamond drill hole No. 3, and engineer's inspection report covering the work performed during the month of October 1961.

Withhold $500.00 pending resolution of matters pertaining to closing the project accounts.

It is recommended that the Operator be reimbursed for $950.50, after withholding $500.00, which is 50 percent of the total monthly costs shown on MME Form 60, subject to your verification of the arithmetical accuracy of the report.

Original signed by

Hugh M. Connors

Attachment

Building 20 - Federal Center
Denver 25, Colorado

February 9, 1962

Memorandum

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

From: T. M. Romslo

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper)
Contract No. I&m E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for October 1961

I inspected the subject project November 7, 1961 and found that authorized work completed during the reporting period is as recorded in the attached Operator's Report. Completed work consisted of 392 feet of percussion drilling in holes No. 56, 57, and 58, 365 feet of diamond drilling in hole No. 3 and 100 assay determinations. Diamond drill hole No. 3, which had reached a depth of 365 feet on November 1, 1961, the termination date of the contract, was later reportedly bottom at a depth of about 900 feet.

Mineralized zones were cut by the long holes and the diamond drill hole but none of the zones were highly mineralized.

The Operator continues to make royalty payments to the Government on ore produced from the project area.

OPERATOR'S REPORT

Percussion drilling - The $392.00 is for the authorized 392 feet of advance at $1.00 a foot, a fixed unit cost.

Diamond drilling - The $2,317.75 is for the authorized 365 feet of advance at $6.35 a foot, an actual unit cost according to the Operator's certified statement.

Analytical work - The $100.00 is for 100 authorized assay determinations at $1.00 each, a fixed unit cost.

Incidental allowance - The $91.25 is for the additional cost of 365 feet of diamond drilling at $0.25 a foot, a fixed unit cost.

Totals - The total costs appear to be correct.

The Government's share of $2,901.00, the total cost for the reporting period, at 50 percent is $1,450.50.

Recommendation - Withhold $500.00 pending resolution of matters pertaining to closing of the project accounts.

MME Form 61

The form, containing total costs in agreement with those of MME Form 60, has been properly completed.

Narrative Report

The report with a plan map and a vertical cross section is acceptable.

Original signed by

T. M. Romslo

January 30, 1962

TO: NEW PARK MINING COMPANY

FROM: MAYFLOWER LEASE

Diamond drilling for October, 1961:

Hole #3 - 365' @ $6.35/ft.		$ 2,317.75
LESS: Machine rental	365' @ $1.35 . . $492.75	
Bit costs	365' @ 1.25 . . 456.25	
Drill rods, casing, core barrels & accessories	365' @ .75 . . 273.75	1,222.75
	TOTAL DUE	$ 1,095.00

Certified A True Copy

Carl D Hagen

COPY

Bob Archer

MME FORM 60
SEPT. 1959

Sel 1223

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 4981
Contract No. 14-23-090-E-1218
Contract Amount $ 564,880.00
Gov't. Participation % 50 $282,440.00
Mineral(s) Lead, Zinc & Copper

OPERATOR'S MONTHLY VOUCHER

For Month of September, 1961

Operator's Name New Park Mining Company
Address 907 Walker Bank Bldg., Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~Timbering~~ Timbering		10,488.50	10,488.50			
Drifting & Crosscutting		150,255.00	150,255.00			
~~Crosscutting~~ Raising		12,555.33	12,555.33			
Drilling Percussion		6,863.50	6,863.50			
" Diamond	5,384.80	3,206.75	8,591.55			
Analytical Work	25.00	940.00	965.00			
(2) ~~Personal Services~~ Water Door		980.00	980.00			
Incidental Allowance	212.00	126.25	338.25			
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Transite Pipe		41,036.71	41,036.71			
Pumps & Column		32,807.55	32,807.55			
TOTALS	5,621.80	259,259.59	264,881.39	5,621.80	259,259.59	264,881.39

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

Date 12-29-61 *Payee New Park Mining Company

Per [signature] Title Secretary

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 2,810.90

Signature [signature]
(Authorized Certifying Officer)

Date 2/19/62 Vou. No. 3767

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. Idm-E1218

Signature T M Connors Title Mining Engineer Date 1-26-62

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connors Title Acting Field Officer Date 2-9-62

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of September, 1961 Docket No. A981

Operator's Name New Park Mining Company Contract No. 14-23-090-- P-1218

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
Drifting & Crosscutting	Foot	None	3,339	150,255.00			
~~Crosscutting~~ Mapping	"	"	953½	10,488.50			
Raising	"	"	272½	12,555.33			
~~Shafts~~ Pump & Column	"	"	1,513	32,807.55			
~~Winzes~~ Analytical	Each	25	965	965.00			
Other Underground *	"	None	1	930.00			
Drilling, Core-Diamond	Foot	848	1,353	8,591.55			
Incidental Maintenance -Rotary	"	848	1,353	338.25			
Drilling, Non-core-Diamond							
Rotary							
Churn							
Percussion	Foot	None	6,863½	6,863.50			
Miscellaneous							
16" Transite Pipe	Foot	None	7,149½	41,036.71			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				264,881.39			

REMARKS

* Later Door

(Continue on back)

REMARKS

(Continue on back)

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

Date 12-29-61 Operator New Park Mining Company

Per Carl D. Hagen Title Secretary

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature T M Romolo

Title Mining Engineer
Government Representative

Date 1-26-62

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

Building 20 - Federal Center
Denver 25, Colorado

February 12, 1962

RECEIVED
DATE

AIRMAIL

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: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. I4m X1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for September 1961.

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, certified true copy of bill on No. 2 hole, map showing the diamond drill hole No. 2, and engineer's inspection report covering the work performed during the month of September 1961.

It is recommended that the Operator be reimbursed $2,810.98 which is 50 percent of the total monthly costs shown on MME Form 60, subject to your verification of the arithmetical accuracy of the report.

Hugh M. Connors

Attachment

Building 20 - Federal Center
Denver 25, Colorado

February 9, 1962

Memorandum

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

From: T. M. Romslo

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper)
Contract No. Ida 81218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for September 1961

I inspected the subject project November 7, 1961 and found that authorized work completed during the reporting period is as recorded in the attached Operator's Report. The completed work consisted of 848 feet of diamond drilling and 25 assay determinations.

The Operator continues to make royalty payments to the Government on ore produced from the subcontracted area.

OPERATOR'S REPORT

MME Form 60

Diamond drilling - The $5,384.80 is for the authorized 848 feet of drilling at $6.35 a foot, an actual unit cost according to the Operator's certified statement.

Analytical work - The $25.00 is for the authorized 25 assay determinations at $1.00 each, a fixed unit cost.

Incidental allowance - The $212.00 is for the allowable additional cost of the 848 feet of diamond drilling at $0.25 a foot, a fixed cost.

Totals - The total costs appear to be correct for the reporting period.

The Government's share of $5,621.80, the total cost for the reporting period, at 50 percent is $2,810.90.

MSE Form 61

The form, containing total costs in agreement with those of MSE Form 60, has been properly completed.

Narrative Report

The report with map is acceptable.

Original signed by

T. M. Romala

TMR/lm
cc Vouchers Idm E1218

Chron
S. R. Wilson

January 30, 1962

TO: NEW PARK MINING COMPANY

FROM: MAYFLOWER LEASE

Diamond drilling for September, 1961:

Hole #2 - 848' @ $6.35/ft.		$ 5,384.80
LESS: Machine rental	848' @ $1.35 . . $1,144.80	
Bit costs	848' @ $1.25 . . 1,060.00	
Drill rods, Casing, Core barrels & Accessories	848' @ .75 . . 636.00	2,840.80
	TOTAL DUE	$ 2,544.00

Mr. Hugh M. Connors
Acting Field Officer
O.M.E. Region 111
Building 20 - Federal Center
Denver 25, Colorado

November 27, 1961

Re: Docket No. DMEA 4981 - Contract E-1218
September Report - Item 7.

Dear Sir:

Item No. 7 - Diamond Drilling

Diamond drill hole No. 2 was completed on the 2005 level during September and reached a total depth of 848 ft.

The hole was drilled as a horizontal probing hole S. 27° E. from the face of 20-784 S. Crosscut.

From 0 to 594', the hole cut siliceous dolomitic limestone and dolomite of the lower chert member of the Deseret limestone. Numerous fractures were crossed and small sulfide stringers were encountered at 41.2', 41.5', 385', and 420.3'. A six foot dike of diorite porphyry was crossed from 560' to 566'. Fossil crinoid stems and horn corals were encountered at various intervals in the lower chert.

From 594' to 624' the black shaly limestone at the base of the Deseret was crossed, and from 624 to 848 the hole was in the black and white banded cherty limestone of the Madison limestone. Core recovery was poor beyond 700'. A strong fracture zone containing gouge and scattered pyrite was crossed from 650' to 680'.

A total of 5 assays and 25 determinations were made on samples from the drill core. (See drill hole sketch).

Drilling on D.D. hole No. 3 was started in September and the hole will be reported in the October report.

Ore Production:

During September, 1907 tons of ore with a net smelter return value of $22.17 per ton were produced from the 2005 Level. Ore was produced from 20-785 E. Rs., 20-785 E. St., 20-790 Rs., 20-813 St., 20-858 Rs., 20-P-914 Rs., 20-P-917 Dr., 20-P-915 Dr., 20-P-930 Rs., 20-P-934 Rs., and 20-P-943 Rs.

Enclosed are the following: Diamond drill hole sketch, unit cost and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

Bob Archer

Bob F. Archer
Chief Geologist and Engineer

COPY

Building 20 - Federal Center
Denver 25, Colorado

RECEIVED

800

January 26, 1962

Carl D. Harper, Secretary
New Park Mining Company
P. O. Box 929
Park City, Utah

Re: DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Operator's Reports for September and October 1961

Dear Mr. Harper:

This is to acknowledge receipt of the referenced reports, and to advise you that our processing of the reports cannot be completed until we receive a certified true statement of diamond drilling costs for each report.

It appears that a statement with costs similar to yours of April 1, 1961 covering March 1961 drilling costs will suffice.

Yours very truly,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

TMR/lm
cc Chief, Division of Field Operations, OME
Idm E1218
Chron

Building 20 - Federal Center
Denver 25, Colorado

January 18, 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-4981 (Lead-Zinc-Copper)
Contract Idm-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Reference is made to your memorandum dated January 15, 1962 on the subject contract.

Mr. Romslo was informed by company personnel January 3, 1962, that their Progress Reports for September and October 1961, and Final Report were about complete and would soon be forwarded to this office.

Original signed by

Hugh M. Connors

EXTRA COPY
O. M. E.
RECEIVED JAN 22
D. M.
800

Sch 700

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 4981
Contract No. 14-23-090-E-1218
Contract Amount $564,880.00
Gov't. Participation % 50 $282,440.00
Mineral(s) Lead, Zinc and Copper

OPERATOR'S MONTHLY VOUCHER

For Month of August, 1961

Operator's Name New Park Mining Company
Address 907 Walker Bank Bldg., Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~Boring~~ Timbering		10,488.50	10,488.50			
Drifting & Crosscutting		150,255.00	150,255.00			
~~Cribbing~~ Raising		12,555.33	12,555.33			
Drilling Percussion	380.00	6,483.50	6,863.50			
" Diamond		3,206.75	3,206.75			
Analytical Work	40.00	900.00	940.00			
(2) ~~Personal Services:~~ Water Door		980.00	980.00			
Supervision & Technical Incidental Allowance		126.25	126.25			
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Transite Pipe		41,036.71	41,036.71 ✓			
Pumps & Column		32,807.55	32,807.55 ✓			
TOTALS	420.00	258,839.59	259,259.59	420.00	258,839.59	259,259.59

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

Date 10-25-61 *Payee New Park Mining Company

Per Carl D. Hagen Title Secretary

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 210.00

Signature OAS
(Authorized Certifying Officer)

Date 11/3/61 Vou. No. 2110

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. Ilm-E 1218

Signature T M Romolo Title Mining Engineer Date 10-31-61

Approved by OME Executive Officer or Alternate:

Signature Hugh M Thompson Title Acting Field Officer Date 10-31-61

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of August, 1961 Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090- E-1218

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
#3 Drifting & Crosscutting	Feet	None	3,339	150,255.00	✓		
~~Crosscutting~~ Timbering	Feet	None	953½	10,488.50	✓		
#4 Raising	Feet	None	272½	12,555.33	?		
#2 ~~Skips~~ Pumps & Column	Feet	None	1,513	32,807.55	✓		
~~Winzes~~ Analytical	Each	40	940	940.00	✓		
Other Underground *	Each	None	1	980.00	✓		
#7 Drilling, Core-Diamond	Feet	None	505	3,206.75	✓		
Incidental Allowance ~~Rotary~~	Feet	None	505	126.25	✓		
Drilling, Non-core-Diamond							
Rotary							
Churn							
#6 Percussion	Feet	380	6,863½	6,863.50	✓		
Miscellaneous							
#1-16" Transite Pipe	Feet	None	7,149½	41,036.71	✓		
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				259,259.59			

REMARKS

* Water Door

(Continue on back)

REMARKS

(Continue on back)

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

Date 10-25-61 Operator New Park Mining Company

Per Carl D. Hagen Title Secretary

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature T M Pomeroy

Title Mining Engineer
Government Representative

Date 10-31-61

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 6 1961

DATE	INITIALS	CODE
		800

Building 20 - Federal Center
Denver 25, Colorado

October 31, 1961

AIRMAIL

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: Docket No. IMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for August 1961

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, three maps showing long-hole drilling for the month, and engineer's inspection report covering the work performed during the month of August 1961.

It is recommended that the Operator be reimbursed $210.00 which is 50 percent of the total monthly costs shown on MME Form 60, subject to your verification of the arithmetical accuracy of the report.

Original signed by

Hugh M. Connors

Attachment
HMC/lm
cc Chief, Division of Field Operations
Idm E1218 Vouchers
S. R. Wilson
Chron

Building 20 - Federal Center
Denver 25, Colorado

October 31, 1961

Memorandum

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

From: T. M. Romslo

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper)
Contract No. Idm E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for August 1961

I inspected the subject project September 1, 1961, and found that authorized work completed during the reporting period is as recorded in the attached Operator's report. The completed work consisted of 380 feet of long-hole drilling and 40 assay determinations.

A total of 1497 tons of ore reportedly was produced from the subordinated area during August 1961.

OPERATOR'S REPORT

MME Form 60

Percussion drilling - The $380.00 is for the authorized 380 feet of drilling at a fixed cost of $1.00 a foot.

Analytical Work - The $40.00 is for the authorized 40 assay determinations at $1.00 each.

Totals - The total costs appear to be correct.

The Government's share of the monthly total cost ($420.00) at 50 percent is $210.00.

MME Form 61

The form, containing total costs in agreement with those of MME Form 60, has been properly completed.

Mr. Hugh M. Connors
Acting Field Officer
O.M.E. Region 111
Building 20 - Federal Center
Denver 25, Colorado

OME
DEPARTMENT OF THE INTERIOR

October 7, 1961

OCT 31 1961
REGION III
DENVER, COLORADO

Re: Docket No. DMEA 4961 - Contract E-1218
August Report - Items No. 6 and 7.

Dear Sir:

Item No. 6 - Long Hole Percussion Drilling: A total of 380' of long hole drilling was completed on the 2005 Level during August.

Long Hole No. 52 was drilled north from 2005 West drift as a horizontal hole to check the extent of high grade mineralization encountered in hole No. 47. High grade ore was encountered from 52 to 76 feet in the hole.

Long holes No. 53, 54, and 55 were drilled north from 20-727 Crosscut as horizontal probing holes. Holes 53 and 54 encountered a weakly mineralized fissure zone in the lower cherty member of the Deseret limestone. Hole No. 55 reached a depth of 64 feet and will be completed at a later date. (See long hole drilling sketches.)

Results of drilling are as follows:

Hole No.	Depth		oz Au	oz Ag	% Pb	% Cu	% Zn
52	84'	48 - 52	.03	1.2	0.0	0.5	2.8
	52-56	~~56 - 60~~	.05	5.2	7.8	2.0	5.1
		60 - 64	.19	6.2	9.3	1.8	0.8
		64 - 68	.04	3.7	8.4	2.4	6.2
		68 - 72	.11	7.3	20.9	1.0	9.3
		72 - 76	.04	5.9	28.6	0.5	1.6
		76 - 84	.03	0.8	3.8	0.2	0.7
53	192'						
54	140'						
55	64'	(Not Complete)					
Total	380'						

→ 55-60 Au .05, Ag 3', Pb 10.9, Cu 2', Zn 20

Analytical: A total of ~~7~~ 8 assays and ~~35~~ 40 determinations were made on samples from Hole No. 52.

Item No. 7

Diamond Drill Hole No. 2 is being continued south from the face of 20-784 S. Crosscut and will be completed during September.

When D.D. hole No. 2 is completed, it is proposed that a vertical down hole to test stratigraphy and structure below the 2005 Level be drilled. This is in accordance with the original D.M.E.A. proposal and was advocated by the examining U. S. G. S. Geologists. This hole will be drilled vertically downward approximately 1000 feet from a point in 20-812 Crosscut and will be in a favorable location to check the stratigraphy and the strength of Mayflower Fissure ore shoots below the 2005 Level. (See accompanying sketch of proposed Diamond Drill Hole No. 3.)

Ore Production:

During August, a total of 1497 tons of ore having an average net smelter return value of $18.38 per ton were produced from the 2005 Level. Ore was produced from 20-789 E. Dr., 20-P-917 Dr., 20-785 Raise, 20-785 E. Stope, 20-790 Raise, 20-813 Stope, 20-P-914 Raise, and 20-P-930 Raise.

Enclosed are the following: Long Hole Drilling sketches, Sketch of proposed diamond drill hole, Unit cost and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

Bob Archer

Bob F. Archer
Chief Geologist and Engineer

COPY

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 4981
Contract No.
14-23-090- E-1218
Contract Amount $564,880.00
Gov't. Participation % 50 $ 282,440.00
Mineral(s) Lead, Zinc and Copper

OPERATOR'S MONTHLY VOUCHER

For Month of July, 1961

Operator's Name New Park Mining Company
Address 907 Walker Bank Building, Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~xxxxxx~~ Timbering	None	10,488.50	10,488.50			
Drifting & Crosscutting	None	150,255.00	150,255.00			
~~xxxxxx~~ Raising	None	12,555.33	12,555.33			
Drilling Percussion	None	6,483.50	6,483.50			
Diamond	None	3,206.75	3,206.75			
Analytical Work	None	900.00	900.00			
(2) ~~xxxxxxxxxx~~ Water Door	None	980.00	980.00			
~~xxxxxxxxxx~~ Incidental Allowance	None	126.25	126.25			
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Transite Pipe		41,036.71	41,036.71			
Pumps & Column		32,807.55	32,807.55			
TOTALS	None	258,839.55	258,839.59			

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

Date 10-2-61 *Payee New Park Mining Company

Per Carl D. Hayes Title Secretary

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$

Signature
(Authorized Certifying Officer)

Date Vou. No.

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. _____

Signature _____ Title _____ Date _____

Approved by OME Executive Officer or Alternate:

Signature _____ Title _____ Date _____

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

OCT 16 1961
OFFICE OF THE SECRETARY
FISCAL SECTION
INT-DUP.,D.C.59— 61579

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of July, 1961 Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090-E-1218

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
#3 Drifting & Crosscutting	Feet	None	3,339	150,255.00			
~~Crosscutting~~ Timbering	Feet	None	953½	10,488.50			
#4 Raising	Feet	None	272½	12,555.33			
#2 ~~Shafts~~ Pumps & Column	Feet	None	1,513	32,807.55			
~~Winzes~~ Analytical	Each	None	900	900.00			
Other Underground *	Each	None	980	980.00			
#7 Drilling, Core-Diamond	Feet	None	505	3,206.75			
Incidental Allowance ~~Rotary~~	Feet	None	505	126.25			
Drilling, Non-core-Diamond							
Rotary							
Churn							
#6 Percussion	Feet	None	6,483½	6,483.50			
Miscellaneous							
#1-16" Transite Pipe	Feet	None	7,149½	41,036.71			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				258,839.59			

REMARKS

* Water Door

(Continue on back)

REMARKS

(Continue on back)

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

Date 10-2-61 Operator New Park Mining Company

Per Carl D Hagen Title Secretary

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature

Title
Government Representative

Date

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

EMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

Mr. Hugh M. Connors
Acting Field Officer
O.M.E. Region 111
Building 20 - Federal Center
Denver 25, Colorado

OME
DEPARTMENT OF THE INTERIOR
OCT 13 1961
REGION III
DENVER, COLORADO

August 21, 1961

Re: Docket No. DMM 4961 - Contract I-1210
July Report. Item No. 7.

Dear Sir:

Item No. 7 - Diamond Drilling: The only work being carried out under the D.M.M. contract during July was drilling in Diamond Drill Hole No. 2 which is being drilled south from the face of 20-764 crosscut. The hole will be reported when completed.

Ore Production: Ore produced from the 2005 Level during July totaled 1214 tons with an average net smelter return value of $ 24.50 per ton. Ore was produced from 2002 W. Drift, 20-P-917 Drift, 20-P-943 Raise, 20-705 Stope, and 20-613 W. Stope.

Enclosed are the following: Unit cost and progress reports.

Very truly yours,
NEW PARK MINING COMPANY

Bob F. Archer

Bob F. Archer
Chief Geologist and Engineer

BFA/sr

Enclosures

OFFICIAL FILE COPY
O. M. E
RECEIVED OCT 18 1961

DATE	INITIALS	CODE
		800

Sch 251

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 4981
Contract No.
14-23-090- E-1218
Contract Amount $564,880.00
Gov't. Participation % 50 $ 282,440.00
Mineral(s) Lead, Zinc and Copper

OPERATOR'S MONTHLY VOUCHER

For Month of June, 1961

Operator's Name New Park Mining Company
Address 907 Walker Bank Building, Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~Bulldozing~~ Timbering		10,488.50	10,488.50			
Drifting & Crosscutting		150,255.00	150,255.00			
~~Crosscutting~~ Raising		12,555.33	12,555.33			
Drilling Percussion	668.00	5,815.50	6,483.50			
" Diamond		3,206.75	3,206.75			
Analytical Work	70.00	830.00	900.00			
Water Door		980.00	980.00			
(2) Personal Services:						
~~Supervision & Technical~~ Incidental Allowance	126.25		126.25			
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Transite Pipe		41,036.71	41,036.71			
Pumps & Column		32,807.55	32,807.55			
TOTALS	864.25	257,975.34	258,839.59	864.25	257,975.34	258,839.59

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

Date 7-20-61 *Payee New Park Mining Company

Per Carl D Hagen Title Secretary

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 432.13

Signature BAS
(Authorized Certifying Officer)

Date 8/10/61 Vou. No. 743

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. Edm-E 1218

Signature T Mendo Title Mining Engineer Date 8-7-61

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connors Title Acting Field Officer Date 8-8-61

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of June, 1961 Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090-~~E-1218~~

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
#3 Drifting & Crosscutting	Feet	none	3,339	150,255.00			
~~Crosscutting~~ Timbering	Feet	none	953½	10,488.50			
#4 Raising	Feet	none	272½	12,555.33			
#2 ~~Shafts~~ Pumps & Column	Feet	none	1,513	32,807.55			
~~Winzes~~ Analytical	Each	70	900	900.00			
Other Underground *	Each	1	1	980.00			
#7 Drilling, Core-Diamond	Feet	none	505	3,206.75			
Incidental allowance ~~Rotary~~	Feet	505	505	126.25			
Drilling, Non-core-Diamond							
Rotary							
Churn							
#6 Percussion	Feet	668	6,483½	6,483.50			
Miscellaneous							
#1 - 16" Transite Pipe	Feet	none	7,149½	41,036.71			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				258,839.59			

REMARKS

* Water Door

(Continue on back)

REMARKS

(Continue on back)

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

Date 7-20-61 Operator New Park Mining Company

Per Carl D Hagen Title Secretary

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature T M Reeves

Title Mining Engineer
Government Representative

Date 8-7-61

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 15 1961

DATE	INITIALS	CC
		800

Building 20 - Federal Center
Denver 25, Colorado

August 8, 1961

AIR MAIL

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: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm K1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for June 1961

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, map showing the long-hole drilling for the month and engineer's inspection report covering the work performed during the month of June 1961.

It is recommended that the Operator be reimbursed $432.13 which is 50 percent of the total monthly costs shown on MME Form 60, subject to your verification of the arithmetical accuracy of the report.

Original signed by

Hugh M. Connors

Attachments

Building 20 - Federal Center
Denver 25, Colorado

August 8, 1961

Memorandum

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

From: T. M. Romslo

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper)
Contract No. Idn E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for June 1961

A progress inspection of the subject project was made by me August 2, 1961. It included an inspection of the mine maps with Bob Archer, chief geologist and engineer, and an inspection of underground workings in the project area. I was unaccompanied during the latter inspection trip. My findings indicated that advances in authorized work completed during the reporting period are as recorded in the attached Operator's Report. The advances included 668 feet of long-hole drilling in fire holes, and 70 assay determinations.

A total of 1291 tons of ore was produced from the project area during June. All of the ore was produced from development workings on the 1380 and 2005 levels. The ore from the 1380 level came from the initial 20 feet of advance into subordinated ground by the 1380 west drift.

OPERATOR'S REPORT

MME Form 60

Percussion drilling - The $668.00 is for the authorized 668 feet of advance at a fixed cost of $1.00 a foot.

Analytical Work - The $70.00 is for the authorized 70 assay determinations at $1.00 each.

Incidental Allowance - The $126.25 is for the 505 feet of diamond drilling at a fixed cost of $0.25 a foot. This cost was incurred in the drilling of hole No. 1 during March 1961.

Totals -- The total costs appear to be correct.

The Government's share of the monthly total cost ($864.25) at 50 percent is $432.13.

MGE Form 61

The form, containing total costs in agreement with those of MGE Form 60, has been properly completed.

Narrative Report

The narrative report with map is acceptable.

Original signed by

T. M. Romalo

OME
DEPARTMENT OF THE INTERIOR
JUL 13 1961
DENVER
COLORADO

Mr. Hugh M. Connors
Acting Field Officer
O.M.E. Region III
Building 20 - Federal Center
Denver 25, Colorado

July 12, 1961

Re: Docket No. DMEA 4981 - Contract E-1218
June Report - Item No. 6

Dear Sir:

Item No. 6 - Long Hole Percussion Drilling: A total of 668 ft. of long hole drilling was completed on the 2005 Level during June.

Long Holes No. 47, 48 and 51 were drilled north from 2005 W. Dr. as horrizontal probing holes to examine various strands of the Mayflower Fissure zone for mineralization and to determine rock types. High grade mineralization was encountered in hole No. 47, and two short holes were drilled to check the extent of this pipe. Hole No. 49 was drilled horizontally and hole No. 50 was drilled upward at a 30° angle to check the extent of the ore pipe, but neither hole encountered significant ore values. (Refer to long hole drilling sketch showing holes drilled during May and June.)

Results of the Long Hole Drilling for June are as follows:

Hole No.	Depth		Au	Ag	Pb	Cu	Zn
47	152'	47'-51'	.03	6.6	15.9	0.7	2.9
48	160'	24 -33	.00	0.0	0.0	0.0	0.0
		33 -36	.00	0.0	0.0	0.2	0.0
		36 -40	.00	0.0	0.0	0.0	0.0
		40 -48	.00	0.0	0.0	0.0	0.0
		48 -56	.00	0.0	0.0	0.0	0.0
		56 -64	.00	0.0	0.0	0.0	0.0
		64 -72	.00	0.0	0.0	0.0	0.0
		72 -80	.00	0.0	0.0	0.0	0.0
		80 -88	.00	0.0	0.0	0.0	0.0
		96-104	0.0	0.0	0.0	0.3	0.0
		104-112	0.0	0.0	0.0	0.3	0.0
		112-120	0.0	0.0	0.0	0.0	0.0
		144-152	0.0	0.0	0.0	0.2	0.5
49	64'						
50	72'						
51	220'						
Total	668'						

Analytical: A total of 14 assays and 70 determinations were made on samples from mineralized zones in the drill holes.

Item No. 7 - Diamond Drilling: Drilling was started on Diamond Drill Hole No. 2 during June. The hole is being drilled south from the face of 20-784 Crosscut and will be reported when complete.

Ore Production: During June, a total of 1291 tons of ore with a net smelter return value of $20.13 per ton were produced from the 2005 Level and from the 1380 Level west of the DMEA line. Ore was produced from 20-866 Dr., 2002 E. Dr., 20-751 Rs., 20785 Rs., 20-813 Rs., 20-P-943 Rs., and 1380 W. Dr.

Enclosed are the following: Long Hole Drilling sketch, unit cost and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

Bob Archer

Bob F. Archer,
Chief Geologist and Engineer

BFA:jc
Enclosures

COPY

MME FORM 60
SEPT. 1959

Sch 178

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 4981
Contract No. 14-23-090- E-1218
Contract Amount $ 564,880.00
Gov't. Participation % 50 $ 282,440.00
Mineral(s) Lead, Zinc and Copper

OPERATOR'S MONTHLY VOUCHER

For Month of May, 1961

Operator's Name New Park Mining Company
Address 907 Walker Bank Building, Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~Bulldozing~~ Timbering		10,488.50	10,488.50			
Drifting Crosscutting		150,255.00	150,255.00			
~~Crosscutting~~ Raising		12,555.33	12,555.33			
Drilling Percussion	2,194.00	3,621.50	5,815.50			
" Diamond		3,206.75	3,206.75			
Analytical Work	255.00	575.00	830.00			
Water Door		980.00	980.00			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Transito Pipe		41,036.71	41,036.71			
Pumps & Column		32,807.55	32,807.55			
TOTALS	2,449.00	255,526.34	257,975.34			

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 28 1961
DATE | INITIALS | CODE

OME
DEPARTMENT OF THE INTERIOR
JUL 26 1961
REGION II
DENVER, COLORADO

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

Date 7-18-61 *Payee New Park Mining Company

Per Carl D Hoyer Title Secretary

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 1224 50

Signature OAS
(Authorized Certifying Officer)

Date 7/27/61 Vou. No. 523

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. Idm-E 1218

Signature D M Romado Title Mining Engineer Date 7-25-61

Approved by OME Executive Officer or Alternate:

Signature _____ Title _____ Date _____

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of May, 1961 Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090- E-1218

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
#3 Drifting Crosscutting	Feet	none	3,339	150,255.00			
~~Crosscutting~~ Timbering	Feet	none	953½	10,488.50			
#4 Raising	Feet	none	272½	12,555.33			
#2 ~~Shafts~~ Pumps & Column	Feet	none	1,513	32,807.55			
~~Winzes~~ Analytical	Each	255	830	830.00			
Other Underground *	Each	none	1	980.00			
#7 Drilling, Core-Diamond	Feet	none	505	3,206.75			
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
#6 Percussion	Feet	2194	5,815½	5,815.50			
Miscellaneous							
#1 - 16" Transite Pipe	Feet	none	7,149½	44,036.71			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				257,975.34			

REMARKS

* Water Door

(Continue on back)

REMARKS

(Continue on back)

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

Date 7-18-61 Operator New Park Mining Company

Per Carl D Hay Title Secretary

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature M M Canada

Title Mining Engineer
Government Representative

Date 7-25-61

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

OFFICIAL FILE COPY O. M. E. RECEIVED JUL 28 1961		
DATE	INITIALS	CODE
7-31	gad	VVC
		800

Building 20 - Federal Center
Denver 25, Colorado

July 25, 1961

AIR MAIL

Memorandum

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

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

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for May 1961

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, map showing the Long-hole drilling for the month and engineer's inspection report covering the work performed during the month of May 1961.

It is recommended that the Operator be reimbursed $1,224.50 which is 50 percent of the total monthly costs shown on MME Form 60, subject to your verification of the arithmetical accuracy of the report.

Original signed by

Hugh M. Connors

Attachments

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 28 1961

DATE	INITIALS	CODE

Building 20 - Federal Center
Denver 25, Colorado

July 25, 1961

Memorandum

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

From: T. M. Romslo

Subject: Docket No. DMRA-4981 (Lead-Zinc-Copper)
Contract No. Idm-K1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for May 1961

A progress inspection of the subject project was made by me May 25, 1961. My findings indicated that advances in authorized work during the reporting period were as recorded in the attached Operator's Report. The advances consisted of 2194 feet of long-hole drilling and 255 assay determinations.

The long-hole drilling resulted in the discovery of a lens of low-grade ore of possible significant extent. Several zones of weak mineralization also were cut by the holes.

Non-Contract Work

A reported 737 tons of ore with an average net smelter return of $22.82 a ton was produced from ore bodies discovered by the project.

OPERATOR'S REPORT

MME Form 60

Percussion Drilling -- The $2,194.00 is for the authorized 2194 feet of advance at a fixed cost of $1.00 a foot.

Analytical Work - The $255.00 is for the authorized 255 determinations at $1.00 each.

Totals -- The total costs appear to be correct.

The Government's share of the total monthly cost, $2,449.00, at 50 percent is $1,224.50

MMI Form 61

The form, containing total costs in agreement with those of MMI Form 61, has been properly completed.

Narrative Report

The report with map is acceptable.

Original signed by

T. M. Romslo

OME OFFICIAL FILE COPY
DEPARTMENT OF THE INTERIOR
JUL 28 1961
RECEIVED JUL 28 1961
REGION III
DENVER, COLORADO

Mr. Hugh M. Connors
Acting Field Officer
O.M.E. Region III
Building 20 - Federal Center
Denver 25, Colorado

June 30, 1961

Re: Docket No. DMA 4981 Contract I-1218
May Report - Item No. 6.

Dear Sir:

Item No. 6 - Long Hole Percussion Drilling: A total of 2194 feet of long hole drilling was completed on the 2005 level during May. Holes were drilled from 4 locations in 2005 West drift. (Refer to long hole drilling sketch.)

Holes No. 26-A, 27, 29, 30, 36, and 45 were drilled as horizontal probing holes to locate various strands of the Mayflower Fissure Zone and to check rock types and mineralization.

Holes 28, 31, 32, 33, 34, 35, 37, 38, 40, 41, 42, 43, and 46 were short holes used to probe for ore shoots along the favorable fissures and to check the extent of promising mineralization encountered.

Holes 39 and 44 were drilled upward at angles of + 20° and + 27° respectively in order to test the upward extent of promising mineralization.

Depths drilled and results are as follows:

Hole No.	Depth		oz. Au	oz. Ag	% Pb	% Cu	% Zn
26-A	220'	176-184	.00	0.0	0.0	0.0	0.0
27	152'	104-112	.00	0.0	0.0	0.0	0.0
28	40'						
29	196'	0-12	.00	Tr.	2.3	0.0	3.5
		16-24	.00	Tr.	2.3	0.0	3.4
		48-56	.00	Tr.	2.0	0.0	2.4
		184-196	.00	Tr.	0.0	0.0	1.6
30	220'	10-13	.00	0.0	0.0	0.0	0.0
		13-15	.00	0.0	0.0	0.0	0.0
		15-17	.00	0.0	0.0	0.0	0.0
		17-24	0.0	Tr.	1.3	0.0	2.0

Hole No.	Depth		oz. Au	oz. Ag	% Pb	% Cu	% Zn
30 cont.	110'	24-32	0.0	Tr.	1.4	0.0	1.7
		32-40	0.0	Tr.	2.4	0.0	2.0
		88-96	0.0	Tr.	1.0	0.0	1.5
		96-104	0.0	Tr.	2.0	0.0	2.6
		176-184	0.0	Tr.	2.4	0.0	2.0
		216-224	0.0	Tr.	2.3	0.0	2.3
31	116'	32-24	.05	0.9	3.5	0.0	4.6
		56-64	.00	Tr.	1.0	0.0	1.2
		64-72	.00	Tr.	1.0	0.2	1.9
		72-80	.00	Tr.	1.4	0.0	4.0
		80-88	.00	Tr.	2.6	0.0	4.1
		88-96	.00	Tr.	2.4	0.0	3.9
		96-104	.00	Tr.	1.5	0.0	5.0
		104-112	.00	0.2	2.0	0.0	5.1
		112-116	.04	0.3	2.0	0.0	3.2
32	80'						
33	60'	28-32	.04	0.2	3.0	0.2	4.0
34	72'						
35	72'	40-48	.01	0.5	2.1	0.3	3.5
		48-56	.00	Tr.	0.0	0.2	1.3
36	200'	16-24	.01	0.7	2.9	0.2	4.2
		24-32	.02	1.4	4.7	0.2	3.9
		32-40	.01	0.7	0.0	0.2	3.0
37	56'	24-32	.03	0.1	3.7	0.1	7.4
		32-40	.03	1.0	3.9	0.2	3.9
		40-56	.00	Tr.	1.3	0.0	2.4
38	60'						
39	70'	28-32	.04	1.6	12.6	2.4	13.7
40	80'	28-32	.03	0.5	2.9	0.2	2.5
41	64'	32-40	.00	Tr.	0.0	0.0	1.5
42	64'						
						Zn	Cu
43	72'	0-9	0.0	0.0	0.0	0.7	0.0
		24-32	0.0	0.0	0.0	1.5	0.0
		40-48	0.0	0.0	0.0	1.1	0.0
		48-56	0.0	0.0	0.0	1.9	0.0
		56-64	0.0	0.0	0.0	1.4	0.0

Hole No.	Depth		oz. Au	oz. Ag	% Pb	% Cu	% Zn
44	72'	16-24	0.0	0.0	0.0	0.0	1.0
		24-32	0.0	0.0	0.0	0.0	0.3
		32-40	0.0	0.0	0.0	0.0	1.7
		40-48	0.0	0.0	0.0	0.0	1.2
		56-64	0.0	0.0	0.0	0.0	0.0
45	144'	88-96	0.0	0.0	0.0	0.0	0.0
46	60'	16-18	.02	0.6	3.1	0.2	5.0
		18-20	.06	1.1	3.6	0.3	6.4
		20-23	.10	1.0	3.0	0.3	7.0

Total 2194'

A total of 51 assays and 255 determinations were made.

Ore Production: During May, 737 tons of ore with a net smelter return value of $22.82 per ton were produced from the 2005 level. Ore was produced from 2002 E. Dr., 20-785 Stope, and 20-813 Raise.

Enclosed are the following: Long hole drilling sketch and unit cost and progress report.

Very truly yours,

NEW PARK MINING COMPANY

Bob Archer

Bob Archer,
Chief Geologist & Engineer

MME FORM 60
SEPT. 1959

Sch 178

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 4981
Contract No. 14-23-090-E-1218
Contract Amount $564,880.00
Gov't. Participation % 50 $ 282,440.00
Mineral(s) Lead, Zinc and Copper

OPERATOR'S MONTHLY VOUCHER

For Month of April, 1961

Operator's Name New Park Mining Company
Address 907 Walker Bank Building, Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~Bulldozing~~ Timbering		10,488.50	10,488.50			
Drifting Crosscutting		150,255.00	150,255.00			
~~Crosscutting~~ Raising		12,555.33	12,555.33			
Drilling Percussion	1,180.00	2,441.50	3,621.50			
" Diamond		3,206.75	3,206.75			
Analytical Work	140.00	435.00	575.00			
Water Door		980.00	980.00			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Transite Pipe		41,036.71	41,036.71			
Pumps & Column		32,807.55	32,807.55			
TOTALS	1,320.00	254,206.34	255,526.34	1320.00	254,206.34	255,526.34

OFFICIAL FILE COPY
O. M. E
RECEIVED JUL 28 1961

DATE	INITIALS	CODE

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

Date 5-29-61 *Payee New Park Mining Company

Per Carl D. Hay Title Secretary

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 660.00

Signature OAS
(Authorized Certifying Officer)

Date 7/27/61 Vou. No. 523

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. Idm-E 1218

Signature T M Pamsler Title Mining Engineer Date 7-25-61

Approved by OME Executive Officer or Alternate:

Signature _____ Title _____ Date _____

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of April, 1961 Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090- E-1218

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
#3 Drifting & Crosscutting	Feet	none	3,339	150,255.00			
Crosscutting Timbering	Feet	none	953½	10,488.50			
#4 Raising	Feet	none	272½	12,555.33			
#2 Shafts Pumps & Column	Feet	none	1,513	32,807.55			
Winzes Analytical	Each	140	575	575.00			
Other Underground *	Each	none	1	980.00			
#7 Drilling, Core-Diamond	Feet	none	505	3,206.75			
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
#6 Percussion	Feet	1,180	3,621½	3,621.50			
Miscellaneous							
#1 - 16" Transite Pipe	Feet	none	7,149½	41,036.71			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				255,526.34			

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REMARKS

* Water Door

(Continue on back)

REMARKS

(Continue on back)

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

Date 5-29-61 Operator New Park Mining Company

Per C. D. Hagen Title Secretary

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature T. M. Pancelo

Title Mining Engineer
Government Representative

Date 7-25-61

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

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		800

Building 20 - Federal Center
Denver 25, Colorado

July 25, 1961

AIR MAIL

Memorandum

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

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

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm 81218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for April 1961

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, map showing the long-hole drilling for the month and engineer's inspection report covering the work performed during the month of April 1961.

It is recommended that the Operator be reimbursed $660.00 which is 50 percent of the total monthly costs shown on MME Form 60, subject to your verification of the arithmetical accuracy of the report.

Original signed by

Hugh M. Connors

Attachments

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Denver 25, Colorado

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July 25, 1961

Memorandum

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

From: T. M. Romslo

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm K1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for April 1961

A progress inspection of the subject project was made by me May 25, 1961. Progress in authorized work completed during the reporting period was found to be as recorded in the attached Operator's Report. It consisted of 1180 feet of long-hole drilling in 10 holes and 140 assay determinations.

The long-hole drilling resulted in the discovery of a small lens of low-grade ore. Several zones of weak mineralization also were penetrated by the holes.

Non-Contract Work

A total of 1408 tons of ore having a net smelter value of $19.15 a ton was reportedly produced from development workings in the project area.

OPERATOR'S REPORT

OME Form 60

Percussion Drilling -- The $1180.00 is for the authorized 1180 feet of advance at a fixed cost of $1.00 a foot.

Analytical Work -- The $140.00 is for the authorized 140 determinations at $1.00 each.

Totals The total costs appear to be correct. The previously reported totals and the totals to date reflect the $15.00 disallowed for assaying during October 1960.

The Government's share of the total monthly cost, $1,320.00, at 50 percent is $660.00

MME Form 61

The form, containing total costs in agreement with those of MME Form 60, has been properly completed.

Narrative Report

The report with map is acceptable.

T. M. Romslo

T. M. Romslo

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Mr. Hugh M. Connors
Acting Field Officer
O.M.E. Region III
Building 20- Federal Center
Denver 25, Colorado

May 20, 1961

OME
DEPARTMENT OF THE INTERIOR
JUN 5 1961
REGION III
DENVER, COLORADO

Re: Docket No. 4981 Contract E-1213
April Report - Item No. 6

Dear Sir:

Item No. 6 - Long Hole Percussion Drilling: A total of 1180' of long hole drilling was completed on the 2005 level during April.

Hole No. 5, Hole No. 9 and Hole No. 25, were drilled as horizontal Probing holes to prospect the south wall of 2005 West drift and locate the south dipping fissure zone that was cut by the drift farther to the east.

Holes 5 and 9 were drilled in diorite and several altered zones were encountered which probably represent strands of the fissure. No strong mineralization was encountered in these zones. Hole No. 5 reached a depth of 152 feet and Hole No. 9 was drilled for 198 feet.

Hole No. 25 was started in diorite and crossed a fissure zone containing altered diorite with weak mineralization from 20 to 44 feet. The hole encountered a calc-silicate zone which may be altered argillite from 44 to 116 feet, and entered altered limestone after crossing a weak fissure zone between 116 and 132 feet. The hole was stopped in limestone at 196 feet.

Long Hole No. 10 was drilled north from 2005 West drift as a horizontal probing hole to prospect the Mayflower and Pearl Fissures. The hole was started in diorite and crossed several strands of the Mayflower zone from 4 ft. to 44 ft. Low grade ore was encountered between 4 ft. and 12 ft. The hole continued in diorite and cut the Pearl Fissure at 164 ft. The fissure contains weak mineralization at this point. North of the Pearl Fissure, highly altered sediments were encountered and continued to 216 feet, where the hole was stopped.

Holes No. 14, 15, 16, 23 and 24 were short holes drilled to further probe the Mayflower zone north of 2005 West drift. From these holes, it was determined that a lens of low grade ore of short strike length lies just north of the drift.

The holes reached the following depths: No. 14 - 74 ft., No. 15 - 68 ft., No. 16 - 80 ft., No. 23 - 80 ft., and No. 24 - 60 ft. (See long hole drilling sketch).

Hole No. 26 was drilled in limestone south from 2005 West drift near 20-840 Cross-cut, and reached a depth of 56 feet before it was stopped because of a broken drill rod stuck in the hole. Further drilling is being done in this area and the hole will be shown on next month's drilling sketch.

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Analytical: All metalized zones in the drill holes were assayed with results as follows:

No. 5	oz. Au	oz. Ag	% Pb	% Zn	% Cu
32' - 40'	.00	Tr.	0.0	0.0	0.0
40' - 48'	.00	Tr.	0.0	0.0	0.0
48' - 56'	.00	Tr.	0.0	0.0	0.0
72' - 80'	.00	0.0	0.0	0.0	0.0
No. 10					
4' - 8'	.10	5.8	0.0	1.7	0.5
8' - 12'	.12	13.4	2.7	3.9	1.7
20' - 28'	.00	Tr.	0.0	0.0	0.0
28' - 36'	.00	Tr.	0.0	0.0	0.5
44' - 52'	.00	Tr.	0.0	0.4	0.4
52' - 60'	.00	0.0	0.0	0.0	0.0
60' - 68'	.00	0.0	0.0	0.0	0.0
68' - 76'	.00	0.0	0.0	0.0	0.0
108' - 116'	.00	Tr.	0.0	0.0	1.0
116' - 124'	.00	Tr.	0.0	0.0	0.5
124' - 132'	.00	Tr.	0.0	0.0	0.0
132' - 146'	.00	Tr.	0.0	0.0	0.7
146' - 154'	.00	Tr.	0.0	0.0	0.0
No. 14					
14' - 15'	.04	4.1	2.2	3.0	0.8
15 - 18	.03	0.6	2.4	0.2	1.3
18 - 24	.00	Tr.	0.0	0.0	3.2
56 - 64	.00	Tr.	0.0	0.0	1.1
64 - 72	.00	Tr.	0.0	0.0	0.8
No. 15					
6 - 12	.04	3.8	0.0	1.5	0.8
No. 16					
24 - 27	.04	2.1	2.6	0.7	6.9
40 - 48	.00	Tr.	0.0	0.2	1.1
56 - 64	.00	Tr.	0.0	0.0	0.3
No. 23					
10 - 12	.03	1.1	0.0	0.6	1.5
No. 26					
52 - 53	.00	Tr.	0.0	0.2	1.7

A total of 20 assays and 140 determinations were made.

Ore Production: During April, 1408 tons of ore having a net smelter return value of $19.15 per ton were produced from the 2005 level.

COPY

Ore was produced from 2002 E. Dr., 20-751 Rs., 20-785 stope, 20-813 Rs., and 20-843 Rs.

Enclosed are the following: Long hole drilling sketch, unit cost and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

Bob Archer

Bob Archer,
Chief Geologist & Engineer

COPY

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MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Sch 178

Docket No. 4981
Contract No.
14-23-090- E-1218
Contract Amount $564,880.00
Gov't. Participation % 50 $ 282,440.00
Mineral(s) Lead, Zinc and Copper

OPERATOR'S MONTHLY VOUCHER

For Month of March, 1961

Operator's Name New Park Mining Company
Address 907 Walker Bank Bldg., Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~Bulldozing~~ Timbering	429.00	10,059.50	10,488.50			
Drifting Crosscutting	1,102.50	149,152.50	150,255.00			
~~Crosscutting~~ Raising		12,555.33	12,555.33			
Drilling Percussion	18.00	2,423.50	2,441.50			
" Diamond	3,206.75		3,206.75			
Analytical Work	65.00	385.00	450.00			
Water Door		980.00	980.00			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Transite Pipe		41,036.71	41,036.71			
Pumps & Column		32,807.55	32,807.55			
TOTALS	4,821.25	249,400.09	254,221.34	4821.25	249,385.09	554,206.34

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OME
DEPARTMENT OF THE INTERIOR
JUL 28 1961
REGION III
DENVER, COLORADO

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

Date 5-17-61 *Payee New Park Mining Company

Per [signature] Title Secretary

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 2410 63

Signature [signature]
(Authorized Certifying Officer)

Date 7/27/61 Vou. No. 523

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. Edon-E 1218

Signature D M Romeo Title Mining Engineer Date 7-24-61

Approved by OME Executive Officer or Alternate:

Signature _____ Title _____ Date _____

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

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July 25, 1961

AIR MAIL

Memorandum

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

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

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm K1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for March 1961

Enclosed are the original and two copies of MME Form 60 and MME Form 61, supplement to Mayflower Lease Agreement, statement of costs submitted by the Mayflower Lease, Operator's Narrative Report, map showing diamond drill hole No. 1, and engineer's inspection report covering the work performed during the month of March 1961.

It is recommended that the Operator be reimbursed $2,410.63 which is 50 percent of the total monthly cost shown on MME Form 60, subject to your verification of the arithmetical accuracy of the report.

Original signed by

Hugh M. Connors

Attachments

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DATE	INITIALS	CODE

Building 20 - Federal Center
Denver 25, Colorado

July 25, 1961

Memorandum

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

From: T. M. Romslo

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah
Progress Report for March 1961

I inspected the subject project in the company of Bob Archer, chief geologist and engineer, April 5, 1961. Progress in authorized work completed during the reporting period was found to be as reported in the attached Operators Report, and as described below.

Drifting and Crosscutting

There was 24.5 feet of advance in drifting and crosscutting as follows:

1. 5.5 feet in 2005 drift west. Drifting was discontinued when an excessive amount of water was encountered after drilling and blasting the one 5.5-foot round. The advance was from 103 to 108.5 feet westerly from survey spad 5643.
2. 9.0 feet in crosscut 20-707. The advance was from 30 to 39 feet from the drift.
3. 4.0 feet in crosscut 20-784 south. The advance was from 244 to 248 feet southerly from survey spad 5621.
4. 6.0 feet of advance in crosscut 20-895 north. The advance was from 240 to 246 feet northerly from survey spad 5601. The Pearl fissure, which was cut by the crosscut, is being followed eastward at no expense to the Government. The Operator's grab samples of muck from the fissure, which averages about 2.5 feet wide, contained 3 to 5 percent copper and 2 to 3.5 ounces gold a ton.

Timbering

A total of 39 lineal feet of timber sets were installed in the drifts and crosscuts.

Percussion Drilling

Long hole no. 22 was drilled southward from near the face of the 2005 drift west. It was abandoned at a depth of 18 feet where it encountered an excessive flow of water.

Diamond Drilling

Diamond drill hole no. 1 was completed to a depth of 505 feet. no strongly mineralized zones were encountered.

Assaying

A total of 65 determinations were made in the assaying of 13 sludge samples from diamond drill hole no. 1.

Non-contract Work

A total of 1049 tons of ore was produced from drifts and raises in the project area.

OPERATOR'S REPORT

MME Form 60

Timbering --	The $429.00 is for the authorized 39 lineal feet of timbering at a fixed cost of $11.00 a foot.
Drifting and Crosscutting -	The $1,102.50 is for the authorized 24.5 feet of advance at a fixed cost of $45.00 a foot.
Percussion Drilling --	The $18.00 is for the authorized advance of 18 feet at a fixed cost of $1.00 a foot.
Diamond Drilling --	The $3,206.75 is for the authorized 505 feet of advance at an actual cost of $6.35 a foot. The drilling was done by an independent contractor. A copy of the contract and a certified invoice covering costs of machine rental, bits, drill rods, etc., are attached to the Operator's Report.
Analytical Work --	The $65.00 is for the authorized 65 determinations at $1.00 each.
Totals --	The monthly total cost appears to be correct. The other totals also appear to be correct before the $15.00 disallowed for assaying during October 1960.

The Government's share of the total cost for the reporting period, $4,821.25, at 50 percent is $2,410.63.

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Amendment Number Six
Supplementing the Mayflower Lease and Agreement Dated October 3, 1957
Providing For Exploration Under D.M.E.A. Items Number Seven - Diamond Drilling
Effective January 1, 1961

In order that the 11,000 feet of diamond drilling under the D.M.E.A. Exploration Contract can be carried out, it is agreed that the Mayflower Lease will do this drilling subject to the following terms and conditions:

1. The Company will furnish all necessary equipment and materials.

2. The Lessees will perform all necessary labor including moving, setting up, drilling, casing, cementing, etc.

3. The Company shall specify the location, direction, inclination, and depth of each hole.

4. Upon completion of each hole, the Company will pay the Lease $6.35 per foot of hole drilled and the Lease will reimburse the Company for the following costs:

Machine rental -	$1.35 per ft.
Bit costs -	1.25 per ft.
Drill rods, casing, core barrels & Accessories - - -	.75 per ft.
Total - - - - - - -	$3.35 per ft.

It is understood that this contract does not alter provisions of the Mayflower Lease dated October 3, 1957; The Supplement Joint Exploration Agreement dated October 4, 1957; and subsequent amendments.

For the Company:

/s/ Gale A. Hansen
Gale A. Hansen, General Superintendent
New Park Mining Company

For the Lease:

/s/ Leo H. Hatch
Leo H. Hatch, Lease Manager
Mayflower Lease

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DATE	INITIALS	CODE

April 1, 1961

TO: NEW PARK MINING COMPANY

FROM: MAYFLOWER MINES

Diamond Drilling for March, 1961:
Hole #1 - 505' @ $6.35/ft. $3,206.75

Less:

Machine Rental	505' @ $1.35	-	$681.75
Bit Costs	505' @ 1.25	-	631.25
Drill Rods, Casing, Core Barrels & accessories	505' @ .75	-	378.75
			1,691.75
		TOTAL DUE	$1,515.00

COPY

I certify this to be a true statement of costs submitted by the Mayflower Lease.

NEW PARK MINING COMPANY

Carl D. Harper

Carl D. Harper,
Secretary

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Mr. Hugh M. Connors
Acting Field Officer
O.M.E. Region III
Building 20 - Federal Center
Denver 25, Colorado

May 6, 1961

Re: Docket No. DMEA 4981 Contract E-1218
March Report Items no. 3, 6, and 7.

Dear Sir:

Item No. 3 - Drifting and Cross-Cutting: During March, an attempt was made to advance the 2005 West Drift in order to test water conditions, but the rapid increase in water flow encountered made it necessary to stop the drift after it was advanced for only 5½ feet.

20-707 Crosscut was advanced for 9 feet in order to cross the strong fault in the face so that future long hole drilling can be done in the firmer ground on the footwall of the structures. 4 sets of 10x10 timber covering 16 feet of the crosscut were installed.

20-784 South Crosscut was advanced for 4 feet during the month.

20-895 North Crosscut was advanced for 6 feet and then stopped while drifting was started east on the Pearl Fissure. Caving ground was encountered along a minor northwest trending fault and 5 sets of 10x10 timber covering 23 feet of drift were installed.

Total drifting and crosscutting for March was twenty four and one-half feet (24½ ft.). (Refer to previous geology sketches).

Item No. 6 - Long Hole Percussion Drilling: Long Hole No. 22 was drilled south from the face of 2005 West drift to test for mineralization on the strong fissure in the south wall of the drift and to check water flow. A water flow of approximately 1000 g. pm. under pressure was encountered at 18 feet and the hole was abandoned and sealed off.

Item No. 7 - Diamond Drilling: Diamond Drill hole No. 1 was started during February and completed to five hundred and five feet during March. The hole was drilled from 20-813 crosscut at a bearing of approximately N. 6° E. as a horizontal probing hole to locate the Pearl and possibly the North Pearl Fissures, and to probe for the contact between the sediments and the quartz monzonite to the north. The hole was started and drilled to 12 feet with an N.X. bit and the remainder of the hole is B.X.

The hole encountered sediments all the way and stayed in the dolomites and limestones of the upper Deseret limestone.

The Pearl Fissure was cut between 118 and 125 feet and consists of a 7 foot wide fracture zone containing altered dolimite, quartz, calcite, chlorite, and epidote with pyrite and minor Pb, Zn, and Cu sulphides.

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O. M. C.
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A strong fractured and altered zone with little core recovery was encountered from 368 to 386 feet and may be the North Pearl structure.

Besides these two zones, the dolomite is cut by numerous minor fractures and altered zones and contains abundant patches and stringers of pyrite and other sulphides.

From 342 feet on, the dolomite is strongly altered and vuggy with abundant clays, chlorite, epidote, silica, and introduced calcite. This alteration continues to the north and may be the altered zone near the contact between the sediments and the quartz monzonite. (See enclosed sketch of drill hole).

Analytical: No strong metalization was encountered in the diamond drill hole, but sludge samples that contained visible metalization were assayed with results as follows:

	Au	Ag	Pb	Cu	Zn
128' - 146'	.00	0.2	0.0	0.0	0.7
146 - 151	.00	0.2	0.0	0.0	0.9
281 - 301	.00	0.0	0.0	0.0	0.0
301 - 321	.02	0.6	2.6	0.2	1.9
341 - 360	.00	TR.	0.0	0.0	1.0
360 - 386	.00	0.0	0.0	0.0	0.5
386 - 406	.00	0.0	0.0	0.0	0.5
410 - 430	.00	0.0	0.0	0.0	0.0
465 - 475	.00	TR.	0.0	0.0	0.8
430 - 450	.00	0.0	0.0	0.0	0.5
475 - 485	.00	0.0	0.0	0.0	0.0
485 - 495	.00	0.0	0.0	0.0	0.0
495 - 505	.00	0.0	0.0	0.0	0.0

A total of 13 assays and 65 determintation were made at a cost of $65.00.

Ore Production: During March, 1049 tons of ore having a net smelter return value of $15.82 per ton were produced from the 2005 level. Ore was produced from 20-866 drift, 20-751 raise, 20-785 E. raise, 20-813 raise and 20-843 raise.

Enclosed are the following: Diamond Drill Hole sketch, unit cost and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

Bob Archer

Bob Archer,
Chief Geologist and Engineer

Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY

800

May 31, 1961

Mr. Carl D. Harper, Secretary
New Park Mining Company
Box 929
Park City, Utah

Re: Docket DMEA-4981 (Lead-Zinc-Copper)
Contract Nbr E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah
Operator's Report for March 1961

Dear Mr. Harper:

Our review of the referenced report shows that the cost of diamond drilling, an actual cost item of the contract, has not been adequately documented. To further support the detailed cost, please furnish this office with a copy of the contract and a signed statement of costs submitted by the Mayflower Lease. A copy of the statement will suffice providing it is certified as such by the company.

We also found that the fixed cost for an incidental allowance for each foot of diamond drilling at $0.25/ft. has not been vouchered.

We are returning herewith for replacement the original and four copies of Forms MME-60 and MME-61 and the statement of diamond drilling costs. All copies of the remainder of the report, the narrative section and map, have been retained by us.

An early receipt of the corrected forms and requested additional data will be appreciated.

Yours very truly,

Hugh M. Connors
Acting Field Officer, OME
Region III

Contract Forms Branch
Jhron

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Feb. 1604 B1 4100

Docket No. 4961
Contract No. 14-23-090-5-120
Contract Amount $ 566,000.00
Gov't. Participation % 50 $ 283,000.00
Mineral(s) Lead, Zinc and Copper

OPERATOR'S MONTHLY VOUCHER

For Month of February, 1961

Operator's Name New Park Mining Company
Address 907 Walker Bank Building, Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing Sidwell	652.50	9,207.00	10,059.50	852.50	9,207.00	10,059.50
Drifting & Crosscutting	15,547.50	133,605.00	149,152.50	15,547.50	133,605.00	149,152.50
Crosscutting Dalton		12,555.33	12,555.33		12,555.33	12,555.33 X
Drilling Reynolds		2,423.50	2,423.50		2,423.50	2,423.50
Analytical Work	15.00	370.00	385.00	15.00	355.00	370.00
Labor Work	980.00	None	980.00	980.00		980.00
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Prentice Bldg		41,036.71	41,036.71		41,036.71	41,036.71
Nunn & Wilson		32,807.55	32,807.55		32,807.55	32,807.55
TOTALS	17,195.00	232,005.09	249,400.09	17,395.00	231,990.09	249,385.09 X

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O. M. E
RECEIVED MAY 11 1961
DATE | INITIALS | CODE
800

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

Date May 2, 1961 *Payee New Park Mining Company

Per Robert Seamons Title President Vice President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001).

(INSTRUCTIONS ON REVERSE)

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

$ 8697.50 R

Signature _____
(Authorized Certifying Officer)

Date _____ Vou. No. _____

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. 14-E 1218

Signature [illegible] Title Mining Engineer Date 5-2-61

Approved by OME Executive Officer or Alternate:

Signature Hugh M Connor Title Acting Field Officer Date 5-4-61

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MMS Form 61

The form, containing total costs in agreement with those of MMS Form 60, has been properly completed.

Narrative Report

The report with a graphic log of diamond drill hole no. 1 is acceptable.

T. M. Romslo

MME FORM 61
SEPT. 1959

1604

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of February Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090-E-1218

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
#3 Drifting & Crosscutting	Feet	345½	3,314½	149,152.50	345 1/2	3,314 1/2	149,152.50
~~Crosscutting~~ Timbering	Feet	77½	914½	10,059.50	77 1/2	914 1/2	10,059.50
#4 Raising	Feet	None	272½	12,555.33		272 1/2	12,555.33
#2 ~~Shafts~~ Pumps & Column	Feet	None	1,513	32,807.55		1513	32,807.55
~~Winzes~~ Analytical	Each	15	385	385.00	15	370	370.00
Other Underground *	Each	1	1	980.00	1	1	980.00
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
#6 Percussion	Feet	None	2,423½	2,423.50		2423 1/2	2423.50
Miscellaneous							
#1 - 16" Transite pipe	Feet	None	7,149½	41,036.71		7149 1/2	41,036.71
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE (per MME Form 60)				249,400.09			249,385.09

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DATE INITIALS

REMARKS

* Water Door

(Continue on back)

REMARKS

(Continue on back)

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

Date 4-12-61 Operator New Park Mining Company

Per [signature] Title Executive Vice President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature [signature]

Title Mining Engineer
Government Representative

Date 5-4-61

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

Building 20 - Federal Center
Denver 25, Colorado

ENTER COPY
O. M. E
RECEIVED MAY 11 1961
DATE | | CODE

May 4, 1961

AIR MAIL

Memorandum

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

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

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for February 1961

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, two maps showing advance for the month, and engineer's inspection report covering work performed during the month of February 1961.

It is recommended that the Operator be reimbursed $8,697.50 which is 50 percent of the total monthly cost shown on MME Form 60, subject to your verification of the arithmetical accuracy of the report.

Original signed by

Hugh M. Connors

Attachments

Building 20 - Federal Center
Denver 25, Colorado

May 4, 1961

Memorandum

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

From: T. M. Romslo

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm-E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for February 1961

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O. M. E
RECEIVED MAY 11 1961
DATE INITIALS CODE

I inspected the subject project in the company of Bob Archer, Chief Geologist and Engineer, April 5, 1961. Progress in authorized work for the reporting period was found to be; as recorded in the attached Operator's Report and as described below.

Drifting and Crosscutting

The reported 345.5 feet of advance was confined to the following:

1. 178.5 feet in 20-895 North crosscut at 61.5- to 240.5 feet north of survey spad 5601.

2. 153.0 feet in 20-784 South crosscut at 91.0- to 244.0 feet south of survey spad 5621.

3. 14.0 feet in drill station 20-780 at 0.0- to 14.0 feet from west wall of 20-784 South crosscut.

Timbering

Crosscuts 20-895 North and 20-784 South were supported with 42.5 lineal feet of timber sets and 35.0 feet of steel sets, respectively. The locations of the installed sets are shown on the maps of the Operator's Report.

Analytical Work

A total of 15 determinations were made in assaying 3 samples on the Pearl fissure in 20-895 North crosscut. A composite of the 3 assays is shown on the maps of the Operator's Report.

Water Door

Installation of the water door near the face of 2005 West drift was completed. The door is reportedly designed for a 250-pound-per-square-inch pressure. During a recent test, water pressure against the closed door while letting out 800 gpm was reportedly established at 147 psi. This pressure, equivalent to a static head of 390 feet, had remained constant for a period of several days.

OPERATOR'S REPORT

MME Form 60

Timbering -- The $852.50 is for the authorized 77.5 feet of advance at a fixed cost of $11.00 a foot.

Drifting and Crosscutting - The $15,547.50 is for the authorized 345.5 feet of advance at a fixed cost of $45.00 a foot.

Analytical Work - The $15.00 is for the authorized 15 determinations at a fixed cost of $1.00 each.

Water Door - The $980.00 is the authorized fixed cost of installing the water door.

Totals -- The total costs appear to be correct before the $15.00 disallowance for assaying during October 1961.

The Government's share of the total cost for the reporting period, $17,395.00, at 50 percent is $8,697.50.

MME Form 61

The form, containing total costs in agreement with those of MME Form 60, has been properly completed.

Narrative Report

The report with two maps is acceptable.

Original signed by

T. M. Romslo

TMR/lm

Contract ~~Correx~~. E1218
Chron

OME
DEPARTMENT OF THE INTERIOR
APR 21 1961
REGION III
DENVER, COLORADO

Mr. Hugh H. Connors
Acting Field Officer
O.M.E. Region III
Building 20 - Federal Center
Denver 25, Colorado

April 4, 1961

EXTRA COPY
O. M. E.
RECEIVED MAY 11 1961
DATE | INITIALS | CODE

Re: Docket No. DIA 4931 Contract C-1218
February Report - Items No. 3, 5, 7.

Dear Sir:

Item No. 3 - Drifting and Cross-Cutting: 20-695 North cross-cut was extended for one hundred seventy eight and one-half feet (178½ ft.) and 20-734 South cross-cut was extended for one hundred fifty three feet (153 ft.) during February. A drill station, 20-780, was cut in 20-734 South cross-cut and advanced fourteen feet, (14 ft.). Total drifting and cross-cutting for the month was three hundred forty five and one-half feet (345½ ft.).

20-695 North cross-cut encountered a 20 ft. wide, north dipping fracture zone in the shaft diorite that is the main Mayflower Fissure. The structure contained quartz and scattered sulphide mineralization.

The Pearl Fissure was cut about 190 ft. north of the main drift, and was found to be 2½ to 3 ft. wide at this point and contains sugar quartz and pyrite with weak PbS, ZnS, and gold and silver values. We will begin drifting eastward on the Pearl and search for better ore shoots during March. The North cross-cut encountered diorite all the way except for a small calc-silicate zone along a fault between the Mayflower and Pearl Fissures. (See geology sketch).

20-734 South cross-cut crossed a strong 30 ft. wide north dipping fault zone that appears to be the intersection of the main Mayflower Fissure with the 20-739 fissure. The fissure contained several scattered streaks and lenses of Pb, Zn, and Cu sulphides and a large lense of diorite porphyry. The massive dolomite beds in the north wall of the fissure dip to the east, while the thin bedded, cherty dolomitic limestones encountered on the south side of the fissure dip south-eastward. Another fault was crossed about 80 feet south of the Mayflower zone, and was found to contain about 6 to 8 inches of good sulphide ore on the east side of the cross-cut. (See geology sketch).

During the month, (4) - 8x8 timber sets and (5) - 10x10 timber sets were installed in 20-695 Cross-cut and covered 42½ feet of drift.

(8) steel sets covering 35 feet of drift were installed in 20-734 Cross-cut. (See geology sketch).

Item No. 5 - Water Door: Work was completed on the steel and concrete water door near the west end of 2005 West drift during the month of February.

Item No. 7 - Diamond Drilling: The first diamond drill hole is now being drilled northward from 20-506 Cross-cut and will be reported when completed.

Analytical: Assays were made of cut samples taken on the Pearl Fissure in 20-895 cross-cut, and a total of 3 assays and 15 determinations at a cost of 15.00 were made. A composite of the three assays is shown on the geology sketch.

Ore Production: 622 tons of ore with a net smelter return value of 17.89 per ton were produced on the 2005 Level during February. Ore was produced from 20-866 Dr., 20-784 E. Dr., 20-813 Rs., and 20-785 Stope.

Very truly yours,

NEW PARK MINING COMPANY

Bob Archer

Bob Archer,
Chief Geologist & Engineer

BA:jc

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E.
RECEIVED MAY 4 1961
DATE | INITIALS | CODE
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May 1, 1961

Carl D. Harper, Secretary
New Park Mining Company
P. O. Box 929
Park City, Utah

Re: Docket BMEA-4981 (Lead-Zinc-Copper)
Contract IDm E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah

Dear Mr. Harper:

Returned herewith for correction are the original and 4 copies of MME Form 61, Operator's Progress Report, which accompanied your report for February 1961. I believe you will find that the correct units of timbering for February and to date should be as pencilled on the forms.

Yours very truly,

Original signed by

Hugh N. Connors
Acting Field Officer, OME
Region III

Enclosures
TMR/lm

cc Chief, Division of Field Operations, OME (2)
IDm E1218
Chron

Sub 1225

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 4981
Contract No. 14-23-090-E-1218
Contract Amount $ 564,880.00
Gov't. Participation % 50 $ 282,440.00
Mineral(s) Lead, Zinc and Copper

OPERATOR'S MONTHLY VOUCHER

For Month of January, 1961

Operator's Name New Park Mining Company
Address 907 Walker Bank Building, Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~Bulldozing~~ Timbering		* 9,207.00	9,207.00		9,207.00	9,207.00
Drifting & Crosscutting	3,262.50	*130,342.50	133,605.00	3262.50	130,342.50	133,605.00
~~Crosscutting~~ Raising		12,555.33	12,555.33		12,555.33	12,555.33
Drilling Percussion		* 2,423.50	2,423.50		2,423.50	2,423.50
Analytical Work		370.00	370.00		355.00	355.00
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Transite Pipe		41,036.71	41,036.71		41,036.71	41,036.71
Pumps & Column		32,807.55	32,807.55		32,807.55	32,807.55
TOTALS	3,262.50	228,742.59	232,005.09	3,262.50	228,727.59*	231,990.09

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

Date 2-20-61 *Payee New Park Mining Company

Per [signature] Title Executive Vice President

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

$ 1631.25

Signature [signature] (Authorized Certifying Officer)

Date 3/1/61 Vou. No. 2563

(SEE OTHER SIDE)

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

* Incorrect totals forwarded since July 60

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. EDM-E1218

Signature [illegible] Title Mining Engineer Date 3-1-61

Approved by OME Executive Officer or Alternate:

Signature [illegible] Title Acting Field Officer Date 3-2-61

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

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THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

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MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of January, 1961 Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090- E-1218

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
#3 Drifting & Crosscutting	Feet	72½	2,969	133,605.00			
Timbering	Feet	None	837	9,207.00			
Crosscutting	Feet	None	272½	12,555.33			
#4 Raising	Feet	None	1,513	32,807.55			
#2 Shafts Pumps & Column	Each	None	370	* 370.00			
Analytical							
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
#6 Churn Percussion	Feet	None	2,423½	2,423.50			
Miscellaneous							
#1 - 16" Transite Pipe	Feet	None	7,149½	41,036.71			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE (per MME Form 60)				232,005.09			

OME
DEPARTMENT OF THE INTERIOR
MAR 1 1961
REGION III
DENVER, COLORADO

REMARKS

* 5 determinations made in August 1960, but not reported on this report (see narrative dated 9/22/60.)
70 determinations were made in September 1960, but only 60 were reported on this report. (see narrative dated 10/18/60.)
These additions on the October 1960, Progress report will account for the 15 determinations not declared in the narrative dated 11/28/60, but were taken into

(Continue on back)

REMARKS

(Continue on back)

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

Date 2-20-61 Operator New Park Mining Company

Per [signature] Title Executive Vice President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature [signature]

Title Mining Engineer
Government Representative

Date 3-1-61

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

account on this report for the month of October 1960.

Note: Also on this report and MME Form 60 the amounts previously reported have been corrected. This was done by taking out the amounts that have been previously disallowed.

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

EXTRA COPY
O. M. E
RECEIVED MAR 8 1961
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Building 20 - Federal Center
Denver 25, Colorado

March 2, 1961

AIR MAIL

Memorandum

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

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

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm K1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for January 1961

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, two maps showing advance for the month, and engineer's inspection report covering work performed during the month of January 1961.

It is recommended that the Operator be reimbursed $1,631.25 which is 50 percent of the total monthly cost shown on MME Form 60, subject to your verification of the arithmetical accuracy of the report.

(Original signed by)

Hugh M. Connors

Attachments

Building 20 - Federal Center
Denver 25, Colorado

March 1, 1961

Memorandum

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

From: T. M. Romslo

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for January 1961

A progress inspection of the subject project was made by me in the company of Bob Archer, mine engineer, February 2, 1961. Progress in authorized work for the reporting period was found to be as recorded in the attached Operator's Report. The total advance of 72.5 feet included 40.5 feet in crosscut 20-895 and 32.0 feet in crosscut 20-784. Advance in crosscut 20-895 was from the north wall of the drift to survey station 5601 plus 61.5 feet. In crosscut 20-784 the advance was from 59 feet to 91 feet beyond survey station 5621.

Installation of the water door is nearing completion.

Production of ore from zones discovered by project workings continues.

OPERATOR'S REPORT

MME Form 60

Drifting and Crosscutting -- The $3,262.50 is for the 72.5 feet of authorized advance at a fixed cost of $45.00 a foot.

Totals -- The total cost for the month, $3,262.50, appears to be correct. The total costs for the other periods also appear to be correct before the $15.00 disallowance of the October voucher.

The Government's share of the total cost for the reporting period, $3,262.50, at 50 percent is $1,631.25.

MME Form 61

The form, containing total costs in agreement with those of MME Form 60, has been properly completed.

Narrative Report

The narrative report with maps is acceptable.

Digital signed by

T. M. Homslo

Mr. Hugh M. Connors
Acting Field Officer
O.M.E. Region III
Building 20 Federal Center
Denver 25, Colorado

February 17, 1961

Re: Docket No. DMEA 4981 Contract E-1218
January Report 1961 - Items 3, 5, 7.

Dear Sirs:

Item No. 3 Drifting and Cross-Cutting: After completion of the water door installation on the west end of the 2005 level, two cross-cuts was started. The 20-784 cross-cut is being driven south to intersect the western projection of the Mayflower fissure. A total of 32 feet of advance was made. The 20-895 cross-cut is being driven north to intersect the Pearl and North Pearl structures. A total of 40.5 feet of advance was made during the month (note inclosed sketch maps).

Item No. 7 Diamond Drilling: Inclosed please note sketch map showing the location of proposed D.D. Hole #1. This Hole is to be drilled north to probe for the Pearl and North Pearl fissure projections in the sediments and to locate the contact with the Quartz Monzonite to the north. The Hole is being drilled from 20-812 cross-cut. It will be drilled horizontal for approximately 750 feet. After your study of this proposed location, we would appreciate receiving your comments and approval.

Ore Production: A total of 968 tons of ore having a net smelter return value of $17.43 per ton was produced from the 2005 level. This ore was mined from 20-866 drift, 20-754 drift, 20-785 raise, and 20-813 raise.

The Cross-Cutting on the 2005 level is progressing at a good rate of advance on a three shift basis. The diamond drilling will commence on a one shift basis until operators have been adequately trained so the drilling can be put on a two shift basis.

Our water problem remains the same with no increase over the December flow. The second pump a 350 hp. 1000 gal/min. unite has been lowered to the 1630 level station, and installation should be completed during the next few weeks.

Very truly yours,

NEW PARK MINING COMPANY

Gale A. Hansen,
General Superintendent

GAH:jc

MME FORM 60
SEPT. 1959

Sch 1153

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 4981
Contract No. 14-23-090-E-1218
Contract Amount $564,880.00
Gov't. Participation % 50 $ 282,440.00
Mineral(s) Lead, Zinc and Copper

OPERATOR'S MONTHLY VOUCHER

For Month of December, 1960

Operator's Name New Park Mining Company
Address 907 Walker Bank Building, Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~Bulldozing~~ Timbering	275.00	17,141.42	17,416.42	275.00	17,141.42	17,416.42
Drifting & Crosscutting	1,125.00	181,071.24	182,196.24	1,125.00	181,071.24	182,196.24
~~Crosscutting~~ Raising		12,555.33	12,555.33		12,555.33	12,555.33
Drilling Percussion		2,790.57	2,790.57		2,790.57	2,790.57
Analytical Work		370.00	370.00		355.00	355.00
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Transite Pipe		41,036.71	41,036.71		41,036.71	41,036.71
Pumps & Column		32,807.55	32,807.55		32,807.55	32,807.55
					227,327.57	228,727.57 amo
TOTALS	1,400.00	287,772.82	289,172.82	1,400.00	287,757.82	289,157.82

OME
DEPARTMENT OF THE INTERIOR
FEB 1961
REGION III
DENVER, COLORADO

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

Date 1-13-61 *Payee New Park Mining Company

Per [signature] Executive Vice President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 700.00

Signature _____
(Authorized Certifying Officer)

Date 2/21/61 Vou. No. 3378

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. Idm-E1218

Signature T M Romola Title Mining Engineer Date 2-14-61

Approved by OME Executive Officer or Alternate:

Signature Hugh McDonough Title Acting Field Officer Date 2-16-61

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of December, 1960 Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090- E-1218

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
#3 Drifting & Crosscutting	Feet	25	2,896½	182,196.24			
~~Crosscutting~~ Timbering	Feet	25*	837	17,416.42			
#4 Raising	Feet	None	272½	12,555.33			
#2 ~~Shafts~~ Pumps & Column	Feet	None	1,513	32,807.55			
~~Winzes~~ Analytical	Each	None	370	370.00			
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
#6 Percussion	Feet	None	2,423½	2,790.57			
Miscellaneous							
#1 - 16" Transite Pipe	Feet	None	7,149½	41,036.71			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				289,172.82			289,157.82

DEPARTMENT OF THE INTERIOR
FEB 2 1961
REGION 1
DENVER, COLORADO

REMARKS

* This footage was completed in November, 1960 but was not reported (See Nov. 1960 report).

(Continue on back)

REMARKS

(Continue on back)

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

Date 1-13-61 Operator New Park Mining Company

Per [signature] Title Executive Vice President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature [signature]

Title Mining Engineer
Government Representative

Date 2-14-61

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

OFFICIAL FILE COPY O. M. E RECEIVED FEB 21 1961		
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Building 20 - Federal Center
Denver 25, Colorado

February 16, 1961

AIR MAIL

Memorandum

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

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

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for December 1960

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, and engineer's inspection report covering work performed during the month of December 1960.

It is recommended that the Operator be reimbursed $700.00 which is 50 percent of the total monthly cost shown on MME Form 60, subject to your verification of the arithmetical accuracy of the report.

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

Attachments

Building 20 - Federal Center
Denver 25, Colorado

February 14, 1961

Memorandum

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

From: T. M. Romslo

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah
Progress Report for December 1960

A progress inspection of the subject project was made by me in the company of Bob Archer, mine engineer, February 2, 1961. Progress in work authorized by the contract was found to be as described below and as recorded in the attached Operator's Report.

Advance in authorized work completed on the 2005 level during the reporting period was confined to the 25-foot long 20-808 crosscut. Diamond drilling to the north from the crosscut to test for the Pearl and North Pearl fissure systems and the Quartz Monzonite should be started soon.

Other work in progress on the 2005 level included the installation of an additional ventilation fan and a water door, and the development and mining of deposits discovered by the project.

OPERATOR'S REPORT

MME Form 60

Timbering -- The $275.00 is for 25 feet of authorized advance at $11.00 a foot. As noted on MME Form 61, the advance was completed in November 1960 but the cost was not vouchered.

Drifting and Crosscutting -- The $1,125.00 is for the authorized advance of 25 feet at $45.00 a foot.

Totals -- The monthly total cost, $1,400.00, appears to be correct. Other totals also appear to be correct before the $15.00 disallowance of the October voucher.

MME Form 61

The form, containing total costs in agreement with those of MME Form 60, has been properly completed.

Narrative Report

The narrative report is considered acceptable. It lacks the customary map which, in view of the minor amount of advance, is not deemed necessary.

Included in the report is a statement relative to a desired extension of the contract's termination date, November 1, 1961. The Operator was informed in your letter dated February 14, 1961, that this matter will be given consideration upon receipt of a formal request.

Original signed by

T. M. Romslo

TMR/lm
cc Fiscal Section, Orig & (2)
Chief, Division of Field Operations, OME (2)
MME Form 60 File Contract E1218
Wilson
Chron

Mr. Hugh M. Connors
Acting Field Officer
O.M.E Region III
Building 20 Federal Center
Denver 25, Colorado

January 10, 1961

Re: Docket No. DMEA 4981 Contract E-1218
December Report - Items No. 3, 4, 5

Dear Sirs:

Item No. 3 Drifting and Cross-Cutting: 20-808 X-cut was driven 25 feet from 20-812 Cross-Cut. The 20-808 Cross-Cut was driven for our first diamond drill station. The diamond drill has been moved into place underground, and the drill program will be underway during the month of January. The objective of the first proposed hole will be to prob for the Pearl and North Pearl structures, and the location of the Quartz Monsonite to the north.

A sketch map as to location and direction of the drill station and the first diamond drill hole will be submitted in the January, 1961 report.

Item No. 4 Ventillation: A small hole was cut from 20-785 Cross-Cut into the main 2005 Tunnel for the installation of an additional ventalation fan. A total of 10 shifts was spent on this work.

Item No. 5 Water Door Installation: During the month of December excavation and necessary forming in solid ground for the first 2005 level water door was completed. The water door was constructed to withstand a pressure of 250 lbs. per square inch. To withstand this pressure the door was constructed from 10 inch I beams reinforced with a 3/8" plated welded between the beams. During the recent month of January aproximately 25 yards of concreat was poured underground for the door abuttment.

A second water door has been constructed that will be installed near the shaft within the month of February. This door a 100 lb. capacity will serve as a safeguard (incase of a power failure) to the 2005 level station and shaft maintenance personal working below the 2005 level.

The water flow on the 2005 level is estimated to contain 1900 gal. per minute at the present time.

Ore Production: A total of 983 tons of ore having a net smelter return value of $38.97 per ton was produced from the 2005 level. The high value of this ore was due to high grade found in 20-785 raise, and 20-813 raise.

Due to the short period of time left under the DMEA Contract, all possible measures will be taken to speed up all phases of exploration on the 2005 level as far as economics will allow. However, because of the

overall sucess of the program to-date, and due to the fact that the western objective's has not yet been reached some consideration should be given to the possibilities of a time extenstion either under DMEA or OME funds.

Certainly all indications observed to-date on the 2005 level exploration substantiates the potential ore bodies that may be encountered further to the west.

Very truly yours,

NEW PARK MINING COMPANY

By Gale A. Hansen
Gale A. Hansen,
General Superintendent

GAH:jc

OMC
DEPARTMENT OF THE INTERIOR

Sch 961

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 4981
Contract No. 14-23-090-E-1218
Contract Amount $ 564,880.00
Gov't. Participation x 50 $ 282,440.00
Mineral(s) Lead, Zinc, and Copper.

OPERATOR'S MONTHLY VOUCHER

For Month of November, 1960

Operator's Name New Park Mining Company
Address 907 Walker Bank Building, Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~Bulldozing~~ Timbering		17,141.42	17,141.42			
Drifting & X-cutting	1,102.50	179,968.74	181,071.24			
~~Crosscutting~~ Raising	3,795.00	8,760.33	12,555.33			
Drilling - Percussion		2,790.57	2,790.57			
Analytical Work		370.00	370.00			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Transite Pipe		41,036.71	41,036.71			
Pumps & Column		32,807.55	32,807.55			
					222,430.07	227,327.57
TOTALS	4,897.50	~~282,875.32~~	~~287,772.82~~	4897.50	282,860.32	287,757.82

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

Date 12-20-60 *Payee New Park Mining Company

Per [signature] Title Executive Vice President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 2448.75

Signature [signature]
(Authorized Certifying Officer)

Date 1/16/61 Vou. No. 2862

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. Idm-E1218

Signature D M Tomolo Title Mining Engineer Date 1/9/61

Approved by OME Executive Officer or Alternate:

Signature Hugh M Connor Title Actg Field Officer Date 1-11-61

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of November, 1960 Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090-E-1218

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
#3 Drifting & Crosscutting	Feet	24½	2,871½	181,071.24			
~~Crosscutting~~ Timbering	Feet	None	812	17,141.42			
#4 Raising	Feet	82½	272½	12,555.33			
#2 ~~Shafts~~ Pumps & Column	Feet	None	1,513	32,807.55			
~~Winzes~~ Analytical	Each	None	370	370.00			
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
#6 Percussion	Feet	None	2,423½	2,790.57			
Miscellaneous							
#1 - 16" Transite Pipe	Feet	None	7,149½	41,036.71			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				287,772.82			

OME
DEPARTMENT OF THE INTERIOR
DEC 22 1960
REGION III
DENVER, COLORADO

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date 12-20-60 Operator New Park Mining Company

Per [signature] Title Executive Vice President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature [signature]

Title Mining Engineer
Government Representative

Date 1/9/61

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

INT.DUP.,D.C.59- 61577

OFFICIAL FILE COPY O. M. E. RECEIVED JAN 17 1961		
DATE	INITIALS	CODE
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		800

Building 20 - Federal Center
Denver 25, Colorado

January 11, 1961

AIR MAIL

Memorandum

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

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

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for November, 1960

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, progress maps, and engineer's inspection report covering work performed during the month of November 1960.

It is recommended that the Operator be reimbursed $2,448.75 which is 50 percent of the total monthly cost shown on MME Form 60, subject to your verification of the arithmetical accuracy of the report.

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

Attachments

Building 20 - Federal Center
Denver 25, Colorado

January 10, 1961

Memorandum

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

From: T. M. Romslo

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for November 1960

The writer made a progress inspection of the subject project with Bob Archer, the Operator's Mine Engineer, November 9, 1960. Progress in work completed in accordance with the contract during the reporting period was found to be as described below and as recorded in the attached Operator's Report.

Item No. 3 Drifting and Crosscutting

Drift 2005 West was advanced from survey spad from 78.5 feet to 103.0 feet beyond survey spad 5643, an advance of 24.5 feet for the month. As explained in the Operator's Report, further advance in this drift will be suspended while additional pumps and a water door are being installed.

During the October inspection of the project, and after seeing the initial heavy flow of water at the face of the drift, I suggested that a water door be installed. My opinion was based on the probability that additional large flows of water would be encountered as the drift progressed into new ground, ground not being drained by other mine workings.

Item 3A - Timbering

A total of 25 lineal feet of steel sets were installed in the drift during the report period.

Item No. 4 - Ventilation Raise

Ventilation raise 20-782 from the 2005 level to the 1880 level was completed for an advance of 82.5 feet during November.

Non-Contract Work

Ore continues to be mined and shipped from zones discovered by the project workings.

OPERATOR'S REPORT

MME Form 60

Timbering -- The cost of the authorized 25 feet of advance at $11.00 a foot for a total of $275.00, has not been vouchered.

Drifting and Crosscutting - The $1,102.50 is for the authorized 24.5 feet of advance at $45.00 a foot.

Raising -- The $3,795.00 is for the authorized 82.5 feet of advance at $46.00 a foot.

Totals -- The totals, $4,897.50, $282,875.32 and $287,772.82, appear to be correct. Previously reported -- and to date -- totals do not reflect the recommended $15.00 disallowance of the October voucher.

The Government's share of the approved monthly cost of $4,897.50 at 50 percent is $2,448.75.

MME Form 61

The form, containing total costs in agreement with those of MME Form 60, has been properly completed.

Narrative Report

The report with plan map and vertical section is acceptable.

T. M. Romslo

TMR/lm
cc IDm E1218
Chron

OME
DEPARTMENT OF THE INTERIOR
DEC 22 1960
REGION III
DENVER, COLORADO

Mr. Hugh M. Connors
Acting Field Officer
O.M.E. Region III
Building 20 - Federal Center
Denver 25, Colorado

December 14, 1960

Re: Docket No. DMEA 4981 - Contract E-1218
November Report - Items No. 3 and 4

Dear Sir:

Item No. 3 - Drifting and Cross-Cutting

2005 West Drift was advanced for twenty four and one-half feet (24½ ft.) during the first part of November and this was the total drifting and cross-cutting for the month

The drift was advanced in cherty dolomite of the Deseret limestone and a very heavy flow of water was encountered in a series of minor fractures approximately 100 feet west of 20-707 cross-cut. Drifting was suspended while a 350 H.P. pump was installed in the main pump station on the 1630 Level in order that the increased amount of water could be safely handled. After the pump was installed, longhole drilling was begun to test water conditions ahead of the face of the 2005 West Drift. Two holes were drilled 8 ft. ahead and encountered a very strong flow of water under considerable pressure. It has been decided that further advance to the west will be held up until a water door can be installed in the drift and another 350 H.P. standby pump is installed on the 1630 Level.

During the month, 5 steel sets covering 25 feet of drift were placed in 2005 West Drift. (See geology map.)

Item No. 4 - Ventilation Raise

20-782 Ventilation Raise was holed through to the 1880 Level and completed during November. Total advance for the month was eighty-two and one-half feet. (82½ ft.) (See Raise Cross Section).

Ore production

Ore produced from the 2005 Legel during November totaled 1,072 tons with an average net smelter return value of $23.35 per ton. Ore was produced from 20-866 Dr., 20-812 Dr., 20-853 Rs., 20-813 Rs., and 20-785 Rs.

Enclosed are the following: Drift progress and geology map, Raise Cross section, unit costs and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

Bob Archer

Bob Archer,
Chief Geologist & Engineer

BA:jp

Sch 961

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 4981
Contract No. 14-23-090- E-1218
Contract Amount $564,880.00
Gov't. Participation % 50 $ 282,440.00
Mineral(s) Lead, Zinc and Copper

OPERATOR'S MONTHLY VOUCHER

For Month of October, 1960

Operator's Name New Park Mining Company
Address 907 Walker Bank Building, Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~Bulldozing~~ Timbering	495.00	16,646.42	17,141.42	495.00	16,646.42	17,141.42
Drifting Crosscutting	10,552.50	169,416.24	179,968.74	10,552.50	169,416.24	179,968.74
~~Crosscutting~~ Raising	3,036.00	5,724.33	8,760.33	3036.00	5,724.33	8,760.33
Drilling Percussion	553.00	2,237.57	2,790.57	553.00	2,237.57	2,790.57
Analytical Work	150.00	220.00	370.00	135.00	220.00	355.00
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.					207,658.57	222,430.07
Transite Pipe	None	41,036.71	41,036.71		41,036.71	
Pumps & Column	None	32,807.55	32,807.55		32,807.55	
TOTALS	14,786.50	268,088.82	282,875.32	14,771.50	268,088.82	282,860.32

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

Date 11-21-60 *Payee New Park Mining Company

Per [signature] Title Executive Vice President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE) 8 15 Suspension

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

$ 7385 75

Signature [signature]
(Authorized Certifying Officer)

Date 1/16/61 Vou. No. 2862

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. Idm-E1218

Signature [illegible] Title Mining Engineer Date 1/9/61

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Connors Title Actg. Field Officer Date 1-10-61

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of October, 1960 Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090- E-1218

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
#3 Drifting & Crosscutting	Feet	234½	2,847	179,968.74	234½	2847	179,968.74
~~Crosscutting~~ Timbering	Feet	45	812	17,141.42	45	812	17,141.42
#4 Raising	Feet	66	190	8,760.33	66	190	8,760.33
#2 ~~Shafts~~ Pumps & Column	Feet	None	1,513	32,807.55	—	1513	32,807.55
~~Winzes~~ Analytical	Each	150	370	370.00	135	355	355.00
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
#6 Percussion	Feet	553	2,423½	2,790.57	553	2423½	2,790.57
Miscellaneous							
#1 16" Transite Pipe	Feet	None	7,149½	41,036.71	~~7,150~~	7149½	41,036.71
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				282,875.32			282,860.32

REMARKS

(Continue on back)

REMARKS
$15.00 Suspension

(Continue on back)

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

Date 11-21-60 Operator New Park Mining Company

Per [signature] Title Executive Vice President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature [signature]

Title Mining Engineer
Government Representative

Date 1/4/61

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

INT.DUP.,D.C.59- 61577

OFFICIAL FILE COPY
O. M. E
RECEIVED JAN 17 1961

DATE	INITIALS	CODE
1-17	gad	vvo
		800

Building 20 - Federal Center
Denver 25, Colorado

January 10, 1961

AIR MAIL

Memorandum

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

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

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for October 1960

Enclosed are the original and two copies of MME Form 60 and MME form 61, Operator's Narrative Report, progress maps, and engineer's inspection report covering work performed during the month of October 1960.

The amount of $15.00 is disallowed on the analytical work, which makes the accepted cost for this work, $135.00. It is recommended that the Operator be reimbursed $7,385.75 which is 50 percent of the total accepted cost of $14,771.50 subject to your verification of the arithmetical accuracy of the report.

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

Attachments

Building 20 - Federal Center
Denver 25, Colorado

January 10, 1961

Memorandum

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

From: T. M. Romslo

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm-E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for October 1960

A progress inspection of the subject project was made by the writer October 18, 1960. I was accompanied by Gale A. Hansen and Bob Archer, the Operator's Superintendent and Mine Engineer, respectively. Progress for the reporting period in work completed in accordance was found to be as reported below and as recorded in the attached Operator's Report.

Item No. 3 - Drifting and Crosscutting

Drift 2005 West was advanced from survey spad 5632 plus 126.0 feet to survey spad 5643 plus 78.5 feet, an advance of 204.5 feet for the month. Crosscut 20-707 was started and advanced 30 feet during the month.

Item No. 3A- Timbering

A total of 45 lineal feet of steel sets were installed in a zone of highly fractured and blocky ground in the drift.

Item No. 4 - Ventilation Raise

Ventilation raise 20-782 was advanced from 19 feet to 85 feet above the floor of 2005 drift, an advance of 66 feet for the month.

Item No. 6 - Long-hole Percussion Drilling

A total of 556 feet of long-hole drilling was completed during the month in holes No. 18, 19, 20, and 21. All these holes were completed except No. 21 which was temporarily stopped at a depth of 84 feet.

Assaying

A total of 135 determinations were made in the assaying of 27 samples from the long-holes for each gold, silver, lead, copper and zinc.

Non - Contract Work

Ore zones discovered by project workings on the 2005 level continue to be developed and exploited. Royalty payments are being made to the Government on ore produced and shipped.

OPERATOR'S REPORT

MME Form 60

Timbering - The $495.00 is for the authorized 45 feet of advance at $11.00 a foot.

Drifting and Crosscutting - The $10,552.50 is for the authorized 234.5 feet of advance, 204.5 ft. in the drift and 30.0 feet in the crosscut, at $45.00 a foot.

Raising - The $3,036.00 is for the authorized 66 feet of advance at $46.00 a foot.

Percussion Drilling - The $553.00 is for the authorized 553 feet of advance at $1.00 a foot. The vouchered advance is 3 feet less than the 556 feet of advance indicated by the reported depths of holes.

Analytic Work The correct cost is $135.00 for the authorized 135 determinations at $1.00 each. A deduction of $15.00 in the vouchered cost of $150.00 is recommended.

Totals - The totals, $14,786.50, $268,088.82, and $282,875.32, appear to be correct before the recommended deduction of $15.00 for analytical work performed during the report period.

The Government's share of the approved monthly total of $14,771.50 ($14,786.50 - $15.00) at 50 percent is $7,385.75.

MME Form 61

The form, containing total costs in agreement with those of MME Form 60, has been properly completed.

Narrative Report

The report with a plan map of each the drift and long-holes and a vertical section through the ventilation raise is acceptable.

Original signed by

T. M. Romslo

TMR/lm
CC E1218

OME
DEPARTMENT OF THE INTERIOR
DEC 8 1960
REGION III
DENVER, COLORADO

Mr. Hugh M. Connors
Acting Field Officer
O.M.E. Region III
Building 20 Federal Center
Denver 25, Colorado

November 28, 1960

Re: Docket No. DMEA 4981 Contract E-1218
October Report - Items No. 3, 4, and 6.

Dear Sir:

Item No. 3 - Drifting and Cross-Cutting: 2005 West Drift was advanced for two hundred four and one half feet (204½') during October. 20-707 Crosscut was started on the south side of the main drift and advanced for thirty feet (30'). Total drifting and crosscutting for October was two hundred thirty four and one half feet (234½').

All of the advance was in dolomite, calcareous dolomite and shaly limestone of the Deseret limestone, and progress has been more rapid than during the previous month when hard, siliceous dolomite was encountered.

In the face of 20-707 Cross-cut, a strong fault zone was encountered striking southwest and dipping to the north. West of the cross-cut, the ground in the main drift is fractured and blocky because of its proximity to this fault. It was found necessary to timber the drift at this point, and 10 steel sets covering 45 feet of drift were installed. Near the end of the month, 245 feet of track were raised and silled. (See Geology map).

Item No. 4 - Ventilation Raise: 20-782 Ventilation Raise was advanced for sixty-six feet (66') during October and it is expected that the raise will be completed in November. (See Raise Cross Section).

Item No. 6 - Long Hole Percussion Drilling: Hole number 18 in 20-754 Cross cut was continued from 68 feet and drilled to a depth of 192 feet. Strongly altered and mineralized zones were encountered from 140 to 152 feet and from 172 to 192 feet. Wall rock was cherty dolomite.

Hole number 19 was drilled south from20-754 cross-cut and reached a depth of 136 feet. Ore grade metalisation was encountered from 31 to 50 feet and a foot of sulpide ore was cut at 132 feet. Cherty dolomite was encountered between mineralized zones.

Hole number 20 was also drilled from 20-754 Cross cut in a south-east direction and encountered altered and weahly metalized zones from 48 to 52 feet, from 68 to 76 feet, and from 112 to 124 feet. The rest of the hole was drilled in white and gray cherty dolomite. Total depth drilled was 212 feet.

Hole number 21 was drilled south from 20-784 Cross cut as a probing hole and was temporarily stopped at a depth of 84 feet. Strongly altered fissure zones were cut from 18 to 23 feet and from 44 to 48 feet. The rest of the hole was drilled in dolomite.

Total long hole drilling for October was 553 feet. (See Long Hole Drilling Sketch).

Ore Production: A total of 506 tons of ore having a net smelter return value of $15.10 per ton were produced from the 2005 Level during October. Ore was produced from 20-789 drift, 20-866 drift, 20-785 raise, and 20-753 raise.

Analytical: Assays were made of sludges from various drill holes as follows:

Hole No. 18 - 8 assays, Hole No. 19 - 16 assays, Hole No. 21 - 3 assays.

A total of 27 assays with 135 determinations were made at a cost of $135.00.

Assay values shown on the long hole drilling sketch represent composite averages of a values across the mineralized zones.

Correction: Twenty-eight feet of advance were erroneously reported for 20-754 cross-cut in the August report. The advance should be credited to 20-727 cross-cut.

Enclosed are the following: Drift progress and geology map, raise cross section, long hole drilling sketch, unit costs and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

Bob Archer

Bob Archer - Chief Geologist & Engineer

BA:jc

Sub 638

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 4981
Contract No. 14-23-090-E-1218
Contract Amount $ 564,880.00
Gov't. Participation % 50 $282,440.00
Mineral(s) Lead, Zinc and Copper

OPERATOR'S MONTHLY VOUCHER

For Month of September, 1960

Operator's Name New Park Mining Company
Address 907 Walker Bank Building, Salt Lake City, Utah

NOV 9 1960 O.M.E.

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
(1) Fixed Unit Costs and Independent Contracts:						
~~Sinkpzing~~ Timbering	None	16,646.42	16,646.42			
Drifting & Crosscutting	4,072.50	165,343.74	169,416.24			
~~Crosscutting~~ Raising	None	5,724.33	5,724.33			
Drilling Percussion	738.00	1,499.57	2,237.57			
Analytical Work	60.00	160.00	220.00			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Transite Pipe	None	41,036.71	41,036.71			
Pumps & Column	None	32,807.55	32,807.55			
					202,788.07	207,658.57 amr
TOTALS	4,870.50	263,218.32	268,088.82	4870.50	263,218.32	268,088.82

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

Date 10-13-60 *Payee New Park Mining Company

Per [signature] Title Executive Vice President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 2435.20

Signature [signature]
(Authorized Certifying Officer)

Date 11/8/60 Vou. No. 1902

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. Edm-E1218

Signature D M Pomeroy Title Mining Engineer Date 10/27/60

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Fontana Title Acting Field Officer Date Nov. 4, 1960

OME, Region III

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of September, 1960 Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090-E-1218

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
#3 Drifting & Crosscutting	Feet	90½	2,612½	169,416.24			
Timbering	Feet	none	767	16,646.42			
#4 Raising	Feet	none	124	5,724.33			
#2 Pumps & Column	Feet	none	1,513	32,807.55			
Analytical	Each	60	220	220.00			
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
#6 Percussion	Feet	738	1,870½	2,237.57			
Miscellaneous							
#1 - 16" Transite Pipe	Feet	none	7,149½	41,036.71			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				268,088.82			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date 10-3-60 Operator New Park Mining Company

Per [signature] Title Executive Vice President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature M M Pomeroy

Title Mining Engineer
Government Representative

Date 10/27/60

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

Building 20 - Federal Center
Denver 25, Colorado

November 4, 1960

AIR MAIL

Memorandum

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

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

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm-E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, progress maps, and engineer's inspection report covering work performed during the month of September, 1960.

It is recommended that the Operator be reimbursed $2,435.25 which is 50 percent of the amount shown on MME Form 60 subject to your verification of arithmetical accuracy of the report.

Original signed by

Hugh M. Connors

Attachments

Building 20 - Federal Center
Denver 25, Colorado

October 27, 1960

Memorandum

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

From: T. M. Romslo

Subject: Docket No. DMRA-4981 (Lead-Zinc-Copper)
Contract No. Idm-E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah
Progress Report for September, 1960

My inspection of the subject project included a review of maps and records with Bob Archer, mine engineer, October 5, 1960, and an inspection of the workings the following day with mine foremen, Leo Hatch and Bill Larsen. Progress for the reporting period was found to be as reported below and as recorded in the attached Operator's Report. The reported work also was found to have been completed in accordance with the contract.

Item No. 3 - Drifting and Crosscutting

Progress was confined to 90.5 feet of advance in 2005 Drift West, the advance being from 35.5 feet to 126.0 feet beyond survey spad 5632.

Item No. 4 - Ventilation Raise

Drift sets were installed at raise 20-782 preparatory to resumption of raising operations.

Item No. 6 - Long-hole Percussion Drilling

A total of 738 feet of drilling was done in 6 holes, Nos. 1, 2, 12, 13, 17, and 18. All holes were drilled to completion except Nos. 17 and 18. Hole 17, stopped by a heavy flow of water at a depth of 56 feet, may be deepened later. Hole 18 had reached a depth of 68 at the end of the month.

Assaying

A total of 70 determinations were made in the assaying of 14 drill-hole samples for each gold, silver, lead, copper and zinc.

Non-Contract Work

Ore zones discovered by the contract's explorations on the 2005 level continues to be developed and exploited. The ore, commingled with Operator's ore, is being shipped and royalty payments to the Government are being made.

The 1505 Drift West has entered DMEA ground where a drill hole has encountered a zone of high grade silver-copper ore. Further exploration of the zone is in progress.

OPERATOR'S REPORT

MME Form 60

Drifting and Crosscutting - The $4,072.50 is for the 90.5 feet of authorized advance at $45.00 a foot.

Precussion Drilling - The $738.00 is for the authorized 738 feet of drilling at $1.00 a foot.

Analytic Work - The $60.00 is for 60 authorized determinations at $1.00 each, made in the assaying of 12 samples. No charge was made for the additional 10 determinations made during the month.

Totals - The totals, $4,870.50, $263.218.32, and $268,088.82 appear to be correct.

The Government's share of the $4,870.50 is 50 percent or $2,435.25.

MME Form 61

The form, containing total costs in agreement with those of MME Form 60, has been properly completed.

Narrative Report

The report with maps is acceptable.

Original signed by

T. M. Romslo

TMR/lm
cc
Chron

Mr. Hugh M. Connors
Acting Field Officer
O.M.E. Region III
Building 20 - Federal Center
Denver 25, Colorado

October 18, 1960

Re: Docket No. DMEA 4981 Contract E-1218
September Report - Items No. 3,4,& 6

Dear Sir:

Item No. 3 - Drifting and Cross-Cutting

2005 West Drift was advanced a total of ninety and one-half feet (90½ ft.) during September.

All of this advance was in very hard, thin bedded, silicious dolomite in the upper chert member of the Deseret limestone.

During the first part of the month, drift advance was halted so that the track could be raised and silled and neccessary repairs made on equipment. 319 ft. of track were raised. When drift advance was resumed, extreme drilling problems were experienced in the hard, silicious rocks and progress was very slow until the end of the month when softer ground was encountered. (See geology map.)

Item No. 4 - Ventilation Raise

Work has been resumed in 20-782 ventilation raise and 3 drift sets - covering 16 ft. of drift - and one chute were installed at the bottom of the raise.

Item No. 6 - Long Hole Percussion Drilling

Hole number 12 was continued from 32 feet and was drilled to a total depth of 126 feet. A zone of altered dolomite was crossed from 36 to 40 feet, but no metal values were present. The hole was drilled in dolomite throughout its length.

Hole number 13 was also drilled northward from 20-812 Cross-cut and crossed a 20 ft. zone of high grade ore from 64 feet to 84 feet. A zone of altered dolomite was cut from 164 to 176 feet and probably represents a fault zone. Dolomite of the Cdvl. was encountered throughout the length of the hole. Total depth was 196 feet where the limit of drilling was reached.

Holes number 1 and 2 were drilled northward from 20-895 Cross-cut as horizontal probing holes and encountered several altered and weakly metalized zones which represent various strands of the Mayflower Fissure Zone. Diorite was drilled throughout the length of both holes and no strong metalization was encountered. Hole number 1 reached a total depth of 164 feet and hole number 2 reached a total depth of 160 feet. Both holes were stopped because drilling became very difficult.

Holes number 17 and 18 were started southward from 20-754 Cross-cut and encountered a very strong flow of water. Hole number 17 crossed a zone of altered dolomite and weak sulphides from 20 to 40 feet and had to be halted at 56 feet because of the heavy flow of water. Hole number 18 cut

a zone of good sulphide ore from 19 to 36 feet and again encountered sulphides at 60 feet. The hole reached a depth of 68 feet by the end of the month and drilling is continuing. Both holes were drilled in cherty dolomite of the upper chert member of the Deseret.

The extreme flow of water and caving ground in these two holes makes evaluation of the width and grade of the ore zones uncertain.

Total long hole drilling for September was 738 feet. (See long hole drilling sketches.)

Ore Production

20-853 Raise was started in 20-866 drift during the month and stoping was begun between this raise and 20-858 Raise.

20-789 West Drift is being advanced westward on ore.

Total production from these two areas for the month was 876 tons @ $16.12 per ton.

Analytical

Assays were made on sludges from various drill holes as follows:

Hole # 13 - 5 assays, hole # 1 - 1 assay, hole # 2 - 2 assays, hole # 17 - 1 assay, hole # 18 - 5 assays.

A total of 14 assays and 70 determinations were made at a cost of $70.

Only significant metal values are shown on the long hole drilling sketches and represent composite averages across the ore zones.

Enclosed are the following: Drift progress and geology map, (3) long hole drilling sketches, unit costs and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

Bob Archer

Bob Archer - Chief Geologist and Engineer

BA:jp

MME FORM 60
SEPT. 1959

Sch 513

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 4981
Contract No. 14-23-090-E-1218
Contract Amount $564,880.00
Gov't. Participation % 50 $ 282,440.00
Mineral(s) Lead, Zinc, and Copper

OPERATOR'S MONTHLY VOUCHER

For Month of August, 1960

Operator's Name New Park Mining Company
Address 907 Walker Bank Building, Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~Bulldozing~~ Timbering	495.00	16,151.42	16,646.42			
Drifting & Crosscuttin	10,845.00	154,498.74	165,343.74			
~~Crosscutting~~ Raising	None	5,724.33	5,724.33			
Drilling - Percussion	232.00	1,267.57	1,499.57			
Analytical Work	None	160.00	160.00			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Transite Pipe	None	41,036.71	41,136.71			
Pumps & Column	None	32,807.55	32,807.55			
					191,216.07	202,788.07 amo
TOTALS	11,572.00	251,646.32	263,218.32	11,572.00	251,646.32	263,218.32

OMF
DEPARTMENT OF THE INTERIOR
OCT 4 1960
REGION 11
DENVER, COLORADO

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

Date 8-22-60 *Payee New Park Mining Company

Per [signature] Title Executive Vice President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 5,786.00

Signature [signature]
(Authorized Certifying Officer)

Date _____ Vou. No. 1495

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. Edm-E1218

Signature [illegible] Title Mining Engineer Date 10-7-60

Approved by OME Executive Officer or Alternate:

Signature Hugh McTavors Title Field Officer Date 10-7-60

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of August, 1960 Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090-- B-1218

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
#3 Drifting & X-Cutting	Feet	241	2,522	165,343.74			
~~Crosscutting~~ Timbering	Feet	45	767	16,646.42			
#4 Raising	Feet	None	124	5,724.33			
#2 ~~Shafts~~ Pumps & Column	Feet	None	1,513	32,807.55			
~~Winzes~~ Analytical	Each	None	160	160.00			
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
#6 Percussion	Feet	232	1,132½	1,499.57			
Miscellaneous							
#1 - 16" Transite Pipe	Feet	None	7,149½	41,036.71			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				263,218.32			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date 8-22-60 Operator New Park Mining Company

Per [signature] Title Executive Vice President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature T W Ronds

Title Mining Engineer
Government Representative

Date 10-7-60

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

Building 20 - Federal Center
Denver 25, Colorado

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 14 1960

DATE	INITIALS	
10-14	gad	VVO 800

October 7, 1960

AIR MAIL

Memorandum

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

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

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm-E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah

Enclosed are the original and two copies of MME Form 60 and MME Form 61, Operator's Narrative Report, progress maps, and engineer's inspection report covering work performed during the month of August, 1960.

It is recommended that the Operator be reimbursed $5,766.00 which is 50 percent of the amount shown on MME Form 60 subject to your verification of arithmetical accuracy of the report.

Original signed by

Hugh M. Connors

Attachments

HMC/LM
cc: Chief, Division of Field Operations OME (2)
MME 60 File, Region III E1218
S.R. Wilson
Chron

Building 20 - Federal Center
Denver 25, Colorado

October 7, 1960

Memorandum

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

From: T. M. Romslo

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. 1dm-E1218
(Mayflower mine)
Wasatch County, Utah
Progress Report for August 1960

The subject project was inspected by me in the company of Gale A. Hansen, Superintendent, September 14, 1960. Progress for the reporting period was found to be as reported below and as recorded in the attached Operator's Report. All reported work was completed in accordance with the contract.

Item No. 3 - Drifting and Crosscutting

Drift 2005 West had been driven from 137 feet to 350 feet beyond survey spad 5628, an advance of 213 feet for the month.

Crosscut 20-728 was started and completed during the month for an advance of 28 feet.

Total advance in the drift and crosscut was 241 feet.

Item No. 3A - Timbering

Timber installed during the month was confined to a 45-foot section in Drift 2005 West at 102 feet to 149 feet beyond survey spad 5628.

Item No. 6 - Long-hole Precussion Drilling

A total of 232 feet of long-hole drilling was completed. Hole No. 11 was bottomed at a depth of 200 feet and hole No. 12 had reached a depth of 32 feet at the end of the month.

Assaying

The cuttings from a 4-foot section of hole No. 11 were assayed for gold, silver, lead, copper, and zinc. Cost of these assays has not been included in the Operator's voucher for the reporting period.

OPERATOR'S REPORT

MME Form 60

Timbering - The $495.00 is for the 45 feet of authorized advance at $11.00 a foot.

Drifting and Crosscutting - The $10,845.00 is for the 241 feet of authorized advance at $45.00 a foot.

Percussion Drilling - The $232.00 is for the 232 feet of authorized advance at $1.00 per foot.

MME Form 61

The form, containing total costs in agreement with those of MME Form 60, has been properly completed.

Narrative Report

The report with attached maps is acceptable.

Original signed by

T. M. Romslo

TMR/lm
cc
Chron

Mr. Hugh M. Connors
Acting Field Officer
O.M.E. Region III
Building 20 - Federal Center
Denver 25, Colorado

September 23, 1960

Re: Docket No. DMEA 4981 - Contract E-1218
August Report - Items No. 3 and 6

Dear Sir:

Item No. 3 - Drifting and Cross-Cutting

2005 West Drift was advanced a total of two hundred and thirteen feet (213 ft.) during August, and 20-754 Cross-cut was driven on the north side of the main heading and advanced for twenty-eight feet (28 ft.).

Total drifting and Cross-cutting was two hundred and forty-one feet (241 ft.).

The drift was advanced through the fault zone encountered during July, and 9 steel sets were installed covering 45 feet of drift.

West of this fault, the drift entered very hard, thin bedded, siliceous dolomite and serious drilling difficulties are being experienced. (See geologic map.)

In addition to the drift advance 334 ft. of track was raised and silled during August.

Item No. 6 - Long Hole Percussion Drilling

Hole number eleven was drilled as a horizontal probing hole from 20-812 Cross-cut and encountered 4 feet of $15.00 per ton ore from 36-40 feet. A zone of strongly altered dolomite was crossed from 156-160 feet and probably represents a fault. No significant metal values were present within this zone. The rest of the hole contained dolomite and dolomitic limestone of the upper Deseret Limestone. Total depth was 200 feet.

Hole number twelve was started as a horizontal probing hole and reached a depth of 32 feet by the end of the month - all in white dolomite of the Cdvl.

Total long hole drilling was 232 feet. (See long hole drilling sketch.)

Ore Production

20-866 Drift was advanced 41 feet on ore during August and then 20-854 raise was started on ore in this drift and advanced for 12 feet. Total production from the drift and raise was 505 tons of ore at an average grade of $13.78 per ton.

Analytical

One assay was made of the ore in drill hole No. 11 and involved 5 determinations at a cost of $5.00.

Enclosed are the following: Drift progress and geology map, long hole drilling sketch, unit costs and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

Bob Archer

Bob Archer - Chief Geologist & Engineer

BA:jp

COPYE
OCT 2 1969

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 4981
Contract No. 14-23-090-8-1216
Contract Amount $564,880.00
Gov't. Participation % 50 $282,440.00
Mineral(s) Lead, Zinc, and Copper

OPERATOR'S MONTHLY VOUCHER

For Month of July, 1960

Operator's Name New Park Mining Company
Address 907 Walker Bank Building, Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~Sutfoozing~~ Timbering	341.00	15,810.42	16,151.42			
Drifting & Crosscutting	11,745.00	142,753.74	154,498.74			
~~Crosscutting~~ Raising		5,724.33	5,724.33			
Drilling - Percussion	183.00	1,084.57	1,267.57			
Analytical Lark		160.00	160.00			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Transite Pipe	None	41,036.71	41,036.71			
Pump & Column	None	32,807.55	32,807.55			
					178,947.07	191,216.07
TOTALS	12,269.00	239,377.32	251,646.32	12,269.00	239,377.32	251,646.32

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

Date 8-23-60 *Payee New Park Mining Company

Per [signature] Title Executive Vice President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 6134.50

Signature [signature]
(Authorized Certifying Officer)

Date 9/1/60 Vou. No. 898

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. Idm-E1218

Signature D N Romero Title Mining Engineer Date 8-25-60

Approved by OME Executive Officer or Alternate:

Signature Hugh M Connow Title Acty Field Office Date 8-26-60

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of July, 1960 Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090- E-1218

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
3 Drifting & Crosscutting	Feet	261	2,281	154,498.74			
~~Crosscutting~~ Timbering	Feet	31	722	16,151.42			
4 Raising	Feet	None	124	5,724.33			
2 ~~Shafts~~ Pumps & Column	Feet	None	1,513	32,807.55			
~~Winzes~~ Analytical	Each	None	160	160.00			
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
6 Percussion	Feet	183	900½	1,267.57			
Miscellaneous							
1 - 16" Transite Pipe	Feet	None	7,149½	41,036.71			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				251,646.32			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date 8-23-60 Operator New Park Mining Company

Per [signature] Title Executive Vice President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature [signature]

Title Mining Engineer
Government Representative

Date 8-25-60

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

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

DATE	INITIALS	CODE
9-2	gad	VVO 800

Building 20 - Federal Center
Denver 25, Colorado

August 26, 1960

AIR MAIL

Memorandum

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

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

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper)
Contract No. Idm-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Enclosed are the original and two copies of Form MME 60 and MME 61 Operator's Narrative Report, progress maps and engineer's inspection report covering work performed during the month of July, 1960.

It is recommended that the Operator be reimbursed $6,134.50 which is 50% of the amount shown on MME Form 60 subject to your verification of arithmetical accuracy of the report.

Original signed by

Hugh M. Connors

Attachments
HMC/lm
cc: Chief, Division of Field Operations (2)
MME 60 File, Region III E1218
S. R. Wilson
Chron

Building 20 - Federal Center
Denver 25, Colorado

August 25, 1960

Memorandum

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

From: T. M. Romslo

Subject: Progress Report for July, 1960
Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

My inspection of the subject project in the company of Gale A. Hansen, Supt., August 12, 1960, showed progress for the reporting period was as reported below and as recorded in the attached Operator's Report. I also found the work had been performed in accordance with the contract.

Item No. 3 - Drifting and Crosscutting

Drift 2005 West had been driven from 81 feet to 313 feet beyond survey spad No. 5622, an advance of 232 feet.

Crosscut 20-754, to be used as a drill station, was advanced 29 feet from the starting point. Drifting and crosscutting advance totaled 261 feet.

Item No. 3A - Timbering

The loose ground of a fault zone penetrated by 2005 drift west was supported with 7-steel sets covering 31 feet of drift.

Item No. 6 - Long-hole percussion drilling

Long-hole No. 8 was drilled to a depth of 183 feet where loose ground at a limestone-diorite contact made deeper drilling impracticable. A zone of very weak mineralization at about 60 to 80 feet in the hole, could be an extension of the ore zone penetrated by holes 3, 6, and 7.

Other Work

Other work on the 2005 level was largely confined to development and mining of ore zones found by the project.

OPERATOR'S REPORT

MME Form 60

Timbering - The $341.00 is for the 31 feet of authorized advance at $11.00 a foot.

Drifting and Crosscutting - The $11,745.00 is for the 261 feet of authorized advance at $45.00 a foot.

Percussion Drilling - The $183.00 is for the 183 feet of authorized advance at $1.00 a foot.

MME Form 61

The form, containing total costs in agreement with those of MME Form 60, has been completed in an acceptable manner.

Narrative Report

The report with attached maps is acceptable.

Original signed by

T. M. Romslo

TMR/lm
cc

Mr. Hugh M. Connors
Acting Field Officer
U.M.E. Region III
Building 20 - Federal Center
Denver 25, Colorado

August 8, 1960

Re: Docket No. DMEA 4981 - Contract No. E-1218
July Report - Items No. 3 and 6

Dear Sir:

Item No. 3 - Drifting and Cross-Cutting

2005 West Drift advanced a total of two hundred and thirty two feet (232 Ft.) during July.

20-754 Cross-cut was driven on the south side of the main drift and advanced for twenty nine feet (29 Ft.).

Total drifting and cross-cutting was two hundred sixty one feet. (261 Ft.)

All of the advance was in cherty dolomite beds of the Deseret limestone, probably in the upper chert member. A strong fault zone was encountered near the end of the month and contains altered dolomite with weak sulphide metalization. A heavy flow of water was encountered in this zone.

Loose ground within the fault made it necessary to install timber and seven steel sets were put in covering 31 feet of drift. (See geologic map.)

Item No. 6 - Long Hole Percussion Drilling

Hole number eight was drilled horizontally from 23-40 Cross-cut and was the only long hole drilling done during July. Very weak metalization was encountered from approximately 60 to 80 feet and appears to represent the western limit of the ore zones drilled in holes 3, 6, and 7.

What appears to be altered diorite was cut at 80 feet and extends to approximately 100 feet and was again encountered at the end of the hole. The rest of the hole went through altered Deseret limestone. The hole was stopped at 183 feet because of difficult drilling.

Total depth 183 feet. (See longhole drilling sketch.)

20-766 Drift continued on ore during July and produced a total of 538 tons of ore averaging $16.54 per ton.

Enclosed are the following: Drift progress and geology map, longhole drilling sketch, unit costs and progress reports.

Very truly yours,

NEW PARA MINING COMPANY

Bob Archer

Bob Archer - Chief Geologist & Eng.

OME
DEPARTMENT OF THE INTERIOR
AUG 25 1960
REGION III
DENVER, COLORADO

BA:jp

Sch 2 #4

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 4981
Contract No. 14-23-090-8-1210
Contract Amount $ 564,880.00
Gov't. Participation % 50 $ 282,440.00
Mineral(s) Lead, Zinc, and Copper

OPERATOR'S MONTHLY VOUCHER

For Month of June, 1960

Operator's Name New Park Mining Company
Address 907 Walker Bank Building Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
~~Bulldozing~~ Timbering	55.00	15,755.42	15,810.42			
Drifting & Crosscutting	656.50	142,101.24	142,753.74			
~~Crosscutting~~ Raising	414.00	5,310.33	5,724.33			
Drilling - Percussion	760.00	1,244.57	1,004.57			
Analytical Work	160.00	None	160.00			
(2) Personal Services:						
Supervision & Technical						
Outside Consultants						
Labor						
(3) Operating Mat'l. & Supplies:						
Timber						
Explosives						
Pipe						
Rail						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Transite Pipe	None	41,036.71	41,036.71			
Pumps & Column	None	32,607.55	32,607.55			
					177,825.57	178,947.07 amn
TOTALS	1,121.50	238,255.82	239,377.32	1,121.50	238,255.82	239,377.32

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

Date 7-15-60 Payee New Park Mining Company

Per [signature] Title Executive Vice President

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 560 75

Signature [signature]
(Authorized Certifying Officer)

Date 8/1/60 Vou. No. 644

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. Idm-E1218

Signature R. M. Ronsko Title Mining Engineer Date 8-8-60

Approved by OME Executive Officer or Alternate:

Signature Hugh M. Fonnoy Title Acting Field Officer Date 8-8-60

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of June, 1960 Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090-E-1218

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
#3 Drifting & Crosscutting	Feet	14½	2,020	142,753.74			
~~Crosscutting~~ Timbering	Feet	5	691	15,810.42			
#4 Raising	Feet	9	124	5,724.33			
#2 ~~Shafts~~ Pumps & Column	Feet	None	1,513	32,807.55			
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
#6 Percussion	Feet	None	717½	* 1,084.57			
Miscellaneous							
#1 - 16" - Transite Pipe	Ft.	None	7,149½	41,036.71			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work				~~160.00~~			
TOTAL TO DATE *(per MME Form 60)*				239,377.32			

REMARKS

* The analytical expense for May, 1960 was erronously entered in this account. As per this report the amount of $160.00 has been taken out and reported as an analytical cost.

(Continue on back)

REMARKS

(Continue on back)

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

Date 7-15-60 Operator New Park Mining Company

Per [signature] Title Executive Vice President

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature [signature]

Title Mining Engineer
Government Representative

Date 8-8-60

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 12 1960

DATE	INIT.	
8-12	gad	rvo 800

Building 20 - Federal Center
Denver 25, Colorado

August 8, 1960

AIR MAIL

Memorandum

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

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

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper)
Contract No. Idm-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Enclosed are the original and two copies of Form MME 60 and MME 61 Operator's Narrative Report, progress maps and engineer's inspection report covering work performed during the month of June, 1960.

It is recommended that the Operator be reimbursed $560.75 as outlined in the engineer's inspection report.

Original signed by

Hugh M. Connors

Attachments
HMC/lm
cc: Chief, Division of Field Operations (2)
MME 60 File, Region III
S. R. Wilson
Chron

Building 20 - Federal Center
Denver 25, Colorado

August 8, 1960

Memorandum

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

From: T. M. Romslo

Subject: Progress Report for June 1960
Docket No. DMEA 4981 (Lead-Zinc-Copper)
Contract No. Idm-M1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah

The project of the subject contract was inspected by me in the company of R. Archer, Mine Engineer, July 19, 1960. Progress for the reporting period was found to be as reported below and as recorded in the attached Operator's Report. All work vouchered by the Operator was completed in an acceptable manner.

Item No. 3 - Drifting and Crosscutting

There was no advance in 2005 Drift West.

Crosscut 20-784 was advanced an additional 14.5 feet, from 25 feet to 39.5 feet beyond the starting point.

Item No. 3A - Timbering

One 5-foot long steel set was installed in 2005 Drift West.

Item No. 4 - Ventilation Raise

Ventilation raise No. 20-782 was started from 20-784 crosscut. It was driven to 19 feet above the track for an advance of 9 feet above the back of the crosscut.

OPERATOR'S PROGRESS REPORT

Form MME-60

Timbering -- The $55.00 is cost of the authorized 5.0 feet of timber installed at $11.00 per foot.

Drifting and Crosscutting -- The $652.50 is for the authorized 14.5 feet of advance at $45.00 per foot.

Raising -- The $414.00 is for the authorized advance of 9.0 feet at $46.00 per foot.

Percussion Drilling and Analytical Work -- No work of either category was done during the reporting period.

Total reported costs have been corrected by deducting $160.00 from the costs of Percussion Drilling and charging the same amount to Analytical Work for the reason given by the Operator on MME Form 61.

Form MME 61

The form, containing total costs which are in agreement with those of Form MME 60, has been properly completed except that the units of Analytical Work are not shown. The Operator will be asked to make the necessary correction in future reports.

Narrative Report

The narrative report with map is acceptable.

T. M. Romslo

TMR/lm
cc: 6
Chron

Mr. Hugh M. Conners
Acting Field Officer
OME, Region III
Building 20- Federal Center
Denver 25, Colorado

July 22, 1960

Re: Docket No. DMEA 4981 - Contract No. E-1218
June Report - Items No. 3 and 4

Dear Sir:

Item No. 3 - Drifting and Cross-cutting

2005 West Drift was not advanced during the month because the heavy flow of water encountered during May was causing the use of the full power load available for pumping. It was decided prudent not to risk an increase in amount of water. The new power system was completed during June and the drift is now being advanced.

26-784 cross-cut was extended 14½ ft. so that a ventilation raise could be started. Total drifting and cross-cutting was fourteen and one-half feet (14½ ft.)

One steel set was installed in 2005 West Drift covering a span of 5 feet.

Item No. 4 - Ventilation Raise

20-782 Ventilation raise was started during the month and advanced for 9 feet. The raise will connect 20-784 cross-cut with the 1880 Level and will serve as an intake raise in ventilating the 2005 Level. (See raise cross-section.)

While advance in the 2005 West Drift was temporarily halted, 297 feet of track was raised and silled and drifts were started on ore at two different locations.

20-789 East and West Drifts were started on the ore that was crossed by 2005 West Drift during May.

20-866 cross-cut and drift is being run on ore encountered by Longhole percussion drill hole No. 6. 20-866 shipped 236 tons of ore worth $9.46 per ton and 20-789 East and West produced 410 tons @ $15.02 per ton. A separate report will be sent containing tonnage and grade estimates.

Enclosed are the following: Drift progress and geology map, raise cross-section, monthly report and voucher, unit costs and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

OME
DEPARTMENT OF THE INTERIOR
AUG 4 1960
REGION III
DENVER, COLORADO

GAH:jp

Gale A. Hansen (by Bob Gaschen)
Gale A. Hansen, Supt.

800

Building 20 - Federal Center
Denver 25, Colorado

August 8, 1960

AIR MAIL

Memorandum

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

From: Hugh M. Connors, Acting Field Officer, [illegible], Region III

Subject: Docket No. DMSA 4981 (Lead-Zinc-Copper)
Contract No. [illegible]
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Enclosed are the original and two copies of Form MMF 60 and MMF 61 Operator's Narrative Report, progress maps and engineer's inspection report covering work performed during the month of June, 1960.

It is recommended that the Operator be reimbursed $560.75 as outlined in the engineer's inspection report.

Original signed by

Hugh M. Connors

Attachments

HMC/lm
cc: Chief, Division of Field Operations (2)
MMF 60 File, Region III
S. R. Wilson
Chron

Sch. 8

MME FORM 60
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Docket No. 4981
Contract No. 14-23-090-B-1218
Contract Amount, $ 564,880.00
Gov't. Participation % 50 $ 282,440.00
Mineral(s) Lead, Zinc & Copper

OPERATOR'S MONTHLY VOUCHER

For Month of May, 1960

Operator's Name New Park Mining Company
Address 907 Walker Bank Building, Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE: MONTHLY TOTAL	FOR OPERATOR'S USE: PREVIOUSLY REPORTED	FOR OPERATOR'S USE: TOTALS TO DATE	FOR GOVERNMENT APPROVAL ONLY: MONTHLY TOTAL	FOR GOVERNMENT APPROVAL ONLY: PREVIOUSLY REPORTED	FOR GOVERNMENT APPROVAL ONLY: TOTALS TO DATE
Fixed Unit Costs and (1) Independent Contracts:						
Bulldozing						
Drifting						
Crosscutting						
Drilling						
(2) Personal Services:						
Supervision & Technical	650.00	13,950.00	14,600.00			
Outside Consultants						
Labor	6,217.50	76,658.49	82,875.99			
(3) Operating Mat'l. & Supplies:						
Timber	484.69	14,961.21	15,445.90			
Explosives	3,159.86	9,893.41	13,053.27			
Pipe	412.00	15,684.33	16,096.33			
Rail	211.40	1,270.51	1,481.91			
Pipe Column		8,154.44	8,154.44			
Supplies	1,774.40	14,410.62	16,185.02			
(4) Operating Equipment:						
~~Rental~~ Power	3,190.00	29,001.30	32,191.30			
Purchase						
Depreciation	1,492.00	17,667.34	19,159.34			
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment	585.07	7,430.30	8,015.37			
Analytical Work	160.00		160.00			
Payroll Taxes						
Employee's Liability Ins.						
Accounting	250.00	5,400.00	5,650.00			
Fringe Benefits	36.00	5,150.95	5,186.95			
TOTALS	18,622.92	219,632.90	238,255.82	15,468.56	162,357.07	177,825.57

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 6 1960
DATE | INITIALS

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

Date 6/14/60 *Payee New Park Mining Company

Per [signature] Title Superintendent

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

See assignment attached $ 7,734.25

Signature [signature]
(Authorized Certifying Officer)

Date 7/6/60 Vou. No. 35

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. Idm-E 1218

Signature [illegible] Title Mining Engineer Date 6-28-60

Approved by OME Executive Officer or Alternate:

Signature [illegible] Title Acting Field Officer Date 6-28-60

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

INT.DUP.,D.C.59- 61579

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OPERATOR'S PROGRESS REPORT For Month of May, 1960 Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090- 5-1210

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
#3 Drifting & Crosscutting	Feet	327	2,005½	142,101.24			
Timbering	Feet	36½	686	15,755.42			
#4 Raising	Feet	none	115	5,310.33			
#2 Sinker Pumps & Column	Feet	none	1,513	32,807.55			
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
#6 Percussion	Feet	192	717½	1,244.57			
Miscellaneous							
#1 - 16" Transite pipe	Feet	none	7,149½	41,036.71			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				238,255.82			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date 6/24/60 Operator New Park Mining Company

Per [signature] Title Superintendent

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature T M Connolo

Title Mining Engineer
Government Representative

Date 6-28-60

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of the Secretary
Accounting Unit
Washington

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: New Park Mining Company
907 Walker Bank Building
Salt Lake City 11, Utah

Amount Claimed:	Differences (Explained Below)	Amount Approved
18,622.92	3,154.42	15,468.50 Rovt. Part. 50% 7,734.25
Bu. Voucher No.	Payee's Invoice No. E-1218	Period May - 1950

EXPLANATION

Disallowance of amounts charged to Item 3, Drifting and Crosscutting

Depreciation		
1 - Longhole Machine	36.72	
1 - Set (300') Steel	24.78	61.50
Suspension of Drifting and Crosscutting cost in excess of the allowable average unit cost of $45.00 a foot		
Reported 327 feet of drifting and crosscutting at total cost of	17,448.73	
Allowable, 327 feet of drifting and crosscutting at maximum of $45.00 a foot	14,715.00	
Suspended this voucher		2,733.73
Suspension of Item 3-A, Timbering Costs in excess of the allowable maximum average cost of $11.00 a foot		
Reported, a total of 686 feet at a cost of	15,755.42	
Allowable, a total of 686 feet at 11.00 a foot	7,546.00	
Total excess costs	8,209.42	
Excess costs previously reported	8,053.23	
Suspended this voucher		156.19

See page 2

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of the Secretary
Accounting Unit
Washington

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee:

Amount Claimed:	Differences (Explained Below)	Amount Approved
Bu. Voucher No.	Payee's Invoice No.	Period

EXPLANATION

Suspension of Item 6, Longhole drilling in excess of allowable maximum average cost of $1.00 a feet:

Reported, a total of 717.5 feet at cost of	1,244.57	
Less allowable cost assaying this report	160.00	
Balance	1,084.57	
Allowable, a total of 717.5 feet at 1.00 a foot	717.50	
Total excess costs	367.07	
Excess costs previously reported	164.07	
Suspended this voucher		203.00
Total		3,154.42

Any reclaim for items deducted must be supported by the original of this statement and submitted to the office shown above.

Suspension made by:

(Sgd.) Opal M. Alexander

Signature

Assistant Chief, Accounting Unit

Title

74165

Building 20 - Federal Center
Denver 25, Colorado

June 28, 1960

AIR MAIL

Memorandum

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

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

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper)
Contract No. Ldm-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Enclosed are the original and two copies of Form MME 60 and MME 61, Operator's Narrative Report, distribution sheet, supporting schedule of equipment depreciation, basis for power charge, progress map and engineer's inspection report covering work performed during the month of May, 1960.

It is recommended that the operator be reimbursed as outlined in the engineer's inspection report subject to the findings of a subsequent audit of the operator's cost records.

Original signed by

Hugh M. Connors

Attachments
HMC/lm
cc: MME 60 File, Region III
Hasler (w/cpy engineer's report)
Chron

Building 20 - Federal Center
Denver 25, Colorado

June 28, 1960

Memorandum

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

From: T. M. Romslo

Subject: Progress Report for May 1960
Docket No. DMEA 4981 (Lead-Zinc-Copper)
Contract No. Idm E-1218
New Park Mining Company (Mayflower mine)
Wasatch County, Utah

On June 24, 1960, I inspected the project of the subject contract in the company of you, J. W. Hasler, U.S.G.S., and Robert Archer, the Operator's Mine Engineer. Progress for the reporting period was found to be as reported below, and as recorded in the attached Operator's Report. The findings also indicated that all of the reported work was completed in an acceptable manner.

Item No. 3 - Drifting and Crosscutting

The 2005 Drift West was advanced from 138 feet to 440 feet beyond Survey Station No. 5620 and 81 feet ahead of Survey Station No. 5622, an advance of 302 feet for the month.

Crosscut 20-784 was started and driven a total of 25 feet for the month.

The total advance for the month under Item No. 3 was 327 feet.

Development muck from 2005 Drift West reportedly yielded 238 tons of ore from the mineralized zone shown on the Operator's progress map. The 238 tons of ore which was co-mingled with Operator's ore and shipped for concentration, had an average value of $9.00 per ton based on the assays of cut samples and waste dilution.

Item No. 3A - Timbering

A total of 36.5 lineal feet of 2005 Drift West was supported with 5 timber sets and 4 steel sets.

Item No. 6 - Longhole Percussion Drilling

A total of 192 feet of longhole percussion drilling was completed in holes Nos. 3 and 7. Hole 3, drilled in diorite from 136 feet to 156 feet for an advance of 20 feet, was stopped because of caving ground and a heavy flow of water. Hole No. 7, drilled from 0 to 172 feet, penetrated two mineralized zones and was stopped by the same conditions encountered by hole No. 3.

Assaying

Each of 32 samples were assayed for gold, silver, lead, copper and zinc for a total of 160 determinations. The assays of 8 of the samples (40 determinations) are shown on the attached Operator's map. Assays of the remaining 24 samples (80 determinations) are included in the weighted grade of the 7 mineralized zones shown on the Operator's progress map for April 1960. Assays certificates for the 80 determinations were inspected by the writer.

It is considered that the Operator has complied with the intent of the contract. Documentation of incurred costs has been waived; Therefore, it is recommended that reimbursement be made to the Operator for 50 percent of the amount reported on Form MMS-60, except for the following disallowances of costs and suspension of excess costs.

Disallowance of amounts charged to Item 3, Drifting and Crosscutting.

Depreciation		
1 - Longhole Machine	$ 36.72	(1)
1 - Set (500') Steel	24.78	(2)
Total disallowance	$ 61.50	

1 Subject to reinstatement as an authorized depreciation cost of longhole drilling, Item 6.

2 Subject to reinstatement as an authorized material and supply cost of longhole drilling, Item 6.

[illegible]

[illegible]

[illegible]

Suspension of Drifting and Crosscutting cost in excess of the allowable average unit cost of $45.00 a foot.

May 1960 - Reported 327 feet of drifting and crosscutting at total cost of		$ 17,510.23
Less above disallowance		61.50
Balance		$ 17,448.73
Allowable 327 feet of drifting and crosscutting at maximum of $45.00 a foot.		14,715.00
Excess to be suspended this report		$ 2,733.73

Total for Project through May 1960.

Reported a total 2005.5 feet at a cost of		$ 142,101.24
Disallowances		
This Report	$ 61.50	
Previous	61.50	
Total Disallowed	$ 123.00	123.00
Balance		$ 141,978.24
Allowable 2005.5 feet at $45.00 a foot		90,247.50
Total excess costs		$ 51,730.74
Excess costs previously suspended		48,997.01
Excess costs to be suspended this report		$ 2,733.73

Suspension of Item 3-A, Timbering Costs in excess of the allowable maximum average cost of $11.00 a foot.

Reported, a total of 686 feet at a cost of	$ 15,755.42
Allowable, a total of 686 feet at a cost of $11.00 a foot	7,546.00
Total excess costs	$ 8,209.42
Excess costs previously reported	8,053.23
Excess costs to be suspended this report	$ 156.19

Suspension of Item 6, Longhole drilling in excess of allowable maximum average cost of $1.00 a foot.

Reported, a total 717.5 feet at cost of	$	1,244.57
Less allowable cost of assaying this report		160.00
Balance		1,084.57
Allowable a total of 717.5 feet at cost of $1.00 a foot		717.50
Total excess costs		367.07
Excess costs previously reported		164.07
Excess costs to be suspended this report	$	203.00

Reconciliation with costs Reported by Operator on Forms NMR-60 and NMR-61 .

Total costs reported for month of May 1960		$	18,622.92
Disallowed this report			61.50
Balance		$	18,561.42
Suspensions, Item 3, excess costs	$ 2,733.73		
Item 3A, " "	156.19		
Item 6, " "	203.00		
Total suspensions this report			3,092.92
Balance		$	15,468.50
Government Participation at 50 percent		$	7,734.25

Original signed by

T. M. Romsic

TMR/lm
cc: 6
Chron

OME
DEPARTMENT OF THE INTERIOR
JUN 23 1960
REGION III
DENVER, COLORADO

Mr. J. W. Townsend
Executive Officer, OME
DMEA Field Team Region III
224 New Custom House
Denver 2, Colorado

June 11, 1960

Re: Docket No. DMEA 4981 Contract E-1218
May Report - Items No. 3 and 6

Dear Sir:

Item No. 3 - Drifting and Cross-Cutting

During May, 2005 West drift was advanced a total of three hundred and two feet (302 ft.), and 20-784 cross-cut was started on the south side of the drift and was advanced for twenty-five feet (25 ft.). Total drifting and cross-cutting for the month was three hundred and twenty-seven feet (327 ft.).

A strong fissure vein containing sulphide ore was crossed by the drift and part of the drift muck was shipped for ore. The vein strikes S 50° W and dips to the north-west about 60°, varying from three to ten feet or more in width where it crosses the drift. Two hundred and thirty-eight tons of ore were shipped at a grade calculated from cut samples and waste dilution to be $9.00 per ton. The average grade of the ore over a mining width of 10 ft. will assay about $24.30 per ton (note map).

Another south-west striking fissure was crossed containing a large watercourse and a large flow of water was encountered. All of the advance for this month was in the upper cherty dolomite (Cdvc) of the Deseret Limestone, and the heavy, bedded cherts of this member have now been encountered in the drift. (See geologic map.) Thirty-six and one half (36½) feet of drift was timbered with five (5) 8 x 8 timbered sets and four (4) steel sets.

Item No. 6 - Longhole Percussion Drilling

Hole number three was continued from 136 feet to 156 feet during the month and had to be stopped because of caving ground and heavy water flow. Diorite was drilled in this interval. Total depth was 156 feet.

Hole number seven was drilled north from 20-840 Cross-cut as a probing hole to test for ore shoots on the Mayflower fissure zone and to reach the Pearl fissure if possible. The fissure zone was encountered at 8 feet, and weakly mineralized limestone was drilled from 8 feet to 79 feet. Low grade ore was crossed from 79 to 92 feet. Mineralized limestone was cut between 92 feet and 116 feet and diorite was encountered at 116 feet. The hole continued in diorite to 172 feet with a weakly metalized fissure cut between 168 and 172 feet. The hole was stopped because of excessive water flow and caving ground. Total depth 172 feet. Total long hole drilling for May was 192 feet.

The long hole drilling program was temporarily halted upon completion of hole No. seven, and will be resumed when the new power system in the mine is finished so that larger quantities of water may be pumped from the 2005 level.

COPY

The assay shown in hole number seven is an average of three individual samples, and the assay shown in the drift is an average of three cut samples and two short test holes. (See geologic maps.)

A total of eight assays with 40 determinations were made during the month at a cost of $40.00.

The twenty-four assays reported in last month's progress report consisted of 120 determinations at a cost of $120.00.

Enclosed are the following: Drift progress and geology maps, longhole drilling map, unit cost itemization, depreciation schedule, power schedule, monthly report and voucher, unit costs and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

Gale A. Hansen, Superintendent

GAH:jc

COPY

NEW PARK MINING COMPANY

D.M.E.A. Projects

7206 BUFF G7206 GREEN TINT MONTH May, 1960 DOCKET NO. DMEA 4981 CONTRACT NO. E-129

	ITEMS OF COST	PROJECT NO. 3	PROJECT NO. 3-A TIMBERING	PROJECT NO. 6	TOTALS
(1)	Independent) Short Form) Contracts:				
	Drilling				
	Bulldozing				
	Crosscutting				
	Drifting				
(2)	Labor and Supervision:				
	Labor	6,047.10	73.00	97.40	6,217.50
	Supervision	600.00		50.00	650.00
	Technical Services				
(3)	Operating Mat'l and Supplies:				
	Timber		484.69		484.69
	Explosives	3,159.86			3,159.86
	Pipe	412.00			412.00
	Track	211.40			211.40
	Pipe Column @ 50%				
	Supplies	1,731.43		42.97	1,774.40
(4)	Operating Equipment:				
	Power	3,190.00			3,190.00
	Purchase				
	Depreciation	1,492.00			1,492.00
(5)	Initial Rehabilitation & Repairs:				
(6)	New Bldgs.Improvements, Etc.:				
(7)	Miscellaneous:				
	Repairs to Equipment	411.19		173.88	585.07
	Sampling			160.00	160.00
	Payroll Taxes				
	Liability Insurance				
	Accounting	225.00		25.00	250.00
	Fringe Benefits	30.25		5.75	36.00
(8)	Contingencies (specify):				
	Totals	17,510.23	557.69	555.00	18,622.92

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NEW PARK MINING COMPANY
D.M.E.A. POWER SCHEDULE
UNIT # 3. May, 1960

COPY

(4) POWER:

Total Ore & Waste Hoisted from 2005 Level	3,190	Tons
Total Ore & Waste from Other Levels	5,784	Tons
Total Tons of Rock Hoisted	8,974	Tons

Power Costs as per Voucher No. 3448

$8,977.40 ÷ 8,974 = $1.00/Ton

2005 Drift 3,190 x $1.00 = $3,190.00

COPY

NEW PARK MINING COMPANY

DEPRECIATION SCHEDULE

D.M.E.A. UNIT #3, MAY, 1960

(4) DEPRECIATION:	Cost	This Month	Notes
2" Cable	$ 4,051.50	$ 67.50	
630 Eimco Mucker	10,100.00	168.33	
1 - Train Car Loader (5 - Car Train)	19,000.00	315.68	(5 - Cars)
1 - Charging Panel	740.00	12.33	
2 - Motor Batteries (4 Ton - 50 Cell)	6,500.00	108.32	(2 - Batteries)
1 - Set 150 KVA Transformers	1,800.00	30.00	
5 - 25 HP Fans	3,500.00	23.34	(2 - Fans)
1 - Jumbo	15,000.00	250.00	
2 - B.J. Submersible Pumps	28,145.00	455.00	
1 - Longhole Machine	2,203.00	36.72	
1 - Set (300') Steel	1,487.00	24.78	
		$1,492.00	

MME FORM 60
SEPT. 1959

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UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

JUN 9 1960 O.M.E.

Docket No. 4981
Contract No. 14-23-090 E-1218
Contract Amount $ 564,880.01
Gov't. Participation % 50 $ 282,440.00
Mineral(s) Lead, Zinc & Copper

OPERATOR'S MONTHLY VOUCHER

For Month of April, 1960

Operator's Name New Park Mining Company
Address 907 Walker Bank Building Salt Lake City, Utah

COST CATEGORIES	FOR OPERATOR'S USE			FOR GOVERNMENT APPROVAL ONLY		
	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE	MONTHLY TOTAL	PREVIOUSLY REPORTED	TOTALS TO DATE
Fixed Unit Costs and						
(1) Independent Contracts:						
Bulldozing						
Drifting						
Crosscutting						
Drilling						
(2) Personal Services:						
Supervision & Technical	650.00	13,300.00	13,950.00			
Outside Consultants						
Labor	3,840.09	72,818.40	76,658.49			
(3) Operating Mat'l. & Supplies:						
Timber	61.71	14,899.50	14,961.21			
Explosives	1,051.77	8,841.64	9,893.41			
Pipe	138.76	15,545.57	15,684.33			
Rail	83.65	1,186.86	1,270.51			
Pipe Column		8,154.44	8,154.44			
Supplies	525.24	13,885.38	14,410.62			
(4) Operating Equipment:						
~~Rental~~ Power	1,945.35	27,055.95	29,001.30			
Purchase						
Depreciation	1,492.00	16,175.34	17,667.34			
(5) Initial Rehab. & Repairs:						
Buildings, Fixtures, etc.						
Operating Equipment						
(6) New Buildings, Fixtures, etc.						
(7) Miscellaneous:						
Repairs to Equipment	1,659.69	5,770.61	7,430.30			
Analytical Work						
Payroll Taxes						
Employee's Liability Ins.						
Accounting	250.00	5,150.00	5,400.00			
Fringe Benefits	186.99	4,963.96	5,150.95			
TOTALS	11,885.25	207,747.65	219,632.90	5958.00	156,399.07	162,357.07

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

Date 5/16/60 *Payee New Park Mining Company

Per [signature] Title Superintendent

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

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

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

$ 2979.00

Signature _____ (Authorized Certifying Officer)

Date 6/7/60 Vou. No. 5057

(SEE OTHER SIDE)

Certification by Government Representative:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating an exploration project in accordance with the terms of Contract No. Idm-E 1218

Signature D M Romoto Title Mining Engineer Date 5-27-60

Approved by OME Executive Officer or Alternate:

Signature _____ Title _____ Date _____

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of three parts.

FIRST, the Operator's Monthly Voucher on MME Form 60 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Progress Report on MME Form 61 is a statistical report of the units and cost of of work performed under the contract.

THIRD, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and four copies of each of the three sections of this report to the OME regional Executive Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, MME FORM 60

After all applicable spaces are filled in, the Operator or his agent must sign the certification in the lower left corner. Categories (2) through (7) apply to "Actual Cost" contracts only.

Under "Fixed Unit Costs" and Category (1) report, (a) the total fixed unit costs of work performed under contract provisions for contribution by the Government on a basis of "fixed unit costs"; and (b) the claimed costs of work performed on a unit-price basis by independent contractors.

Under Category (2) include the claimed costs of all payrolled and invoiced supervisory, technical, and labor personnel, except the costs for services applicable to Categories (5) and (6).

Under Category (3) include the claimed costs of all project materials and supplies other than those used for work under Categories (5) and (6).

Under Category (4) report claimed rentals on equipment belonging to a third party, claimed payments or obligations for payments on the Operator's purchase of equipment, and claimed depreciation for the use of Operator-owned equipment.

Under Categories (5) and (6) include all claimed costs of labor, supervision, technical services, operating materials and supplies, and all other items used in (5) the initial rehabilitation and repairs of existing buildings, fixtures, installations (exclusive of mine workings), and operating equipment; and (6) the installation or construction of new buildings, fixtures, and fixed improvements (exclusive of mine workings). Do not report these costs under Categories (2), (3), (4), and (7).

Under Category (7) include all miscellaneous claimed costs such as repairs (other than initial) and maintenance of equipment, sampling and analysis, travel, communication, accounting, office expenses, and the Operator's share of payroll taxes and insurance.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, itemized deductions, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as depreciation of Operator-owned equipment, unemployment taxes, and employee's liability insurance. The certification may be stated thus, "Certified True Copy (or Transcript)", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Executive Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

INT.DUP.,D.C.59- 61579

MME FORM 61
SEPT. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

JUN 9 1960
O.M.E.

OPERATOR'S PROGRESS REPORT

For Month of April, 1960 Docket No. 4981

Operator's Name New Park Mining Company Contract No. 14-23-090-[illegible]-1218

OPERATION	UNITS	FOR OPERATOR'S USE: UNITS THIS MONTH	UNITS TO DATE	COSTS TO DATE	FOR GOVERNMENT USE: APPROVED UNITS THIS MONTH	APPROVED UNITS TO DATE	APPROVED COSTS TO DATE
#3 Drifting & Crosscutting	Feet	119½	1,678½	124,591.01			
~~Crosscutting~~ Timbering	Feet	5	649½	15,197.73			
#4 Raising	Feet	None	115	5,310.33			
#2 ~~Shafts~~ Pumps & Column	Feet	None	1,513	32,807.55			
Winzes							
Other Underground							
Drilling, Core-Diamond							
Rotary							
Drilling, Non-core-Diamond							
Rotary							
Churn							
#6 Percussion	Feet	525½	525½	689.57			
Miscellaneous							
#1 16" Transite Pipe	Feet	None	7,149½	41,036.71			
Roads and Trails							
Stripping							
Trenching							
Test Pitting							
Other Surface Work							
Initial Rehabilitation and Repairs							
Rehabilitation of Mine Workings							
New Buildings, Fixtures, etc.							
Operating Equipment Purchases							
Analytical Work							
TOTAL TO DATE *(per MME Form 60)*				219,632.90			

REMARKS

(Continue on back)

REMARKS

(Continue on back)

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

Date 5/16/60 Operator New Park Mining Company

Per [signature] Title Superintendent

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U.S. Code, Title 18, Sec. 1001.)

I certify that the information above is complete and accurate to the best of my knowledge and belief.

Signature [signature]

Title Mining Engineer
Government Representative

Date 5-27-60

(INSTRUCTIONS ON REVERSE)

REMARKS *(Cont.)*

REMARKS *(Cont.)*

INSTRUCTIONS FOR PREPARING OPERATOR'S PROGRESS REPORT, MME FORM 61

This report is the second of the three parts of the Operator's Monthly Report. Submit the original and four copies.

The cost for each operation should be the total of all claimed costs attributable to that type of work with two exceptions, namely—operating equipment purchased and analytical work which are stated separately. For example, drifting costs should be the total of all costs chargeable to drifting including supervision, technical services, timbering (if any), etc. Similarly, drilling costs should include the cost of cementing, reaming, core boxes, etc. This procedure of distribution holds whether the contract was written on an actual cost or a unit cost basis, or some combination of the two. Distribute the cost of such general items as supervision, equipment rented, etc. according to relative footages or on some other conventional basis. The item "Initial Rehabilitation and Repairs" covers all rehabilitation and/or repairs other than the rehabilitation of mine workings.

The item titled "Drilling, Non-core Percussion" includes all drilling performed with wagon, jack-hammer, stoper and mounted drills. The several items labelled "Other" are provided to take care of particular exploration operations not specified on this form.

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of the Secretary
Accounting Unit
Washington

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: New Park Mining Company
907 Walker Bank Building
Salt Lake City, Utah

Amount Claimed:	Differences (Explained Below)	Amount Approved
11,885.25	5,865.75	5,958.00 Govt. Part. 50% 2,979.00
Bu. Voucher No.	Payee's Invoice No. E-1218	Period April 1960

EXPLANATION

Suspension of drifting and crosscutting costs in excess of allowable average unit cost of $45.00 a feet

Reported a total of 1678.5 feet at a cost of	124,591.01
Disallowed depreciation on 1 longhold machine and 1 set (300) steel this report	- 61.50
	124,529.51
Allowable 1678.5 feet at $45.00 a feet	75,532.50
Total excess costs	48,997.01
Excess costs previously suspended	43,312.04
Excess costs to be suspended this report	5,684.97

Suspension of Item 3-A, Timbering Cost in excess of allowable maximum average cost of $11.00 a feet

Reported a total of 649.5 feet at a cost of	15,197.73
Allowed, a total of 649.5 feet at $11.00 a feet	7,144.50
Total excess costs	8,053.23
Excess costs previously reported	8,036.52
Excess costs suspended this report	16.71

Suspension of Item 6, Longhole drilling in excess of allowable maximum average cost of $1.00 a feet

Reported, a total of 525.5 feet at cost of	689.57
Allowable a total of 525.5 feet at $1.00 a feet	525.50
Total excess costs to be suspended this report	164.07

Any reclaim for items deducted must be supported by the original of this statement and submitted to the office shown above.

Suspension made by:

Signature
Opal M. Alexander

Assistant Chief, Accounting Unit

Title

74165

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 9 1960

DATE	INITIALS	CODE
6-9	gad	VVO 800

Building 20 - Federal Center
Denver 25, Colorado

May 31, 1960

AIR MAIL

Memorandum

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

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

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper)
Contract No. [illegible]
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Enclosed are the original and two copies of Forms MF-104 and MF 104-A, Operator's Narrative Report, distribution sheet, supporting schedule of equipment depreciation, basis for power charge, progress map and engineer's inspection report covering work performed during the month of April, 1960.

It is recommended that the operator be reimbursed as outlined in the engineer's inspection report subject to the findings of a subsequent audit of the operator's cost records.

Original signed by

Hugh M. Connors

Enclosures
HMC/lm
cc: MF-104 file, Region III
Hasler (w/copy engineer's report)
Chron

Building 20 - Federal Center
Denver 25, Colorado

May 27, 1960

Memorandum

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

From: T. M. Rosalo

Subject: Progress Report for April 1960
Docket No. [illegible] 498 (Lead-Zinc-Copper)
Contract No. [illegible]
New York Mining Company (Mayflower Mine)
Wasatch County, Utah

The project of subject contract was inspected by the writer in the company of Robert Archer, Mine Engineer, May 16, 1960. Progress was found to be as reported below, and as recorded in the attached Operator's Report. All reported work was completed to standards equal or better than specified by the contract.

Item No. 2 - Pumps and Pump Column

The Operator reports that this item may now be considered as completed although an automatic float control switch for the pumps and flooring over the sump remain to be completed.

Item No. 3 - Drifting and Crosscutting

The 2005 Drift West was advanced from 18.5 feet to 138 feet beyond Survey Station No. 5680, an advance of 119.5 feet for the month. According to the Operator, no drifting was done during the first half of the month, while a 377 feet section of the track was raised and equipment was repaired.

The drift advance is in dolomite and the upper cherty dolomite of the Weberet Limestone. A 6-inch wide vein of pyrite, galena, sphalerite and chalcopyrite was entered late in April. During early May a 4-foot wide vein of ore grade material was met. Ore from the vein, probably the productive Pearl Vein, was shipped.

Item No. 3A - Timbering

Five lineal feet of 2005 Drift West was supported by one steel set.

Item No. 6 - Longhole Percussion Drilling

The following longhole drilling was done from 20-866 crosscut.

Hole No.	Depth (ft)	Status
3	136.0	Being drilled
4	198.0	Completed
6	191.5	"
Total	525.5	

The geologic logs of the holes and the average assay of mineralized zones encountered are shown on the attached Operator's map. The weighted grade of the individual mineralized zones reportedly was determined from the assay of 24 samples for gold, silver, lead, copper, and zinc.

The Operator's Report does not contain a record of the individual assays nor does it include a charge for the assays. The Operator, who is aware that these data are a necessary part of his report, will be asked to include them in his next report.

It is considered that the Operator has complied with the intent of the contract. Documentation of incurred costs has been waived; therefore, it is recommended that reimbursement be made to the Operator for 50 percent of the amount reported on Form MMB-60, except for the following disallowances of costs and suspension of excess costs:

Disallowance of amounts charged to Item 3, drifting and crosscutting.

Depreciation		
1 - Longhole Machine	$ 36.72	(1)
1 - Set (300') Steel	24.78	(2)
Total Disallowance	$ 61.50	

1 Subject to reinstatement as an authorized cost of longhole drilling, Item 6.

2 Probably subject to reinstatement as an authorized cost of material for longhole drilling, Item 6.

Suspension of drifting and crosscutting costs in excess of allowable average unit cost of $45.00 a foot.

April 1960 Reported 119.5 feet of drifting at total cost of $ 11,123.97

Less above disallowance	61.50
Balance	$ 11,062.47

Allowable 119.5 feet of drifting at maximum of $45.00 a foot	$ 5,377.50
Excess to be suspended this report	$ 5,684.97

Total for Project through April 1960

Reported a total of 1678.5 feet at a cost of	$ 124,591.01
Disallowed this report	61.50
Balance	$ 124,529.51
Allowable 1678.5 feet at $45.00 a foot	75,532.50
Total excess costs	$ 48,997.01
Excess costs previously suspended	43,312.04
Excess costs to be suspended this report	$ 5,684.97

Suspension of Item 5-A, Timbering Costs in excess of Allowable maximum average cost of $11.00 a foot.

Reported, a total of 649.5 feet at a cost of	$ 15,197.73
Allowable, a total of 649.5 feet at cost of $11.00 a foot	7,141.50
Total excess costs	$ 8,055.23
Excess costs previously reported	8,038.52
Excess costs to be suspended this report	$ 16.71

Suspension of Item 6, Longhole drilling in excess of Allowable maximum average cost of $1.00 a foot

Reported, a total of 525.5 feet at cost of	$ 689.57
Allowable a total of 525.5 feet at cost of $1.00 a foot	525.50
Total excess costs	$ 164.07
Excess costs previously reported	0.00
Excess costs to be suspended this report	$ 164.07

Reconciliation with costs Reported by Operator on Form [illegible]-59 and [illegible]-61

Total costs reported for month of April 1960		$	11,885.[illegible]
Disallowed this report			61.50
Balance		$	11,[illegible]
Suspensions, Item 3, excess costs	$5,584.97		
Item 3A " "	16.71		
Item 6 " "	164.07		
Total suspensions this report			5,865.75
Balance		$	5,958.00
Government Participation at 50 percent		$	2,979.00

T. M. Romelo

TMR/lm
cc: 6
Chron

OME
DEPARTMENT OF THE INTERIOR
MAY 26 1960
REGION III
DENVER, COLORADO

Mr. J.W. Townsend
Executive Officer, OME
DMEA Field Team, Region III
224 New Custom House
Denver 2, Colorado

May 6, 1960

Re: Docket No. DMEA 4981 Contract E-1218
April Report - Items No. 2, 3, and 6

Dear Sir:

Item No. 2 - Pumps and Pump Column

Installation of an automatic float control switch for the pumps and installation of metal flooring remain to be completed on the 2005 pump station. Item No. 2 may now be considered as completed.

Item No. 3 - Drifting and Cross-Cutting

During the period from April 1st to April 16th, advance was halted in 2005 West Drift so that the track could be raised and silled, the long hole percussion drilling program could be initiated, and maintenance and repair work on the equipment could be done. During this time, 577 feet of track was raised and one steel set was installed covering 5 feet of drift.

Drift advance was resumed on April 17th, and the drift was advanced a total of one hundred nineteen and one-half feet (119½ ft.) during the rest of the month.

The drift advance was in dolomite and the upper cherty dolomite member of the Deseret Limestone was encountered by the drift. A 6 inch wide vein of pyrite, galena, spholerite, and chalcopyrite was crossed but was not wide enough to be considered as ore. (See geologic map.)

Item No. 6 - Longhole Percussion Drilling

The longhole drilling program was begun during April, and the first holes were drilled north from 20-866 X-cut.

Hole number four was drilled as a horizontal probing hole to determine rock types and locate the fissure zones. Zones of weak metalization were encountered on the Mayflower Fissure and fissures in the hanging wall of the Mayflower. Wall rock was the argillite at the base of the Humbug formation (Chgs). A fault was crossed at 192 ft. and diorite was encountered on the north side. Total hole depth was 198 ft.

Hole number six was drilled horizontally to test the intersection of the Mayflower Fissure and the contact between the Humbug formation and the Deseret limestone. Ore grade metalization was encountered between 8 ft. and 48 ft. in the Deseret limestone at the base of the argillite. The hanging wall of the mineralized zone was crossed at 76 feet and argillite was encountered. Ore grade metalization was cut from 180 to 191½ feet and the hole had to be stopped in ore because of a broken steel. Total depth was 191½ feet.

COPY

Hole number three was drilled horizontally to probe for the Pearl Fissure and to test for metalization in the Mayflower zone. Weakly metalized argillite in the Mayflower Fissure was cut from 5 ft. to 40 ft. and the diorite-argillite contact was crossed at 60 ft. The hole is being continued in diorite and reached a depth of 136 ft. at the end of the month.

A total of 525½ feet of longhole drilling was completed April. The composite groupings of assay values in the drill holes shown on the geologic map were determined from 24 individual samples. Each sample was assayed for gold, silver, lead, copper, and zinc. (See geologic map.)

Enclosed are the following: Drift progress and geology map, unit cost itemization, depreciation schedule, power schedule, monthly report and voucher, unit costs and progress reports.

Very truly yours,

WM. PARK MINING COMPANY

Gale A. Hansen

Gale A. Hansen, Superintendent

GAH:jc

COPY

NEW PARK MINING COMPANY

D.M.E.A. PROJECTS

MONTH April, 1960 DOCKET NO. DMEA 4981 CONTRACT NO. E-1218

7204 BUFF
G7204 GREEN TINT

		ITEMS OF COST	1 PROJECT NO. 3	2 PROJECT NO. 3-A TIMBERING	3 PROJECT NO. 6	4 TOTALS
	(1)	Independent) Short Form) Contracts:				
		Drilling				
		Bulldozing				
		Crosscutting				
		Drifting				
	(2)	Labor and Supervision:				
		Labor	3,562.86	10.00	267.23	3,840.09
		Supervision	500.00		150.00	650.00
		Technical Services:				
	(3)	Operating Mat'ls and Supplies:				
		Timber		61.71		61.71
		Explosives	1,051.77			1,051.77
		Pipe	138.76			138.76
		Track	83.65			83.65
		Pipe Column @ 50%				
		Supplies	444.35		80.89	525.24
	(4)	Operating Equipment:				
		Power				
		Purchase	1,945.35			1,945.35
		Depreciation				
	(5)	Initial Rehabilitation & Repairs:	1,492.00			1,492.00
	(6)	New Bldgs., Improvements, Etc.:				
	(7)	Miscellaneous:				
		Repairs to Equipment				
		Sampling	1,560.49		99.20	1,659.69
		Payroll Taxes				
		Liability Insurance				
		Accounting				
		Fringe Benefits	175.00		75.00	250.00
	(8)	Contingencies (specify):	169.74		17.25	186.99
		Totals	11,123.97	71.71	689.57	11,885.25

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NEW PARK MINING COMPANY

DEPRECIATION SCHEDULE

D.M.E.A. UNIT #3, APRIL, 1960

(4) DEPRECIATION:	Cost	This Month	Notes
2° Cable	$ 4,051.50	$ 67.50	
630 Eimco Mucker	10,100.00	168.33	
1 - Train Car Loader (5 - Car Train)	19,000.00	315.68	(5 - Cars)
1 - Charging Panel	740.00	12.33	
2 - Motor Batteries (4 Ton - 50 Cell)	6,500.00	108.32	(2 - Batteries)
1 - Set 150 KVA Transformers	1,800.00	30.00	
5 - 25 HP Fans	3,500.00	23.34	(2 - Fans)
1 - Jumbo	15,000.00	250.00	
2 - B.J. Submersible Pumps	28,145.00	455.00	
1 - Longhole Machine	2,203.00	36.72	
1 - Set (300') Steel	1,487.00	24.78	
		$1,492.00	

NEW PARK MINING COMPANY
D.M.E.A. POWER SCHEDULE
UNIT # 3, APRIL, 1960

COPY

(4) POWER:

Total Waste Hoisted from 2005 Drift	1,485	Tons
Total Ore and Waste from Other Levels	5,145	Tons
Total Tons of Rock Hoisted	6,630	Tons

Power Costs as per Voucher No. 3325

$8,688.70 ÷ 6,630 = $1.31/Ton

2005 Dr. $ 1.31 x 1,485 = $1,945.35

SECOND INTERIM
AUDIT REPORT

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

INTERIM AUDIT CERTIFICATE

I have examined the records and transactions of:

New Park Mining Company
907 Walker Bank Building
Salt Lake City, Utah

pertaining to Exploration Project Contract No. Idm-E1218, Docket No. OMEA-4931, dated June 23, 1958, including Amendments Nos. 1 through 6, covering a project of exploration for lead, zinc and copper located in Wasatch County, Utah, and referred to as Mayflower Mine, for the period June 23, 1958, to March 31, 1960, inclusive.

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

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

Total cost billed by Operator			$207,747.65
Exceptions (see Audit Report for details):			
Prior to this audit	$51,348.58		
Less: Reinstatement	.02	$51,348.56	
During this audit		-0-	51,348.56
Total Acceptable Cost			$156,399.09

The contract calls for a 50 percent contribution of the allowable costs by the Government. Therefore, if the project is otherwise accepted as having met the terms of the contract, payments as follows are valid and proper:

Payable on audited claim	$ 78,199.54
Paid to date	78,199.54
Balance due Operator	$ -0-

C. E. Fisher, OME Auditor

May 9, 1960

INTERIM AUDIT REPORT

I. INTRODUCTION

On April 25, 26, and 27, 1960, an interim audit (covering operations for the period April 1, 1959, to March 31, 1960) was made of the records and transactions pertaining to Exploration Project Contract No. Idm-81218, Docket No. DMEA-4981, dated June 23, 1958, including Amendments Nos. 1 through 6, with the

New Park Mining Company
907 Walker Bank Building
Salt Lake City, Utah

covering a project for the exploration of lead, zinc and copper on property known as the Mayflower Mine near Keetley, Wasatch County, Utah.

A prior interim audit by Donald T. Finch, OME Auditor, covered by his report dated June 3, 1959, pertained to the period June 23, 1958, to March 31, 1959. The present audit extends the period audited to March 31, 1960, and incorporates the results of the prior interim audit.

The original records under this contract are maintained under the supervision of Carl D. Harper, Auditor and Purchasing Agent, at Keetley, Utah, where this audit was conducted. Mr. Harper and his assistants, Harry McMillan and Francis Smith, as well as Gale A. Hansen, General Superintendant, were consulted as necessary during the audit. T. M. Romslo, Mining Engineer, USBM, was available as needed. The cooperation and assistance of all concerned greatly facilitated the audit.

II. GENERAL INFORMATION ON RECORDS

The general books of the company with all usual accounting supports are kept at Keetley, Utah, and were made freely available to this auditor. Such supports consisted of payrolls, time cards, invoices, insurance policies, etc.

Since 1957 operation of the Mayflower Mine, including the exploration work under this contract, has been conducted by a group of former employees under a lease arrangement referred to as Mayflower Lease. The New Park Mining Company continued the purchasing of all materials and supplies which are charged to the lessees as used. All labor, including a shift foreman, is furnished by the lessees. General supervision, engineering, and technical services are performed by company representatives.

Semi-monthly statements, signed by a representative of the company and by a representative of the lessees, showing units of work accomplished, time worked, rates of pay, and materials and supplies used in various phases of the work accomplished during the period, serve as the basic documents for settlements with the lessees. My audit was based primarily upon a review of these semi-monthly statements and included test-checks of supporting records to the extent deemed necessary to establish the propriety and validity of the information shown thereon.

The company records pertaining to this exploration project were found to be well maintained and were deemed to be accurate and reliable.

III. SCOPE OF AUDIT AND FINDINGS

The audit was limited to ascertaining the accuracy, propriety, and validity of the costs shown in the "Totals to Date" column of the Form MF-104, Operator's Monthly Report and Voucher, for the month of March 1960. By letter dated August 14, 1958, addressed to the Operator, the Executive Officer of the OME Field Team, Region III, waived the requirement for submission of supporting documents with the monthly MF-104; therefore, on-site audits of claimed costs are necessary.

The audit disclosed that the improper distributions of charges to "Items of Cost", as well as the adjustments for allowable costs not claimed, mentioned in the prior interim audit were adjusted during the period currently under review. The allocation of claimed costs to categories and items, as stated on the Form MF-104 for March 1960, were deemed to be acceptable for the purpose of this audit. No disallowances have been made, however, certain costs claimed by the Operator in excess of maximums allowable under the terms of the contract were suspended, in accordance with Article 13(c) of the contract, from Government participation pending determination of average unit costs of future drifting, crosscutting, and timbering.

(1) Independent Contracts

No items of cost applicable to this category of the contract's Exhibit "A" had been incurred at the time of this interim audit.

(2) Labor and Supervision

(a) Labor

Period	Accepted Costs	
June 23, 1958, to March 31, 1959	$27,527.08	
April 1, 1959, to March 31, 1960	45,291.32	$72,818.40

All charges to this sub-category represent compensation to the lessees for exploration work performed relating to this contract at the following rates:

Measured by work accomplished

Transite pipe and pump column installation	- $ 2.00	/foot	advanced
Drifting	- $11.80	"	"
Hoisting from drift	- $ 2.35	"	"
Haulage from drift	- $ 4.15	"	"
Timbering (including steel sets)	- $ 2.00	"	"
Raising	- $16.00	"	"
Hoisting and haulage from drift	- $ 3.60	"	"

Other

Day-pay rates of $16.00, $17.00, $18.00, or $21.00 per shift plus 50 percent for overtime. In addition, the lessees are paid 11½ percent of these day-pay rates to cover fringe benefits. (See Category (7) Miscellaneous - Fringe Benefits.)

(b) Supervision and technical services

Period	Accepted Costs		
	Lessees	Company	Total
June 23, 1958, to March 31, 1959	$1,800.00	$3,700.00	$ 5,500.00
April 1, 1959, to March 31, 1960	4,000.00	3,800.00	7,800.00
Totals	$5,800.00	$7,500.00	$13,300.00

This exploration contract allows a maximum charge of $650.00 per month for a period of 40 months, total maximum allowable cost of $26,000.00 for supervision and technical services. The estimated number of supervisors and technicians was waived in the contract terms.

Charges under this sub-category were made at the rate of $650.00 per month for the 20 months July 1958 through February 1959 and April 1959 through March 1960. During March 1959 only $300.00 was charged.

It has been the practice to allow the lessees amounts varying from $200.00 to $400.00 per month for supervision expense on semi-monthly statements. Such payments aggregated $5,800.00. The remainder of the charges ($7,500.00) was to cover supervision and technical services furnished by company employees.

The company has not kept a record of time of supervisory and technical employees devoted to the exploration project. The prior audit stated that the cost of supervisory and technical services by company employees during the period June 23, 1958, to March 31, 1959, aggregated $5,188.90. Mr. Hansen, the general superintendent, has estimated that the monthly cost to the company during the period April 1959 through March 1960 has been not less than $1,169.50 per month computed as follows:

Gale A. Hansen, Gen. Superintendent	1/3 of	total	time	- $	237.00
Bob Archer, Chief Engineer	3/4 of	"	"	-	412.50
Walter Bauer, Chief Geologist	1/4 of	"	"	-	150.00
Jim Muth, Mine Geologist	1/4 of	"	"	-	125.00
Phil Santy, Master Mechanic	1/5 of	"	"	-	115.00
Ted Booth, Chief Elect.	1/4 of	"	"	-	130.00
Total estimated professional services per month					$1,169.50

It is the opinion of the Acting Field Officer, OME Region III, that the charges made for supervision and technical services are reasonable and necessary. This auditor agrees.

(3) Operating Materials and Supplies

Operating materials and supplies used in the exploration work were charged to project costs on basis of the actual cost of the materials and supplies, less any trade or cash discounts allowed by vendors, plus applicable sales taxes, freight and delivery charges. Purchasing, handling, and other incidental costs were not included in these charges.

The quantities of material, prices, and total costs included in this category were found to be fully substantiated by copies of semi-monthly settlement statements with the lessees, material raquisitions, and vendor's invoices. Test-checks were made by this auditor to the extent deemed necessary to establish the propriety and validity, as well as the mathematical correctness of the charges.

The amounts of accepted costs by sub-categories are as follows:

Sub-category	Period 6/23/58 to 3/31/59	Period 4/1/59 to 4/1/60	Total
(a) Timber	$ 1,226.72	$13,672.78	$14,899.50
(b) Explosives	755.02	8,086.62	8,841.64
(c) Pipe (50% basis)	12,434.26	3,111.31	15,545.57
(d) Track (50% basis)	209.55	977.31	1,186.86
(e) Pump column (50% basis)	8,154.44	-0-	8,154.44
(f) Supplies	3,895.71	9,989.67	13,885.38
(g) Power	2,296.45	24,759.50	27,055.95
Totals	$28,972.15	$60,597.19	$89,569.34

Timber includes 131 steel sets costing $7,858.58 used in drifts. The balance of the cost represents the cost of approximately 105,000 board feet of lumber of various dimensions.

Explosives consists of 8,812 sticks of CLX powder at $0.099 each, 66,543 sticks of ESX powder at $0.069 each, 11,310 electric caps, and incidental wire, primers, and fuses.

Pipe was charged to exploration costs at 50 percent of actual cost. The material used includes 7,149½ feet of transite pipe at $3.7935 per foot resulting in charges of $13,560.84 to project costs. Other charges include $263.09, representing 50 percent of the cost of couplings, float switches, etc., for the pump column and $1,721.64 for 50 percent of the cost of 6" water pipe and couplings and 2" air pipe and couplings installed in the drift and crosscuts.

Track. Charges under this sub-category represent 50 percent of the cost of 2,940 feet of 40 pound rail, together with ties, spikes, and bolts used.

Pump column. There were no costs incurred applicable to this sub-category during the period covered by this present interim audit. Detail of the charges is included in the prior interim audit report.

Supplies. The principal charges to this sub-category consist of $6,459.92 for cost of drill steel and bits used in drifting and crosscutting and $2,798.64 for gravel used in connection with installation of the transite pipe.

Power costs charged to the exploration project were determined by allocating the monthly power bill of Utah Power Company between exploration and other work on the basis of number of tons of rock removed from the exploration drift, crosscuts, and raise to total number of tons of rock and ore removed from the mine during the month.

(4) Operating Equipment

(a) Rental, and

(b) Purchase

These sub-categories are not applicable to this contract.

(c) Depreciation

Amendment No. 1 to the contract contains a schedule of authorized monthly depreciation rates applicable to each of the various items of the Operator's equipment when used in the exploration work. These monthly rates are maximum rates allowable. An additional proviso is that the depreciation allowance for any one month shall not exceed $1,590.00 and the total for the duration of the contract shall not exceed $47,700.00. There is no provision limiting the number of months depreciation may be claimed on any item of equipment. None of the maximums have been exceeded as of March 31, 1960.

The items of equipment, authorized monthly depreciation rates, and total depreciation charges at March 31, 1960, are as follows:

Item	Monthly Rates	Total Charges 3-31-60
Pumping		
Power cable	$ 67.50	$ 945.00
2-IR 350 HP pumps	291.67	-0-
2-450 HP submersible pumps	455.00	5,005.00
Drifting and Crosscutting		
1 Gantry-type jumbo	250.00	3,250.00
1 - 630 Eimco loader	168.33	2,356.62
1 - Train Car Loader	316.67	2,841.16
1 - Charging Panel	12.33	172.62
2 - 4 ton, 50 cell motor batteries	108.33	974.88
600 v. power cable	125.00	-0-
1 - 100 KVA transformer	30.00	420.00
5 - 25 HP fans	58.33	210.06
Drilling, Long hole		
2 long-hole machines	80.00	-0-
Total depreciation		$16,175.34

(5) Initial Rehabilitation and Repairs

(6) New Buildings, Improvements, etc.

These categories of cost are not applicable to this contract.

(7) Miscellaneous

(a) Repairs to equipment

Period	Accepted Costs	
June 23, 1958, to March 31, 1959	$ 392.50	
April 1, 1959, to March 31, 1960	5,378.11	$5,770.61

Charges to this sub-category cover cost of parts used in repairs to the items of company-owned equipment listed in category (4) (c) Depreciation. The charges were verified with invoices from vendors and were found to represent actual costs after appropriate reduction for cash and trade discounts and the addition of applicable freight and delivery charges.

(b) Accounting

Period	Accepted Costs	
June 23, 1958, to March 31, 1959	$2,150.00	
April 1, 1959, to March 31, 1960	3,000.00	$5,150.00

The Operator has claimed costs under this sub-category at the rate of $250.00 per month for the months July 1958 through September 1958 and November 1958 through March 1960. The claimed cost for October 1958 was $150.00.

Examination of the record of time of accounting employees devoted to the exploration project disclosed that the cost each month was in excess of the cost claimed on Forms MF-104 and aggregated $6,972.70 during the 21-month period involved.

(c) Fringe benefits

Period	Accepted Costs		
	Lessees	Operator	Total
June 23, 1958, to March 31, 1959	$2,253.71	$382.04	$2,635.75
April 1, 1959, to March 31, 1960	1,901.21	427.00	2,328.21
Totals	$4,154.92	$809.04	$4,963.96

Charges included in this sub-category represent amount paid to lessees based on 11.5 percent added to direct labor costs at days-pay rates and to that portion of the cost of supervision by company employees allocated to project costs. The 11.5 percent charge was not applied to payments to lessees for work done where the compensation was based on units of work completed.

This charge is in lieu of specific charges for FICA, State, and Federal unemployment taxes, workmen's compensation, and hospital and group life insurance. The rate is considered to be reasonable and is not in excess of actual costs of such fringe benefits for employees.

Other Observations

Exhibit "A" of this exploration contract, as amended, provides for the performance of designated items of work. As of March 31, 1960, no rock bolts had been used in drifts or crosscuts, only one of the two ventilation raises provided by the contract had been driven, the water doors had not been installed, and no longhole or diamond drilling had been performed.

The claimed and accepted costs of work performed through March 31, 1960, under the various items of work are as follows:

Item No. 1 Water disposal facilities

This work item covers the installation of 7,140 feet of sixteen inch transite pipe in the Mayflower 800 level. This work has been completed. A total of 7,149½ feet of pipe was installed. The number of feet stated in the work item was not designated as the maximum for Government participation, consequently there has been no disallowance of costs for the excess of 9½ feet.

The total claimed and accepted costs, as well as the cost per foot of pipe installation, applicable to this work item, as allocated to the various items of cost, are as follows:

Category & Item	Costs	
	Total	Per foot
Transite pipe	7,149½ ft.	
(2) Labor and Supervision:		
Labor	$15,393.50	$2.15
Supervision	3,850.00	.54

Category & Item	Costs Total	Costs Per foot
(3) Operating Mat'ls. and Supplies:		
Timber	$ 1,107.25	$ .15
Pipe (50%)	13,560.84	1.90
Rail (50%)	41.58	.01
Supplies	3,007.52	.42
(7) Miscellaneous:		
Repairs to equipment	379.03	.06
Accounting	1,532.80	.21
Fringe benefits	2,164.19	.30
Total claimed and accepted costs	$41,036.71	$5.74

Item No. 2 Pumps and pump column installation

This auditor was informed that the work provided for under this item was completed during March 1960. The two 350 HP pumps on the 1630 level were not installed. The claimed and accepted costs applicable to this work item, as allocated to the various items of cost, are as follows:

Category & Item	Claimed and Accepted Costs
(2) Labor and Supervision:	
Labor	$17,742.66
Supervision	2,000.00
(3) Operating Mat'ls. and Supplies:	
Timber	259.68
Explosives	295.20
Pipe (50%)	263.09
Pump column (50%)	8,154.44
Supplies	1,595.35
(7) Miscellaneous:	
Accounting	1,082.20
Fringe benefits	1,414.93
Total	$32,807.55

Item No. 3 Drifting and crosscutting

A maximum total of 8,600 feet of drifting and crosscutting with necessary timbering and rockbolting was authorized under this work item. Through March 31, 1960, no rockbolting had been performed although 644½ feet of drifts and crosscuts had been timbered (steel sets used in part) in the 1,559 feet of drifting and crosscutting completed to that date.

The costs claimed by the Operator were in excess of maximum average unit costs of $45.00 per foot for drifting and crosscutting and $11.00 per foot for timbering provided by the contract. Such excess costs have been suspended from Government participation by the OME Field Officer, Region III. This auditor concurs with these exceptions.

The total claimed, suspended, and accepted costs, as well as the cost per foot of work accomplished applicable to this work item allocated to the various items of cost, are as follows:

Category & Item	Costs Total	Costs Per foot
Drift and Crosscut	1,559 ft.	
(2) Labor and Supervision:		
Labor	$34,902.99	$22.39
Supervision	7,050.00	4.52
(5) Operating Mat'ls. and Supplies:		
Timber	183.78	.12
Explosives	8,129.52	5.21
Pipe (50%)	1,721.64	1.10
Track (50%)	1,145.28	.73
Supplies	9,078.92	5.82
Power	26,055.06	16.71
(4) Operating Equipment:		
Depreciation	16,175.34	10.38
(7) Miscellaneous:		
Repairs to equipment	5,391.58	3.46
Accounting	2,425.00	1.56
Fringe benefits	1,207.93	.78
Claimed costs	$113,467.04	$72.78
Suspended costs	43,312.04	27.78
Accepted costs	$ 70,155.00	$45.00
Timbering (including steel sets)	644½ ft.	
(2) Labor and Supervision:		
Labor	$ 2,152.75	$ 3.34
(5) Operating Mat'ls. and Supplies:		
Timber	12,776.11	19.82
Supplies	74.59	.12
(7) Miscellaneous:		
Fringe benefits	122.57	.19
Claimed costs	$ 15,126.02	$23.47
Suspended costs	8,036.52	12.47
Accepted costs	$ 7,089.50	$11.00

The above suspensions of $45,312.04 and $8,036.52 are subject to adjustment depending upon future drifting, crosscutting, and timbering costs. All costs of such work in excess of $45.00/foot for drifting and crosscutting and $11.00/foot for timbering, averaged over the entire project, are subject to disallowance when final settlement is made between the Operator and the Government of the exploration work provided by this contract.

The costs of steel sets, which are included in the above timbering costs, have been accepted provisionally by this audit. The contract, as amended, provides that drifts and crosscuts shall be supported as necessary using "standard drift sets" or rockbolts. It is recommended that the contract be further amended to allow the setting of steel sets in lieu of, but at the same maximum footage rates as for, timbering.

Item No. 4 Ventilation raises

Two timbered ventilation raises, each approximately 125 feet long, are provided for in the contract. The maximum cost applicable to this work item is $48.00 per linear foot, averaged over the total number of feet of work performed.

One 115 foot ventilation raise had been completed at March 31, 1960, at a cost of $5,310.33, or an average of $46.18 per foot, which is less than the maximum cost for Government participation. Work had not been started as of March 31, 1960, on the other raise provided by the contract.

The total claimed and accepted costs, as well as the cost per linear foot of ventilation raise, allocated to the various items of cost, are as follows:

Category & Item	Costs Total	Costs Per foot
Ventilation raise	115 feet	
(2) Labor and Supervision:		
Labor	$2,626.50	$22.84
Supervision	400.00	3.48
(3) Operating Mat'ls. and Supplies:		
Timber	572.68	4.98
Explosives	416.92	3.63
Supplies	129.00	1.12
Power	1,000.89	8.70

Category & Item	Costs Total	Costs Per foot
(7) Miscellaneous:		
Accounting	$ 110.00	$ .96
Fringe benefits	54.34	.47
Total claimed and accepted costs	$5,310.33	$46.18

IV. CONCLUSIONS

The audit disclosed that all costs charged to this project, with the exception of the suspensions aggregating $51,348.56 as itemized in the preceding section of this report, are reasonable and proper under the terms of the contract. A summary of the claimed and accepted costs, the allocation to items of work, and the amounts suspended are shown in Exhibit "A" attached to this report.

This contract contained numerous items of cost and units of work expressly designated as "maximums". The status of these maximums, after deduction of the disallowances discussed in Section III of this report, is summarized as follows:

	Maximum	Acceptable
Drifting and cross-cutting	8,600 feet	1,559 feet
Drifting and cross-cutting	$ 45.00/ft.(av.)	$ 45.00/ft.(av.)
Timbering	$ 11.00/ft.(av.)	$ 11.00/ft.(av.)
Rockbolting	8 bolts/ 5 ft.sec.	none
"	$ 5.00/bolt	none
Ventilation raises	$ 48.00/ft.(av.)	$ 46.18/ft.(av.)
Longhole drilling	$ 1.00/ft.(av.)	none
Diamond drilling	$ 6.35/ft.(av.)	none
" "	$ 69,850.00	none
Supervision and technical services	40 mos.	21 mos.
Supervision and technical services	$ 650.00/mo.	$ 633.33/mo.(av.)
Supervision and technical services	$ 26,000.00	$ 13,300.00
Total cost of project	$564,880.00	$156,399.09
Government participation	$282,440.00	$ 78,199.54

In addition to the above listed maximums, the contract provided that the Government's contribution to the cost of certain materials and supplies should be limited to its share of 50 percent of actual cost,

with the Government acquiring no salvage interest in such material and supplies. As indicated in category (3) Operating Materials and Supplies of Section III, such items have been included in costs for Government participation at 50 percent of their actual cost.

The contract further provided maximums relating to rates of depreciation, the total monthly rate, and sub-category totals in connection with depreciation allowances for use of company-owned equipment. None of these maximums have been exceeded, as is fully explained under category (4)(c) Depreciation of Section III.

Mr. Harper, the Operator's auditor, was not in Keetley at the time the on-site audit was completed. His assistants and Mr. Hansen, the general superintendent, were briefly informed of the audit findings. On May 9, 1960, the findings were discussed with H. M. Connors, Acting Field Officer, OME Region III, Denver, Colorado, who expressed his concurrence with the results.

C. E. Fisher

C. E. Fisher, OME Auditor

May 9, 1960

Exhibit "A"

Idm-E1218

New Park Mining Company

DMEA-4981

Summary of Costs and Allocation to Items of Work

	Costs per March 1960 MP-104	Water Disposal Facilities	Pump & Column Installation	Drifting & Crosscutting	Timbering	Ventilation Raises
(2) Labor and Supervision:						
Labor	$ 72,818.40	$15,393.50	$17,742.66	$ 34,902.99	$ 2,152.75	$2,626.50
Supervision	13,300.00	3,850.00	2,000.00	7,050.00		400.00
(3) Oper. Mat'ls. & Supplies:						
Timber	14,899.50	1,107.25	259.68	183.78	12,776.11	572.68
Explosives	8,841.64		295.20	8,129.52		416.92
Pipe	15,545.57	13,560.84	263.09	1,721.64		
Track	1,186.86	41.58		1,145.28		
Pump column	8,154.44		8,154.44			
Supplies	13,885.38	3,007.52	1,595.35	9,078.92	74.59	129.00
Power	27,055.95			26,055.06		1,000.89
(4) Operating Equipment:						
Depreciation	16,175.34			16,175.34		
(7) Miscellaneous:						
Repairs to Equipment	5,770.61	379.03		5,391.58		
Accounting	5,150.00	1,532.80	1,082.20	2,425.00		110.00
Fringe benefits	4,963.96	2,164.19	1,414.93	1,207.93	122.57	54.34
Total Claimed Costs	$207,747.65	$41,036.71	$32,807.55	$113,467.04	$15,126.02	$5,310.33
Suspensions	51,348.56	-0-	-0-	43,312.04	8,036.52	-0-
Acceptable Costs	$156,399.09	$41,036.71	$32,807.55	$ 70,155.00	$ 7,089.50	$5,310.33
Government participation @ 50%	$ 78,199.54	$20,518.35	$16,403.78	$ 35,077.50	$ 3,544.75	$2,655.16

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 23 1960

DATE	INITIALS	
5-23	gad	VVO 800

May 20, 1960

Mr. Clark L. Wilson
Vice President
New Park Mining Company
904 Walker Bank Building
Salt Lake City, Utah

Re: Docket No. DMEA 4931
(Lead-Zinc-Copper)
Contract No. Idm-E1218
(Mayflower Mine)
Wasatch County, Utah

Dear Mr. Wilson:

Attached is a copy of an interim audit report and certificate dated May 9, 1960, prepared by Mr. Fisher relating to the subject contract.

Very truly yours,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

Enclosure

cc: E. D. Talbert, Acting Chief
Contract Administration and Audit Division

MAY 1960

Memorandum

To: Acting Field Officer, Region III

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

Subject: Docket No. MRA-4981 (Lead, Zinc, and Copper)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract No. Idm-81218

Attached are the original and two copies of an interim audit report and certificate dated May 9, 1960, prepared by Mr. Fisher relating to the subject contract.

If you concur in the facts as stated in the report and certificate will you please make distribution as follows:

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

(b) One copy to the Operator; and

(c) One copy for your file.

As evidence of your concurrence, a copy of your letter transmitting the Operator's copy should be furnished this Division. If for any reason you do not concur, the original and both copies should be returned to this Division with your comments.

Attachments

CEFisher/ama
May 18, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Mr. Rothrock, Room 7354, Interior

EXTRA COPY O. M. E RECEIVED APR 22 1960		
DATE	INITIALS	CODE
		800

Building 20 - Federal Center
Denver 25, Colorado

April 19, 1960

Mr. Carl Harper
New Park Mining Company
Keetley, Utah

Re: Docket No. DMEA-4981(lead-zinc-copper)
Contract No. Idm-K1218
New Park Mining Company (Mayflower mine)
Wasatch County, Utah

Dear Mr. Harper:

The audit of the DMEA project accounts is scheduled to start Monday morning, April 25, 1960. It will be made by Mr. C. E. Fisher, from the Contract Administration and Audit Division, OME, Washington, D. C. Mr. Romslo, will meet Mr. Fisher in Salt Lake City and accompany him in performing the audit.

If, by any chance, Mr. Fisher cannot meet this date, Mr. Romslo, who will inspect the project during the planned audit period, will advise you at the earliest possible moment.

Very truly yours,

Original signed by

Hugh M. Connors
Acting Field Officer
OME, Region III

TMR/bjo

cc: Contract Adm. and Audit Div.
Chief, Div. of Field Operations
Corres.
Chron.

Cy sent to 500

OFFICIAL FILE COPY O. M. E. RECEIVED MAR 23 1960		
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UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

March 21, 1960

Memorandum

To: E. D. Talbert, Acting Chief, Contract Administration and Audit Division

From: Executive Officer, OME Field Team, Region III

Subject: Proposed Visit of C. E. Fisher to Region III for Audit
Docket No. DMEA-4981 (Lead-zinc-copper)
Contract No. Idm-E1218
New Park Mining Company (Mayflower Mine)
Wasatch County, Utah

In reference to your memorandum of March 15, 1960, regarding the subject matter, the tentative date established is satisfactory to this office.

Unless future developments prevent it, T. M. Romslo, Mining Engineer, Bureau of Mines, will meet Mr. Fisher in Salt Lake City on April 25, or other date that you will confirm, to accompany him in performing the audit of the project account. Mr. Romslo will arrange for transportation from the General Services Administration Interagency Motor Pool.

In visiting Salt Lake City, Mr. Romslo generally stays at the New Grand Hotel, Seven East Fourth South Street, which is about a block from the source of transportation. There are no lodgings available at Keetley; therefore, the inspectors stay in Salt Lake City, which is only about 45 minutes distance from Keetley by car.

We have requested a copy of the operator's distribution sheet to work categories for the month of April 1959, which will be forwarded as soon as received. In addition, we will prepare and forward to you at an early date a list of projects on which we consider an audit of royalty payments is desirable.

Please confirm the time and date of Mr. Fisher's arrival in Salt Lake City.

J. W. Townsend

OFFICIAL FILE COPY
O. M. E.
EXTRA COPY
RECEIVED MAR 23 1960

RECEIVED MAR 28 1960

DATE	INITIALS	CODE
		800 Fischer

Building 20 - Federal Center
Denver 25, Colorado

March 21, 1960

Mr. Carl Harper
New Park Mining Company
Keetley, Utah

Re: Docket No. DMEA-4981 (lead-zinc-copper)
Contract No. Idm-K1218
New Park Mining Company (Mayflower Mine)
Wasatch County, Utah

Dear Mr. Harper:

We have been informed that it is tentatively planned for an auditor from the Contract Administration and Audit Division, OME, Washington, D. C., to visit your office about April 25, 1960, for the purpose of conducting an audit of the DMEA project accounts. Please advise as to whether or not the auditor's visit at that time will be satisfactory to you. You will be further advised when the exact date of his visit is known.

In conjunction with a pre-audit review of the project accounting reports, it will be appreciated if you will forward a detailed sheet showing a breakdown to work categories of charges for the month of April 1959. The desired distribution sheet is similar to that forwarded with the May 1959 and subsequent reports.

Very truly yours,

Original signed by

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

JWT/bjo

cc: Contract Adm. and Audit Div. (Fischer's Copy)
Chrm. Op. Comm. (2)
Hasler
OME/SLC
Corres.
Susp.
Chron.

E1218 (CA&A file)

MAR 15 1960

Memorandum

To: Executive Officer, GAO Field Team, Region III

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

Subject: Proposed Visit of C. E. Fisher to Region III

Present plans contemplate having Clarence E. Fisher, auditor representative of this Division, stop over at Salt Lake City and Denver enroute to Washington, D. C., from an audit assignment in Region II. He is tentatively scheduled to arrive in Salt Lake City via the California Zephyr on Monday, April 25.

The purpose of his stopover at Salt Lake City is an interim audit of contract [redacted], dealer [redacted], New York Mining Company. Such an audit seems appropriate at this time as it has been about a year since the last audit and budgetary funds for travel during the remaining fiscal year will be even more restricted than during this year.

Upon completion of this interim audit it is planned for Mr. Fisher to proceed to Denver for the purpose of consulting with you as to his audit findings, arranging for disposition of the audit workpaper files now in the custody of the authorized Certifying Officer, and making royalty reviews as deemed appropriate.

It would be appreciated if you would advise the New York Mining Company of the planned audit. Also, there are a number of items on which this Division would appreciate your advice. Can Mr. Fisher anticipate that an engineer will accompany him to the Operator's office at Huntley? If so, when should he contact on arrival in Salt Lake City? If not, is it possible to make a Bureau automobile available for his use? If neither an engineer nor accompany him nor an automobile is available, is public transportation available? Are lodgings available in Huntley?

There is one other question relative to the New York Mining contract. The Washington office copies of the April 1959 MF-204 do not include an attachment, as do all subsequent forms MF-204, showing the allocation of claimed costs by the general work items under the contract. This report is needed in the audit preparatory work; therefore, it would be appreciated if you would furnish a copy of the attachment

to this Division. If your files do not include this attachment, please request the Operator for a copy.

Please also advise if the time of the proposed visit to your office is satisfactory, as well as your recommendations as to the contracts in particular need of royalty review.

MMTalbert/ama
March 15, 1960

Copy to: Mails and Files
Director's Reading File
CA & A Division
Mr. T. A. Christensen, Region III
R1218 (CA&A file)
DMRA-4981 (Docket)
Mr. Fisher

Extra

~~OFFICIAL~~ FILE COPY
O. M. E.
RECEIVED APR 6 1960

DATE	INITIALS	CODE
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NEW PARK MINING COMPANY

Reply to: 1109 Ring Building
Washington 6, D.C.

April 5, 1960

Mr. Frank Johnson
Acting Director
Office of Minerals Exploration
Department of the Interior
Washington, D. C.

Dear Mr. Johnson:

As you know New Park Mining Co. leased a portion of its Mayflower mine to a group of independent contractors on October 3, 1957. This was prior to a New Park request for a [illegible] loan that is currently being used in an exploration project from the lower level of the Mayflower shaft.

The company is currently engaged in litigation with the United Steelworkers Union and a trial is scheduled on May 8 to hear the conditions that led to our mine shutdown and subsequent lease. The attorney for the Union is making an intensive search to develop a case and apparently is trying to involve our [illegible] application.

I believe he is trying to establish an employee-employer relationship rather than a company-independent contractor relationship.

Apparently he realizes that [illegible] application form calls for discussion of independent contracts. You will recall that we did submit independent bids on diamond drilling. However this was not the case for drifting and cross-cutting as we are providing all of the supplies and equipment for this work and merely issue footage contracts to the independent contractors for the labor costs.

In preliminary discussions of this point with your staff, I understand that our procedure indicated above is normal experience under your rules and that there has never been any occasion for listing footage labor contracts as independent contracts.

Your confirmation of this procedure will be greatly appreciated.

Very truly yours,

Clark L. Wilson
Vice President

CLW/ehr
cc: George Selfridge
Willard Y. Morris

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

Budget Bureau No. 42-R1036.5

Act 1682

MAY 5 1960

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

Month of March, 1960 Docket No. DMEA 4902 Contract No. [illegible]
Operator's Name New Park Mining Company Minerals [illegible], [illegible], and Copper
Address 927 Walker Bank Building Salt Lake City, Utah
Contract Amount, $ [illegible] Government Participation: 50 % Amount, $ [illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	6,124.69	66,689.71	72,814.40			
Supervision	650.00	12,650.00	13,300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	[illegible]	12,[illegible]	14,[illegible]			
Explosives	[illegible]	[illegible]	[illegible]			
Pipe	[illegible]	[illegible]	[illegible]			
Track	[illegible]	1,[illegible]	1,1[illegible]			
Pipe Column & Fittings		[illegible]	[illegible]			
Supplies	1,470.82	18,[illegible]	19,[illegible]			
(4) Operating Equipment:						
Rental Power	[illegible]	23,[illegible]	27,[illegible]			
Purchase						
Depreciation	1,[illegible]	[illegible]	10,[illegible]			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	792.09	8,978.12	9,770.21			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Accounting	[illegible]	[illegible]	[illegible]			
Engineering Consultants	[illegible]	[illegible]	[illegible]			
(8) Contingencies (specify):						
TOTALS	[illegible]	[illegible]	[illegible]	15,574.37	140,824.70	156,399.07

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

Date [illegible] *Payee New Park Mining Company

Per [illegible] Title [illegible]

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

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

(Instructions on reverse)

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

$ 7787.18

Signature [illegible]
(Authorized Certifying Officer)

Date 5/5/60 Vou. No. 4470

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E1218 in accordance with the terms of the contract.

Signature D M Pomeroy Title Mining Engineer Date 4-28-60

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Hugh M Thomas Title Acty. Field Officer Date 5/3/60

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1962)

Budget Bureau No. 42-R1151.2

MAY 5 1960

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

Month of March 1960 Docket No. DMEA 4981 Contract No. E-1210
Operator's Name New Park Mining Company Minerals Lead, Zinc
Address 937 Walker Bank Building Salt Lake City, Utah and Copper

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
03 Drifting & Crosscutting	Foot	14,032.31	296	113,467.04	1,559	72.78	8,600	45.00
~~Crosscutting~~ Timbering	Foot	3,142.96	162½	15,126.02	644½	23.47		11.00
04 Raising	Foot	None	None	5,310.33	115	46.18		40.00
02 ~~Shafts~~ Pumps & Column	Foot	464.87	None	32,007.59	1,513	21.68	1,660	
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
01 -16" Transite Pipe	Foot	None	None	41,096.71	7,149½	5.74	7,140	
Total Distributed Costs		19,642.14						Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		19,642.14		207,747.65				

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

Remarks:

Date 4-15-60 Operator New Park Mining Company

Per [signature] Title Superintendent

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

(Instructions on reverse)

(For Government use only)

[signature]

INSTRUCTIONS

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

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

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

GPO 872894

6157
46677

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of the Secretary
Accounting Unit
Washington

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: **New Park Mining Company**
907 Walker Bank Building
Salt Lake City, Utah

Amount Claimed:	Differences (Explained Below)	Amount Approved
19,642.14	4,067.77	15,574.37 Govt. Part. 50% - 7,787.18
Bu. Voucher No.	Payee's Invoice No. E-1218	Period March 1960

EXPLANATION

Suspension of item 3, Drifting and Crosscutting costs in excess of allowable maximum average unit cost of $45.00 a foot

Reported, atotal of 1559 feet at cost of	113,467.04
Allowable, a total of 1559 feet at 45.00 a feet	70,155.00
Total excess costs	43,312.04
Excess Costs previously suspended	40,599.73
Excess costs to be suspended this voucher	2,712.31

Suspension of Item 3-A, Timbering costs in excess of allowable maximum average cost of $11.00 a feet

Reported, a total of 644.5 feet at cost of	15,126.02
Allowable, a total of 644.5 feet at cost of 11.00 a feet	7,089.50
Total excess costs	8,036.52
Excess costs previously reported	6,681.06
Excess costs to be suspended this voucher	1,355.46
Total suspension this voucher	4,067.77

Any reclaim for items deducted must be supported by the original of this statement and submitted to the office shown above.

Suspension made by:

(Sgd.) Opal M. Alexander
Signature

Assistant Chief, Accounting Unit
Title

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 5 1960

DATE	INITIALS	CODE
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		800

May 3, 1960

AIR MAIL

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: Docket No. MMA 4981 (Lead-zinc-copper)
Contract No. Rm-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Enclosed are the original and two copies of Forms MF-104 and MF 104-A, Operator's Narrative Report, distribution sheet, supporting schedule of equipment depreciation, basis for power charge, progress map and engineer's inspection report covering work performed during the month of March, 1960.

It is recommended that the operator be reimbursed as outlined in the engineer's inspection report subject to the findings of a subsequent audit of the operator's cost records.

Original signed by

Hugh M. Connors

Enclosures

cc: MF-104 file, Region III
Ensler (w/copy engineer's report)
Chron

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

May 3, 1960

Memorandum

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

From: T. M. Romslo

Subject: Progress Report for March 1960, Docket No. DMEA-4981 (Lead-Zinc-Copper), Contract No. Idm-H1218, New Park Mining Company (Mayflower Mine), Wasatch County, Utah

The exploratory workings of the captioned contract were inspected by me April 27, 1960, in the company of Robert Archer, Mine Engineer, and R. U. King, U.S.G.S. Progress for the reporting period was found to be as reported below, and as recorded in the attached Operator's Report. Work specifications of the contract were equaled or bettered.

Item No. 2 - Pumps and Pump Column

The 2005 pump station was painted and lights were installed. Installation of an automatic flood control and flooring of the station, the final items of work, may be completed next month.

Item No. 3 - Drifting and Crosscutting

The 2005 west drift was advanced from 144 feet to 410 feet beyond survey station No. 5614, an advance of 266 feet for the month. An additional 30 feet of advance was made in drill station 20-812 that was started and completed during the month.

Total advance in drifts and crosscuts was 296 feet.

No zones of significant mineralization were encountered.

Item No. 3A - Timbering

A total of 162.5 feet of altered and fissured ground in the 2005 drift west was supported with 32 steel sets. The drift has now crossed into the relatively stable footwall rock of the California fissure system where much of the ground is expected to stand without timber.

It is considered that the Operator has complied with the intent of the contract. Documentation of incurred costs has been waived; therefore, it is recommended that reimbursement be made to the Operator for 50 percent of the amount reported on Form MF-104, except for the following suspension of excess costs:

Suspension of item 3, Drifting and Crosscutting Costs in excess of allowable maximum average unit cost of $45.00 a foot.

Reported, a total of 1559 feet at cost of...	$113,467.04
Allowable, a total of 1559 feet at $45.00 a foot.....	70,155.00
Total excess costs.....	$ 43,312.04
Excess costs previously suspended.....	40,599.73
Excess costs to be suspended this report.....	$ 2,712.31

Suspension of item 3-A, Timbering Costs in excess of allowable maximum average cost of $11.00 a foot.

Reported, a total of 644.5 feet at cost of..	$ 15,126.02
Allowable, a total of 644.5 feet at cost of $11.00 a foot.....	7,089.50
Total excess costs.....	$ 8,036.52
Excess costs previously reported.....	6,681.06
Excess costs to be suspended this report.....	$ 1,355.46

Reconciliation with Costs Reported by Operator on Form MF-104 and MF-104A.

Total costs report for month of March, 1960.....	$ 19,642.14
Suspensions, Item 3, Excess Costs $2,712.31	
Item 3A, " " 1,355.46	
Total Suspensions this report.....	4,067.77
BALANCE.....	$ 15,574.37
Government Participation at 50 percent.....	$ 7,787.18

T. M. Ronslo

T. M. Ronslo

cc: 6
Chron

OME
DEPARTMENT OF THE INTERIOR
APR 27 1960
REGION III
DENVER, COLORADO

Mr. J.A. Townsend
Executive Officer, C.M.E.
D.M.E.A. Field Team Region III
224 New Custom House
Denver 2, Colorado

April 8, 1960

Re: Docket No. D.M.E.A. 4981 Contract E-1218
March Report - Items No. 2 and No. 3

Dear Sir:

Item No. 2 - Pumps and Pump Column

The 2005 pump station was painted and lights were installed during the month. Installation of an automatic float control and metal flooring remains to be completed.

Item No. 3 - Drifting and Cross-cutting

During March, 2005 west drift was advanced a total of two hundred and sixty-six (266 ft.). 20-812 Drill station was cut on the North side of the drift and advance thirty feet (30 ft.).

Total drifting and cross-cutting for March was two hundred and ninety-six feet (296 ft.).

Most of the advance was in dolomite in the upper portion of the Deseret Limestone. One of the hanging wall strands of the May-flower Fissure System was crossed and this fault brought a small block of diorite porphyry in contact with the dolomite. A small lens of quartz and pyrite replacement in the dolomite was found on the fault against the diorite porphyry, but no significant amount of metalization was encountered. (See geologic map.)

Thirty-two steel sets were installed during the month covering a total of 162½ feet of drift.

Drift advance was temporarily halted on April 1st so that the track can be raised and silled, and equipment can be overhauled, and initiate the first phase of our drilling program.

Longhole drilling on the 2005 Level will be started in April.

Enclosed are the following: Drift progress and geology map, unit cost itemization, depreciation schedule, power schedule, monthly report and voucher, unit costs and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

Gale A. Hansen, Superintendent

GAH:jc

COPY

COPY

NEW PARK MINING COMPANY
D.M.E.A. POWER SCHEDULE
UNIT #3 MARCH, 1960

(4) POWER:

Total Waste Hoisted from 2005 Drift	3,978
Total Ore and Waste from Other Levels	5,279
Total Tons of Rock Hoisted	9,257

Power Costs as per Voucher No. 3207

$8,043.18 ÷ 9,257 = $ .87/Ton

2005 Dr. .87 x 3,978 = $3,460.86

COPY

NEW PARK MINING COMPANY

DEPRECIATION SCHEDULE

D.M.E.A. UNIT #3 - MARCH, 1960

	Cost	This Month	Notes
(4) Depreciation:			
2° Cable	$ 4,051.50	$ 67.50	
630 Eimco Mucker	10,100.00	168.33	
1 - Train Car Loader (5 - Car Train)	19,000.00	252.55	(4 - Cars)
1 - Charging Panel	740.00	12.33	
2 - Motor Batteries (4 Ton - 50 Cell)	6,500.00	108.32	(2 - Batteries)
1 - Set 150 KVA Transformers	1,800.00	30.00	
5 - 25 HP Fans	3,500.00	23.34	(2 - Fans)
1 - Jumbo	15,000.00	250.00	
2 - B.J. Submersible Pumps	28,145.00	455.00	
		$1,367.37	

NEW YORK FUELS CO INC

S.M.C.A. PROJECTS

MONTH March, 1960 ISSUE NO. DATE 4901 CONTRACT NO. P-1219

	ITEM OF COST	PROJECT NO. 2	PROJECT NO. 3	PROJECT NO. 3-A	TOTALS
(1)	Independent) Short Form) Contractor:				
	Drilling				
	Bulldozing				
	Crosscutting				
	Drifting				
(2)	Labor and Supervision:				
	Labor	92.50	5,817.19	225.00	6,134.69
	Supervision	90.00	560.00		650.00
	Technical Services				
(3)	Operating Mat'ls and Supplies				
	Timber	5.20		2,001.07	2,006.35
	Explosives		2,076.56		2,076.56
	Pipe		305.97		305.97
	Track		105.20		105.20
	Pipe Column @ 50%				
	Supplies	272.30	1,181.63	16.89	1,470.82
(4)	Operating Equipment:				
	Power		3,460.06		3,460.06
	Purchase				
	Depreciation		1,367.37		1,367.37
(5)	Initial Rehabilitation & Repairs:				
(6)	New Bldgs., Improvements, Etc.				
(7)	Miscellaneous:				
	Repairs to Equipment		792.69		792.69
	Sampling				
	Payroll Taxes				
	Liability Insurance				
	Accounting	75.00	175.00		250.00
	Fringe Benefits	12.79	69.04		81.83
(8)	Contingencies (specify):				
	TOTALS	466.87	16,032.31	2,242.96	18,742.14

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

Budget Bureau No. 42-R1036.5

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

APR 5 1960 O.M.E.

Month of February, 1960 Docket No. DMEA 4981 Contract No. 1916
Operator's Name New Park Mining Company Minerals Lead, Zinc
Address 937 Walker Bank Building Salt Lake City, Utah Gold, Copper
Contract Amount, $ 564,[illegible] Government Participation: 50 % Amount, $ [illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	4,285.57	62,339.14	66,625.71			
Supervision	650.00	12,030.00	12,680.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	3,425.65	9,667.50	13,093.15			
Explosives	1,123.20	5,664.62	6,788.00			
Pipe	106.27	15,033.33	15,239.60			
Track	112.70	887.96	1,000.66			
Also Column 0.50		0,154.44	0,154.44			
Supplies	777.67	11,636.69	12,414.36			
(4) Operating Equipment:						
~~Rental~~ Power	3,024.00	20,571.00	23,595.00			
Purchase						
Depreciation	1,997.97	12,610.00	14,607.97			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	1,617.09	3,860.03	6,773.12			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Accounting	250.00	4,650.00	4,900.00			
Fringe Benefits	116.03	4,767.30	4,883.13			
(8) Contingencies (specify):						
TOTALS	15,952.01	170,152.70	186,105.51	10,497.80	130,326.90	140,824.70

OME
DEPARTMENT OF THE INTERIOR
MAR 25 1960
REGION III
DENVER, COLORADO

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

Date 2-15-60 *Payee New Park Mining Company

Per [signature] Title Superintendent

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

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

(Instructions on reverse)

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

$ 5248.90

Signature [signature]
(Authorized Certifying Officer)

Date ..... Vou. No. 2913
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E1218 in accordance with the terms of the contract.

Signature T M Romero Checked for Engineering Allowability Title Mining Engineer Date 3-28-60

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date MAR 28 1960

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

APR 5 1960
O.M.E.

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1960 Docket No. DMEA 4001 Contract No. [illegible]
Operator's Name New Park Mining Company Minerals Lead, Zinc
Address 927 Walker Bank Building, Salt Lake City, Utah and Copper

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting 0 Crosscutting	Foot	12,610.57	171	97,192.73	1,259	77.14	1,000	45.00
~~Crosscutting~~ Stoping	Foot	2,655.94	1118	11,973.06	402	29.06		11.00
Raising	Foot	None	None	9,310.33	236	46.30		40.00
~~Shafts~~ Dumps & Roads	Foot	675.00	None	32,940.00	1,919	25.00	1,000	
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
2-20" Permalite Pipe	Foot	None	None	41,096.71	7,401	5.71	7,000	
Total Distributed Costs		15,942.01		193,103.51				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		15,942.01		193,103.51				

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

Date 3-19-60 Operator New Park Mining Company

Per [signature] Title Superintendent

Remarks:

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

(Instructions on reverse)

(For Government use only)

O.M.E.
DEPARTMENT OF THE INTERIOR
MAR 25 1960
REGION III
DENVER, COLORADO

INSTRUCTIONS

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

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

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

GPO 872894

6157
46677

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of the Secretary
Accounting Unit
Washington

ADMINISTRATIVE SUSPENSION STATEMENT

Name and Address of Payee: New Park Mining Company
907 Walker Bank Building
Salt Lake City, Utah

Amount Claimed:	Differences (Explained Below)	Amount Approved
15,952.81	5,455.01	10,497.80 Govt. Part. 50% - 5,248.90
Bu. Voucher No.	Payee's Invoice No. Contract B-1218	Period February 1960

EXPLANATION

Suspension of item 3, Drifting and Crosscutting Cost in excess of allowable maximum average unit cost of $45.00 a feet

Reported, a total of 1263 feet at cost of	$97,434.73
Allowable, a total of 1263 feet at $45.00 a feet.....	56,835.00
Total excess costs.....	40,599.73
Excess costs previouslysuspended....	36,583.76
Excess costs suspended this voucher	4,015.97

Suspension of item 3-A Timbering costs in excess of allowable maximum average cost of $11.00 a feet

Reported, a total of 482 feet at cost of	11,983.06
Allowable, a total of 482 feet at $11.00 a feet.....	5,302.00
Total excess costs	6,681.06
Excess costs previously reported....	5,242.02
Excess costs suspended this voucher.	1,439.04

Total suspension this voucher 5,455.01

Any reclaim for items deducted must be supported by the original of this statement and submitted to the office shown above.

Suspension made by:

(Sgd.) Opal M. Alexander

Signature

Assistant Chief, Accounting Unit

Title

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 5 1960

DATE	INITIALS	CODE
4-5	gad	VVO
		800

Building 20 - Federal Center
Denver 25, Colorado

March 28, 1960

AIR MAIL

Memorandum

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

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-zinc-copper)
Contract No. Idm-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Enclosed are the original and two copies of Forms MF-104 and MF 104-A, Operator's Narrative Report, distribution sheet, supporting schedule of equipment depreciation, basis for power charge, progress map and engineer's inspection report covering work performed during the month of February 1960.

It is recommended that the operator be reimbursed as outlined in the engineer's inspection report subject to the findings of a subsequent audit of the operator's cost records.

Original signed by

J. W. Townsend

Enclosures

JWT/bjo

cc: Director, OME (w/cpy complete report)
MF-104 file, Region III
OME/SLC
Hasler (w/cpy engineer's report)
Suspense
Chron.

Building 20 - Federal Center
Denver 25, Colorado

March 28, 1960

Memorandum

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

From: T. M. Romslo

Subject: Progress Report for February 1960, Docket No. DMEA-4981 (Lead-Zinc-Copper), Contract No. I4m-K1218, New Park Mining Company (Mayflower Mine), Wasatch County, Utah

The exploratory workings of subject contract were inspected by me, March 16, 1960, in the company of Robert Archer, Mine Engineer, and J. W. Hasler, U.S.G.S. Progress for the reporting period was found to be as described below, and as recorded in the attached Operator's Report. Work specifications of the contract were equaled or bettered.

Item No. 2 -- Pumps and Pump Column

Some electrical work was done during the reporting period. All allowable work of Item No. 2 should be completed during March 1960.

Item No. 3 -- Drifting and Crosscutting

The 2005 west drift was advanced from survey station No. 5611 plus 165 feet to survey station No. 5614 plus 144 feet, an advance of 161 feet for the month. Another drill station, crosscut 20-840, was excavated for a total advance of 30 feet during the month. The crosscut was advanced beyond the normally needed length of about 20 feet in an effort to penetrate wet and highly fractured and altered ground that is unfavorable for long hole-or diamond-drilling.

Item No. 3A -- Timbering

A total of 111.5 feet, 96.5 feet of 2005 drift west and 15 feet of crosscut 20-840, was supported with 26 steel sets. In the heavier ground, the normal 5-foot spacing of sets was reduced to 2.5 feet.

It is considered that the Operator has complied with the intent of the contract. Documentation of incurred costs has been waived; therefore, it is recommended that reimbursement be made to the Operator

for 50 percent of the amount reported for the month on form MF-104, except for the following suspension of excess costs:

Suspension of item 3, Drifting and Crosscutting Costs in excess of allowable maximum average unit cost of $45.00 a foot.

Reported, a total of 1263 feet at cost of..	$97,434.73
Allowable, a total of 1263 feet at $45.00 a foot.....	56,835.00
Total excess costs.....	$40,599.73
Excess costs previously suspended.....	36,583.76
Excess costs to be suspended this report	$4,015.97

Suspension of item 3-A, Timbering Costs in excess of allowable maximum average cost of $11.00 a foot.

Reported, a total of 482 feet at cost of..	$11,983.06
Allowable, a total of 482 feet at cost of $11.00 a foot.....	5,302.00
Total excess costs.....	$ 6,681.06
Excess costs previously reported.....	5,242.02
Excess costs to be suspended this report.....	$ 1,439.04

Reconciliation with Costs Reported by Operator on form MF-104 and MF-104A.

Total costs reported for month of February 1960.....	$15,952.81
Suspensions, Item 3, Excess costs $4,015.97	
Item 3-A, " " 1,439.04	
Total Suspensions this report	5,455.01
BALANCE.....	$10,497.80
Government Participation at 50 percent....	$ 5,248.90
Amount due Operator.....	$ 5,248.90

Original [illegible]
R. E. Ronslo

T. M. Ronslo

TMR/bjo

cc: 6
Chron.

Mr. J. W. Townsend
Executive Officer, O.M.E.
DMEA Field Team Region III
224 New Custom House
Denver 2, Colorado

OME
DEPARTMENT OF THE INTERIOR
MAR 25 1960
REGION III
DENVER, COLORADO

March 7, 1960

Re: Docket No. DMEA 4981 Contract E-1218
February Report - Items No. 2 & No. 3

Dear Sir:

Item No. 2 - Pumps and Pump Column

Some miscellaneous electrical work and maintenance work was done on the 2005 pump station during the month. The installation of a automatic float controll, painting, cat-walks etc, remains to be completed. This work will complete the pump installation of the 2005 level.

Item No. 3 - Drifting and Cross-Cutting

The 2005 west drift was advanced a total of one hundred and sixty-one feet (161 ft.) during February. Another drill station, 20-S40 cross-cut, was cut on the north side of the main drift and was advanced thirty feet (30 ft.). Total drifting and cross-cutting for February was one hundred and ninety-one feet (191 ft.).

A strong fissure zone was encountered in the drift and in the drill station, and this structure is probably the main Mayflower fissure. The fissure zone consists of a series of fractured and is from 10 to 20 feet wide where it is cut by the drift and cross-cut. The fissure strikes northeast - southwest and dips 70-80 degrees to the northwest. The wall rock consists of limestone and dolomite in the upper portion of the Deseret Limestone, and several pods and stringers of sulphide ore replacing altered limestone in the fissure zone were encountered. Samples were taken where the fissure was most strongly mataliged, but no ore grade material was encountered. (See accompanying geologic map)

The fractured and broken rock of the fissure zone required timbering, and 22 steel sets covering 96½ feet of the drift, and 4 steel sets covering 15 feet of the drill station were installed.

Most of the time during the month the drift was advanced on a three shift basis, but several days were spent on a two shift schedule because of the illness of part of the crew. A delay of several days resulted when a power failure by Utah Power and Light company caused a partial flooding of the level and it was necessary to clean and repair some of the equipment after the water was pumped down.

Enclosed are the following: Drift progress and geology map, unit cost itemization, depreciation schedule, power schedule, monthly report and voucher, unit cost and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

Gale A. Hansen, Superintendent

COPY

NEW PARK MINING COMPANY

D.M.E.A. PROJECTS

7204 MEDIUM GREEN TINT — February, 1960 — DOCKET NO. DMEA 4981 — CONTRACT NO. P-1218

G7204 GREEN TINT

		ITEMS OF COST	1 PROJECTS NO. 2	2 PROJECT NO. 3	3 PROJECT NO. 3-A Sinkboring	4 TOTALS
1	(1)	Independent) Short Forms) Contracts:				
2						
3		Drilling				
4		Bulldozing				
5		Crosscutting				
6		Drifting				
7	(2)	Labor and Supervision:				
8		Labor	319.14	3,763.23	203.00	4,385.37
9		Supervision	123.00	550.00		673.00
10		Technical Services				
11	(3)	Operating Mat'ls and Supplies:				
12		Timber			2,485.65	2,485.65
13		Explosives		1,100.25		1,100.25
14		Pipe		135.27		135.27
15		Track		112.70		112.70
16		Pipe Column @ 50%				
17		Supplies	99.96	657.52	16.39	777.87
18	(4)	Operating Equipment:				
19		Power		3,324.00		3,324.00
20		Purchase				
21		Depreciation		1,357.37		1,357.37
22	(5)	Initial Rehabilitation & Repairs:				
23	(6)	New Bldgs., Improvements, Etc.				
24	(7)	Miscellaneous:				
25		Repairs to Equipment		1,617.29		1,617.29
26		Sampling				
27		Payroll Taxes				
28		Liability Insurance				
29		Accounting	115.00	135.00		250.00
30		Fringe Benefits	46.20	37.69		110.89
31	(8)	Contingencies (specify):				
32						
33						
34						
35						
36						
37						
38						
39						
40						
		TOTALS	576.30	12,610.77	2,705.54	15,952.61

OME
DEPARTMENT OF THE INTERIOR
MAR 29 1960
REGION III
DENVER, COLORADO

		1	2	3	4

COPY

NEW PARK MINING COMPANY
D.M.E.A. POWER SCHEDULE
UNIT #3 February, 1960

(4) POWER:

Total Waste Hoisted from 2005 Drift	2,520	Tons
Total Ore and Waste from other Levels	4,349	
Total Tons of Rock Hoisted	6,869	Tons

Power Costs as per Voucher No. 3090

$8,222.73 ÷ 6,869 = $1.20/Ton

2005 Dr. $ 1.20 x 2,520 = $3,024.00

OME
DEPARTMENT OF THE INTERIOR
REGION III
DENVER, COLORADO

COPY

[illegible] MINING COMPANY

DEPRECIATION SCHEDULE

D.M.E.A. UNIT #3 - FEBRUARY, 1960

	COST	THIS MONTH	NOTE
(4) DEPRECIATION:			
2⁰ Cable	$ 4,051.50	$ 67.50	
630 Simco Mucker	10,100.00	168.33	
1 - Train Car Loader (5 - Car Train)	19,000.00	252.55	(4 - Cars)
1 - Charging Panel	740.00	12.33	
2 - Motor Batteries (4 Ton - 50 Cell)	6,500.00	108.32	(2 - Batteries)
1 - Set 150 KVA Transformers	1,800.00	30.00	
5 - 25 HP Fans	3,500.00	23.34	(2 - Fans)
1 - Jumbo	15,000.00	250.00	
2 - B.J. Submersible Pumps	28,145.00	455.00	
		$1,367.37	

Form MF-404 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

MAR 1960 O.M.E.

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

Month of January, 1960 Docket No. DMEA 4,901 Contract No. [illegible]-1218
Operator's Name New Park Mining Company Minerals Lead, Zinc
Address 807 Walker Bank Building Salt Lake City, Utah and Copper
Contract Amount, $ 564,880.00 Government Participation: 50 % Amount, $ 282,440.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	3,479.22	58,810.92	62,290.14			
Supervision	650.00	11,350.00	12,000.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	3,028.34	6,639.16	9,667.50			
Explosives	478.58	5,186.24	5,664.82			
Pipe	138.39	14,914.94	15,053.33			
Track	68.30	604.66	672.96			
Pipe Column 0.903		8,154.44	8,154.44			
Supplies	1,696.66	9,939.83	11,636.49			
(4) Operating Equipment:						
~~Rentals~~ Power	2,639.66	17,931.43	20,571.09			
Purchase						
Depreciation	1,367.37	12,073.23	13,440.60			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	843.73	2,517.10	3,360.83			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Accounting	250.00	4,400.00	4,650.00			
Fringe Benefits	150.01	4,617.29	4,767.30			
(8) Contingencies (specify):						
TOTALS	14,805.46	157,347.24	172,152.70	8352.79	121,974.11	130,326.90

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

Date 2-19-60 *Payee New Park Mining Company

Per [signature] Title Vice President

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

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

(Instructions on reverse)

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

$ 4176.46

Signature [signature]
(Authorized Certifying Officer)

Date 2-29-60 Vou. No. DMEA-60-24

(See other side)

OME

DEPARTMENT OF THE INTERIOR

FEB 23 1960

REGION III

DENVER, COLORADO

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E 1218 in accordance with the terms of the contract.

Signature T.M. Tomalo Checked for Engineering Allowability Title Mining Engineer Date 2/24/60

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature J.W. Trusnard Title Executive Officer Date FEB 25 1960

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

MAR 7 1960
O.M.E.

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

Month of January 1960 Docket No. DMEA 6991 Contract No. -1210
Operator's Name New Park Mining Company Minerals Lead, Zinc
Address 527 Walker Bank Building Salt Lake City, Utah and Copper

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
3 Drifting & Crosscutting	Foot	2,875.62	110	64,823.76	1,072	79.13	3,600	45.00
~~Crosscutting~~ Timbering	Foot	3,290.55	120½	9,317.62	370½	25.15		11.00
4 Raising	Foot	None	None	5,310.33	116	46.18		40.00
~~Shafts~~ Pumps & Column	Foot	1,629.29	None	31,694.30	1,513	20.93	1,660	
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
1 -16th Transitte Pipe	Foot	None	None	11,036.71	7,149½	2.74	7,149	
Total Distributed Costs		14,805.46		172,152.70				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		14,805.46		172,152.70				

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

Date 2-15-60 Operator New Park Mining Company

Per [signature] Title Vice President

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

Remarks:

(Instructions on reverse)

(For Government use only)

[signature]

INSTRUCTIONS

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

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

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

OME
DEPARTMENT OF THE INTERIOR
FEB 27 1967
III
REGION COLORADO
DENVER

GPO 872894

WO (2)

DISTRIBUTION MADE
MAR 2 1960

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

Administrative Audit Difference Statement

Date: February 29, 1960
Payee's Reference: January 1960

New Park Mining Company
907 Walker Bank Building
Salt Lake City 11, Utah

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

Amount Claimed $ 14,805.46

Difference $ 6,452.67

Amount Approved $ 8,352.79

The reason for the difference was due to:

Suspension of item 3, Drifting and Crosscutting Costs in excess of allowable maximum average unit cost of $45.00 a foot.

Reported, a total of 1,072 feet at cost of ..	$54,823.76
Allowable, a total of 1,072 ft at $45.00 a foot.....	48,240.00
Total excess costs.....	$6,583.76
Excess costs previously suspended.....	2,063.14
Excess costs suspended this report	$ 4,520.62

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 7 1960
DATE
ORIGINAL

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

Very sincerely yours,

~~N. E. Stokes~~
~~Audit Section~~

RRC
Randel R. Cooper
Finance Officer, Reg. III

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

OME
DEPARTMENT OF THE INTERIOR
MAR 1 1980
REGION III
DENVER COLORADO

Suspension of Item 3-A, Timbering /Costs in excess of allowable maximum average unit cost of $11.00 a foot.

Reported, a total of 370.5 feet at cost of . .	$ 9,317.52
Allowable, a total of 370.5 ft. at cost of $11.00 a foot	4,075.50
Total excess costs.....	$ 5,242.02
Excess costs previously reported.....	3,309.97
Excess costs to be suspended this report	$1,932.05

Reconciliation with Costs Reported by O center on forms DF-104 and F-104A.

Total costs reported for month of January 1960.....		$14,605.46
Suspensions, Item 3, Excess costs	$4,520.62	
Item 3-A, " "	1,932.05	
Total suspensions this report.....		6,452.67
BALANCE.....		$ 8,152.79

OME
DEPARTMENT OF THE INTERIOR
MAR 1 1960
REGION III
DENVER, COLORADO

MAR 7 1960
O.M.E.

Building 20 - Federal Center
Denver 25, 1960

February 25, 1960

Memorandum

TO: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Progress Report for January 1960, Docket No. DMEA-4981 (Lead-Zinc-Copper), Contract No. Idm-K1218, New Park Mining Company (Mayflower mine), Wasatch County, Utah

Enclosed are the original and four (4) copies of Forms MF-104 and MF-104A, Operator's narrative report, distribution sheet, supporting schedule of equipment depreciation and basis for power charge, progress map, and engineers inspection report covering work completed during January 1960.

It is recommended that the operator be reimbursed as outlined in the engineers inspection report, subject to your verification of applicable rates, accuracy of arithmetical computations, and contingent on the findings of a subsequent audit of the Operator's cost records.

J. W. Townsend

Enclosures

JWT/ms

cc: Chmn. Op. Comm. (2) w/cpy complete rpt
MF-104 and 104A file, Reg III
OME/SLC
Hasler w/cpy engr's rpt & map
Susp
Chron

OME
DEPARTMENT OF THE INTERIOR
MAR 1 1960
REGION III
DENVER, COLORADO

MAR 7 1960
O.M.E.

Building 20 - Federal Center
Denver 25, Colorado

February 25, 1960

Memorandum

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

From: T. M. Romalo

Subject: Progress Report for January 1960, Docket No. DMEA-4981 (Lead-Zinc-Copper), Contract No. 14m-K1218, New Park Mining Company (Mayflower mine), Wasatch County, Utah

The exploratory workings of the captioned contract were inspected by me, February 4, 1960, in the company of Gale A. Hansen and Walter E. Ramer, the company's General Superintendent and Geologist, respectively, and R. U. King, U.S.G.S. Progress for the reporting period was found to be as described below, and as recorded in the attached Operator's report. Work specifications were either equaled or bettered.

Item No. 2 -- Pumps and Pump Column

The 2005 sump walls, which had been supported in places with bolts and covered with wire mesh, were gunited. The pumps were moved back into position, and although some electrical work and clean-up work remains to be done, the sump is ready for use.

Item No. 3 -- Drifting and Crosscutting

The 2005 west drift was advanced from 46 to 165 feet beyond survey station No. 5611, an advance of 119 feet for the month. Most of the advance was in a contact zone of highly fractured diorite and altered limestones.

Item No. 3A -- Timbering

A total of 123.5 feet of 2005 drift west was supported with 39 steel sets during the month. Adequate support was obtained by placing many of the sets at 2.5-foot centers.

It is considered that the operator has complied with the intent of the contract. Documentation of incurred costs has been waived; therefore, it is recommended that reimbursement be made to the operator for 50 percent of the amount reported for the month on form MF-104, except for the following suspensions of excess costs:

Suspension of item 3, Drifting and Crosscutting Costs in excess of allowable maximum average unit cost of $45.00 a foot.

Reported, a total of 1,072 feet at cost of..	$84,823.76
Allowable, a total of 1,072 ft at $45.00 a foot	48,240.00
Total excess costs.....	$36,583.76
Excess costs previously suspended....	32,063.14
Excess costs to be suspended this report.....	$ 4,520.62

Suspension of item 3-A, Timbering Costs in excess of allowable maximum average unit cost of $11.00 a foot.

Reported, a total of 370.5 feet at cost of..	$ 9,317.52
Allowable, a total of 370.5 ft at cost of $11.00 a foot.....	4,075.50
Total excess costs.....	$ 5,242.02
Excess costs previously reported....	3,309.97
Excess costs to be suspended this report.....	$ 1,932.05

Reconciliation with Costs Reported by Operator on forms MP-104 and MP-104A.

Total costs reported for month of January 1960.....	$14,805.46
Suspensions, Item 3, Excess costs $4,520.62 Item 3-A, " " 1,932.05	
Total Suspensions this report.....	6,452.67
BALANCE.....	$ 8,352.79
Government Participation at 50 percent....	$ 4,176.40
Amount Due Operator.....	$ 4,176.40

Original signed by
T. M. Romslo
T. M. Romslo

TMR/ms

cc: 6
Chron

OME
DEPARTMENT OF THE INTERIOR
MAR 1 1960
REGION III
DENVER, COLORADO

Mr. J. W. Townsend
Executive Officier, O.M.E.
D.M.E.A. Field Team Region III
224 New Custom House
Denver 2, Colorado

February 8, 1960

MAR 7 1960
O.M.E.

Re: Docket No. DMEA 4981 Contract E-1218
January Report - Items No. 2 & No.

Dear Sir:

Item No. 2 - Pumps and Pump Column

The 2005 sump walls was covered with a coat of gunite as a means of preventing loose ground from sluffing into the bottom and to prevent water leakage through a small fault that cuts the wall rock near the bottom of the sump.

The pumps have been placed back in position and the sump is ready for use. Some electrical work and cleanup work remain to be completed.

Item No. 3 - Drifting and cross-cutting

Work was put on a three shift schedule in the 2005 West drift during January.

The drift was advanced a total of one hundred and nineteen feet (119 ft.) during the month. Most of this advance was in the fractured and blocky diorite porphyry and in the contact zone between the diorite and sedimentary rocks. Considerable difficulty was encounted in this area and the drift had to be timbered with steel sets until it was advanced beyond the contact zone. Sets spaced at 2½ feet centers and spiling were used. A total of 39 steel sets were installed during January covering 123 feet of drift.

The contact between the diorite porphyry and the sediments was crossed approximately 980 feet west of the shaft. At this point the contact strikes approximately N. 20 degrees E. and dips to the east at 50 degrees. The sediments appear to be the dolomitic limestones in the upper portion of the Deseret Limestone and are striking parallel to the contact with a dip of 25 to 30 degrees to the east. (see geologic map)

The second battery for the four ton battery locomotive was put into operation during the month. This battery was made-up from inventory stock.

Enclosed are the following: Drift progress and geology map, unit cost itemization, depreciation schedule, power schedule, monthly report and voucher, unit cost and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

Gale A. Hansen
General Superintendent

OME
DEPARTMENT OF THE INTERIOR
MAR 1 1960
REGION III
DENVER, COLORADO

NEW PARK MINING COMPANY

D.M.E.A. PROJECTS

72 MONTH January, 1960 DOCKET NO. DMEA 4981 CONTRACT NO. E-1218

G7204 GREEN TINT

		ITEMS OF COST	1 PROJECT NO. 2	2 PROJECT NO. 3	3 PROJECT NO. 3-A Timbering	4 TOTALS
1	(1)	Independent) Short Form) Contracts:				
2						
3		Drilling				
4		Bulldozing				
5		Crosscutting				
6		Drifting				
7	(2)	Labor and Supervision				
8		Labor	904.39	2,327.83	247.00	3,479.22
9		Supervision	250.00	400.00		650.00
10		Technical Services				
11	(3)	Operating Mat'ls and Supplies				
12		Timber			3,022.34	3,022.34
13		Explosives	100.75	377.83		478.58
14		Pipe		138.39		138.39
15		Track		83.30		83.30
16		Pipe Column @ 50%				
17		Supplies	211.90	1,439.75	15.21	1,666.86
18	(4)	Operating Equipment:				
19		Power		2,639.66		2,639.66
20		Purchase				
21		Depreciation		1,267.37		1,267.37
22	(5)	Initial Rehabilitation & Repairs:				
23	(6)	New Bldgs., Improvements, Etc.				
24	(7)	Miscellaneous:				
25		Repairs to Equipment		243.73		243.73
26		Sampling				
27		Payroll Taxes				
28		Liability Insurance				
29		Accounting	32.50	217.50		250.00
30		Fringe Benefits	109.75	40.26		150.01
31	(8)	Contingencies (specify):				
32						
33						
34						
35						
36						
37						
38						
39						
40						
		TOTALS	1,659.29	9,876.62	3,269.55	14,805.46

1 2 3 4

OME
DEPARTMENT OF THE INTERIOR
FEB 23 1960
REGION III
DENVER, COLORADO

COPY

[illegible] PARK MINING COMPANY
D.M.E.A. POWER SCHEDULE
UNIT #3 JANUARY, 1960

(4) POWER:

Total Waste Hoisted from 2005 Drift	2237	Tons
Total Ore and Waste from other Levels	4991	
Total Tons of Rock hoisted	7228	Tons

Power Costs as per Voucher No. 2973

$8,493.00 ÷ 7228 = $1.18/Ton

2005 Dr. $ 1.18 x 2237 = $2,639.66

OME
DEPARTMENT OF THE INTERIOR
FEB 2 [illegible]
REGION III
DENVER, COLORADO

COPY

[illegible] MINING COMPANY

DEPRECIATION SCHEDULE

D.M.E.A. UNIT #3 - JANUARY, 1960

	Cost	This Month	Note
(4) Depreciation:			
2° Cable	$ 4,051.50	$ 67.50	
630 Eimco Mucker	10,100.00	168.33	
1 - Train Car Loader (5 - Car Train)	19,000.00	252.55	(4 - Cars)
1 - Charging Panel	740.00	12.33	
2 - Motor Batteries (4 Ton - 50 Cell)	6,500.00	108.32	(2 - Batteries)
1 - Set 150 KVA Transformers	1,800.00	30.00	
5 - 25 HP Fans	3,500.00	23.34	(2 - Fans)
1 - Jumbo	15,000.00	250.00	
2 - B.J. Submersible Pumps	20,145.00	455.00	
		$1,367.37	

OME
DEPARTMENT OF THE INTERIOR
FEB 2[illegible] 1960
REGION III
DENVER, COLORADO

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

Budget Bureau No. 42-R1036.5

FEB 18 1960
O.M.E.

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

Month of December, 1959 Docket No. DMEA 4981 Contract No. 5-1218
Operator's Name New Park Mining Company Minerals Lead, Zinc, and Copper
Address 907 Walker Bank Building Salt Lake City, Utah
Contract Amount, $564,880.00 Government Participation 50 % Amount, $ 282,440.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	2,454.99	56,363.93	58,818.92			
Supervision	650.00	10,700.00	11,350.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	1,082.14	5,557.02	6,639.16			
Explosives	162.40	5,023.84	5,186.24			
Pipe	65.85	14,849.09	14,914.94			
Track	31.15	773.51	804.66			
Pipe Column @ 50%		8,154.44	8,154.44			
Supplies	740.24	9,199.59	9,939.83			
(4) Operating Equipment:						
Rental Power	1,505.26	16,426.17	17,931.43			
Purchase						
Depreciation	1,367.37	10,705.86	12,073.23			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	46.96	2,470.14	2,517.10			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Accounting	250.00	4,150.00	4,400.00			
Fringe Benefits	208.00	4,409.29	4,617.29			
(8) Contingencies (specify):						
TOTALS	8,564.36	148,782.88	157,347.24	3672.09	118,302.02	121,974.11

OME
DEPARTMENT OF THE INTERIOR
JAN 21 1960
REGION III
DENVER, COLORADO

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 1-15-60 *Payee New Park Mining Company
Per [signature] Title Vice President

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 1836.05
Signature [signature]
(Authorized Certifying Officer)
Date 2-15-60 Vou. No. DMEA-60-22
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Fdm-E1218 in accordance with the terms of the contract.

Signature D M Romslo Checked for Engineering Allowability Title Mining Engineer Date 2/8/60

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date FEB 9 1960

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1962)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 195 9 Docket No. DMEA 4961 Contract No. E-1218

Operator's Name New Park Mining Company Minerals Lead, Zinc, and Copper

Address 907 Walker Bank Building Salt Lake City, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
#3 Drifting & Crosscutting	Foot	6,168.83	44½	74,948.14	953	78.64	8,600	45.00
Crosscutting — Timbering	Foot	1,176.94	41	6,026.97	247	24.40		11.00
#4 Raising	Foot	None	None	5,310.33	115	46.18		48.00
#2 Shafts — Pumps & Column	Feet	1,218.59	None	30,025.09	1,513	19.84	1,660	
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
~~#1 - 16" Transite Pipe~~	~~Foot~~	~~None~~	~~None~~	~~41,096.71~~	~~7,149½~~	~~5.74~~	~~7,140~~	
TOTAL DISTRIBUTED COSTS		8,564.36		157,347.24				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		8,564.36		157,347.24				

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

Date 1-14-60 Operator New Park Mining Company

Per [signature] Title Vice President

REMARKS:

OME
DEPARTMENT OF THE INTERIOR
JAN 21 1960
REGION III
DENVER, COLORADO

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

(Instructions on reverse)

(For Government use only)

FEB 18 1960
O.M.E.

INSTRUCTIONS

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

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

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

GPO 872894

OFFICIAL FILE COPY
O. M. F.
RECEIVED FEB 18 1960

DATE	INITIALS	CODE

DISTRIBUTION MADE
FEB 16 1960

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

Administrative Audit Difference Statement

Date: 2/10/60
Payee's Reference: December 1960

New Park Mining Company
907 Walker Bank Bldg.
Salt Lake City 11, Utah

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

Amount Claimed $ 8,564.36

Difference $ 4,892.27

Amount Approved $ 3,672.09

The reason for the difference was due to:

Suspension of item 3, drifting and crosscutting costs in excess of allowable maximum average unit cost of $45.00 a foot

Reported, a total of 953 feet at cost of	$74,948.14
Allowable, a total of 953 feet at $45.00 a foot	42,885.00
Total excess costs	32,063.14
Excess costs previously suspended	27,896.81
Excess costs suspended this report	$ 4,166.33

Suspension of item 3-A, Timbering costs in excess of allowable maximum average unit cost of $11.00 a foot

Reported, a total of 247 feet at a cost of	$ 6,026.97
Allowable, a total of 247 feet at $11.00 a foot	2,717.00
Total excess costs	3,309.97
Excess costs previously suspended	2,584.03
Excess costs suspended this report	$ 725.94

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

Very sincerely yours,

RRC

N. E. Stokes
~~Audit Section~~
Randel R. Cooper
Finance Officer, Reg. iii

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

Reconciliation with costs reported by the Operator on Forms MF-104 and MF-104A

Total costs reported for month of December 1959----------		$ 8,564.36
Suspensions - Item 3 excess costs------	$4,166.33	
Item 3-A excess costs----	725.94	
Total Suspensions this report----------		4,892.27
Balance----------		$ 3,672.09
Government participation at 50 percent----------		$ 1,836.05
Amount due the Operator----------		$ 1,836.05

Original signed

J. W. Townsend

JWT:ltm

cc: Chmn. Op. Comm. (2)w/cpy complete
MF-104 file, Reg. III) Report
OME/SLC)
Hasler)w/cpy engr's rept. & Oper's. map
Susp.
Chron.

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 18 1960
DATE | INITIALS | CODE

Building 20 - Federal Center
Denver 25, Colorado
February 9, 1960

Memorandum

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

From: T. M. Romslo

Subject: Progress Report for December 1959, Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract No. Idm-E1218, New Park Mining Company (Mayflower mine) Wasatch County, Utah

The exploratory workings of the captioned contract were inspected by me February 4, 1960. I was accompanied by Gale A. Hansen, and Walter E. Bauer, the company's General Superintendent and Geologist, respectively, and R. U. King, U.S.G.S. Progress for the reporting period was found to be as described below and as recorded in the attached Operator's report. All of the work was completed to standards better than specified by the contract.

Item No. 2-Pumps and Pump Column

Electrical work and installation of the pumps was in progress.

Item No. 3-Drifting and Crosscutting

The 2005 west drift was advanced from 1.5 feet to 46.0 feet beyond survey station No. 5611, a total of 44.5 feet.

Item No. 3A-Timbering

A total of 41.0 lineal feet of the 2005 west drift was supported with 6 steel sets and 4 timber sets.

ANALYSIS OF THE OPERATOR'S REPORT

Form MF-104

An inspection of the accounts indicates that the reported charges were necessary and are not excessive. Charges for depreciation of equipment are in accordance with the contract and the charge for power has been prorated on the basis of tons of waste or ore hoisted from the subordinated and unsubordinated sections of the mine.

The reported charges as segregated on Form NF-104A with the suspendable and allowable costs are as set down below.

Item No.	Reported	Suspendable	Allowable
2-(Sump)	$1,218.59	$ 0.00	$1,218.59
3-Drifting	6,168.83	4,166.33 1/	2,002.50
5A-Timbering	1,176.94	785.94 2/	451.00
December Totals	$8,564.36	$4,892.27	$3,672.09

Form NF-104A

The costs are in agreement with the total cost of Form NF-104.

Narrative Report

The report with attached map is acceptable. It includes a satisfactory explanation of why progress was poor.

T. M. Romalo

T. M. Romalo

TMR:ltm

cc: 6
Chron.

1/ Suspendable after allowance of $2,002.50 for the 44.5 feet of advance at $45.00 per foot.

2/ Suspendable after allowance of $451.00 for the 41.0 feet of advance at $11.00 per foot.

NEW PARK MINING COMPANY

D.M.E.A. PROJECTS

720 MONTH December, 1959 DOCKET NO. DMEA 4981 CONTRACT NO. E-1218

G7204 GREEN TINT

	ITEMS OF COST	PROJECT NO. 2 (1)	PROJECT NO. 3 (2)	PROJECT NO. 3-A Timbering (3)	TOTALS (4)
(1)	Independent Contracts: Short Form				
	Drilling				
	Bulldozing				
	Crosscutting				
	Drifting				
(2)	Labor and Supervision:				
	Labor	776.63	1,596.36	82.00	2,454.99
	Supervision	200.00	450.00		650.00
	Technical Services				
(3)	Operating Mat'ls and Supplies:				
	Timber			1,082.14	1,082.14
	Explosives	24.68	137.72		162.40
	Pipe	12.00	53.85		65.85
	Track		31.15		31.15
	Pipe Column @ 50%				
	Supplies	12.71	714.73	12.80	740.24
(4)	Operating Equipment				
	Power		1,505.26		1,505.26
	Purchase				
	Depreciation		1,367.37		1,367.37
(5)	Initial Rehabilitation & Repairs:				
(6)	New Bldgs., Improvements, Etc.				
(7)	Miscellaneous:				
	Repairs to Equipment		46.96		46.96
	Sampling				
	Payroll Taxes				
	Liability Insurance				
	Accounting	97.50	152.50		250.00
	Fringe Benefits	95.07	112.93		208.00
(8)	Contingencies (specify):				
	TOTALS	1,218.59	6,168.83	1,176.94	8,564.36

OME
DEPARTMENT OF THE INTERIOR
JAN 21 1960
REGION III
DENVER, COLORADO

		1	2	3	4

NEW PARK MINING COMPANY
D.M.E.A. POWER SCHEDULE
UNIT #3 DECEMBER, 1959

(4) POWER:

Total Waste hoisted from 2005 Drift	1,031	Tons
Total Ore and Waste from other Levels	4,333	
Total tons of Rock hoisted	5,364	Tons

Power Costs as per Voucher No. 2844

$7,825.63 ÷ 5,364 = $1.46/Ton

2005 Dr. $ 1.46 x 1,031 = $1,505.26

COPY

OME
DEPARTMENT OF THE INTERIOR
JAN 21 1960
REGION III
DENVER, COLORADO

NEW PARK MINING COMPANY

DEPRECIATION SCHEDULE

D.M.E.A. UNIT #3 - DECEMBER, 1959

	COST	THIS MONTH	NOTE
(4) DEPRECIATION			
2° Cable	$ 4,051.50	$ 67.50	
630 Eimco Loader	10,100.00	168.33	
1 - Train Car Loader (5 - Car Train)	19,000.00	252.55	(4 - Cars)
1 - Charging Panel	740.00	12.33	
2 - Motor Batteries (4 Ton - 50 Cell)	6,500.00	108.32	(2 - Battery)
1 - Set 150 KVA Transformers	1,800.00	30.00	
5 - 25 HP Fans	3,500.00	23.34	(2 - Fan)
1 - Jumbo	15,000.00	250.00	
2 - B.J. Submersible Pumps	28,145.00	455.00	
		$1,367.37	

OME
DEPARTMENT OF THE INTERIOR
JAN 21 1960
REGION III
DENVER, COLORADO

Mr. J. W. Townsend
Executive Officer, O.M.E.
D.M.E.A. Field Team Region III
224 New Customhouse
Denver 2, Colorado

January 4, 1960

Re: Docket No. DMEA 4981 Contract E-1218
December Report - Items No. 2 and No. 3

Dear Sir:

Item No. 2 - Pumps and Pump Column

Pumps are being placed in position and electrical work is being completed when men are available.

Item No. 3 - Drifting and Cross-Cutting

The 2005 West Drift was advanced a total of forty-four and one-half feet (44½ Ft.) during December. The advance was in medium grained diorite porphyry that is fractured to the extent that the rock is altered and very blocky. Timber was installed along 41 feet of the drift and 6 steel sets and 4 - 10 x 10 sets were used.

Most of the work time during the month was spent on raising and placing sills under the track, installing new equipment, and making repairs on equipment. Four hundred and sixteen feet (416 Ft.) of track were raised and silled during December, a battery changing station was cut and partially completed, and a heavily reinforced front car for the train car loader was brought in and assembled. A fan was installed at the bottom of 20-882 ventilation raise and the ventalation has improved considerably.

It is anticipated that this work will enable the project to proceed an a three shift basis during the month of January.

Enclosed are the following: Drift progress and geology map, unit cost itemization, depreciation schedule, power schedule, monthly report and voucher, unit cost and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

By Gale A. Hansen
Gale A. Hansen
General Superintendent

OME
DEPARTMENT OF THE INTERIOR
JAN 21 1960
REGION III
DENVER, COLORADO

GAH:jgc

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

Budget Bureau No. 42-R1036.5

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

JAN 11 1960 OME

Month of November, 1959 Docket No. DMEA 4981 Contract No. E-1218
Operator's Name New Park Mining Company Minerals Lead, Zinc, and Copper
Address 907 Walker Bank Building Salt Lake City, Utah
Contract Amount, $ 564,880.00 Government Participation: 50% Amount, $ 282,440.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	5,290.34	51,073.59	56,363.93			
Supervision	650.00	10,050.00	10,700.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	1,116.81	4,440.21	5,557.02			
Explosives	715.88	4,307.96	5,023.84			
Pipe	173.22	14,675.87	14,849.09			
Track	68.25	705.26	773.51			
Pipe Column @ 50%		8,154.44	8,154.44			
Supplies	588.65	8,610.94	9,199.59			
(4) Operating Equipment:						
~~Rental~~ Power	2,447.58	13,978.59	16,426.17			
Purchase						
Depreciation	1,238.40	9,467.46	10,705.86			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	1,354.00	1,116.14	2,470.14			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Accounting	250.00	3,900.00	4,150.00			
Fringe Benefits	272.63	4,136.66	4,409.29			
(8) Contingencies (specify):						
216						
TOTALS	14,165.76	134,617.12	148,782.88	94974	108,804.61	118,302.02

OME
DEPARTMENT OF THE INTERIOR
DEC 21 1959
REGION III
DENVER, COLORADO

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

Date 12-14-59 *Payee New Park Mining Company

Per [signature] Title Vice President

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

(Instructions on reverse)

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

$ 4748.70

Signature [signature]
(Authorized Certifying Officer)

Date 1-5-60 Vou. No. DMEA-60-19

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E 1218 in accordance with the terms of the contract.

Signature [illegible] Checked for Engineering Allowability Title Mining Engineer Date 12/22/59

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date DEC 22 1959

MONTHLY REPORT OF OPERATOR

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Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1959 Docket No. DMEA 4981 Contract No. E-1218
Operator's Name New Park Mining Company Minerals Lead, Zinc, and Copper
Address 907 Walker Bank Building Salt Lake City, Utah

	OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
#3	Drifting & Crosscutting	Feet	9,557.78	121½	68,779.31	908½	75.71	8600	45.00
	~~Crosscutting~~ Timbering	Feet	985.07	37	4,850.03	206	23.54		11.00
#4	Raising	Feet	2,190.55	44½	5,310.33	115	46.18		48.00
#2	~~Shafts~~ Pump & Column	Feet	1,432.36	None	28,806.50	1,513	19.04	1660	
	Winzes								
	Drilling: Core								
	Churn								
	Auger								
	Stripping								
	Trenching								
	Test Pits								
	Roads and Trails								
#1	16" Transite Pipe	Feet	None	None	41,036.71	7,149½	5.74	7140	
	TOTAL DISTRIBUTED COSTS		14,165.76		148,782.88				TOTAL COSTS AUTHORIZED BY CONTRACT
	Operating Equipment Purchased								
	Initial Rehabilitation and Repairs								
	New Buildings, Improvements, etc.								
	TOTAL COSTS		14,165.76		148,782.88				

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

Date 12-14-59 Operator New Park Mining Company

Per [signature] Title Vice President

REMARKS:

OME
DEPARTMENT OF THE INTERIOR
DEC 21 1959
REGION III
DENVER, COLORADO

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

(Instructions on reverse)

(For Government use only)

JAN 11 1960
O.M.E.

INSTRUCTIONS

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

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

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

GPO 872894

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 11 1960

DATE	INITIALS	CODE

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

DISTRIBUTION MADE
JAN 6 1960

Administrative Audit Difference Statement

Date: 12/31/59
Payee's
Reference: December 1959

New York Mining Company,
907 Walker Bank Bldg.
Salt Lake City 11, Utah.

Gentlemen:

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

Amount Claimed $ 14,165.76

Difference $ 4,668.35

Amount Approved $ 9,497.41

The reason for the difference was due to:

Suspension of item 3, drifting and crosscutting costs in excess of allowable maximum average unit cost of $45.00 a foot.

Reported, a total of 903.5 feet at cost of $60,777.31
Allowable, a total of 903.5 feet at maximum average unit cost of $45.00 a foot $40,832.50
Total Excess Costs.....$37,076.81
Excess costs previously suspended $33,986.53
Excess Costs to be suspended this report.....$3,090.28

Suspension of item 3-A, timbering costs in excess of allowable maximum average unit cost of $11.00 a foot.

Reported, a total of 806 feet at cost of $4,050.03
Allowable, a total of 806 feet at maximum average unit cost of $11.00 a foot.....$8,866.00

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

Very sincerely yours,

Continued on next sheet.

for N. E. Stokes
Audit Section

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

New Park Mining Company,
907 Walker Bank Bldg.
Salt Lake City 11, Utah.

continued from previous page

Total excess costs	$2,584.03
Excess Costs previously suspended	$2,005.96
Excess Costs to be suspended this report	578.07

Analysis of item 4, Raising Costs in Comparison to allowable maximum average unit cost of $11.00 a foot

Reported, a total of 115 feet at a cost of	$5,310.33
Allowable, a total of 115 feet at maximum average unit cost of $48.00 a foot	$5,520.00

Since the maximum allowable costs exceed reported costs no suspension in involved.

Reconciliation with costs reported by the Operator on Forms MF-104 and MF-104A

Total costs reported for month of Nov. 1959		$14,165.76
Suspensions Item 3 costs as above	$4,090.28	
Item 3A costs as above	578.07	
Total Suspensions in this report		$4,668.35
Balance		$9,497.41
Government participation at 50 percent		$4,748.70
Amount payable to Operator		$4,748.70

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 11 1960

DATE	INITIALS	CODE

Building 20 - Federal Center
Denver 25, Colorado
December 22, 1959

Memorandum

TO: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract No. I4m-R1218
New Park Mining Company (MayFlower mine) Wasatch County, Utah

Enclosed are the original and four copies each of Forms MF-104 and MF-104A; Operator's narrative report, distribution sheet, and supporting schedule of equipment depreciation and basis for power charge; progress map; and engineer's inspection report for the month of November 1959.

It is considered that the Operator has complied with the intent of the contract and the work for which reimbursement is claimed is acceptable to the Government.

Documentation of incurred costs has been waived; therefore, it is recommended that reimbursement be made to the Operator for 50 percent of the amount reported for the month on Form MF-104, subject to your verification of arithmetical accuracy within Form MF-104, and contingent on the findings of a subsequent on-site audit of the Operator's accounts, except for the following suspensions of excess costs and reinstatement of previously suspended costs.

<u>Suspension of item 3, drifting and crosscutting costs in excess of allowable maximum average unit cost of $45.00 a foot</u>

Reported, a total of 908.5 feet at cost of	$68,779.31
Allowable, a total of 908.5 feet at maximum average unit cost of $45.00 a foot	40,882.50
Total Excess Costs	$27,896.81
Excess Costs previously suspended	23,806.53
Excess Cost to be suspended this report	$ 4,090.28

<u>Suspension of item 3-A, Timbering costs in excess of allowable maximum average unit cost of $11.00 a foot</u>

Reported, a total of 206 feet at cost of	$ 4,850.03
Allowable, a total of 206 feet at maximum average unit cost of $11.00 a foot	2,266.00
Total excess costs	$ 2,584.03
Excess Costs previously suspended	2,005.96
Excess Costs to be suspended this report	$ 578.07

Analysis of item 4, Raising Costs in Comparison to allowable maximum average unit cost of $11.00 a foot

Reported, a total of 115 feet at a cost of----------	$ 5,310.33
Allowable, a total of 115 feet at maximum average unit cost of $48.00 a foot----------	5,520.00

Since the maximum allowable costs exceed reported costs no suspension is involved.

Reconciliation with costs reported by the Operator on Forms MF-104 and MF-104A

Total costs reported for month of November 1959----------		$14,165.76
Suspensions Item 3 costs as above-------	$4,090.28	
Item 3-A costs as above-----	578.07	
Total Suspensions this report----------		4,668.35
Balance----------		$ 9,497.41
Government participation at 50 percent----------		$ 4,748.70
Amount payable to Operator----------		$ 4,748.70

Original signed by

J. W. Townsend

JWT:ltm

cc: Chmn. Op. Comm. (2)w/cpy complete
MF-104 file, Reg. III) report
OME/SLC)
Hasler)w/cpy engr's rept & Oper's map
Susp.
Chron.

Building 20 - Federal Center
Denver 25, Colorado
December 22, 1959

Memorandum

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

From: T. M. Romalo

Subject: Progress Report for November 1959, Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract Idm-E1218, New Park Mining Company (Mayflower mine) Wasatch County, Utah

The pertinent underground workings of the Mayflower mine were inspected by me December 8, 1959, in the company of Robert Archer, mine engineer, and J. W. Mazler, U. S. G. S. Progress for the reporting period was found to be as follows and as recorded in the attached Operator's Report. Work standards either meet or exceed those specified by the contract.

Item No. 2-Pumps and Pump Column

The excavation and concrete work in the 2005 level sump was completed. Work to be done includes the completion of electrical connections and the installation of the pumps.

Item No. 3-Drifting and Crosscutting

The 2005 west drift was advanced 97.5 feet to a point 203 feet from survey station 5605 and crosscut 20-866, a drill station, was driven 24 feet. The total advance in the 2 headings was 121.5 feet.

Item No. 3A-Timbering

A total of 37 lineal feet of 2005 drift west was supported with steel sets.

Item No. 4-Ventilation Raise

Ventilation raise 20-882 from the 2005 level was holed through to the 1880 level for an advance of 44.5 feet. The raise was found to be 115.9 feet high from the back of the 10-foot high drift.

ANALYSIS OF THE OPERATOR'S REPORT

Form MF-104A

An inspection of the accounts indicates that the reported charges were necessary and are not excessive. Charges for depreciation of equipment are in accordance with the contract and the charge for power has been prorated on the basis of tons of waste or ore hoisted from the subordinated and unsubordinated sections of the mine.

The reported charges as segregated on Form MF-104A with the suspendable and allowable costs are shown in the following table.

Previous totals now reflect the $200.00 disallowance for July 1959 supervision.

Item No.	Reported	Suspendable	Allowable
2-(Sump)	$1,432.36	$ 0.00	$1,432.36
3-Drifting	9,557.78	4,090.28 1/	5,467.50
3A-Timbering	985.07	578.07 2/	407.00
4-Raising	2,190.55	54.55 3/	2,136.00
November Totals	$14,165.76	$4,722.90	$9,442.86

Form MF-104A

The costs are in agreement with the total cost of Form MF-104.

Narrative Report

The report with attached maps is acceptable.

1/ Suspendable after allowance of $5,467.50 for the 121.5 feet of drifting and crosscutting at $45.00 per foot.

2/ Suspendable after allowance of $407.00 for the 37 feet of timbering at $11.00 per foot.

3/ Suspendable after allowance of $2,136.00 for the 44.5 feet of advance at $48.00 per foot.

Original signed by
T. M. Romslo
T. M. Romslo

TMR:ltm

cc: 6
Chron.

OME
DEPARTMENT OF THE INTERIOR
DEC 21 1959
REGION III
DENVER, COLORADO

Mr. J.W. Townsend
Executive Officer, OME
OME Field Team Region III
224 New Customhouse
Denver 2, Colorado

December 9, 1959

Re: Docket No. DMA 4981 - Contract E-1218
November report - Items No. 2, No. 3, No. 4

Dear Sir:

Item No. 2 - Pumps and Pump Column

The excavation and concrete work has been completed in the 2005 Sump and the sump is now ready for use. Some ~~work~~ remains to be done in placing the pumps in position and completing electrical connections.

Item No. 3 - Drifting and Cross-Cutting

The 2005 West Drift was advanced a total of ninety-seven and one-half feet (97½ Ft.) during November. In addition, a drill station (20-866 Cross-cut) was cut on the north side of the main drift and advanced twenty-four feet (24 Ft.). Total drifting and cross-cutting for November was one hundred twenty-one and one-half feet (121½ Ft.)

All of the advance was in a medium grained diorite porphyry and the 2005 West Drift encountered a zone of northwest striking fractures that form an area of altered and blocky ground. This zone required timbering and 8 steel sets and one 10" x 10" set were installed covering a distance of 34 feet. (See enclosed geology maps.)

Item No. 4 - Ventilation Raise

20-882 Ventilation raise was advanced a total of forty-four and one-half feet (44½ Ft.) during November and was holed through to the 1880 level. Work has been completed in the raise except for installation of a grille over the top of the raise and a fan at the bottom. The raise was run in diorite rock and followed a fissure from rail + 65 ft. to the 1880 level. Cut samples taken in the raise indicate that metalization in the fissure is not of commercial grade. (See cross section.)

Enclosed are the following: Drift progress and geology maps, raise cross section, unit cost itemization, depreciation schedule, power schedule, monthly report and voucher, unit cost and progress reports.

Very truly yours

NEW PARK MINING COMPANY

By Gale A. Hansen
Gale A. Hansen
General Superintendent

GAH:jc

MIDLAND PARK MINING COMPANY

DEPRECIATION SCHEDULE

D.M.E.A. UNIT #3 - [illegible], 1959

(4) DEPRECIATION:	COST	THIS MONTH	NOTE
2° Cable	$ 4,051.50	$ 67.50	
630 Limco Loader	10,100.00	168.33	
1 - Train Car Loader (5 - Car Train)	19,000.00	189.41	(3 - Cars)
1 - Charging Panel	740.00	12.33	
2 - Motor Batteries (4 Ton - 50 Cell)	6,500.00	54.16	(1 - Battery)
1 - Set 150 KVA Transformers	1,800.00	30.00	
5 - 25 HP Fans	3,500.00	11.67	(1 - Fan)
1 - Jumbo	15,000.00	250.00	
2 - B.J. Submersible Pumps	28,145.00	455.00	
		$1,238.40	

COPY

NEW PARK MINING COMPANY
D.M.E.A. POWER SCHEDULE
UNIT #3 NOVEMBER, 1959

(4) POWER:

Total Waste hoisted from 2005 Drift	1,845	Tons
Total Waste hoisted from 20-882 Raise	315	Tons
Total Ore and Waste from other Levels	4,498	Tons
Total Tons of Rock Hoisted	6,658	Tons

Power Costs as Per Voucher No. 2716

$7,544.43 ÷ 6,658 = $1.13314/Ton

2005 Dr. $1.13314 x 1,845 = $2,090.64

20-882 Rs. $1.13314 x 315 = $356.94

COPY

OME
DEPARTMENT OF THE INTERIOR
DEC 21 1959
REGION III
DENVER, COLORADO

NE[illegible] PARK MINING COMPANY
[illegible]M.E.A. PROJECTS

7214 BUFF MONTH NOVEMBER, 1959 DOCKET NO. DMEA 4981 CONTRACT NO. E-1218
G7214 GREEN TINT

1	2	3	4	5	6	7	8	9
	ITEMS OF COST		PROJECTS NO. 2 AMOUNT	PROJECT NO. 3 AMOUNT	PROJECT NO. 3-A TIMBERING AMOUNT	PROJECT NO. 4 AMOUNT		TOTALS
(1) Independent / Short Form Contracts:								
Drilling								
Bulldozing								
Crosscutting								
Drifting								
(2) Labor and Supervision:								
Labor			873.00	3,098.64	74.00	1,214.70		5,290.34
Supervision			100.00	450.00		100.00		650.00
Technical Services								
(3) Operating Mat'ls and Supplies:								
Timber					911.07	205.74		1,116.81
Explosives			17.32	504.63		193.93		715.88
Pipe				173.22				173.22
Track				68.25				68.25
Pipe Column @ 50%								
Supplies			306.65	275.60		6.40		588.65
(4) Operating Equipment:								
Power				2,090.64		356.94		2,447.58
Purchase								
Depreciation				1,238.40				1,238.40
(5) Initial Rehabilitation & Repairs:								
(6) New Bldgs., Improvements, Etc.:								
(7) Miscellaneous:								
Repairs to Equipment				1,354.00				1,354.00
Sampling								
Payroll Taxes								
Liability Insurance								
Accounting			35.00	175.00		40.00		250.00
Fringe Benefits			100.39	129.40		42.84		272.63
(8) Contingencies (specify):								
TOTALS			1,432.36	9,557.78	985.07	2,190.55		14,165.76

Form MF-404 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

OPERATOR'S MONTHLY REPORT AND VOUCHER

June 23, 1958 to March 31, 1959
~~XXXXXX~~ 195 Docket No. DMEA 4981 Contract No. E-1218

Operator's Name New Park Mining Company
Address 907 Walker Bank Building, Salt Lake City, Utah
Minerals Lead, Zinc & Copper

Contract Amount, $ 564,880.00 Government Participation: 50% Amount, $ 282,440.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	7,411.00	31,973.93	39,384.93			
Supervision		7,450.00	7,450.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	217.52	1,313.59	1,531.11			
Explosives	3.87	2,973.01	2,976.88			
Pipe	494.14	14,914.82	14,420.68			
Track	350.35	890.06	539.71			
Pipe Column @ 50%	95.38	8,249.82	8,154.44			
Supplies	7.83	7,198.58	7,190.75			
(4) Operating Equipment:						
~~XXXXX~~ Power	1,328.32	6,023.72	7,352.04			
Purchase		4,513.86	4,513.86			
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		392.50	392.50			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Accounting		2,900.00	2,900.00			
Fringe Benefits	97.52	3,280.57	3,378.09			
(8) Contingencies (specify):						
TOTALS	8,110.53	92,074.46	100,184.99	11,125.05	97,699.56	108,804.61

OME
DEPARTMENT OF THE INTERIOR
AUG 28 1959
REGION III
DENVER, COLORADO

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

Date 8- -59 *Payee New Park Mining Company

Per [signature] Title Vice President

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

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

(Instructions on reverse)

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

$ 5552.53

Signature [signature]
(Authorized Certifying Officer)

Date 12-7-59 Vou. No. DMEA-60-16
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature ..... Title Executive Officer Date DEC 3 1959

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title Executive Officer Date DEC 3 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1962)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

June 23, 1958 to March 31, 1959
~~XXXXXXX~~ 195

Docket No. DMEA 4981

Contract No. E-1218

Operator's Name New Park Mining Company

Address 907 Walker Bank Building, Salt Lake City, Utah

Minerals Lead, Zinc & Copper

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
#3 Drifting	Feet	691.76	none	35,943.98	535	67.19	8,600	45.00
Crosscutting								
Raising								
#2 ~~XXXXX~~	Feet	7,265.71	none	23,204.30	1513	15.34	1,660	
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
#1 16" Transite Pipe	Feet	153.06	none	41,036.71	7149½	5.74	7,140	
TOTAL DISTRIBUTED COSTS		8,110.53		100,184.99				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		8,110.53		100,184.99				

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

Date 8- -59 Operator New Park Mining Company

Per [signature] Title Vice President

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

REMARKS:

(Instructions on reverse)

(For Government use only)

OME
DEPARTMENT OF THE INTERIOR
AUG 28 1959
REGION III
DENVER, COLORADO

INSTRUCTIONS

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

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

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

GPO 872894

W.O.

DEC 8 1959
DISTRIBUTION MADE
DEC 8 1959

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

Administrative Audit Difference Statement

New Park Mining Company
907 Walker Bank Building
Salt Lake City 11, Utah

Date: 12/7/59
Payee's
Reference: June 1958 to 3/31/59

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

Amount Claimed $ 8,110.53

Difference $ 2,994.52

Amount Approved $ 11,105.05

The reason for the difference was due to:

Suspension of item 3, drifting and crosscutting costs in excess of allowable maximum average unit cost of $45.00 a foot

Costs reported to date including this supplementary report--	$59,421.53
July 1959 drifting costs disallowed----------	300.00
Balance----------	59,121.53
Allowable, 787 ft. of drift at $45.00 a foot----------	35,415.00
Excess costs----------	$23,706.53
Excess costs suspended previously----------	23,114.77
Excess costs suspended this report----------	$ 691.76

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

EXTRA COPY
O. M. E.
RECEIVED DEC 11 1959

DATE	INITIALS	CODE

Very sincerely yours,

N. E. Stokes
Audit Section

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

Reinstatement of item 2 installation of pump column, and pumps, including sump excavation, costs previously suspended pending clarification

August costs suspended	$ 977.24
September costs suspended	1,287.34
October costs suspended	1,421.70
Suspended costs to be reinstated	$3,686.28

Reconciliation with costs reported by Operator on Forms MF-104 and MF-104A for period June 23, 1958 to March 31, 1959

Total costs reported	$ 8,110.53
Costs suspended this report	691.76
Balance	$ 7,418.77
Previously suspended costs now reinstated	3,686.28
Total	$11,105.05

Building 20 - Federal Center
Denver 25, Colorado
December 3, 1959

Memorandum

TO: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract No. Idm-K1218, New Park Mining Company (Mayflower mine) Wasatch County, Utah

Enclosed are the original and four copies each of Forms MF-104 and MF-104A, Operator's Narrative Report, distribution sheet, and memorandum from the inspecting engineer pertaining to supplementary charges for work performed during the period June 23, 1958 to March 31, 1959.

Processing of the supplementary report has been deferred pending a determination as to allowability of a part of the additional charges.

Amendment No. 6 has been executed to clarify the extent of allowable work in conjunction with installation of pump column and pumps by adding allowability of necessary rock excavation on the 2005 level station, and preparation of an adequate sump below the level. Additional charges to the costs of the work are now allowable, and in conformance with the Audit Certificate and Audit Report by the Contract Administration and Audit Division, OME, dated June 3, 1959.

It is recommended that reimbursement be made to the Operator for 50 percent of the costs reported on supplementary Form MF-104 and MF-104A for the period from June 23, 1958 to March 31, 1959, and reinstatement of subsequent suspended costs, subject to your verification of arithmetical accuracy within the report, compliance with prior audit findings, and subject to a subsequent audit, except for the following suspensions:

<u>Suspension of item 3, drifting and crosscutting costs in excess of allowable maximum average unit cost of $45.00 a foot</u>

Costs reported to date including this supplementary report---	$59,421.55
July 1959 drifting costs disallowed----------	200.00
Balance----------	59,221.55
Allowable, 787 ft. of drift at $45.00 a foot----------	35,415.00
Excess costs----------	$23,806.55
Excess costs previously suspended----------	23,114.77
Excess costs suspended this report----------	$ 691.78

Reinstatement of item 2 installation of sump column, and pumps, including sump excavation, costs previously suspended pending clarification

August costs suspended	$ 977.24
September costs suspended	1,287.34
October costs suspended	1,421.70
Suspended costs to be reinstated	$3,686.28

Reconciliation with costs reported by Operator on Forms MF-104 and MF-104A for period June 23, 1958 to March 31, 1959

Total costs reported	$ 8,110.53
Costs suspended this report	691.76
Balance	$ 7,418.77
Previously suspended costs now reinstated	3,686.28
Total	$11,105.05
Government participation at 50 percent	$ 5,552.53
Amount due the Operator	$ 5,552.53

Original signed by

J. W. Townsend

JWT:ltm

cc: Chmn. Op. Comm(2) w/complete
MF-104 file) copy of
OME/SLC) Report
Hasler
Susp.
Chron.

3

Building 20 - Federal Center
Denver 25, Colorado

August 10, 1959

AIRMAIL
Memorandum

TO: Chairman, Operating Committee, GMK

From: Executive Officer, GMK Field Team, Region III

Subject: Docket No. DMRA 4981 (Lead-Zinc-Copper) Contract No. Ida-21215
New Park Mining Company (Wagflower Mine) Wasatch County, Utah

We are in receipt of the Operator's supplementary accounting report, Form MF-104, claiming reimbursement for the additional cost outlined in the Audit Certificate and Report of Audit of the subject account dated June 3, 1959, by the Contract Administration and Audit Division, GMK. The representatives of the General Accounting Office that are, at present, in this office conducting an audit of GMK accounts have indicated no exception to the allowability of the portion of the additional costs as outlined in the GMK Report of Audit.

The inspecting engineer and this office are firm in the opinion that the additional costs are reasonable and that they were a direct and necessary cost of performing the work provided for in the contract; however, under the circumstances I am in doubt as to whether or not the supplementary claim should be processed for reimbursement to the Operator until we are more certain of our ground. The Operator's claim totals $9,104.99, which would be reduced by the changes to drifting which cause the work to date to exceed the average maximum unit cost of $65.00 per foot.

Enclosed is a copy of a memorandum dated August 6, 1959, from H. H. Hence, Mining Engineer, Bureau of Mines, which reflects his opinion regarding the necessity for the work in question. I concur in his opinion, and in addition, believe the cost involved to be reasonable.

Processing of the supplementary report will be deferred pending receipt of advice from you in the matter.

Original signed by
J. W. TOWNSEND

JWT:lm

J. W. Townsend

cc: D.T.Finch, GMK Aud.
Corres. File, Reg. III
Supp. file
Chron.

Building 20 - Federal Center
Denver 25, Colorado

August 7, 1959

Memorandum

TO: Donald T. Finch, OSE Auditor, Region III

From: Executive Officer, OSE Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract No. Idm-E1218
New Park Mining Company (Mayflower Mine) Wasatch County, Utah

Enclosed are two copies of a memorandum dated August 6, 1959, from M. E. Howes, Mining Engineer, Bureau of Mines, which is in reference to certain additional costs of project work as outlined in your Audit Certificate and Audit Report dated June 3, 1959.

Also enclosed are two copies of a Labor Agreement between the Operator and the Lessees pertaining to installation of transfer pipe and installation of pump column and pumps.

Original signed by
J. W. TOWNSEND

J. W. Townsend

Encls.
Memo.

cc: MF-104 file (5) w/cpy Howes memo.
Corres. file, Reg. III) w/cpy Howes
memo. & Labor Agree.

Supp. file
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

DENVER EXPERIMENT STATION

BUILDING 20, FEDERAL CENTER
DENVER 25 COLORADO

August 6, 1959

Memorandum

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

From: M. H. Howes

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract No. Idm-E1218
New Park Mining Company (Mayflower Mine) Wasatch County, Utah

This memorandum is written in compliance with your verbal request for information regarding the installation of the transite pipe, and pumps and pump columns of Items Nos. 1 and 2 of the contract.

Item No. 1, provides for the installation of 7,140 feet of 16-inch transite pipe in the Mayflower tunnel (800 level). The transite pipe was designed to carry the mine water discharged from the 800-foot level plus the additional mine water to be developed by the proposed drifting and crosscutting on the 2005 level. The mine water was formerly discharged through a ditch, of limited capacity, in the Mayflower tunnel. In order to do work in the mine that would develop more water, a discharge facility of greater capacity had to be devised. It was possible either to enlarge the ditch or to install a pipe of sufficient size to carry the increased flow. The estimated cost of pipe and installation was less than the estimated cost of ditch enlargement. Therefore the pipe was used.

A labor contract between the company and the lessees was written to specify the position of installation of the 16-inch transite pipe and the terms of payment. The pipe was to be installed on a ballast of pea gravel at track grade, with the pipe ball no higher in elevation than the track ball, at a unit price of $2.00 per lineal foot plus fringes of 23 cents per lineal foot. Supervision at $200 per month was also allowed. It was mutually understood by the company and the lessees that the pipe would be laid in the old water ditch, and that the old water ditch would be cleaned out and deepened so that the top of the pipe would be at the proper elevation, and that installation, ballasting and tie downs would then be accomplished. Much of the Mayflower tunnel requires timber support. The old water ditch had been constructed in such a manner that the supporting timbers were not disturbed by the installation of the 16-inch transite pipe. However, a condition encountered, unforeseen by either the company or the lessees, caused considerable extra labor; certain of the old timbers had been installed in such a manner that they had to be removed to make room for the pipe, and new timbers had to be installed to clear the pipe. This work required several shifts more than would have been necessary under normal conditions, and the cost is considered by the company and inspecting engineer to be reasonable and necessary.

#3

NEW PARK MINING COMPANY

KEETLEY, UTAH

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

August 21, 1959

Mr. J. W. Townsend, Executive Officer
O. M. E., Field Team Region III
Building 20, Federal Center
Denver 25, Colorado

Re: Docket No. EMEA 4981
Contract No. Idm - E1218

Dear Mr. Townsend:

We are resubmitting MF 104 forms on the above referenced contract, covering audit disallowances and also additional costs that we feel are acceptable against the three projects. I am also enclosing a narrative prepared by our mine superintendent, indicating the type of work that require these additional costs.

I trust this information is presented as requested in your recent letter.

Very truly yours,

NEW PARK MINING COMPANY

CLARK L. WILSON,
Vice President

CLW:ih

OME
DEPARTMENT OF THE INTERIOR
AUG 28 1959
REGION III
DENVER, COLORADO

Item No. 2, as revised by Amendment No. 1 to the contract, states that installation in the shaft of a 12-inch steel water column from the 2005 level to the 1630 level, and a 10-inch steel water column from the 1630 level to the 800 level (Mayflower tunnel) shall be accomplished; also, that two 350-HP pumps shall be installed on the 1630 level and that two 450-HP submersible pumps shall be installed on the 2005 level. The installation of the pumps and pump columns is necessary to take care of the water expected to be developed by the proposed drifting and crosscutting on the 2005 level.

A labor contract between the company and the lessees was drawn up to specify the method of installation of pumps and pump columns, at a unit price of $2.00 per lineal foot plus fringes of 23 cents per lineal foot. Supervision at $200 per month was also allowed. It was mutually understood and agreed by the company and the lessees that this labor contract applied only to the actual installation of pumps and pump columns. In order to prepare the shaft for the installation it was necessary to clear out the compartment in which the column was placed and to enlarge the sump on the 2005 level. The shaft compartment clean-out job involved removal of certain timbers and pipes and realignment of other pipe lines and electric cables. The enlargement of the sump on the 2005 level included deepening, raising, and lateral excavation to make room for the pumps and pump accessories. The preparatory work described took considerable time and was considered to be above and beyond the actual pump and pump-column installation requirements and its cost was considered, by the company and the inspecting engineer, to be reasonable and necessary.

M. H. Howes

M. H. Howes

cc:

Mr. J. W. Townsend
Executive Officer O.M.E.
Field Team Region III
224 New Customhouse
Denver 2, Colorado

August 18, 1959

Re: Docket No. DMEA 4981
Contract No. Idm - E-1218

Dear Sir:

Enclosed are five copies each of form MF-104, Form MF-104A, and the cost distribution sheet after June 23, 1958, to July 3, 1959, audit.

"Additional costs acceptable", found on the enclosed cost distribution sheet are direct costs applicable to projects No. 1, No. 2, and No. 3, they were incurred as follows:

Project No. 1, ($374.00) this expense is the result of 22 man-shifts spent in retimbering an old section of the Mayflower tunnel in which the 16 inch transite tunnel pipe was installed.

($41.58) this expense is for 120 ft. of 40 lb. rail used in the pump installation and not previously charged against the project. The rail was used in cementing the abutments for the pump installation and should be a direct charge against project No. 2.

Project No. 2, ($7,037.00) this expense was incurred as follows:

$2,449.00 = 152.5 manshifts in preparation of the shaft for the new pump column.

$3,740.00 = 229 manshifts in preparation for water ways across the 2005 level and sumps.

$ 848.00 = 53 manshifts in power cable installation in shaft for 2005 level 450 hp. pumps.

$7,037.00 Total.

Prior to the installation of this equipment, it was necessary to clean out one compartment of the shaft to provide the necessary space for the new pump column installation. This work consisted of removal of the two six inch temporary pump columns, the elec. cables, ladder ways, etc., without interrupting the power supply and the temporary pumping facilities.

The 2005 level work consisted of installation of water ways

OME
DEPARTMENT OF THE INTERIOR
AUG 28 1959
REGION III
DENVER, COLORADO

across the station to the water sumps and the pump installation.

Project No. 2, ($97.52) this expense is for fringes on the above labor costs.

($217.52) this expense is for 3,351 bd. ft. of timber used in cement work forms and supports for the pump and pump column installation.

($9.05) this expense is a corrected cost in the price of explosive caps used in the 2005 level station preparation, and the 2005 level sump.

Project No. 3, ($1,328.32) this expense is the difference in cost for February and March power bill as calculated on the cost per ton hoisted base. "Note Audit Report".

We have a verbal agreement with the lessees that since this work could not be measured in units, they were to proceed with it as expeditiously as possible and we would reimburse them for their actual labor costs. On this basis, we feel that these charges are a justified expense to the DMEA Unit.

Should your office require any additional information in regards to these "Additional Costs Acceptable" please let us know.

Very truly yours,

Gale A. Hansen
General Superintendent

GAH:jw

DEPARTMENT OF
AUG 28 19
REGION
DENVER, COLORADO

NEW PARK MINING COMPANY
D.M.E.A. PROJECTS
JUNE 23, 1958 TO JUNE 30, 1959 DOCKET NO. DMEA 4981 CONTRACT NO. E-1218

ITEMS OF COST	BALANCE AFTER AUDIT DISTRIBUTION CORRECTION	MF-104 April 1959	MF-104 MAY 1959	MF-104 JUNE 1959	TOTALS AFTER AUDIT CORRECTIONS	AUDIT DISALLOWANCES PROJECT NO. 1	PROJECT NO. 2	PROJECT NO. 3	ADDITIONAL COST ACCEPTABLE PROJECT NO. 1	PROJECT NO. 2	PROJECT NO. 3		TOTAL AFTER AUDIT ADJUSTMENTS AS OF JUNE 30, 1959
(1) Independent Short Form Contracts:													
Drilling													
Bulldozing													
Crosscutting													
Drifting													
(2) Labor and Supervision:													
Labor	20,116.03	4,546.40	3,079.23	4,232.22	31,973.93				374.00	7,037.00		7,411.00	39,384.93
Supervision	5,500.00	650.00	650.00	650.00	7,450.00								7,450.00
Technical Services													
(3) Operating Mat'ls and Supplies:													
Timber	1,009.20	281.83		22.56	1,313.59					217.52		217.52	1,531.11
Explosives	751.15	556.44	581.14	1,084.28	2,973.01			518		9.05		3.87	2,976.88
Pipe	12,928.40	1,639.10	219.82	127.50	14,914.82	26252		23162				49414	14,420.68
Track	559.90	77.07	81.22	171.87	890.06			39193	41.58			35035	539.71
Pipe Column @ 50%	8,249.82				8,249.82		9538					9538	8,154.44
Supplies	3,903.54	1,355.94	444.02	1,495.08	7,198.58			783				783	7,190.75
(4) Operating Equipment:													
Power	968.13	1,290.59	1,398.07	2,366.93	6,023.72						1,328.32	1,328.32	7,352.04
Purchase													
Depreciation	1,253.66	783.40	1,238.40	1,238.40	4,513.86								4,513.86
(5) Initial Rehabilitation & Repairs:													
(6) New Bldgs., Improvements, Etc.:													
(7) Miscellaneous:													
Repairs to Equipment	392.50				392.50								392.50
Sampling and Analysis													
Payroll Taxes													
Liability Insurance													
Accounting	2,150.00	250.00	250.00	250.00	2,900.00								2,900.00
Fringe Benefits	2,538.23	389.39	201.72	151.23	3,280.57					97.52		97.52	3,378.09
(8) Contingencies (specify):													
TOTALS	60,320.61	11,820.16	8,143.62	11,790.07	92,074.46	26252	9538	63656	415.58	7,361.09	1,328.32	8,110.53	100,184.99

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

Budget Bureau No. 42-R1036.5

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

Month of October, 1959 Docket No. DME-1021 Contract No. 1210
Operator's Name New Park Mining Company Minerals Lead, Zinc and Copper
Address 907 Walker Bank Building, Salt Lake City, Utah
Contract Amount $84,000.00 Government Participation 60 % Amount, $32,440.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	4,005.95	47,067.64	51,073.59			
Supervision	650.00	9,600.00	10,250.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	1,437.75	3,002.46	4,440.21			
Explosives	347.41	3,960.55	4,307.96			
Pipe	54.32	14,621.55	14,675.87			
Track	43.05	662.21	705.26			
Pipe Column 0903		8,154.44	8,154.44			
Supplies	345.47	8,265.47	8,610.94			
(4) Operating Equipment:						
~~Rental~~ Power	1,955.70	12,022.89	13,978.59			
Purchase						
Depreciation	1,230.40	8,229.06	9,467.46			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		1,116.14	1,116.14			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Accounting	250.00	3,650.00	3,900.00			
Fringe Benefits	214.76	3,921.90	4,136.66			
(8) Contingencies (specify):						
Totals	10,542.81	124,274.31	134,817.12	6011.28	94,688.28	92,699.56

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

Date 11-14-59 *Payee New Park Mining Company

Per [signature] Title Vice President

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

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

(Instructions on reverse)

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

$3005.64

Signature [signature]
(Authorized Certifying Officer)

Date 12/1/59 Vou. No. DME 60-15

(See other side)

DEC 7 1959 D.M.E.
ORIGE
DEPARTMENT OF THE INTERIOR
NOV 24 1959
REGION III
DENVER, COLORADO

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E1218 in accordance with the terms of the contract.

Signature J.W. Romolo Checked for Engineering Allowability Title Mining Engineer Date 11/25/59

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature J.W. Lemmond Title Executive Officer Date NOV 27 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

DEC 7 1959 O.M.E.

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

Month of October 1959 Docket No. DMEA 4981 Contract No. E-1218

Operator's Name New Park Mining Company Minerals Lead, Zinc and Copper

Address 907 Walker Bank Building, Salt Lake City, Utah

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
09 Drifting	Foot	5,351.41	61½	59,421.53	707	75.50	0600	65.00
~~Crosscutting~~ Timbering	Foot	1,206.46	60	3,004.96	169	22.57		11.00
04 ~~Raising~~	Foot	2,453.24	57½	3,119.70	70½	44.25		40.00
02 ~~Shafts~~ Pumps & Columns	Foot	1,421.79	None	27,374.14	1519	18.09	1660	
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
01 -16" Transite Pipe	Foot	None	None	41,030.71	7149½	5.74	7140	
Total Distributed Costs		10,542.81		134,017.12				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		10,542.81		134,017.12				

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

Date 11-14-59 Operator New Park Mining Company

Per [signature] Title Vice President

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

(Instructions on reverse)

Remarks:

OME
DEPARTMENT OF THE INTERIOR
NOV 24 1959
REGION III
DENVER, COLORADO

(For Government use only)

[signature]

INSTRUCTIONS

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

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

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

GPO 872894

WO (2)

DISTRIBUTION MADE
DEC 3 1959

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

Administrative Audit Difference Statement

Date: 12/30/59
Payee's
Reference: October 1959

New Rock Mining Company
907 Walker Bank Building
Salt Lake City 11, Utah

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

Amount Claimed $ 10,[illegible]

Difference $ 4,331.53

Amount Approved $ 6,011.[illegible]

The reason for the difference was due to:

Suspension of item 1, drilling and carbide lamp costs in excess of allowable maximum overall unit cost of $[illegible].00 a foot

Reported, 61.5 feet of drill at total cost of ---------- $ 5,331.61
Allowable, 61.5 feet of drill at maximum average unit cost of $65.00 a foot ---------- 2,767.50
Amount suspended ---------- 2,[illegible].51

Suspension of item 2-a, Airbrasive costs in excess of allowable maximum average unit cost of $11.00 a foot

Reported, 12 feet of drill tailing at total cost of ---------- $ 1,316.06
Allowable, 12 feet of drill tailing at $11.00 a foot maximum ---------- 132.00
Amount suspended ---------- 1,[illegible]

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

Description of Item 3, Pump, Pump Column and Pump Accumulator Costs Reported Review of Total Item 3 Costs Reported to Date

Costs reported on Forms 87-Ub & 87-Ubb for October 1953 suspended----------$ 2,421.70

Reinstatement of previously suspended Item 4, Casing Costs that were in excess of allowable unit cost of $[illegible] a foot

The total costs reported to date fall below the maximum average unit cost provided for in the contract; therefore, excess costs that were suspended from the September 1953 report are reinstated in the amount of $12.94.

Total Costs reported this report----------	$10,542.61
Excess Drilling costs suspended----------	8,533.92
Excess Tubering costs suspended----------	591.65
Pump & Pump Column costs suspended----------	1,421.70
Total costs suspended----------	10,547.27
Reinstatement of previously suspended Casing Costs----------	12.94
Total allowable costs this report----------	8,011.28

OFFICIAL FILE COPY O. M. E. RECEIVED DEC 7 1959		
DATE	INITIALS	CODE

Building 20 - Federal Center
Denver 25, Colorado
November 27, 1959

Memorandum

TO: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Contract No. DMEA 4981 (Lead-Zinc-Copper) Contract No. Ma-K1218
New Park Mining Company (Mayflower mine) Wasatch County, Utah

Enclosed are the original and four copies each of Forms MF-104 and MF-104A; Operator's narrative report, distribution sheet, and supporting schedule of equipment depreciation and basis for power charge; progress map; and engineer's inspection report for the month of October 1959.

It is considered that the Operator has complied with the intent of the contract and the work for which reimbursement is claimed is acceptable to the Government.

Documentation of incurred costs has been waived; therefore, it is recommended that reimbursement be made to the Operator for 50 percent of the amount reported for the month on Form MF-104, subject to your verification of arithmetical accuracy within Form MF-104, and contingent on the findings of a subsequent on-site audit of the Operator's accounts, except for the following suspensions of excess costs and reinstatement of previously suspended costs.

<u>Suspension of item 3, drifting and crosscutting costs in excess of allowable maximum average unit cost of $45.00 a foot</u>

Reported, 61.5 feet of drift at total cost of	$ 5,351.41
Allowable, 61.5 feet of drift at maximum average unit cost of $45.00 a foot	2,767.50
Amount to be suspended this report	$ 2,583.91
Amount previously suspended	20,530.86
Total drifting costs suspended to date	$23,114.77

<u>Suspension of item 3-A, timbering costs in excess of allowable maximum average unit cost of $11.00 a foot</u>

Reported, 68 feet of drift timbering at total cost of	$1,386.46
Allowable, 68 feet of drift timbering at $11.00 a foot maximum	748.00
Amount to be suspended this report	$ 638.46
Amount previously suspended	1,467.50
Total timbering costs suspended to date	$2,005.96

Reconciliation of item 2, water, pump column and pump connection costs reading review of total item 2 costs reported to date

Costs reported on Forms MP-104 & MP-104A for October 1959 to be suspended	$1,481.70
Amount previously suspended	3,654.38
Total pump & pump column costs suspended to date	$5,036.08

Reinstatement of previously suspended item 4, Holding Costs that were in excess of allowable maximum unit cost of $18.00 a foot

The total costs reported to date fall below the maximum average unit cost provided for in the contract; therefore, amount costs that were suspended from the September 1959 report are to be reinstated in amount of $18.54.

Reconciliation with costs reported by the Operator on Forms MP-104 and MP-104A for month of October 1959

Total costs reported this report		$10,542.81
Kansas Drilling costs suspended this report	$2,585.91	
Kansas Timbering " " " "	558.46	
Pump & Pump Column " " " "	1,481.70	
Total costs to be suspended		4,544.07
Balance		$ 5,998.74
Reinstatement of previously suspended Holding Costs		18.54
Total allowable costs this report		$ 6,017.28
Government participation at 50 percent		$3,008.64

Original signed by

J. W. Townsend

JWT:ltm

cc: Chem. Op. Comm. (2)w/cpy complete
MP-104 file, Reg. III } report
CMM/SLC }
Hasler)w/cpy engr's rept & Oper's rep
Sharp.
Chrom.

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 7 1959

DATE	INITIALS	CODE

Building 20 - Federal Center
Denver 25, Colorado
November 27, 1959

Memorandum

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

From: T. M. Romslo

Subject: Progress Report for October 1959, Docket No. IMMA 4981 (Lead-Zinc-Copper) Contract No. Ida-21218, New Park Mining Company (Mayflower mine) Wasatch County, Utah

The exploratory workings of the captioned contract were inspected by me November 5, 1959, in the company of Robert Archer, the Operator's resident mining engineer and geologist, J. W. Mazler, U. S. G. S., and Pedro Cortes, Mining Engineer, Philippine Bureau of Mines. Mr. Cortes, is in this country on a training program sponsored by the International Cooperation Administration.

Progress for the reporting period was found to be as follows and as recorded in the attached Operator's Report.

Item No. 2-Pumps and Pump Column

Excavations to a depth of 34 feet in the sump from the 2005 level have been completed and the walls of the sump have been rock bolted and covered with wire mesh. Work to be done before the pumps can be installed include the construction of a concrete bulkhead in the opening to the skip pocket and the indicated gunniting operation.

Item No. 3-Drifting and Crosscutting

The 2005 west drift had been advanced 61.5 feet to a point 105.5 feet beyond survey station No. 5605. Much of the drifting was in heavy ground associated with the fault zone encountered during August.

Item No. 3A-Timbering

A total of 68 lineal feet of the 2005 west drift was supported with drift-sets of timber or steel members. Cross sections of the drift in both the supported and unsupported sections were nowhere less than the specified minimum of 5 ft. by 7 ft.

Item No. 4, Ventilation Raise

The timbered 6 ft. by 12 ft. Ventilation raise No. 20-[illegible], which is being driven from the 2005 level to the 1800 level was advanced an additional 57.5 feet. Counting the 15 feet of previous advance and the 10-foot high drift, the raise had reached a height of 80.5 feet above the track.

ANALYSIS OF THE OPERATOR'S REPORT

Form MF-104

An inspection of the accounts indicates that the reported charges were necessary and that they are not excessive. Charges for depreciation of equipment are as specified by the contract and the charge for power has been properly prorated on the basis of the reported tons of waste or ore hoisted from the subordinated and unsubordinated sections of the mine.

The reported charges as segregated on Form MF-104A with the suspendable and allowable costs are as shown in the following table. An amount previously suspended has been added to the allowable costs:

Item No.	Reported	Suspendable	Allowable
2-(Sump)	$ 1,421.76	$1,421.76 1/	$ 0.00
3-Drifting	5,351.41	2,583.91 2/	2,767.50
34-Timbering	1,286.46	538.46 3/	748.00
4-Raising	2,483.24	0.00	2,483.24 4/
October Totals	$10,542.81	$4,544.07	$5,998.74
To be reinstated			12.54 5/
Total subject to Government participation			$6,011.28

Form MF-104A

The costs are in agreement with the total cost of Form MF-104.

Narrative Report

The report with attached maps is acceptable.

1/ Suspendable pending resolution of matters pertaining to allowability.

2/ Suspendable after allowance of $2,767.50 for the 61.5 feet of drifting at $45.00 per foot.

3/ Suspendable after allowance of $748.00 for the 68 feet of timbering at $11.00 per foot.

4/ Less than the maximum allowable $2,760.00 for 57.5 feet of raising at $48.00 a foot.

5/ Suspended from September 1959 accounts. Now reinstateable since the reported total cost of raising to date $3,119.78 ($636.54 for Sept. and $2,483.24 for Oct.) is $264.22 less than the maximum allowable $3,384.00 for the 70.5 feet of advance at $48.00 per foot.

TMR:ltm

T. M. Reesolo

cc: 6
7

NEW PARK MINING COMPANY

KEETLEY, UTAH

SALT LAKE CITY OFFICE
204 WALKER BANK BUILDING

November 23, 1959

Mr. J. W. Townsend, Executive Officer
OME, Field Team Region III
Building 20
Federal Center
Denver, Colorado

Re: Docket No. DMEA 4981
Contract No. Idm E-1218

Dear Mr. Townsend:

I am enclosing the New Park MF 104 forms and accompanying reports for the month of October.

As indicated in some of our previous correspondence the mechanical difficulties on equipment are pretty well ironed out and the rate of progress has materially increased in the main drift heading.

Very truly yours,

NEW PARK MINING COMPANY

Clark L. Wilson
Vice President

CLW:jw

OME
DEPARTMENT OF THE INTERIOR
NOV 24 1959
REGION III
DENVER, COLORADO

Mr. J.W. Townsend
Executive Officer, OME
DMEA Field Team Region III
224 New Customhouse
Denver 2, Colorado

November 17, 1959

Re; Docket No. DMEA 4981 - Contract E-1218
October Report - Items No. 2, No. 3, No. 4

Dear Sir:

Item No. 2 - Pumps and Pump Column

Work is almost completed in the 2005 Sump. Excavation to adepth of 34 feet has been completed and the open portion of the sump has been rock bolted and covered with wire mesh. Forms are being installed for the concrete bulkhead in the opening into the skip pocket.

Item No. 3 - Drifting and Cross-Cutting

The 2005 West Drift was advanced a total of sixty-one and one-half feet (61½ Ft.) during October.

Much of the advance was in caving ground and progress has continued to be slow; however, the face is now in moderatly hard rock and has been advanced for several rounds without timber. A total of 52½ ft. of the drift was timbered with 10" x 10" drift sets, and 4 steel sets covering a distance of 15½ Ft. were also installed.

The northwest dipping fault zone which was encountered during August was found to split into several strands as the drift advanced westward, and the drift is now out of the main fault zone. The drift crossed a 25 foot wide zone of metamorphosed siliceous sedimentary rock containing garnet, epidote, and other contact minerals. The contact was gradutional between the black fine grained shaft diorite on the east and this zone. On the west side of the metamorphic zone, the rock grades into a greenish gray, medium grained, porphyry. The face is now in this rock. (See enclosed geology map.)

Item No. 4 - Ventilation Raise

20-S82 Ventilation Raise was advanced a total of fifty-seven and one-half feet (57½ Ft.) during October. The raise is in diorite rock and entered a fissure approximatly sixty-five feet above the 2005 level. Cut samples taken in the raise show that the fissure as yet contains minor metal values. (See cross section)

Enclosed are the following: Drift progress and geology map, raise cross section, unit cost itemization, depreciation schedule, power schedule, monthly report and voucher, unit cost and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

By Gale A. Hansen
Gale A. Hansen
General Superintendent

OME
DEPARTMENT OF THE INTERIOR
NOV 24 1959
REGION III
DENVER, COLORADO

GAH:jc

NEW PARK MINING COMPANY

D.M.E.A. UNIT #3

DEPRECIATION SCHEDULE - OCTOBER, 1959

(4) DEPRECIATION:	Cost	This Month	Note
2° Cable	$ 4,051.50	$ 67.50	
630 Eimco Loader	10,100.00	168.33	
1 - Train Car Loader (5 - Car Train)	19,000.00	189.41	(3 - Cars)
1 - Charging Panel	740.00	12.33	
2 - Motor Batteries (4 Ton 50 Cell)	6,500.00	54.16	(1 - Battery)
1 - Set 150 KVA Transformers	1,800.00	30.00	
5 - 25 HP Fans	3,500.00	11.67	(1 - Fan)
1 - Jumbo	15,000.00	250.00	
2 - B.J. Submersible Pumps	28,145.00	455.00	
TOTAL		$1,238.40	

COPY

OME
DEPARTMENT OF THE INTERIOR
NOV 24 1959
REGION III
DENVER, COLORADO

NEW PARK MINING COMPANY
D.M.S.A. POWER SCHEDULE
UNIT #3 OCTOBER, 1959

(4) Power:

Total Waste hoisted from 2005 Level Drift	990	Tons
Total Waste hoisted from 20-882 Raise	486	
Total Ore and Waste from other Levels	4,175	Tons
Total Tons of Rock hoisted	5,651	

Power Costs as per Voucher No. 2609

	$7,488.30 ÷ 5,651 Tons =	$1.325/Ton
(2005 Drift)	$ 1.325 x 990 Tons =	$1,311.75
(20-882 Raise)	$ 1.325 x 486 Tons =	$ 643.95

COPY

NEW PARK MINING COMPANY
D.M.E.A. PROJECTS

MONTH OCTOBER, 1959 DOCKET NO. DMEA 4961 CONTRACT NO. E-1218

	ITEMS OF COST	PROJECT NO. 2	PROJECT NO. 3	NO. 3-A TIMBERING	PROJECT NO. 4				TOTALS
(1)	Independent) Short Form) Contracts								
	Drilling								
	Bulldozing								
	Cross Cutting								
	Drifting								
(2)	Labor and Supervision								
	Labor	1,080.00	1,662.95	136.00	1,127.00				4,005.95
	Supervision	100.00	450.00		100.00				650.00
	Technical Services								
(3)	Operating Mat'ls and Supplies								
	Timber	11.90		1,137.66	288.19				1,437.75
	Explosives	6.96	167.45		173.00				347.41
	Pipe		54.32						54.32
	Track		43.05						43.05
	Pipe Column @ 50%								
	Supplies	63.64	152.93	12.80	116.10				345.47
(4)	Operating Equipment								
	Power		1,311.75		643.95				1,955.70
	Purchase								
	Depreciation		1,238.40						1,238.40
(5)	Initial Rehabilitation & Repairs								
(6)	New Bldgs, Improvements, Etc.								
(7)	Miscellaneous:								
	Repairs to Equipment								
	Sampling								
	Payroll Taxes								
	Liability Insurance								
	Accounting	35.00	180.00		35.00				250.00
	Fringe Benefits	124.20	90.56						214.76
(8)	Contingencies (specify):								
	TOTALS	1,421.70	5,351.41	1,286.46	2,483.24				10,542.81

OME
DEPARTMENT OF THE INTERIOR
NOV 24 1959
REGION III
DENVER, COLORADO

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

Budget Bureau No. 42-R1036.5

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

NOV 19 1959 O.M.E.

Month of September 1959 Docket No. DMEA 4921 Contract No. B-1218
Operator's Name New Park Mining Company Minerals Lead, Zinc and Copper
Address 907 Walker Bank Building Salt Lake City, Utah
Contract Amount, $364,000.00 Government Participation: 50 % Amount, $182,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	1,699.00	45,407.84	47,067.84			
Supervision	650.00	8,950.00	9,600.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	1,147.55	1,884.91	3,032.46			
Explosives	15.98	3,944.57	3,960.55			
Pipe		14,621.55	14,621.55			
Track		662.21	662.21			
Pipe Column 0 305		8,154.44	8,154.44			
Supplies	13.00	8,252.47	8,265.47			
(4) Operating Equipment:						
Power						
Rental	483.60	11,537.29	12,022.89			
Purchase						
Depreciation	1,290.60	6,998.66	8,289.06			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	670.20	455.94	1,126.14			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance	250.00	3,400.00	3,650.00			
Accounting						
Fringe Benefits	176.30	3,745.69	3,921.99			
(8) Contingencies (specify):						
TOTALS	6,397.03	117,696.60	124,274.31	1295.00	90,393.28	91,688.28

OME
DEPARTMENT OF THE INTERIOR
OCT 23 1959
REGIONAL
DENVER, COLORADO

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 10-15-59 Payee New Park Mining Company
Per [signature] Title Vice President

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$647.50
Signature [signature] (Authorized Certifying Officer)
Date 11/12/59 Voucher No. DMEA 60-14
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E 1218 in accordance with the terms of the contract.

Signature T M Tomelo Checked for Engineering Allowability Title Mining Engineer Date 11/9/59

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date NOV 20 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 872893

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

NOV 19 1959 O.M.E.

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1959 Docket No. DMEA 4981 Contract No. E-1218

Operator's Name New Park Mining Company Minerals Lead, Zinc and Copper

Address 907 Walker Bank Building, Salt Lake City, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
#3 Drifting	Feet	3,114.20	none	54,070.12	725½	74.53	8,600	45.00
~~[illegible]~~ Timbering	Feet	1,339.75	61	2,578.50	101	25.53		11.00
#4 Raising	Feet	636.54	13	636.54	13	48.96		
#2 ~~[illegible]~~ Pumps & Column	Feet	1,287.34	none	25,952.44	1513	17.15	1,660	
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
#1 - 16" Transite Pipe	Feet	none	none	41,036.71	7149½	5.74	7,140	
TOTAL DISTRIBUTED COSTS		6,377.83		124,274.31				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		6,377.83		124,274.31				

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

Date 10-15-59 Operator New Park Mining Company

Per [signature] Title Vice President

REMARKS:

OME
DEPARTMENT OF THE INTERIOR
NOV 3 1959
REGION III
DENVER, COLORADO

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

(Instructions on reverse)

(For Government use only) [signature]

INSTRUCTIONS

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

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

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

GPO 872894

OFFICIAL FILE COPY
O. M. F.
RECEIVED NOV 19 1959

DATE	INITIALS	CODE
11-19	gad	NRO
		800

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

DISTRIBUTION MADE
NOV 16 1959

Administrative Audit Difference Statement

Date: 11/12/59
Payee's Reference:

Bow Park Mining Company
307 Walker Bank Building
Salt Lake City 11, Utah

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

Amount Claimed $ 6,377.03

Difference $ 5,082.03

Amount Approved $ 1,295.00

The reason for the difference was due to:

Suspension of item 3, drifting and crosscutting in excess of allowable maximum average unit cost of $45.00 a foot

Reported, drift improvement at additional cost of-------- $3,114.20
Allowable---------- 0.00
Amount suspended this report---------- $3,114.20

Suspension of item 3-A, timbering costs in excess of allowable maximum average unit cost of $11.00 a foot

Reported, 61 ft. of drift timbering at cost of---------- $1,339.75
Allowable, 61 ft. of drift timbering at $11.00 a foot---- 671.00
Amount suspended this report---------- 668.75

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

Suspension of item 2, [illegible]ans, pump column and sump excav[illegible]on costs pending review of total item 2 costs reported to date

Costs reported on September UF-104 report----------	$1,297.94
Amount suspended this report----------	1,297.94

Suspension of item 4, raising cost in excess of allowable maximum average unit cost of $48.00 a foot

Reported, 13 ft. at cost of ----------	$ 636.94
Allowable, 13 ft. at maximum unit cost of $48.00 a foot--------	624.00
Amount suspended this report----------	$ 12.94

Total suspensions this report----------	$5,002.03

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 19 1959

DATE	INITIALS	CODE

Building 20 - Federal Center
Denver 25, Colorado
November 18, 1959

Memorandum

TO: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Contract No. DMSA 4261 (Lead-Zinc-Copper) Contract No. Zin-31213
New Park Mining Company (Keystone mine) Wasatch County, Utah

Enclosed are the original and four copies each of Forms MF-104 and MF-104a; Operator's narrative report, distribution sheet, and supporting schedule of equipment depreciation and basis for power charge; progress map; and engineer's inspection report for the month of September 1959.

It is considered that the Operator has complied with the intent of the contract and the work for which reimbursement is claimed is acceptable to the Government.

Documentation of incurred costs has been waived; therefore, it is recommended that reimbursement be made to the Operator for 50 percent of the amount reported for the month on Form MF-104, subject to your verification of arithmetical accuracy within Form MF-104, and contingent on the findings of a subsequent on-site audit of the Operator's accounts, except for the following exceptions:

<u>Reduction of item 1, drifting and crosscutting in excess of allowable maximum average unit cost of $15.00 a foot</u>

Reported, drift improvement at additional cost of	$3,114.20
Allowable	0.00
Amount suspended this report	3,114.20
Amount previously suspended	17,416.66
Total drifting costs suspended to date	$20,530.86

<u>Reduction of item 1-a, timbering costs in excess of allowable maximum average unit cost of $1.00 a foot</u>

Reported, 671 ft. of drift timbering at cost of	$ 1,339.75
Allowable, 671 ft. of drift timbering at $1.00 a foot	671.00
Amount to be suspended this report	668.75
Amount previously suspended	718.75
Total timbering costs suspended to date	$ 1,387.50

Suspension of item 2, pumps, pump valves and pump suspension costs pending review of total item 2 costs reported to date

Costs reported on September MP-104 & 104A reports	$1,897.34
Amount suspended this report	1,897.34
Amount previously suspended	777.[illegible]
Total item 2 costs suspended to date	[illegible]

Suspension of item 4, raising cost in excess of allowable maximum average unit cost of $48.00 a foot

Reported, 13 ft. at cost of	$ 636.34
Allowable, 13 ft. at maximum unit cost of $48.00 a foot	624.00
Amount suspended this report	12.34
Amount previously suspended	0.00
Total raising costs suspended to date	$ 12.34

Reconciliation with total costs reported by the Operator on Form MP-104 & MP-104A for the month of September 1951

Total costs reported		$ 6,377.83
Suspended this report - Drifting	$5,114.80	
- Timbering	668.75	
- Pumps & Column	1,897.34	
- Raising	12.34	
Total suspensions this report		$ 7,693.23
Balance of reported costs		1,315.05
Reimbursement to Operator, Government participation at 50%		$ 657.50

Original signed by

J. W. Townsend

JWT:ltm

cc: Chem. Op. Comm. (2)w/complete
MP-104 file, Reg. III) cpy of
GSR/SLC) Report
Healer)w/cpy engr's rept & Oper's map only
Hump.
Chevon.

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 19 1959

DATE	INITIALS	CODE

Building 20 - Federal Center
Denver 25, Colorado
November 9, 1959

Memorandum

TO: J. W. Townsend, Executive Officer, GSS Field Team, Region III

FROM: T. M. Romslo

Subject: Progress Report for September 1959, Docket No. MRA 4981 (Lead-Zinc-Copper) Contract No. Ibs-XIF18, New Park Mining Company (Mayflower mine) Wasatch County, Utah

The pertinent underground workings of the Mayflower mine were inspected by on November 5, 1959 in the company of Robert Archer, the Operator's resident mining engineer and geologist, J. W. Hasler, U. S. G. S., and Pedro Cortes, Mining Engineer, Philippine Bureau of Mines. Mr. Cortes is in this country on a training program sponsored by the International Cooperation Administration. Progress for the reporting period in operations authorized by the captioned contract were found to be as follows and as recorded in the attached Operator's Report.

Item No. 2-Pumps and Pump Column

Work continued on the enlargement of the sump on the 2005 level to properly accommodate two 450-hp. sub-mersible pumps which will replace the 3 existing smaller pumps. Crews engaged in other operations work on this job as time permits.

Item No. 3 Drifting and Crosscutting

Although there was no advance in the 2005 west drift considerable necessary work for resumption of drifting was accomplished. To provide a walkway and an adequate drainage ditch, a 175-foot section of track was raised 2 feet and placed on wooden sills. Other work done included the installation of the steel and timber drift sets of Item No. 3A and the repairing of equipment.

Item No. 3A Timbering

A 45-foot section of loose ground in the 2005 west drift was made safe by installing 10 steel sets with necessary timber lagging. In addition a 16-foot section of the drift was supported with timber sets at the site of a ventilation raise which is being driven to the 1800 level.

The steel and timber sets are of standard construction and provide a minimum of 5 ft. by 7 ft. of clear working area.

Item No. 4-Ventilation Raise

A timbered, 6 ft. by 12 ft. ventilation raise from the 2005 level to the 1800 level was started and advanced 13 feet to a height of about 22 feet above the track.

ANALYSIS OF THE OPERATOR'S REPORT

Form MP-104

An inspection of the accounts indicates that the reported charges were necessary and that they do not appear to be excessive. Charges for depreciation of equipment are as specified by the contract and the charge for power has been properly prorated on the basis of the reported tons of waste/or ore hoisted from subestimated and unsubestimated sections of mine.

The reported charges as segregated on Form MP-104A with the suspendable and allowable costs follow:

Item No.	Reported	Suspendable	Allowable
2 (sump)	$1,287.34	$1,287.34 1/	$0.00
3 Drifting	3,114.20	3,114.20 2/	0.00
3A Timbering	1,339.75	668.75 3/	671.00
4 Raising	696.54	12.54 4/	684.00
	$6,537.83	$5,082.83	$1,355.00

1/ Suspendable pending resolution of matters pertaining to allowability of work.

2/ Charge for necessary work while drifting was temporarily halted.

3/ Suspendable after allowance of $671.00 for 61 feet of timbering at $11.00 per foot.

4/ Suspendable after allowance of $684.00 for 13 feet of advance at $48.00 per foot.

Form MP-104A

The costs are in agreement with total cost of Form MP-104.

Narrative Report

The narrative report with attached maps is acceptable.

T. M. Ronalo

TMR:ltm

cc: 6
Chron.

NEW PARK MINING COMPANY
KEETLEY, UTAH

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

OME
DEPARTMENT OF THE INTERIOR
NOV 3 1959
REGION III
DENVER, COLORADO

November 2, 1959

Mr. J. W. Townsend, Executive Officer
O.M.E., Field Team Region III
Building 20
Federal Center
Denver, Colorado

Re: Docket No. DMEA 4981
Contract No. Idm E-1218

Dear Mr. Townsend:

I wish to acknowledge your recent letter requesting additional breakdown of cost information on Project No. 3.

We are resubmitting this information for August and September, and you will notice we now list Project No. 3, which covers the drifting, and Project No. 3A, covering the timbering.

This latter account has been broken down as to labor, timber and fringe benefits. In checking over these accounts, I notice a discrepancy on form MF-104A for September, between totals for Projects shown thereon as compared to the totals shown on the accompanying yellow work sheets. Our accountant informs me this was due to a small error in charging fringe benefits between the various projects. You will notice that the total cost still remains the same. Please substitute the enclosed corrected MF-104A forms.

I trust this is the information you requested, and we will continue with this type of cost breakdown.

Very truly yours,

CLARK L. WILSON,
Vice President

CLW:ih

11/3/59 Cpy 104 fil 505p.

5

NEW PARK MINING COMPANY

KEETLEY, UTAH

SALT LAKE [illegible]
[illegible] BANK BUILDING

October 21, 1959

OME
DEPARTMENT OF THE INTERIOR
[illegible] 1959
REGION III
DENVER, COLORADO

Mr. J. W. Townsend, Executive Officer
O.M.E. Field Team, Region III
Building 20
Federal Center
Denver, Colorado

Re: Docket No. DMEA 4991
Contract No. Idm E-1218

Dear Mr. Townsend:

I wish to acknowledge your letter of October 12, and thank you for your interest in the rate of drift advance on the above referenced contract.

As you know, there are several reasons for the past experience of drift advance. We have been experimenting with some of the equipment we are using, and feel that this phase is now pretty well complete. Secondly, there have been some ventilation problems, and as indicated in the enclosed report, we have now started a ventilation raise that should be completed within the next month. Thirdly, we have been a little concerned about the water situation, and as you know, we have been doing some enlargement on the sump to better accomodate the deep well pumps. This work is practically complete. We are developing a small amount of water, and plan to be equipped to handle the anticipated larger flows. One item that has come to our attention in analysis of our electrical system, is that the Mayflower Mine transformer capacity was not sufficient to handle the complete load of hoisting and pumping. Accordingly, we have purchased and installed a duplicate set of large transformers, and at the present time are drilling an 800 foot cable hole from the surface to the vicinity of the underground collar of the Mayflower shaft. We anticipate that this installation will be complete by the first of the year.

At the present time, we are operating the raise one shift, and the main drift heading the other two shifts. By the first of the

year, we should have three shifts in the face of the drift, and also be starting some of the percussion drilling. This drilling has been held off to allow the time for completion of the pump equipment, as we do anticipate that these holes will tend to develop a substantial water supply.

Accordingly, we anticipate much better advance in 1961, and based on this, we should be able to meet the deadlines as provided in the contract.

Enclosed please find the September report forms, complete with narrative, maps and other accounting data.

Very truly yours,

NEW PARK MINING COMPANY

CLARK L. WILSON,
Vice President

CLW:ih

OME
DEPARTMENT OF THE INTERIOR

OCT 23 1959
REGION III
DENVER, COLORADO

Mr. J.W. Townsend
Executive Officer, OME
DMEA Field Team Region III
224 New Customhouse
Denver 2, Colorado

October 8, 1959

Re: Docket No. DMEA 4981 - Contract E-1218
Sept. Report - Items No. 2, No. 3, NO. 4

Dear Sir:

Item No. 2 - Pumps and Pump Column

Work is continuing in the 2005 Sump and deepening to a 34 foot depth is almost complete. The deepened portion of the sump will then be rock bolted, covered with wire mesh, and gunited, and a reinforced concrete bulkhead will be constructed in the opening into the skip pocket.

Item no. 3 - Drifting and Cross-Cutting

No advance was made in the 2005 west drift during September; however, a considerable amount of work was done on timbering, raising track, and repairing equipment.

Ten steel sets were installed covering a 45 feet section of loose ground in the drift. In addition, a 16 feet section of 10" X 10" timber was installed in order to start work on a ventilation raise to the 1880 level.

The track was raised two feet and placed on sills for a distance of 175', and lagging set between the rails to provide a walkway.

The electric motor on the battery locomotive in use on the 2005 level burned out and much time was lost while the locomotive was overhauled. Also, some time was spent on repairing the train car loader, and making changes to increase its efficiency.

This work was necessary for the effective continuation of the project and it is expected that advance will be resumed in the heading early in October.

Item No. 4 - Ventilation Raise

A timbered, 6 X 12 feet ventilation raise was started in diorite rock approximately 630 feet west of the shaft and advanced thirteen (13 ft.) during Sept. The raise is numbered as 20-882 Raise. (See cross section).

Enclosed are the following: Raise cross section, unit cost itemization, depreciation schedule, monthly report and voucher, unit cost and progress reports.

Very truly yours,

NEW PARK MINING COMPANY

By Gale A. Hansen
Gale A. Hansen
General Superintendent

GAH:jo

COPY

NEW PARK MINING COMPANY
D.M.E.A. POWER SCHEDULE
UNIT #3 SEPTEMBER, 1959

COPY

(4) POWER:

Total waste hoisted from 2005 Level	297 Tons
Total ore and waste from other Levels	4,032
Total tons of rock hoisted	4,329

Power costs as per Voucher No. 2486

7,07845 ÷ 4329 Tons = 1.635/Ton
1.653 X 297T/2005 Dr. + Rs. = $485.60

OME
DEPARTMENT OF THE INTERIOR
OCT 23 1959
REGION III
DENVER, COLORADO

NEW PARK MINING COMPANY

D.M.L.A. UNIT #3

DEPRECIATION SCHEDULE - SEPTEMBER, 1959

(4) DEPRECIATION:	Cost	This Month	Note
2 Cable	$ 4,051.50	$ 67.50	
630 Eimco Loader	10,100.00	168.33	
1 - Train Car Loader (5 - Car Train)	19,000.00	189.41	(3 - Cars)
1 - Charging Panel	740.00	12.33	
2 - Motor Batteries (4 Ton 50 Cell)	6,500.00	54.16	(1 - Battery)
1 - Set 150 KVA Transformers	1,800.00	30.00	
5 - 25 HP Fans	3,500.00	11.67	(1 - Fan)
1 - Jumbo	15,000.00	250.00	
2 - B.J. Submersible Pumps	28,145.00	455.00	
TOTAL		$1,238.40	

OME
DEPARTMENT OF THE INTERIOR
OCT 23 1959
REGION III
DENVER, COLORADO

NEW PARK MINING COMPANY

D.M.E.A. PROJECTS

7204 BUFF MONTH SEPTEMBER, 1959 DOCKET NO. DMEA 4981 CONTRACT NO. E-1218

G7204 GREEN TINT

	ITEMS OF COST	1 PROJECT NO. 2	2 PROJECT NO. 3	3 No. 3-A TIMBERING	4 PROJECT NO. 4			TOTALS
(1)	Independent) Short Form) Contracts:							
	Drilling							
	Bulldozing							
	Crosscutting							
	Drifting							
(2)	Labor and Supervision:							
	Labor	1,040.00	122.00	243.00	254.80			1,659.80
	Supervision	50.00	400.00		200.00			650.00
	Technical Services							
(3)	Operating Mat'ls and Supplies:							
	Timber			1,068.80	78.75			1,147.55
	Explosives	36.99			49.99			86.98
	Pipe							
	Track							
	Pipe Column @ 50%							
	Supplies		6.50		6.50			13.00
(4)	Operating Equipment:							
	Power		485.60					485.60
	Purchase							
	Depreciation		1,238.40					1,238.40
(5)	Initial Rehabilitation & Repair							
(6)	New Bldgs, Improvements, Etc.							
(7)	Miscellaneous:							
	Repairs to Equipment		670.20					670.20
	Sampling							
	Payroll Taxes							
	Liability Insurance							
	Accounting	35.00	180.00		35.00			250.00
	Fringe Benefits	125.35	11.50	27.95	11.50			176.30
(8)	Contingencies (specify):							
	TOTALS	1,287.34	3,114.20	1,339.75	636.54			6,377.83

OME
DEPARTMENT OF THE INTERIOR
NOV 5 1959
REGION III
DENVER, COLORADO

	1	2	3	4

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1959 Docket No. DMEA 4981 Contract No. E-1218

Operator's Name New Park Mining Company Minerals Lead, Zinc and Copper

Address 907 Walker Bank Building, Salt Lake City, Utah

Contract Amount, $564,880.00 Government Participation: 50 % Amount, $ 282,440.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	2,972.85	42,434.99	45,407.84			
Supervision	650.00	8,300.00	8,950.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	321.38	1,533.53	1,854.91			
Explosives	259.78	3,613.79	3,873.57			
Pipe	74.82	14,546.73	14,621.55			
Track	46.90	615.31	662.21			
Pipe Column @ 50%		8,154.44	8,154.44			
Supplies	389.18	7,863.29	8,252.47			
(4) Operating Equipment:						
~~Rental~~ Power	1,800.76	9,736.53	11,537.29			
Purchase						
Depreciation	1,238.40	5,752.26	6,990.66			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	53.44	392.50	445.94			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Accounting	250.00	3,150.00	3,400.00			
Fringe Benefits	224.91	3,520.69	3,745.60			
(8) Contingencies (specify):						
TOTALS	8,282.42	109,614.06	117,896.48	3,455.44	86,938.28	90,393.28

OME
DEPARTMENT OF THE INTERIOR
OCT 21 1959
REGION III
DENVER, COLORADO

OME
DEPARTMENT OF THE INTERIOR
OCT 1 1959
REGION III
DENVER, COLORADO

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

Date 9-15-59 *Payee New Park Mining Company

Per [signature] Title Vice President

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

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

(Instructions on reverse)

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

$1727.50

Signature [signature]
(Authorized Certifying Officer)

Date 11/5/59 Vou. No. DMEA 60-13

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. IdM-E1218 in accordance with the terms of the contract.

Signature [illegible] Checked for Engineering Adequacy Title Mining Engineer Date 10/22/59

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date NOV 4 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1962)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 195 9 Docket No. DMEA 4981 Contract No. E-1218

Operator's Name New Park Mining Company Minerals Lead, Zinc and Copper

Address 907 Walker Bank Building, Salt Lake City, Utah

	OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
#3	Drifting	feet	6,066.43	67	50,955.92	725½	70.24	8,600	45.00
	Crosscutting Timbering	feet	1,238.75	40	1,238.75	40	30.97		11.00
	Raising								
#2	Shafts Pumps & Column	feet	977.24	None	24,665.10	1513	16.30	1,660	
	Winzes								
	Drilling: Core								
	Churn								
	Auger								
	Stripping								
	Trenching								
	Test Pits								
	Roads and Trails								
#1	16" Transite Pipe	feet	None	None	41,036.71	714.9½	5.74	7,140	
	TOTAL DISTRIBUTED COSTS		8,282.42		117,896.48				TOTAL COSTS AUTHORIZED BY CONTRACT
	Operating Equipment Purchased								
	Initial Rehabilitation and Repairs								
	New Buildings, Improvements, etc.								
	TOTAL COSTS		8,282.42		117,896.48				

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

Date 9-15-59 Operator New Park Mining Company

Per [signature] Title Vice President

REMARKS:

OME
DEPARTMENT OF THE INTERIOR
OCT 21 1959
REGION III
DENVER, COLORADO

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

(Instructions on reverse)

(For Government use only)

[signature]

INSTRUCTIONS

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

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

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

GPO 872894

W.O

DISTRIBUTION
MADE NOV 6 1959

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

Administrative Audit Difference Statement

New Park Mining Company
157 Walker Bank Building
Salt Lake City 11, Utah

Date: 11/5/59
Payee's
Reference: August 1959

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

Amount Claimed $ 6,282.42

Difference $ 4,087.42

Amount Approved $ 3,455.00

The reason for the difference was due to:

Suspension of item 3, drifting and crosscutting in excess of allowable maximum average unit cost of $45.00 a foot

Reported, 67 feet of drifting at total cost of.....$6,666.43
Allowable, 67 feet of drifting at maximum unit cost of $45.00 a foot..... 3,615.00
Amount suspended..... 3,051.43

Suspension of item 4-A timbering costs in excess of allowable maximum average unit cost of $11.00 a foot

Reported, 40 feet of timbering at total cost of.....1,230.75
Allowable, 40 feet of timbering at maximum average cost of $11.00 a foot..... 440.00
Amount suspended..... 790.75

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

Suspension of item No. 2 pumps, pump column and sump excavation costs pending review of total item No. 2 costs reported to date

Costs reported on August IF-106 and 104-4 reports----------$777.20
Amount suspended----------$777.20

Total suspension----------$4,327.42

DISTRIBUTION MADE NOV 6 1959

Building 20 - Federal Center
Denver 25, Colorado
November 4, 1959

Memorandum

TO: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract No. Idm-E1218
New Park Mining Company (Mayflower mine) Wasatch County, Utah

Enclosed are the original and four copies each of Forms MF-104 and MF-104A; Operator's narrative report, distribution sheet, and supporting schedule of equipment depreciation and basis for power charge; progress map; and engineer's inspection report for the month of August 1959.

It is considered that the Operator has complied with the intent of the contract and the work for which reimbursement is claimed is acceptable to the Government.

Documentation of incurred costs has been waived; therefore, it is recommended that reimbursement be made to the Operator for 50 percent of the amount reported for the month on Form MF-104, subject to your verification of arithmetical accuracy within Form MF-104, and contingent on the findings of a subsequent on-site audit of the Operator's accounts, except for the following suspensions:

Suspension of item 3, drifting and crosscutting in excess of allowable maximum average unit cost of $45.00 a foot

Reported, 67 feet of drifting at total cost of----------	$ 6,066.43
Allowable, 67 feet of drifting at maximum unit cost- of $45.00 a foot----------	3,015.00
Amount to be suspended this report----------	3,051.43
Amount previously suspended----------	14,365.23
Total drifting costs suspended to date----------	$17,416.66

Suspension of item 3-A timbering costs in excess of allowable maximum average unit cost of $11.00 a foot

Reported, 40 feet of timbering at total cost of----------	$ 1,238.75
Allowable, 40 feet of timbering at maximum average cost of $11.00 a foot----------	440.00
Amount to be suspended this report----------	798.75
Amount previously suspended	0.00
Amount suspended to date----------	798.75

Suspension of item No. 2 pumps, pump column and sump excavation costs pending review of total item No. 2 costs reported to date

Costs reported on August MF-104 and 104A reports----------	$977.24
Amount suspended this report----------	977.24
Amount previously suspended----------	0.00
Total amount suspended to date----------	$977.24

Reconciliation with total costs reported by Operator on Forms-MF104 and 104A for month of August 1959

Total cost reported----------		$8,282.42
Suspensions - Drifting----------	$3,051.43	
- Timbering----------	798.75	
- Pump and column--------	977.24	
Total suspensions this report----------		4,827.42
Balance of reported costs----------		$3,455.00
Government participation at 50 percent----------		$1,727.50

Original signed by

J. W. Townsend

JWT:ltm

cc: Chmn. Op. Comm. (2)w/complete cpy of rept.
MF-104 file, Reg.III)
OME/SLC)
Hasler)w/cpy engr's rept & Oper's map only
Susp.
Chron.

Building 20 - Federal Center
Denver 25, Colorado
October 23, 1959

Memorandum

To: J. W. Townsend, Executive Officer, ORE Field Team, Region III

From: T. N. Amulo

Subject: Progress Report for August 1959, Docket No. [illegible] 4961 (Lead-Zinc-Copper) Contract No. [illegible], New Park Mining Company (Mayflower mine) Wasatch County, Utah

On September 2 and 3, 1959, I inspected the pertinent underground working of the Mayflower mine with Dale A. Hansen, General Superintendent. Progress for the reporting period in operations authorized by the subject contract was found to be as follows and as recorded in the attached Operator's Report.

Item No. 2 Pump and Pump Column

Work continued on the enlargement of the sump on the 2005 level to properly accommodate the two 450 hp. sub-mersible pumps. Crews engaged in other operations work on this job as time permits.

Item No. 3 Drifting and Crosscutting

The 2005 West drift was advanced 67 feet to 166.7 feet beyond survey station No. 5604. Drifting and crosscutting advances through August 1959 total 705 feet and 82.5 feet, respectively.

Item No. 5 Timbering

The last 40 feet of 2005 West drifting during the reporting period is in a zone of hydrothermal diorite and limestone. Roof-and side-spalling and timbering of the 40 feet with 10 inch by 10 inch drift sets was accomplished with considerable difficulty.

ANALYSIS OF THE OPERATOR'S REPORT

Form MP-104

By inspection of the accounts indicates that the reported charges were necessary and that they do not appear to be excessive. Charges for depreciation of equipment are as specified by the contract and the charge for power has been properly prorated to the building of contract and non-contract waste and/or ore.

Following are the reported charges as segregated on Form MF-104A and the suspendable and allowable costs.

Item No.	Reported	Suspendable	Allowable	
2	$ 977.24	$ 0.00	$ 977.24	
3 Drifting	6,066.43	3,051.43	3,015.00	1/
3 Timbering	1,238.75	798.75	440.00	2/
Totals	$8,282.42	$3,850.18	$4,432.24	

1/ Maximum allowable charge for the 67 feet of advance at $45.00 per foot.

2/ Maximum allowable charge for the 40 feet of advance at $11.00 per foot.

Form MF-104A

The total costs of the form are in agreement with the costs of Form MF-104.

Narrative Report

The Narrative Report with attached map is acceptable.

T. M. Romalo

TMR:ltm

cc: 6
Chron.

NEW PARK MINING COMPANY

KEETLEY, UTAH

October 20, 1959

Mr. J. W. Townsend, Executive Officer
O.M.E. Field Team, Region III
Building 20
Federal Center
Denver, Colorado

Re: Docket No. DMEA 4051
Contract No. Idm 8-1218

Dear Mr. Townsend:

In response to your letter of October 5, 1959, I am re-submitting the August progress report forms, and you will note that we have itemized the expenses for drift advance and timbering as per your request.

We appreciate having this matter brought to our attention, and we will, of course, itemize these expenses similarly in the future.

Very truly yours,

NEW PARK MINING COMPANY

CLARK L. WILSON,
Vice President

CLW:ib

OME
DEPARTMENT OF THE INTERIOR
OCT 23 1959
REGION III
DENVER, COLORADO

OME
DEPARTMENT OF THE INTERIOR
OCT 1 1959
REGION III
DENVER, COLORADO

Mr. J.W. Townsend
Executive Office, OME
DMEA Field Team Region III
224 New Customhouse
Denver 2, Colorado

September 16, 1959

Re: Docket No. DMEA 4981, Contract E-1218
August Report - Items No. 2 and No. 3

Dear Sir:

Item No. 2 Pumps and Pump Column

Work is progressing in the 2005 level sump whenever compatible with the mine operation. The sump is being deepened to lower the intake point for the two 450 H.P. submersible pumps. A progress map of the sump and pump installation is being prepared. This map will bring the work completed under the DMEA contract up to date, and will follow this months report in a separate report pertaining entirely to the pumps, sump and pump column installation.

Item No. 3 Drifting and Cross-Cutting

The 2005 west drift was advanced a total of sixty seven feet (67Ft.) during August.

The drift is still in diorite but the altered appearance of the rock through the brecciated and fractured area with inclusions of silicates and limestone suggests that the drift is very near to the diorite- sediment contact. A strong northeast dipping fissure zone was encountered during the month (see geology and progress map), this fissure is thought to be a foot wall strand of the Mayflower fissure system. The rock within the fissure zone is extremely fractured and altered and water is flowing from the zone at a rate of 100 gpm. Because of these conditions considerable difficulty with caving ground was experienced and it was necessary to install 10" x 10" drift sets (40ft) and use back and side spiling to advance the drift. Progress has been slow as a result of this situation.

No significant mineralization has been encountered in the fissure.

Enclosed are the following: Progress map, Unit cost itemization, Depreciation schedule, Power schedule, Monthly report and voucher, Unit cost and Progress reports.

Very truly yours,

NEW PARK MINING COMPANY

By Gale A. Hansen
Gale A. Hansen
General Superintendent

GAH:jc

[illegible] PARK MINING COMPANY
D.M.E.A. POWER SCHEDULE
UNIT #3 AUGUST, 1959

(4) **POWER:**

Total waste hoisted from 2005 Level	1,323	Tons
Total ore and waste from other Levels	3,793	Tons
Total tons of rock hoisted	5,116	

Power costs as per Voucher No. 2365

$6,96350 ÷ 5116 tons = $1.36112/ton
1.36112 x 1323T/2005 Dr. = $1,800.76

COPY

NEW PARK MINING COMPANY

D.M.E.A. UNIT #3

DEPRECIATION SCHEDULE - AUGUST, 1959

(4) DEPRECIATION:	Cost	This Month	Note
2° Cable	$ 4,051.50	$ 67.50	
630 Eimco Loader	10,100.00	168.33	
1 - Train Car Loader (5 - Car Train)	19,000.00	189.41	(3 - Cars)
1 - Charging Panel	740.00	12.33	
2 - Motor Batteries (4 Ton 50 Cell)	6,500.00	54.16	(1 - Battery)
1 - Set 150 KVA Transformers	1,800.00	30.00	
5 - 25 HP Fans	3,500.00	11.67	(1 - Fan)
1- Jumbo	15,000.00	250.00	
2 - B.J. Submersible Pumps	28,145.00	455.00	
TOTAL		$1,238.40	

COPY

NEW PARK MINING COMPANY

D.M.E.A. PROJECTS

7204 BUFF MONTH August, 1959 DOCKET NO. DMEA 4981 CONTRACT NO. E-1218
G7204 GREEN TINT

	ITEMS OF COST	PROJECT NO. 2 (1)	PROJECT NO. 3 (2)	NO. 3-A TIMBERING (3)	TOTALS (4)
(1)	Independent Short Form Contracts:				
	Drilling				
	Bulldozing				
	Crosscutting				
	Drifting				
(2)	Labor and Supervision:				
	Labor	818.00	1,332.10	822.75	2,972.85
	Supervision		650.00		650.00
	Technical Services				
(3)	Operating Mat'ls and Supplies:				
	Timber			321.38	321.38
	Explosives	30.17	229.61		259.78
	Pipe		74.82		74.82
	Track		46.90		46.90
	Pipe Column @ 50%				
	Supplies		389.18		389.18
(4)	Operating Equipment:				
	Power		1,800.76		1,800.76
	Purchase				
	Depreciation		1,238.40		1,238.40
(5)	Initial Rehabilitation & Repair:				
(6)	New Bldgs. Improvements, Etc.:				
(7)	Miscellaneous:				
	Repairs To Equipment		53.44		53.44
	Sampling				
	Payroll Taxes				
	Liability Insurance				
	Accounting	35.00	215.00		250.00
	Fringe Benefits	94.07	36.22	94.62	224.91
(8)	Contingencies (specify):				
	TOTAL	977.24	6,066.43	1,238.75	8,282.42

OME
DEPARTMENT OF THE INTERIOR
NOV 3 1959
REGION III
DENVER, COLORADO

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEP 28 1959 O.M.E.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1959 Docket No. DMEA 4981 Contract No. E-1218
Operator's Name New Park Mining Company Minerals Lead, Zinc and Copper
Address 907 Walker Bank Building, Salt Lake City, Utah
Contract Amount, $ 564,880.00 Government Participation: 50 % Amount, $ 282,440.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	3,050.06	39,384.93	42,434.99			
Supervision	850.00	7,450.00	8,300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	2.42	1,531.11	1,533.53			
Explosives	636.91	2,976.88	3,613.79			
Pipe	126.05	14,420.68	14,546.73			
Track	75.60	539.71	615.31			
Pipe Column @ 50%		8,154.44	8,154.44			
Supplies	672.54	7,190.75	7,863.29			
(4) Operating Equipment:						
Power	2,384.49	7,352.04	9,736.53			
Purchase						
Depreciation	1,238.40	4,513.86	5,752.26			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		392.50	392.50			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Accounting	250.00	2,900.00	3,150.00			
Fringe Benefits	142.60	3,378.09	3,520.69			
(8) Contingencies (specify):						
				604.06		
TOTALS	9,429.07	100,184.99	109,614.06	604.06	89,002.77	95,248.83

OME
DEPARTMENT OF THE INTERIOR
AUG 31 1959
REGION III
DENVER, COLORADO

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

Date 8-15-59 *Payee New Park Mining Company

Per [signature] Title President

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

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

(Instructions on reverse)

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

$ 3020.53

Signature [signature]
(Authorized Certifying Officer)

Date 9-22-59 Vou. No. DMEA 60-7

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Edm-E 1218 in accordance with the terms of the contract.

Signature T. W. Ramsdo Checked for Engineering Allowability Title Mining Engineer Date 9-4-59

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date SEP 17 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

SEP 28 1959

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

OME

Month of July 1959 Docket No. DMEA 4981 Contract No. E-1218

Operator's Name New Park Mining Company Minerals Lead, Zinc and Copper

Address 907 Walker Bank Building, Salt Lake City, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
#3 Drifting	Feet	8,945.51	123½	44,889.49	658½	68.17	8,600	45.00
Crosscutting								
Raising								
#2 Shaft Pumps & Column	Feet	483.56	none	23,687.86	1513	15.66	1,660	
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
#1 - 16" Transite Pipe	Feet	none	none	41,036.71	7149½	5.74	7,140	
TOTAL DISTRIBUTED COSTS		9,429.07		109,614.06				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		9,429.07		109,614.06				

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

REMARKS:

Date 8-15-59 Operator New Park Mining Company

Per [signature] Title President

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

(Instructions on reverse)

(For Government use only)

[signature]
OME
DEPARTMENT OF THE INTERIOR
AUG 31 1959
REGION III
DENVER, COLORADO

INSTRUCTIONS

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

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

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

GPO 872894

EXTRA COPY O. M. E. RECEIVED SEP 28 1959		
DATE	INITIALS	CODE

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

Administrative Audit Difference Statement

Date: _____
Payee's 9/24/59
Reference: _____
July 1959

New Park Mining Company
907 Walker Bank Building
Salt Lake City 11, Utah

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

Amount Claimed $ 9,429.07

Difference $ 3,400.01

Amount Approved $ 6,029.06

The reason for the difference was due to:

Disallowance of expense charged to item 3, drifting and crosscutting

Supervision in excess of allowable maximum of $600.00 a month---------- $200.00
Total disallowance---------- $200.00

Suspension of drifting and crosscutting costs in excess of allowable maximum average unit cost of $45.00 a foot

Reported 223.9 feet drifting at total cost of)_____ $10,945.51
Less above disallowance---------- 200.00
Balance---------- $10,745.51

see continuation sheet

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

Very sincerely yours,

for N. E. Stokes
Audit Section

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

Allowable, 123.5 feet of drifting at maximum of
$45.00 a foot ---------- $5,557.50
Excess over maximum ---------- 3,130.01
Amount suspended this report ---------- 3,130.01
Amount previously suspended ---------- 11,177.22
Total suspended to date ---------- $ 14,307.23

Reconciliation with total costs reported by Operator on
Form OF-104 for July 1953

Total costs reported ---------- $3,429.07
Disallowance ---------- $ 200.00
Error in addition of Total 2.00
Suspension ---------- 3,130.01
Total ---------- $3,332.01
Balance ---------- $6,039.06
Government participation at 50 percent 3,019.53

NEW YORK URANIUM COMPANY
D.M.S.A. PROJECTS

7204 BUFF
G7204 GREEN

MONTH JULY, 1959 DOCKET NO. DMSA 4963 CONTRACT NO. E-1216

	ITEMS OF COST	PROJECT NO. 1	PROJECT NO. 2	PROJECT NO. 3	TOTALS
(1)	Independent) Short Form)Contracts:				
	Drilling				
	Bulldozing				
	Crosscutting				
	Drifting				
(2)	Labor and Supervision:				
	Labor		300.00	2,632.06	3,050.06
	Supervision			850.00	850.00
	Technical Services				
(3)	Operating Mat'ls and Supplies:				
	Timber		2.42		2.42
	Explosives		40.82	596.09	636.91
	Pipe			126.05	126.05
	Track			75.60	75.60
	Pipe Column @ 50%				
	Supplies			672.54	672.54
(4)	Operating Equipment:				
	Power			2,304.49	2,304.49
	Purchase				
	Depreciation			1,238.40	1,238.40
(5)	Initial Rehabilitation & Repairs				
(6)	New Bldgs, Improvements, Etc.:				
(7)	Miscellaneous:				
	Repairs to Equipment				
	Sampling				
	Payroll Taxes				
	Liability Insurance				
	Accounting		30.00	220.00	250.00
	Fringe Benefits		42.32	100.28	142.60
(8)	Contingencies (specify):				
	TOTALS		463.56	8,845.51	9,429.07

OME
DEPARTMENT OF THE INTERIOR
AUG 31 1959
REGION III
DENVER, COLORADO

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NEW PARK MINING COMPANY
DELTA, JOHN SCHOOL
[illegible] 1959

(4) POWER.

Total Waste Hoisted from 2005 Level	1,818 tons
Total Ore and Waste from other Levels	3,516 tons
Total tons of Rock Hoisted	5,334

Power costs as per Voucher No. 2230 $6,996.28 ÷ 5,334 tons = $1.3116/ton

$1.3116 x 1818 / 2005 tons = 2,384.49

OME
DEPARTMENT OF THE INTERIOR
AUG 31 1959
REGION II,
DENVER, COLORADO

NEW PARK MINING COMPANY

D.M.E.A. #3

DEPRECIATION _ JULY, 1959

(4) Depreciation:	Cost	This Month	Note
2" Cable	$ 4,051.50	$ 67.50	
630 Elmco Loader	10,100.00	168.33	
1 - Train Car Loader (5-Car Train)	19,000.00	189.41	(3-Cars)
1 - Charging Panel	740.00	12.33	
2 - Motor Batteries (4 Ton 50 Cell)	6,500.00	54.16	(1-Battery)
1 - Set 150 KVA Transformers	1,800.00	30.00	
5 - 25 HP Fans	3,500.00	11.67	(1-Fan)
1 - Jumbo	15,000.00	250.00	
2 - E.J. Submersible Pumps	28,145.00	455.00	
TOTAL TO-Date		$1,238.40	

OME
DEPARTMENT OF THE INTERIOR
AUG 31 1959
REGION III
DENVER, COLORADO

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 28 1959

DATE	INITIALS	CODE

Building 20 - Federal Center
Denver 25, Colorado

September 17, 1959

Memorandum

To: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract No. Ida-K1218
New Park Mining Company (Mayflower mine) Wasatch County, Utah

Enclosed are the original and four copies each of Forms MF-104 and MF-104A; Operator's narrative report, distribution sheet, and supporting schedule of equipment depreciation and basis for power charge; progress map; and engineer's inspection report for the month of July 1959.

It is considered that the Operator has complied with the intent of the contract and the work for which reimbursement is claimed is acceptable to the Government.

Documentation of incurred costs has been waived, therefore it is recommended that reimbursement be made to the Operator for 50 percent of the amount reported for the month on Form MF-104, subject to your verification of arithmetical accuracy within Form MF-104, and contingent on the findings of a subsequent on-site audit of the Operator's accounts, except for the following disallowances and suspensions:

<u>Disallowances of amounts charged to item 3, drifting and crosscutting</u>

Supervision in excess of allowable maximum of $650.00 a month	$200.00
Total disallowance	$200.00

<u>Suspension of drifting and crosscutting costs in excess of allowable maximum average unit cost of $45.00 a foot</u>

Reported, 123.5 feet drifting at total cost of	$8,945.51
Less above disallowance	200.00
Balance	$8,745.51

Allowable, 123.5 feet of drifting at maximum of $45.00 a foot	$5,557.50
Excess over maximum	3,188.01
Amount to be suspended this report	3,188.01
Amount previously suspended	11,177.22
Total suspended to date	$14,365.23

Reconciliation with total costs reported by Operator on Form MF-104 for July 1959

Total costs reported		$9,429.07
Disallowance	$ 200.00	
Suspension	3,188.01	
Total		3,388.01
Balance		$6,041.06
Government participation at 50 percent		3,020.53

Remarks - The "Totals Previously Reported" of the July report are those carried forward from a supplementary report for the period from June 23, 1958, to March 31, 1959.

The supplementary report has been received but is deferred from processing pending clarification of allowability of a portion of the costs reported.

Original signed by

J. W. Townsend

Enclosures

JWT:ed

cc: Chmn. Op. Comm. (2)
MF-104 file, Reg. III
OME/SLC
Hasler
Chron.

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 28 1959

DATE	INITIALS	CODE

Building 20 - Federal Center
Denver 25, Colorado

September 4, 1959

Memorandum

To: J. W. Townsend

From: T. M. Rosalo

Subject: July 1959 Progress Report, Docket No. DMEA-4981 (Lead-Zinc-Copper) Contract No. 14m-81018, New Park Mining Company (Mayflower mine) Wasatch County, Utah

The project of the captioned contract was last inspected by the writer September 2 and 3, 1959. Underground inspections were made with Gale A. Hansen, General Superintendent and Robert Archer, Chief Mine Engineer, and cost accounts were reviewed with Carl D. Harper, Accountant.

Progress for July 1959 was found to be as described in the Operator's Narrative Report and as set down below by contract items.

Item No. 2 Pumps and Pump Column

Work continued on the enlargement of the sump on the 2005 level to properly accommodate the two 450 hp. sub-mersible pumps. All electrical work was completed except for final connections that will be made when the pumps are in place.

Item No. 3 Drifting and Crosscutting

The advances in drifting and crosscutting on the 2005 level for the reporting period are shown on the map attached to the Operator's Report. They comprise 108 feet of drifting and 15½ feet of cross-cutting.

The drift which had been driven an additional 67 feet during August was reportedly at Survey station 560+ plus 99 feet on August 1, 1959. On that date it had been driven a total of 636 feet from the DMEA starting point. All of the advance is in hard and blocky diorite rock that contains a few significantly mineralized shear zones. Rock sections of the drift are nowhere less than the specified minimum of 7 ft. by 10 ft.

The cross cutting was confined to cross-cut number 20-895,

the site of proposed exploratory drilling. The cross-cut which previously had been advanced 7.0 feet was completed for a total length of 29½ feet.

ANALYSIS OF THE OPERATOR'S REPORT

Form MF-104

My inspection of the accounts indicated that with the below noted exception all charges as reported by the Operator were necessary and do not appear to be excessive. Charges for depreciation of equipment were found to be as specified by the contract. The charge for power also was found to have been properly prorated on the basis of waste and/or ore hoisted from each of the DMEA exploratory workings and workings in other portions of the mine.

Following are the reported charges and the recommended disallowable, allowable and suspendable costs.

Item No.	Reported	Disallowable	Allowable	Suspendable
2	$ 483.56	$ 0.00	$ 483.56	$ 0.00
3	8,945.51	200.00 1/	5,557.50 2/	3,188.01 3/
Totals	$9,429.07	$200.00	$6,041.06	$3,188.01
			Previously suspended	11,177.22
			Total suspended to date	$14,365.23

1/ The excess of $200.00 by which the $850.00 charge for supervision exceeds the allowable $650.00 per month.

2/ Maximum allowable charge for the 123.5 feet of drifting at $45.00 per foot.

3/ Amount suspendable after the recommended disallowance of $200.00.

Remarks: A $2.00 error occurs in the extention of totals to date under Fringe Benefits.

Form MF-104A

The total costs of the form are in agreement with the costs of Form MF-104.

Narrative Report

The Narrative Report with attached map is acceptable.

T. M. Romalo

T. M. Romalo

cc: 6
Engineer
Chron.

~~OFFICIAL~~ FILE COPY
O. M. E.
RECEIVED SEP 28 1959

DATE	INITIALS	CODE

August 21, 1959

Mr. J.W. Townsend
Executive Officer, OME
DMEA Field Team Region III
224 New Customhouse
Denver 2, Colorado

Re: Docket No. DMA 4941 - Contract 3-1818
July Report - Items No. 2 and 3

Atten: Mr. J.W. Townsend

Dear Mr. Townsend:

Item No. 2 - Pumps and Pump Column

Work is continuing in the 2005 Level sump which is being deepened to lower the intake point for the two 450 H.P. sub-mersible pumps. Electrical work is completed on the 2005 level except for final connection to the pumps when they are in place.

Item No. 3 - Drifting and Cross Cutting

One hundred twenty three and one half feet (123½ ft.) of drift and cross cut were driven during July. 20-8½5 cross-cut was extended for 15½ feet and is ready for long hole (percussion) drilling.

The 2005 west drift was advanced 108 feet during the month, and is now being run on a bearing of S 70 W.

All workings are still in diorite and no timber has been installed up to the end of July. Several north west dipping faults were encountered with the diorite along the walls badly altered and this may necessitate some timbering in the near future. One small lens of sulfide minerals was encountered on a north west dipping fissure, but was found to extend for only a few feet along the drift. (Refer to progress map.)

Enclosed are the following: Progress map, unit cost itemization, depreciation schedule, monthly report and voucher, unit cost and progress reports.

Very truly yours,

[illegible] MINING COMPANY

By: Gale A. Hansen
Gale A. Hansen
General Superintendent

GAH:jc

OME
DEPARTMENT OF THE INTERIOR
AUG 31 1959
REGION III
DENVER, COLORADO

Building 20 - Federal Center
Denver 25, Colorado

September 17, 1959

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

DATE	INITIALS	CODE
		800

Mr. Clark L. Wilson
Vice President
New Park Mining Company
904 Walker Bank Building
Salt Lake City, Utah

Re: Docket No. DMEA 4981
(lead-zinc-copper)
Contract No. Ida-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Dear Mr. Wilson:

Reference is made to our brief conversation on September 15 at the Mining Congress Convention regarding station preparation and sump excavation on the 2005 level.

We received a communication from our Washington office requesting information as to the installation, specifically a request for a simple sketch in plan and section showing the installation as it presently exists indicating the extent of excavation made.

Our files indicate that the sump was started prior to the date of the contract. Therefore, the map should show the extent of excavation completed at company expense prior to the date of the contract.

It would be well to provide an estimate of the volume of excavation completed at company expense and that completed subsequent to the date of the contract. In addition, please supply a breakdown of the costs involved in the excavation subsequent to the date of the contract. The cost breakdown should show costs of excavation in relation to other costs of installation of the pump column and the pumps as reported under item 2 of the supplementary accounting report submitted by your letter of August 21, 1959.

Very truly yours

Original signed by

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

cc: Chmn. Op. Comm.(2))w/cpy
D. T. Finch)Chmn.
OME/SLC)ltr.
Corres. file, Reg. III)9/11/59
MF 104 file)
Susp. file
Chron.

EXTRA COPY O. M. E. RECEIVED SEP 8 1959		
DATE	INITIALS	CODE
		800

Building 20 - Federal Center
Denver 25, Colorado

September 2, 1959

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract No. Idm-E1218
New Park Mining Company (Mayflower mine) Wasatch County, Utah

In conjunction with matter discussed in your memorandum of August 18, 1959, enclosed for advance information is a copy of the Operator's Supplementary Accounting Report to effect adjustments and include additional costs as outlined in the Audit Certificate and Audit Report dated June 3, 1959.

The additional costs charged to drifting under item 3 will naturally be suspended with other costs which exceed the maximum average unit cost of $45.00 a foot.

In reference to station preparation and enlargement of the sump on the 2005 level, Amendment No. 1 was executed to authorize a 12 inch pump column and provide for the installation of 2 - 450 hp submersible pumps in lieu of the installation of a 10 inch pump column and 2 - 175 hp pumps as originally provided for in the contract.

The Operator's justification for the increased size of the equipment was based on an estimated increase of the water flow to be encountered as the DMEA drifting is advanced.

Mr. Howes, formerly DMEA Engineering Inspector, is no longer assigned to OME work, and is out in the field most of the time on other Bureau of Mines projects. The matter was discussed briefly with him, and he advised that in his opinion the station preparation and sump enlargement were necessary in conjunction with the installation of the pump line and pumping equipment, and that to a considerable extent, both items of work were increased in order to accommodate the larger equipment and provide greater sump capacity.

It is my understanding that the sump work was originally started prior to execution of the contract, but that there remained considerable work to be completed after the contract was executed, which was subsequently increased because of the larger size of pump line and pumping equipment to be installed as authorized by Amendment No. 1.

It is true that the contract does not specifically provide for station preparation and sump excavation; however, the pumps specified in the contract are submersible type, and it is my contention that station preparation and necessary sump excavation are incident to the authorized work if adequate space and facilities did not exist at the time the contract was signed.

In commenting on the ambiguities of the contract in my letter of August 21, 1958, I anticipated a situation similar to that which exists where unforeseen but direct and necessary costs of performing the basic work under items 1, 2 and 5 would increase the costs of the work under those items far beyond that originally estimated.

Perhaps, as suggested in your memorandum of August 18, an amendment to the contract to clarify the matter is the answer to the present situation. I am in doubt as to what justification I can give at this late date as a basis for the amendment other than that it is considered that the amendment is necessary in order to clear up an ambiguous point in conjunction with the authorized installation of the pump column and pumps.

If payment for the work is not deemed allowable under the contract as presently written, or if the foregoing justification for an amendment is not considered adequate please let me know what you would suggest.

Processing of the Operator's Supplementary Accounting Report will be deferred pending receipt of further advice from you. The Supplementary Report provides the totals to date which are carried forward to the July Accounting Report, therefore, it is desirable to process the Accounting Reports in the order of accumulative totals reported. Consequently, we will also defer processing of the July Accounting Report which we have also received.

Original signed by

J. W. Townsend

JWT/cg

cc: Finch
OME/SLC
Corres.
MF-104 file
Susp.
Chron.

AUG 18 1959

[redacted]

To: [redacted]

From: [redacted]

Subject: [redacted]

In your memorandum of August 14, also your memorandum of August 7 to [redacted], [redacted], [redacted] [redacted] under the chief engineer. We are well aware of the installation [redacted] of the work of the [redacted] [redacted] level, [redacted] [redacted]. We do not question the judgment of [redacted] that only work [redacted] and necessary, but there is no [redacted] provision in the contract for such work [redacted].

The work done in connection with the installation of [redacted] pipe and other [redacted] of a very or less [redacted] and [redacted] under the contract provisions. The provisions were generally written in general terms [redacted], in consideration of [redacted] [redacted], all specific work items cannot be foreseen.

On the other hand, the committee believes an item of "installation of pumps" and enlargement of a water sump is not an option. In fact, in the report of [redacted] and [redacted] of May 20, 1958 [redacted], we find the statement, "A water sump is now being set in the [redacted] level for pump installation ...". Hence, the item of pump enlargement had been considered when the contract was prepared, so we had no [redacted] that such work would be necessary.

In view thereof in instances of this sort it is the proper responsibility of the Field Test to determine what work items are reasonable and necessary; therefore, proper the contract should be

AUG 13 1970

[illegible]

[illegible]

[illegible]

[redacted] to cover the point in question. However, we would first require more detail for an adequate justification and a rough sketch illustrating what was done. Meanwhile, we suggest you defer processing of the supplementary report referred to in your August 10 memorandum.

George C. Selfridge

[redacted]:

Frank D. Lamb

[redacted], Bureau of Mines

Harold Kirkemo

[redacted], Geological Survey

[redacted]/gla 8-13-59

cc to: [redacted]'s Reading File
Operating Committee
Contract Adm. & Audit Division
Mr. Bishop, USBM
Mr. Kirkemo, USGS
Budget
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.
Building 2 - Federal Center
Denver 25, Colorado

AUG 12 1959

August 10, 1959

AIRMAIL

Memorandum

TO: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract No. Idm-R1218
New Park Mining Company (Mayflower Mine) Wasatch County, Utah

We are in receipt of the Operator's supplementary accounting report, Form MP-104, claiming reimbursement for the additional cost outlined in the Audit Certificate and Report of Audit of the subject account dated June 3, 1959, by the Contract Administration and Audit Division, OME. The representatives of the General Accounting Office that are, at present, in this office conducting an audit of OME accounts have indicated an exception to the allowability of the portion of the additional costs as outlined in the OME Report of Audit.

The inspecting engineer and this office are firm in the opinion that the additional costs are reasonable and that they were a direct and necessary cost of performing the work provided for in the contract; however, under the circumstances I am in doubt as to whether or not the supplementary claim should be processed for reimbursement to the Operator until we are more certain of our ground. The Operator's claim totals $9,104.99, which would be reduced by the charges to drifting which cause the cost to date to exceed the average maximum unit cost of $45.00 per foot. ($1,328.32) = $7,776.67

Enclosed is a copy of a memorandum dated August 6, 1959, from M. H. Hemp, Mining Engineer, Bureau of Mines, which reflects his opinion regarding the necessity for the work in question. I concur in his opinion, and in addition, believe the cost involved to be reasonable.

Processing of the supplementary report will be deferred pending receipt of advice from you in the matter.

J. W. Townsend

See: Opr. Comm Memo 11
DMEA Circ. 18, Supl. 1
Opr. Comm Memo 7 (2+4 7)
Audit Manual (page 12)
Comptr. Genl Decision 9/6/57

re Field Team responsibilities as to reasonableness & necessity of costs.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

AUG 24 1959
O.M.E.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1959 Docket No. DMEA 4981 Contract No. E-1218
Operator's Name New Park Mining Company Minerals Lead, Zinc & Copper
Address 907 Walker Bank Bldg., Salt Lake City, Utah
Contract Amount, $ 564,880.00 Government Participation: 50% Amount, $ 282,440.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	4,232.22	2,741.71	31,973.93			
Supervision	650.00	6,800.00	7,450.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	22.56	1,291.03	1,313.59			
Explosives	1,084.28	1,888.73	2,973.01			
Pipe	127.50	22,574.00	22,701.50			
Track	171.87	158.29	330.16			
Ballast Gravel	96.39	2,841.20	2,937.59			
Supplies	1,398.69	4,799.01	6,197.70			
(4) Operating Equipment:						
Power	2,366.93	2,688.66	5,055.59			
Purchase						
Depreciation	1,238.40	3,275.46	4,513.86			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		446.96	446.96			
Sampling and Analysis						
Payroll Taxes	151.23	3,129.34	3,280.57			
Liability Insurance						
Accounting	250.00	2,650.00	2,900.00			
(8) Contingencies (specify):						
Totals	11,790.07	80,284.39	92,074.46	3,824.26	76,073.98	80,897.24

OME
DEPARTMENT OF THE INTERIOR
JUL 31 1959
REGION III
DENVER, COLORADO

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 7-15-59 Payee New Park Mining Company
Per [signature] Title Vice President

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 4911.63
Signature [signature]
(Authorized Certifying Officer)
Date 8/19/59 Vou. No. DMEA 60-6
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. IGM-E 1218 in accordance with the terms of the contract.

Checked for Engineering Allowability

Signature D M Romslo Title Mining Engineer Date 8-13-59

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date AUG 14 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

AUG 24 1959
O.M.E.

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

Month of June 1959 Docket No. DMEA 4981 Contract E-1218
Operator's Name New Park Mining Company Minerals Lead, Zinc & Copper
Address 907 Walker Bank Building, Salt Lake City, Ut.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
#3 Drifting	Feet	10,246.81	184	35,252.22	535	65.89	8,600	45.00
Crosscutting								
Raising								
#2 Pumps & Column	feet	1,414.32	none	15,938.59	1513	10.53	1,660	
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
#1 16" Transite Pipe	Feet	128.89	none	40,883.65	7149½	5.72	7,140	
Total Distributed Costs		11,790.07		92,074.46				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		11,790.07		92,074.46				

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

Date 7-15-59 Operator New Park Mining Company
Per [signature] Title Vice President

Remarks:

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

(Instructions on reverse)

(For Government use only)

[signature]

INSTRUCTIONS

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

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

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

GPO 872894

FINAL DISTRIBUTION MADE

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

Administrative Audit Difference Statement

Date: [illegible]
Payee's Reference: June 1959

[illegible] Mining Company
[illegible] Building
Salt Lake City 11, Utah

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

Amount Claimed $ [illegible]

Difference $ [illegible]

Amount Approved $ [illegible]

The reason for the difference was due to:

[illegible]

Reported, [illegible] feet at a total cost of [illegible]
Allowable, [illegible] feet at [illegible] a foot [illegible]
Excess over certain allowable [illegible]
Previously suspended [illegible]
Suspended this report [illegible]
Total suspended to date [illegible]

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

Very sincerely yours,

N. E. Stokes
Audit Section

EXTRA COPY
O. M. E.
RECEIVED AUG 24 1959

DATE	INITIALS	CODE
8/24	gad	V V0
		800

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

EXTRA COPY
O. M. E.
RECEIVED AUG 24 1959

DATE	INITIALS	CODE

Building 20 - Federal Center
Denver 25, Colorado
August 14, 1959

Memorandum

To: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. [illegible] (Lead-Zinc-Copper) Contract No. [illegible]
New Park Mining Company (Mayflower mine) Summit County, Utah -
Operator's Monthly Progress Report for the month of June, 1959

Enclosed are the original and four copies each of Forms MP-104 and MP-104A, Operator's Narrative Report and Engineer's Report, for the above period.

We consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government.

Documentation has been waived; therefore, we recommend that payment be made to the Operator for 50 percent of the amount reported on Form MP-104, subject to your verification of arithmetical accuracy within Form MP-104, and contingent on the findings of a subsequent on-site audit of the Operator's account, except for the following suspension:

Suspension - Drifting and stoping costs in excess of allowable maximum average unit cost of $5.00 a foot

Reported, 535 feet at a total cost of	$15,292.22
Allowable, 535 feet at $5.00 a foot	2,675.00
Excess over maximum allowable	12,617.22
Previously suspended	9,550.61
To be suspended this Report	1,066.61
Total suspended to date	$11,177.22

Reconciliation with total costs reported by the Operator on Form MP-104 for Month of June, 1959

Total costs reported	$11,790.07
Amount to be suspended as per above	1,066.61
Balance	$ 9,[illegible]

The Operator is preparing a supplementary accounting report to follow this report, which will take into consideration disallowances and additional costs as outlined in the Audit Report by the Contract Administration and Audit Division, OMR, dated July 3, 1959; therefore, audit disallowances are disregarded in this report.

Original signed by
J. W. TOWNSEND

J. W. Townsend

Enclosure

JWT:ltm

cc: Chmn. Op. Comm. (2)
OMR/SEC
NF-104 file, Reg. III
Hasler)W/cpy Mgr's Rept.
Rmp. file
Chron.

EXTRA COPY
O. M. E.
RECEIVED AUG 24 1959

DATE	INITIALS	CODE

Building 20 - Federal Center
Denver 25, Colorado
August 13, 1959

Memorandum

TO: J. V. Emmerson, Executive Officer, OME Field Team, Region III

From: T. M. Rumsle

Subject: June 1959 Progress Report, Docket No. [illegible] 4981 (Lead-Zinc-Copper)
Contract No. [illegible], New Park Mining Company (Mayflower mine)
Summit County, Utah

The project of subject contract was inspected by the writer August 8 and 10, 1959. Pertinent mine workings were inspected with Gale A. Hansen, General Superintendent, and cost accounts were reviewed with Carl D. Harper, Accountant.

Progress for June 1959, was found to be as described in the Operator's Narrative Report and as set down below by contract items.

Item No. 1 Tramming Tunnel Pipe

The installation was completed with the filling around the pipe of 27 cubic yards of ballast gravel.

Item No. 2 Pumps and Pump Column

Deepening of the sump on the 2005 level to accommodate the two 450 hp. sub-mersible pumps is in progress and the electrical installation and controls for the pumps is nearing completion.

Item No. 3 Drifting and Cross-Cutting

The drifting and cross-cutting advances on the 2005 level through June 30, 1959, are shown on the map attached to the Operator's Report. Total advance in the drift, the rock section which is at least 7 ft. by 10 ft at all points, was found to be 508.0 feet of which 177.0 feet was driven during June 1959. The face of the drift through June 30, was reportedly at survey station 5558 plus 21 feet. Other advance of Item No. 3 was confined to 7.0 feet of cross-cutting for Building Station No. 20-595. The total advance for the month was 184 feet, 177 feet of drifting and 7 feet of cross-cutting.

The diorite rock of the drift is hard and blocky. It stands well without support except at one wet and fractured zone about 20 feet long where some sloughing has started. Timbering of this zone probably will be necessary.

A 30 foot wide sheared zone cut by the drift carries minor amounts of ore minerals. The zone appears to be a part of the productive Mayflower fissure system.

ANALYSIS OF THE OPERATOR'S REPORT

Form MP-104

My inspection of the accounts indicated that without exception all charges as reported by the Operator were necessary and that they do not appear to be excessive. Charges for depreciation of equipment were found to be in accordance with the contract. The charge for power also was found to have been properly pro rated on the basis of total tons of waste and ore hoisted from each the MMA exploratory workings and workings in other portions of the mine.

Following are the reported and allowable costs and the amount to be suspended this report.

Item No.	Reported	Allowable	Suspendable
1	$ 128.89	$ 128.89	$ 0.00
2	1,414.37	1,414.37	0.00
3	10,986.81	9,020.00*	1,966.81
	$11,530.07	$10,563.26	$1,966.81

*Maximum allowable for the 184 feet of drifting and cross-cutting at $45.00 a foot.

The total costs of the MP-104 and MP-104A are in agreement.

Form MP-104A

The form has been properly completed in accordance with the Operator's distribution of costs by work-items.

Narrative Report

The Narrative Report with attached map is acceptable.

Original signed by
T. M. Romslo
T. M. Romslo

cc: 6
Engineer
Chron.

OME
DEPARTMENT OF THE INTERIOR
JUL 31 1959
REGION III
DENVER, COLORADO

DMEA Field Team Region III
224 New Customhouse
Denver 2, Colorado

July 27, 1959

Atten: Mr. J. W. Townsend

June Report Items No. 1,2, and 3
Re: Docket No. DMEA 4981 Contract E-1218

Gentlemen:

Item No. 1 Transite Tunnel Pipe

During the month of June the transite tunnel pipe installation was completed. 27 years of ballast gravel was used to complete the project.

Item No. 2 Pumps and Pump Column

Work is progressing on deeping the water sumps on the 2005 level to accommodate the two 450 hp. Sub-mersible pumps. The electrical installation and controlls for these pumps is near completion.

Item No. 3 Drifting and Cross-Cutting

One hundred and eighty feet (180 ft.) of drift and cross-cuts was driven during the month. Seven feet of cross-cut, No. 20-895 note map was driven to accommodate the first drill station. The drill stations will be cut at predetermined locations as the 2005 level advances to the west, each of these stations will necessitate 20 feet of cross-cuts to accommodate both diamond drill and long hole (percussion) drilling stations.

To-date all of the work has been in diorite rock, the ground has been hard and requiring no timber. A south diping fissure with diorite walls showing some mineralization and strong structure was cut, (note map.) Mineralization in the fissure was not commerical, however the quartz and sulfide stringers and structural strength are encouraging and will probably contain commerical ore shoots along its strike. This fissure is thought to be part of our Mayflower fissure system.

Enclosed please find the following: Progress map, Unite Cost Itemization, Depreciation schedule, Monthly report and Voucher, Unite Cost and Progress reports.

EXTRA COPY
O. M. E.
RECEIVED AUG 24 1959

Very truly yours,

NEW PARK MINING COMPANY

By Cale A. Hansen
Cale A. Hansen
General Superintendent

CAH:jc

[illegible]

[illegible]

[illegible]

NEW PARK MINING COMPANY

D.M.E.A. #3

DEPRECIATION - JUNE, 1959

	Cost	This Month	To-Date Total
2 Cable	$ 4,[illegible].50	$ [illegible].50	$ [illegible].50
650 Mines Loader	10,100.00	168.33	841.65
1 - Train Car Loader "5-Car Trailer"	19,000.00	158.41	683.91 (3 Cars)
1 - Charging Panel	740.00	12.33	61.65
2 - Motor Batteries "4-Ton 30 Cell"	6,500.00	54.16	270.80 (1 Battery)
1 - Set 150 KVA Transformers	1,800.00	30.00	150.00
5 - 25 H.P. Fans	3,500.00	11.67	58.35 (1 Fan)
1 - Jumbo	15,000.00	250.00	1,000.00
2 - B-J Submersible Pumps	26,145.00	435.00	920.00
		$1,238.40	

NEW PARK MINING COMPANY

D.M.E.A. PROJECTS

7204 BUFF G7204 GREEN TINT

MONTH June, 1959 DOCKET NO. DMEA 4903 CONTRACT NO. E-1210

	ITEMS OF COST	PROJECT NO. 1	PROJECT NO. 2	PROJECT NO. 3	TOTALS
		1	2	3	4
(1)	Independent) Short Form) Contracts:				
	Drilling				
	Bulldozing				
	Crosscutting				
	Drifting				
(2)	Labor and Supervision:				
	Labor		744.00	3,488.22	4,232.22
	Supervision			650.00	650.00
	Technical Services				
(3)	Operating Matl's and Supplies:				
	Timber		22.56		22.56
	Explosives		28.46	1,055.82	1,084.28
	Pipe			127.50	127.50
	Track			171.87	171.87
	Ballast Gravel	96.39			96.39
	Supplies		478.79	919.90	1,398.69
(4)	Operating Equipment:				
	Power			2,366.93	2,366.93
	Purchase				
	Depreciation			1,238.40	1,238.40
(5)	Initial Rehabilitation & Repairs:				
(6)	New Bldgs, Improvements, Etc.				
(7)	Miscellaneous:				
	Repairs to Equipment				
	Sampling				
	Payroll Taxes		85.56	65.67	151.23
	Liability Insurance				
	Accounting	32.50	55.00	162.50	250.00
(8)	Contingencies (specify):				
	Totals	128.89	1,434.37	10,246.81	11,790.07

			1	2	3	4	
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OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 31 1959

DATE	INITIALS	CODE
8/31	gad	VVO
9/1		170
9/1	[illegible]	800

Building 20 - Federal Center
Denver 25, Colorado

August 28, 1959

Memorandum

To: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract No. Idm-81218, New Park Mining Company (Mayflower mine) Wasatch County, Utah

Enclosed is the original of a power schedule submitted by the Operator which is to be attached to your copy of the accounting report form MF104 for the month of June, 1959, which was processed under schedule No. DMEA 60-6 under date of August 19, 1959.

J. W. Townsend

Enclosure

JWT/cg

cc: Chmn. Op. Comm. (2)) w/cpy power
OME/SLC) schedule
MF104 file, Reg. III)
Susp.
Chron.

NEW PARK MINING COMPANY
D.M.E.A. PROJECTS
JUNE, 1959

Docket No. DMEA 4981 Contract No. E-1218

(4) POWER:

Total Waste Hoisted from 2005 level	2,322 tons
Total Ore and Waste from other levels	4,315 tons
Total Tons of Rock Hoisted	6,637

Power costs as per Voucher No. 2124 676543 ÷ 6,637 tons = $1,019.35

1,019.35 x 2322/2005 Drift = 2,366.93

COPY

OME
DEPARTMENT OF THE INTERIOR
AUG 28 1959
REGION III
DENVER, COLORADO

Building 20 - Federal Center
Denver 25, Colorado
August 12, 1959

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

Re: Docket No. [illegible] (Lead-Zinc-Copper)
Contract No. [illegible]
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah

Dear Mr. Wilson:

Supplementing my letter of August 11, 1959, the June accounting report referred to therein was received in this office July 31, 1959, but the fact was overlooked since Mr. Nemic had the report with him for use during his recent inspection of the project.

In reference to the change for power on the June report, please forward for attachment to it, and as a part of all subsequent reports, five copies of an analysis similar to that on page 8 of the Audit Report which shows the work items initiated during the reporting period, and the resulting basis of power charge to the GSE project.

Very truly yours,

Original signed by
E. W. TOWNSEND

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

JWT:lm

cc: Chem. Op. Comm. (2)
D. T. Finch
GSE/SLC
Corres. file, Reg. III
Susp. file
Chron.

EXTRA COPY
O. M. E.
RECEIVED AUG 17 1959

DATE	INITIALS	CODE
		800

EXTRA COPY O. M. E. RECEIVED AUG 14 1959		
DATE	INITIALS	CODE
		800

Building 20 - Federal Center
Denver 25, Colorado
August 11, 1959

Mr. Clark L. Wilson, Vice-President
Bay Peak Mining Company
Bentley, Utah

Re: Docket No. [illegible] (Lead-Zinc-Copper)
Contract No. [illegible]
Bay Peak Mining Company
(Mayflower mine)
Wasatch County, Utah

Dear Mr. Wilson:

Enclosed are five copies each of Form MP-104, Form MP-104A, and the cost distribution sheet which were forwarded by your letter of August 4, 1959, as a supplementary accounting report for the period from June 25, 1958 thru March 31, 1959.

We cannot reconcile the amounts in the column "Totals Previously Reported" of the supplementary report with the "Totals To Date" of the May Report, the last accounting report on file in this office; therefore, we assume that they are the totals of the report for the month ending June 30, 1959, which has not been received. Reports must be processed in the order of the "Totals" received; therefore, processing of the supplementary report must be deferred until the prior report is received.

In a recent telephone conversation with your Mr. Harper, we suggested that the supplementary report be submitted between two of your regular monthly accounting reports, thereby eliminating the confusion that might result if adjustments were combined with current expenditures. Also the correct "Totals to Date" of the supplementary report would be available for the next regular monthly report.

The supplementary report is returned for revision because it is desirable that it clear up all discrepancies that existed up to the ending date covered by the Audit Report dated July 3, 1959. The accounting report should reflect distribution by reverse entry of "Audit Disallowances" and correct the distribution to appropriate work categories as outlined in the Audit Report. The distribution sheet accompanying the report should show reverse entry items, adjustments, and additional cost claimed.

Enclosed are six copies each of blank Forms MP-104 and MP-104A, for your use in preparing a revised supplementary report.

Enclosure
JWT:lm

cc: Chem. Op. Comm. (2) w/cy Oper's ltr. 8/4/59
D. F. Finch
GMK/SLC
Course. File, Reg. III)
Supp. file
Chron.

Very truly yours,

Original signed by
J. W. TOWNSEND

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

NEW PARK MINING COMPANY

KEETLEY, UTAH

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

OME
DEPARTMENT OF THE INTERIOR
AUG 6 - 1959
REGION III
DENVER, COLORADO

August 4, 1959

Mr. J. W. Townsend, Executive Officer
O. M. E.
Field Team, Region III
224 New Customhouse
Denver 2, Colorado

Re: Docket No. DMEA 4981
Contract No. Idm - E1218

Dear Mr. Townsend:

In the audit report of Mr. Donald T. Finch, O. M. E. Auditor, dated June 18, 1959, he indicated some labor, material and other accounts that he felt were proper charges against projects 1, 2, and 3, of the above referenced contract. Enclosed you will please find copy of forms MF 104 and MF 104A, together with a detailed breakdown of these various expense items.

I believe we have indicated to you previously that we do have some footage contracts for work performance between New Park Mining Company and the Mayflower Lease. However, there are some items, labor and material, in the way of preparatory work that are outside these particular agreements. The amounts now reported cover these particular items.

Very truly yours,

NEW PARK MINING COMPANY,

CLARK L. WILSON,
Vice President

CLW:ih

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

Budget Bureau No. 42-R1036.5

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

JUL 23 1959
O.M.E.

Month of May, 1959 Docket No. DMEA 4982 Contract No. E-1218
Operator's Name New Park Mining Company Minerals Lead, Zinc & Copper
Address 907 Walker Bank Bldg., S.L.C. Utah
Contract Amount, $ 564,880.00 Government Participation: 50% Amount, $ 282,440.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	3,079.23	24,662.48	27,741.71			
Supervision	650.00	6,150.00	6,800.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		1,291.03	1,291.03			
Explosives	581.14	1,307.59	1,888.73			
Pipe	219.82	22,354.18	22,574.00			
Track	81.22	77.07	158.29			
Ballast Gravel		2,841.20	2,841.20			
Supplies	444.02	4,354.99	4,799.01			
(4) Operating Equipment:						
Power	1,398.07	1,290.59	2,688.66			
Purchase						
Depreciation	1,238.40	2,037.06	3,275.46			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		446.97	446.96			
Sampling and Analysis						
Payroll Taxes	201.72	2,927.62	3,129.34			
Liability Insurance						
Accounting	250.00	2,400.00	2,650.00			
(8) Contingencies (specify):						
TOTALS	8,143.62	72,140.77	80,284.39	5,594.34	15,479.64	21,073.98

OME
DEPARTMENT OF THE INTERIOR
JUL 17 1959
REGION III
DENVER, COLORADO

OME
DEPARTMENT OF THE INTERIOR
JUN 25 1959
REGION III
DENVER, COLORADO

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

Date 6-11-59 Payee New Park Mining Company

Per [signature] Title Vice President

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

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

(Instructions on reverse)

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

$ 2797.17

Signature [signature]
(Authorized Certifying Officer)

Date 7/17/59 Vou. No. 0206 60-4

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 1218 in accordance with the terms of the contract.

Signature M. H. Howes by J. W. Farrand Title Mining Engr. Date 7-8-59

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature J. W. Farrand Title Executive Officer Date JUL 17 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

JUL 23 1959
O.M.E.

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1959 Docket No. DMEA 4981 Contract No. E-1218

Operator's Name New Park Mining Company Minerals Lead, Zinc & Copper

Address 907 Walker Bank Bldg., S.L.C. Utah

	Operation	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
#3	Drifting & Crosscutting	Feet	6,914.28	97	25,005.41	351	71.24	8,600	
	Crosscutting								
	Raising								
#2	Sinker Pumps & Column	Feet	141.54	none	14,524.22	1513	9.60	1,660	
	Winzes								
	Drilling: Core								
	Churn								
	Auger								
	Stripping								
	Trenching								
	Test Pits								
	Roads and Trails								
#1	16" Transite Pipe	Feet	1,087.80	none	40,754.76	7149½	5.70	7,140	
	Total Distributed Costs		8,143.62		80,284.39				Total Costs Authorized by Contract
	Operating Equipment Purchased								
	Initial Rehabilitation and Repairs								
	New Buildings, Improvements, etc.								
	Total Costs		8,143.62		80,284.39				

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

Date 6-11-59 Operator New Park Mining Company

Per [signature] Title Vice President

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

Remarks:

(Instructions on reverse)

(For Government use only)

OME
DEPARTMENT OF THE INTERIOR
JUL 17 1959
REGION III
DENVER, COLORADO

OME
DEPARTMENT OF THE INTERIOR
JUN 25 1959
REGION III
DENVER, COLORADO

INSTRUCTIONS

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

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

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

GPO 872894

NEW PARK MINING COMPANY

D.M.E.A. #3

DEPRECIATION - MAY, 1959

	Cost	This Month	To-Date Total
2" Cable	$ 4,051.50	$ 67.50	$270.00
630 Eimco Loader	10,100.00	168.33	673.32
1 - Train Car Loader "5-Car Train"	19,000.00	189.41	694.50 (3 Cars)
1 - Charging Panel	740.00	12.33	49.32
2 - Motor Batteries "4-Ton 50 Cell"	6,500.00	54.16	216.64 (1 Battery)
1 - Set 150 KVA Transformers	1,800.00	30.00	120.00
5 - 25 H. P. Fans	3,500.00	11.67	46.68 (1 Fan)
1 - Jumbo	15,000.00	250.00	750.00
2 - D-J Submersible Pumps	28,145.00	455.00	455.00
		$1,238.40	

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O. M. E.
RECEIVED JUL 23 1959

DATE	INITIALS	CODE

OME
DEPARTMENT OF THE INTERIOR
JUL 17 1959
REGION III
DENVER, COLORADO

OME
DEPARTMENT OF THE INTERIOR
JUN 25 1959
REGION III
DENVER, COLORADO

NEW PARK MINING COMPANY
D.M.E.A. PROJECTS

MONTH OF MAY, 1959 DOCKET NO. DMEA 4981 CONTRACT NO. B-1218

ITEMS OF COST	PROJECT, NO. 1	PROJECT NO. 2	PROJECT NO. 3	TOTALS
(1) Independent) Short Form) Contracts:				
Drilling				
Bulldozing				
Crosscutting				
Drifting				
(2) Labor Supervision:				
Labor	720.50		2,359.23	3,079.23
Supervision	200.00		450.00	650.00
Technical Services				
(3) Operating Mat'ls and Supplies:				
Timber				
Explosives			581.14	581.14
Pipe		53.27	166.55	219.82
Track			81.22	81.22
Ballast Gravel				
Supplies	200	1577	426 25	44102
(4) Operating Equipment:				
Power			1,398.07	1,398.07
Purchase				
Depreciation			1,238.40	1,238.40
(5) Initial Rehabilitation & Repairs:				
(6) New Bldgs, Improvements, Etc.				
(7) Miscellaneous:				
Repairs to Equipment				
Sampling				
Payroll Taxes	82.80		118.92	201.72
Liability Insurance				
Accounting	82.50	72.50	95.00	250.00
(8) Contingencies (specify):				
Totals	1,087.80	141.54	6,914.28	8,143.62

OME
DEPARTMENT OF THE INTERIOR
JUL 17 1959
REGION III
DENVER, COLORADO

OME
DEPARTMENT OF THE INTERIOR
JUN 25 1959
REGION III
DENVER, COLORADO

PEMBROKE NO. 139M "UNDERGROUND DRAFTING"
BY DATE SUBJECT SHEET NO. OF
CHKD. BY DATE JOB NO.

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DATE	INITIALS	CODE

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RECEIVED JUL 23 1959

DATE	INITIALS	CODE

224 New Customhouse
Denver 2, Colorado

July 17, 1959

Memorandum

TO: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract No. Idm-K1218 New Park Mining Company (Mayflower mine) Wasatch County, Utah - Operator's Monthly Progress Report for the Month of May, 1959

Enclosed are the original and four copies each of Forms MF-104 and MF-104A, Operator's Narrative Report and Engineer's Report, for the above period.

We consider that the Operator has complied with the intent of the contract, and the work for which payment is recommended is acceptable to the Government.

Documentation has been waived; therefore, we recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to your verification of arithmetical accuracy within Form MF-104, and contingent on the findings of a subsequent on-site audit of the Operator's account, except for the following suspension:

Suspension - Drifting and crosscutting costs in excess of allowable maximum average unit cost of $45.00 a foot

Reported, 351 feet at a total cost of	$25,005.41
Allowable, 351 feet at $45.00 a foot	15,795.00
Excess	9,210.41
Previously suspended	6,661.13
To be suspended this report	$ 2,549.28

Reconciliation with total costs reported by the Operator on Form MF-104 for Month of May, 1959

Total costs reported	$ 8,143.62
Amount to be suspended	2,549.28
Balance	5,594.34
Government participation at 50 percent	$ 2,797.17

Processing of the Operator's Report has been deferred pending receipt of revised report.

JWT:ltm

cc: Chmn. Op. Comm. (2)
OME/SLC
MF-104 file, Reg. III
USGS/DFC, Hasler) w/cpy Engr's & Oper's Narra. rept w/map
Susp. file

Original signed by
J. W. TOWNSEND

J. W. Townsend

Enclosure
Chron.

3

OME
DEPARTMENT OF THE INTERIOR
JUL 9 - 1959
REGION III
DENVER, COLORADO

July 8, 1959

Memorandum

To: J. W. Townsend, Executive Officer, OME Field Team, Reg. III

From: M. H. Howes

Subject: Docket No. DMEA 4961 (Lead-Zinc-Copper) Contract Idm-E1218, New Park Mining Co., (Mayflower Mine), Wasatch County, Utah -- Progress report for May 1959

Attached are the original and four copies of the operator's monthly report for May 1959.

The property was inspected June 29, 1959, in the company of Gale A. Hansen, general superintendent. It is verified that during May 1959, under Item No. 1, ballast gravel and stalls were installed in the process of finishing the installation of the transite pipe; under Item No. 2, no work was performed (certain allowable charges were made for pipe and supplies not previously charged, and for depreciation and accounting); and under Item No. 3, 97 feet of 8- x 10-foot drift was advanced. The drift is in diorite. Continued improvement of the dumping facilities and time lost by a power failure delayed progress during the month.

The accounts were checked and it is verified that all charges for services and supplies, as reported on form MF-104, were necessary and that they do not appear to be excessive. The operator's narrative report and map are considered to be adequate.

The following are tabulations of footages, reported costs, maximum allowable costs, and cost differences:

Drifting and Crosscutting

	Footage	Reported Cost	Max. allowable cost at $45.00	Cost Difference
Totals thru Apr. 1959	254.0	$18,091.13	$11,430.00	$6,661.13*
May 1959	97.0	6,459.28	4,365.00**	2,094.28*
Totals thru May 1959	351.0	24,550.41	15,795.00	8,755.41*

* Amount of excess costs, which are suspendable.

**Maximum allowable Unit No. 3 cost for May 1959	$4,365.00
" " " " 1 cost " " "	1,087.80
" " " " 2 cost " " "	610.62
Total maximum allowable cost for May 1959	$6,063.42
Government participation at 50 percent	$3,031.71

It is recommended that the operator be reimbursed $3,031.71, which is 50 percent of $6,063.42, the maximum allowable cost for May 1959.

M. H. Howes
M. H. Howes
Mining Engineer

MHH/mw
cc: 6
Idm-R1218
chron

3

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REGION III
DENVER, COLORADO

DMEA Field Team
United States Bureau of Mines
1600 East 1st South
Salt Lake City, Utah

June 17, 1959

May Report Items Number 1, 2, and 3
Re: Docket No. DMEA 4961 Contract [illegible]

Gentlemen:

Item No. 1 Transite Tunnel Pipe

During the month of May the crew finished covering the transite pipe with ballast gravel, blocked down the transite pipe, and installed air vents into the transite pipe. Except for possible minor adjustments this project is completed.

Item No. 2 Pump and Pump Column

During the month of May a small amount of work was done on the electrical wiring for the 200% pump controls.

Item No. 3 Drifting and Cross-Cutting

Ninety seven feet of 8 x 10 drift was driven off the 2005 level station during the month of May. (note enclosed geologic and progress map). All of this work to-date is in dolomite.

Progress in drifting advance was delayed by difficulties with the car dumping mechanism on the 2005 station and by repairs on the mine cars so that the scraper-loader would work properly. A delay also resulted from a power failure which allowed water to fill the shaft and several feet on the 2005 station and drift.

Sincerely,

NEW PARK MINING COMPANY

By [signature]
Chas A. Hanson
General Superintendent

CAH:js

NOTE: Also enclosed is the depreciation list for April that was omitted in the April report.

[illegible]

[illegible]

[illegible]

FINAL DISTRIBUTION

MADE JUL 20 1959

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

Administrative Audit Difference Statement

New Park Mining Company
907 Walker Bank Building
Salt ;Lake City 11, Utah

Date: July 17, 1959
Payee's Reference: May, 1959

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

Amount Claimed	$	8,143.62
Difference	$	2,549.28
Amount Approved	$	5,594.34

The reason for the difference was due to:
Suspension - Drifting and crosscutting costs in excess of allowable maximum average unit cost of $45.00 a foot

Reported, 351 feet at a total cost of	$25,005.41
Allowable, 351 feet at $45.00 a foot	15,795.00
Excess	9,210.41
Previously suspended	6,661.13
Suspended, this report	2,549.28

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

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

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O. M. E.
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DATE	INITIALS	CODE
3-31	gad	VVO
		~~800~~
		~~800~~
	EEF	800

March 28, 1960

Memorandum

To: Mr. E. D. Talbert, Acting Chief,
Contract Administration and Audit Division, OME

From: Executive Officer, OME Field Team, Region III

Subject: Proposed On-site Audit of Project Accounts
Docket No. DMEA 4981 (Lead-zinc-copper)
Contract No. Idm-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

In reference to the request in the last paragraph, first page, of your memorandum of March 15, 1960, enclosed are two copies of a distribution sheet showing breakdown of reported costs to work categories for the month of April 1959.

J. W. Townsend

J. W. Townsend

Enclosures

NEW PARK MINING COMPANY

~~KEETLEY, UTAH~~
P.O. Box 929
Park City, Utah

OME
DEPARTMENT OF THE INTERIOR
MAR 25 1960
REGION III
DENVER, COLORADO

March 21, 1960

Mr. J.W. Townsend
Executive Officer, OME
Field Team, Region III
Building 20 - Federal Center
Denver 25, Colorado

Re: Docket No. DMEA-4981 (Lead-zinc-copper)
Contract No. Idm -E-1218
New Park Mining Company (Mayflower Mine)
Wasatch County, Utah

Dear Mr. Townsend:

Enclosed please find a detailed sheet showing breakdowns to catagories of charges for the month of April, 1959.

Please be advised that your date of or about April 25, 1960, will be satisfactory to us for the purpose of conducting an audit of the D.M.E.A. project accounts.

Yours very truly,

NEW PARK MINING COMPANY

Carl D. Harper

Carl D. Harper,
Chief Accountant

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 31 1960

DATE	INITIALS	CODE

CDH:jc
Enclosures

NEW PARK MINING COMPANY

D.M.E.A. PROJECTS

MONTH OF April, 1959 DOCKET NO. DMEA 4981 CONTRACT NO. E-1218

	ITEMS OF COST	PROJECT NO. 1	PROJECT NO. 2	PROJECT No. 3	TOTALS
(1)	Independent) Short Form) Contracts:				
	Drilling				
	Bulldozing				
	Crosscutting				
	Drifting				
(2)	Labor and Supervision:				
	Labor	1,432.00	704.00	2,410.40	4,546.40
	Supervision	200.00		450.00	650.00
	Technical Services				
(3)	Operating Mat'ls and Supplies:				
	Timber	259.86		21.97	281.83
	Explosives			556.44	556.44
	Pipe	1,358.10	197.82	83.18	1,639.10
	Track			77.07	77.07
	Ballast Gravel	519.18			519.18
	Supplies		109.63	727.13	836.76
(4)	Operating Equipment:				
	Power			1,290.59	1,290.59
	Purchase				
	Depreciation			783.40	783.40
(5)	Initial Rehabilitation & Repairs:				
(6)	New Bldgs, Improvements, Etc.				
(7)	Miscellaneous				
	Repairs to Equipment				
	Sampling				
	Payroll Taxes	164.68	80.96	143.75	389.39
	Liability Insurance				
	Accounting	67.80	64.70	117.50	250.00
(8)	Contingencies (specify):				
	TOTALS	4,001.62	1,157.11	6,661.43	11,820.16

OME
DEPARTMENT OF THE INTERIOR

MAR 25 1960

REGION III
DENVER, COLORADO

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DATE

NEW PARK MINING COMPANY

EXTRA COPY
O. M. E.
RECEIVED MAR 31 1960

DATE	INITIALS	CODE

P.O. Box 929
Park City, Utah

OME
DEPARTMENT OF THE INTERIOR
MAR 25 1960
REGION III
DENVER, COLORADO

March 21, 1960

Mr. J.W. Townsend
Executive Officer, OME
Field Team, Region III
Building 20 - Federal Center
Denver 25, Colorado

Re: Docket No. DMEA-4981 (Lead-zinc-copper)
Contract No. Idm -E-1218
New Park Mining Company (Mayflower Mine)
Wasatch County, Utah

Dear Mr. Townsend:

Enclosed please find a detailed sheet showing breakdowns to catagories of charges for the month of April, 1959.

Please be advised that your date of or about April 25, 1960, will be satisfactory to us for the purpose of conducting an audit of the D.M.E.A. project accounts.

Yours very truly,

NEW PARK MINING COMPANY

Carl D. Harper

Carl D. Harper,
Chief Accountant

CDH:jc
Enclosures

[illegible]

[illegible]

[illegible] 1, [illegible] Month of [illegible] 1, [illegible]

		[illegible] No. 1	[illegible] No. 2	[illegible] No. 3	[illegible]
(1)	Independent contractor (Non Corp.)				
	Drilling				
	Drilling				
	Cementing				
	Logging				
(2)	Labor and transportation				
	Labor	1,121.00	721.20	2,410.00	[illegible]
	Depreciation	[illegible]		[illegible]	[illegible]
	Technical services				
(3)	Operating materials and supplies				
	Water	[illegible]		21.77	[illegible]
	Explosives			[illegible]	[illegible]
	Mud	1,[illegible]	197.12	[illegible]	1,[illegible]
	Stock			77.07	77.07
	Pulling tools	[illegible]			[illegible]
	Supplies		[illegible]	[illegible]	[illegible]
(4)	Operating equipment				
	Rent			1,[illegible]	[illegible]
	Purchase				
	Depreciation			[illegible]	[illegible]
(5)	Social Security taxes & payroll				
(6)	Ins. Bldg., Equipment, etc.				
(7)	Miscellaneous				
	Repairs to equipment				
	Supplies				
	Payroll taxes	[illegible]	[illegible]	[illegible]	[illegible]
	Liability insurance				
	Accounting	[illegible]	[illegible]	[illegible]	[illegible]
(8)	Contingencies (equity):				
	TOTAL	[illegible]	[illegible]	[illegible]	[illegible]

OME
DEPARTMENT OF THE INTERIOR
MAR 25 1960
REGION III
DENVER, COLORADO

EXTRA COPY
O. M. E
RECEIVED MAR 31 1960
CODE
INITIALS
DATE

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1959 Docket No. DMEA 4001 Contract No. D-1210
Operator's Name New Park Mining Company Minerals Lead, zinc and copper
Address 927 Walker Bank Building S.L.C. Utah
Contract Amount, $ 5,54,000.00 Government Participation: 50% Amount, $ 332,140.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	4,546.10	20,116.00	24,662.10			
Supervision	650.00	5,500.00	6,150.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	291.00	1,000.20	1,291.00			
Explosives	556.40	751.19	1,307.59			
Pipe	1,539.10	20,715.00	22,354.10			
Track	77.07		77.07			
Ballast Gravel	519.10	2,522.00	2,041.20			
Supplies	836.76	3,518.23	4,354.99			
(4) Operating Equipment:						
Rent power	1,290.59		1,290.59			
Purchase						
Depreciation	793.40	1,253.66	2,037.06			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		446.96	446.96			
Sampling and Analysis						
Payroll Taxes	399.99	2,527.63	2,927.62			
Liability Insurance						
Accounting	250.00	2,150.00	2,400.00			
(8) Contingencies (specify):						
TOTALS	11,000.10	60,330.67	72,140.77	8781.23	56,698.41	65,479.64

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

Date 5-21-59 *Payee New Park Mining Company

Per [signature] Title Vice President

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

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

(Instructions on reverse)

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

$ 4390.61

Signature [signature]
(Authorized Certifying Officer)

Date 7/1/59 Vou. No. 0306.59-113

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 1218 in accordance with the terms of the contract.

Signature M. M. Lowes Title Mining Engineer Date May 29, 1959

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1962)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1959 Docket No. DMEA 6903 Contract No. [illegible]
Operator's Name New Park Mining Company Minerals Lead, zinc and
Address 807 Walker Bank Bldg., Salt Lake City, Utah copper

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
63 Drifting	Feet	6,061.19	60	10,091.19	254	71.22	3,600	
Crosscutting								
Raising								
62 ~~[illegible]~~ Pump Saloon	Feet	1,157.11		14,382.60	1513	9.50	1,600	
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
61 - 16" Armitco pipe	Feet	4,001.62	716	39,666.95	7103	5.55	7,140	
TOTAL DISTRIBUTED COSTS		11,220.16		72,140.77				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		11,220.16		72,140.77				

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

Date 5-21-59 Operator New Park Mining Company

Per [signature] Title Vice President

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

REMARKS:

(Instructions on reverse)

(For Government use only)

M. R. Hower, Mining Engineer, 5/29/59

INSTRUCTIONS

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

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

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

GPO 872894

FINAL DISTRIBUTION

MADE JUL 1 - 1959

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

Administrative Audit Difference Statement

Date: June 30, 1959
Payee's Reference: April, 1959

New Park Mining Company
307 Walker Bank Building
Salt Lake City 11, Utah

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

Amount Claimed $ 11,020.16

Difference $ 3,038.93

Amount Approved $ 8,981.23

The reason for the difference was due to:

Suspension - drifting and prospecting costs in excess of allowable current average unit cost of $45.00 a foot.

Reported, 254 feet at cost of	13,021.13
Allowable, 254 feet at $45.00 a foot	11,430.00
Excess	1,591.13
Previously suspended	1,447.80
Suspended this report	3,038.93

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

Very sincerely yours,

N. E. Stokes
Audit Section

EXTRA COPY
O. M. E.
RECEIVED JUL 6 1959

DATE	INITIALS	CODE
		800

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

224 New Customhouse
Denver 2, Colorado

JUN 25 1959

Memorandum

TO: E. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. OMRA 4-61 (Lead-Zinc-Copper) Contract IBm-81218
New Park Mining Co., (Mayflower mine) Wasatch County,
Utah - Operator's Monthly Progress Report for the Month
of April, 1959

Enclosed are the original and four copies each of Forms MP-104 and MP-104A, Operator's Executive Report, and Engineer's Report for the above period.

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. Documentation has been waived; therefore, we recommend that payment be made to the Operator for 50 percent of the amount reported on Form MP-104, subject to verification of arithmetical accuracy within Form MP-104, and contingent on the findings of subsequent on-site audit of the Operator's account, except for the following exceptions:

Exception - Drifting and prospecting costs in excess of allowable maximum average unit cost of $5.00 a foot

Reported, 254 feet at cost of	$18,071.13
Allowable, 254 feet at $45.00 a foot	11,430.00
Excess	6,641.13
Previously suspended	1,622.80
To be suspended this report	$ 5,018.33

Reconciliation with total costs reported by the Operator on Form MP-104A for Month of April 1959

Total costs reported	$11,500.16
Amount to be suspended	5,018.33
Balance	6,481.83
Government participation at 50%	$ 4,240.61

JVT:lm
cc: Chem. Op. Comm. (2)
OME/SLC
MP-104 File, Reg. III
Surplus)w/cpy of
Fac.Management File)Engr's rept
Chem.

Original signed by
J. W. TOWNSEND
J. W. Townsend

[illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

INTERMOUNTAIN
EXPERIMENT STATION

1600 EAST 1ST SOUTH STREET
SALT LAKE CITY, UTAH

OME
DEPARTMENT OF THE INTERIOR
JUN 1 - 1959
REGION III
DENVER, COLORADO

May 29, 1959

Memorandum

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

From: M. N. Howes

Subject: Docket No. DMEA-4921 (Lead-zinc-copper), Contract Idm-21218, New Park Mining Co. (Mayflower mine), Wasatch County, Utah. Progress report for April 1959

Attached are the original and four copies of the operator's monthly report for April 1959.

The property was inspected May 12, 1959, in the company of Gale A. Hansen, general superintendent. It is verified that during April 1959, under Item No. 1, 716 feet of 16-inch transite pipe was laid in the Mayflower Tunnel, completing the installation of 7,140 feet of pipe; under Item No. 2, pump and pump-column installation was completed except for the installation of two 300-hp. pumps on the 1630 level, together with the necessary electrical connections; and under Item No. 3, 80-1/2 feet of 8- x 10-foot drift was advanced. The drift continues in diorite. Rebuilding dumping facilities and transfer pocket on the 2005 level, revamping train-loading mechanism, and lowering of pumps in the shaft slowed drifting progress during the month.

The accounts were checked and it is verified that all charges for services and supplies, as reported on form MF-104, were necessary and that they do not appear to be excessive. The operator's narrative report and map are considered to be adequate.

The following are tabulations of footages, reported costs, maximum allowable costs, and cost differences:

Drifting and Crosscutting

	Footage	Reported cost	Max. allowable cost at $65.00	Cost Difference
Totals thru Mar. 1950	173.5	$11,[illegible].70	$ 7,[illegible].00	$3,[illegible].20*
Apr. 1950	80.5	6,081.43	3,[illegible].00**	3,038.43*
Totals thru Apr. 1950	254.0	$18,081.13	$11,420.00	$6,661.13*

* Amount of excess costs, which are nonpayable

**	Maximum allowable Unit No. 3 cost for April 1950								$3,[illegible].80
	"	"	"	"	1	"	"	"	4,001.82
	"	"	"	"	2	"	"	"	1,167.11
	Total maximum allowable cost for April 1950								$8,781.23
	Government participation at 50 percent								$4,390.62

It is recommended that the operator be reimbursed $4,390.62, which is 50 percent of $8,781.23, the maximum allowable cost for April 1950.

M. H. Hoover

M. H. Hoover

DMEA Field Team
United States Bureau of Mines
1600 East 1st South
Salt Lake City, Utah

May 15, 1959

April Report Items Number 1, 2 and 3
Re: Docket No. DMEA 4981 Contract E - 1218

Gentlemen:

Items No. 1 Transite Tunnel Pipe

During this month of April seven hundred and sixteen feet of transite pipe was installed in the main haulage tunnel. This completes the actual pipe installation of 7,149.5 feet of pipe. The additional 9.5 feet of pipe over the original estimate of 7,140 feet is an accumulative figure of the entire project from additional footage required around turns and cross-overs under the track.

A drainage system was installed in the last 500 feet of the project to pick up tunnel drainage water following around the outside of the transite pipe. This system was necessary to prevent accumulation of ice in the haulage level during freezing conditions. To complete the entire project Item No. 1 (transite pipe) the remaining work is required; some additional ballast gravel for pipe protection, and installing several air vents in the pipe. This work will be completed in the month of May.

Item No. 2 Pumps and Pump Column

Work completed during the month consisted of installation and setting of the two 450 hp. submersible B-J pumps in the 2005 level pump room. The installation of Auto Float switches, special fittings and electrical wiring for pump control. The work remaining to be completed on this project is as follows: The installation of two 350 hp. pumps on the 1630 level main pump station. The final pump column connection to these pumps, and the electrical wiring and controll system.

The pumps for this project have been purchased and are on hand, there installation will take place when additional necessary supplies, and man power are made available.

Item No. 3 Drifting and Cross-Cutting

Eighty and one half feet of 8 x 10 foot drift was driven off the 2005 level station during the month of April, (note enclosed geologic and progress map). All of this work to-date has been in diorite rock.

Progress in drifting advance was slow during the month because of time requiredto rebuild the dumping facilities, and transfer pocket in the shaft. It was also necessary to rebuild the scraping mechanism on the train loader, lower the 450 hp. pumps, and do necessary repair work in the shaft sump.

As all facilities for this unit of work are near completion plans are being made to put this unit on a three shift basis in the near future.

Very truly yours,

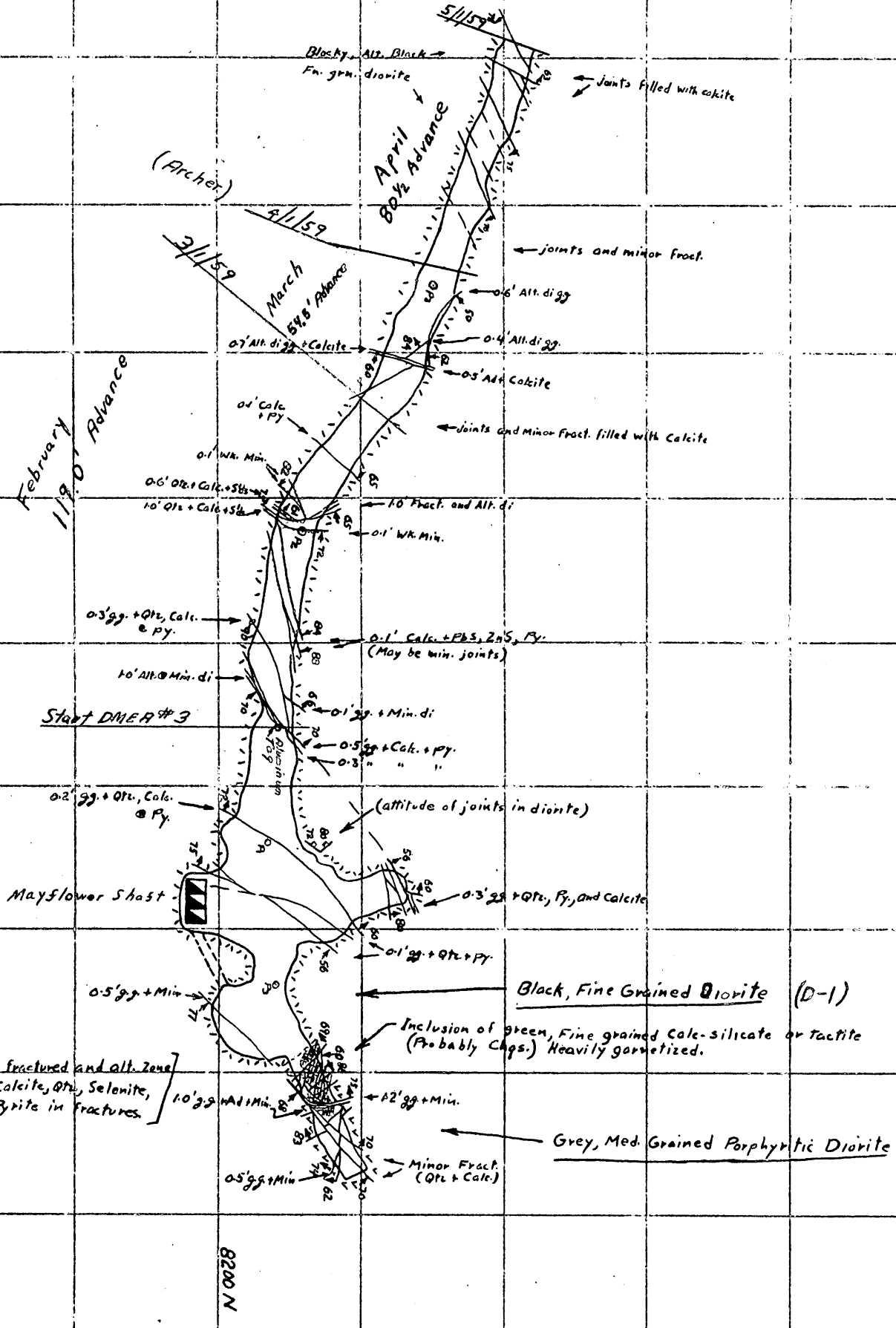
NEW PARK MINING COMPANY

By _____
Gale A. Hansen
General Superintent

GAH:je

APRIL, 1959

ITEM	COST	DEPRECIATION THIS MONTH	NOTE
2" Cable	$ 4,051.50	$ 67.50	800 to 2005 level
630 Hinge Loader	10,100.00	168.33	
1 Twin Car Loader (5 Car Tanks)	19,000.00	187.41	3 Cars
1 Charging Panel	760.00	12.33	
2 Motor Batteries (4 Tons 30 Cell)	6,500.00	54.16	1 Battery
1 Set 150 KVA Transformers	1,800.00	30.00	
5 - 25 HP Fans	3,500.00	11.67	1 Fan
1 Gantry - Type Jumbo	15,000.00	250.00	
TOTAL TO-DATE		$ 783.40	



2005 LEVEL GEOLOGY
1" = 50'
4/59 (Archer)

PEMBROKE NO. 1908 "UNDERGROUND DRAFTING"

BY ____ DATE ____ SUBJECT ____ SHEET NO. ____ OF ____

CHKD. BY ____ DATE ____ JOB NO. ____

FIRST INTERIM
AUDIT REPORT

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

JUN 15 1959
O.M.E.

AUDIT CERTIFICATE

I have examined the records and transactions of:

Bay Park Mining Company
907 Walker Bank Building
Salt Lake City, Utah

pertaining to Exploration Project Contract No. 12m-R1218, Docket No. DMEA 4981, dated June 23, 1958, including Amendments Nos. 1 thru 3, covering a project of exploration for Lead, Zinc and Copper located in Wasatch County, Utah, and referred to as Mayflower Mine for the period June 23, 1958 to March 31, 1959, inclusive.

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

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

Total cost as billed by Contractor			$60,320.61
Exceptions: (See Audit Report for details)			
Prior to this audit	$3,622.20		
Less Reinstatement	636.56	$2,985.64	
During this audit		994.46	3,980.10
Total Net cost claimed			56,340.51
Add: Acceptable cost (not claimed) to offset disallowance			3,980.10
Total accepted cost claimed			60,320.61
Additional cost allowable		7,776.67	
Less: Offset used above		3,980.10	3,796.57
Total acceptable cost, if claimed			64,117.18

The contract calls for a 50 percent participation of accepted costs. Therefore, if the project is otherwise accepted as having met terms of the contract, payments as follows are valid and proper.

On cost claimed	30,160.31
On additional cost if claimed	1,898.28
Total amount payable if claimed	32,058.59
Amount payable on audited claim	30,160.31
Amount reimbursed	28,349.20
Balance due Operator	1,811.11
Additional payable if claimed	$ 1,898.28

June 3, 1959

Donald T. Finch
Donald T. Finch
OME Auditor

JUN 13 1989
O.M.E

JUN 15 1959
O.M.E.

JUN 5 1959
O.M.E.

AUDIT REPORT

I. INTRODUCTION

On May 11, thru May 19, 1959, an interim audit (covering operations for the period June 23, 1958 to March 31, 1959) was made of the records and transactions pertaining to Exploration Project Contract No. Ida-X1218, Docket No. DMA 4981, dated June 23, 1958, including Amendments Nos. 1 thru 3 with the

New Park Mining Company
907 Walker Bank Building
Salt Lake City, Utah

covering a project for the exploration of Lead, Zinc and Copper on property commonly known as the Mayflower Mine near Montley in Wasatch County, Utah.

The original records under this contract are maintained by Mr. Carl D. Harper, Auditor and Purchasing Agent for the company, at Montley, Utah. Mr. Harper and his assistants Mr. Harry Mahillan and Mr. Francis Smith and Mr. Gale A. Hansen, Mine Superintendent were consulted during the audit. Mr. M. E. Howes, Mining Engineer, USBM collaborated in in the audit. The cooperation and assistance of all concerned greatly facilitated the audit.

II. GENERAL INFORMATION ON RECORDS

The general books of the company with all usual accounting support are kept at Montley, Utah and were made available to the Auditor. Such support consisted of payrolls, time cards, invoices, insurance policies,etc.

Since 1957 operation of the Mayflower Mine has been conducted by a group of former employees under a lease arrangement. The New Park Mining Company continued the purchasing of all materials and supplies which are charged to the lessees as used. All labor including shift foremen is performed by the lessees. Charges for direct mine supplies consumed and labor applied to the exploration project are summarized in monthly journal entries which are credited to the lessees' account. Payrolls and time cards maintained by the lessees were made available to the Auditor for corroboration of the monthly labor applicable to the exploration project.

Prior to the audit the Operators' Monthly Report and Voucher Forms MF-10b were prepared in part from memorandum data based on engineering specifications and in part from direct invoice charges.

Representatives of the Operator were advised by the Auditor that while engineering specifications had a definite value in their place they were, however, of little value as accounting support. Because of this situation it was necessary during the audit to compile all accounting data applicable to the project from source data. Mr. Clark Wilson, Vice-Presi-

JUN 8 1969
O.M.E.

dent of the company and Mr. Harper advised that in the future adequate detailed summaries of project costs would be maintained.

III. SCOPE OF AUDIT AND FINDINGS

The audit was limited to ascertaining the accuracy, propriety and validity of the costs shown in the "Totals to Date" column of the form MP-104, Operator's Monthly Report and Voucher, for the month of March, 1959. Since by letter dated August 14, 1958, addressed to the Operator, the Executive Officer of the OME Field Team, Region III waived the requirement for submission of supporting documents with the monthly forms MP-104, a complete and detailed audit and analysis of all costs was necessary.

The audit disclosed a considerable amount of improper distribution of charges to "Items of cost" shown on the Form MP-104 and also revealed numerous allowable charges applicable to the project which have not been claimed. Therefore, the audit findings presented below are those resulting from correction of the cost distribution. Unclaimed allowable charges are also listed.

(1). Independent Contracts

No items of cost applicable to this category had been incurred at the time of this interim audit.

(2). Labor and Supervision

(a) Labor

All labor applicable to the exploration project was performed by the lessee. Actual installation of Transite Pipe and Pump Column was on a labor contract rate of $2.00 per foot plus a flat rate of $200.00 per month for shift foreman supervision with fringe benefits at 11.5%. In addition the Operator incurred considerable additional labor costs of preparation for these installations on a man shift basis. These additional labor costs have not been claimed by the Operator there either over sight or misunderstanding of the exploration contract.

The examining engineer and the Executive Officer of the OME Field Team, Region III advise that they consider such costs as reasonable and necessary to the applicable installations.

Labor charges for drifting were based on the following labor contract amounts per foot of drift advance: Drifting $11.80/ft.; Hoisting $2.35/ft.; Haulage $4.15/ft. plus $15.00 per man shift for equipment installation.

All charges for labor during the period June 23, 1958 to March 31, 1959 were confirmed during the audit. These charges based on unit rates were recomputed using footage which had previously been confirmed by the Examining Engineer during his monthly inspections. All charges on a man shift basis were confirmed by reference to payrolls and monthly summaries of man shifts worked by individuals which had been approved by the mine superintendent.

During the audit it was also confirmed that all charges for labor to the project had been credited on the general ledger of the Operator to the Mayflower Lease Account. An analysis of labor charges follows:

As Claimed	Instal. Transite Pipe	Instal. Pump Column	Drifting	Total
6433.5 ft at $2.00/ft	$12,867.00			
1513 ft. at $2.00/ft		$3,026.00		
173.5 ft at $11.80/ft			$2,047.30	
Hoisting at $2.35/ft			407.74	
Haulage at $4.15/ft			720.04	
65½ man shifts @ $16.00 Installing Equip.			1,048.00	
Totals Claimed	$12,867.00	$3,026.00	$4,223.08	$20,116.08
	1,472	34	131.48	1,639.10
Additional Labor Cost Allowable if Claimed				
22 man shifts Necessary timbering	$ 374.00			
158.5 man shifts Preparation of shaft		$2,449.00		
239 man shifts Preparation of level		3,740.00		
55 man shifts installing Power Cable		848.00		
Total Additional	$ 374.00	$7,037.00		$ 7,411.00
Total Labor if additional Claimed	$13,241.00	$10,063.00	$4,223.08	$27,527.08

(b) Supervision

As previously stated the Operator credited the Lessee for $200.00 per month for shift foreman supervision in accordance with labor contract for actual installation of Transite Pipe and Pump Column. These charges to the project were confirmed during the audit. In addition, the Operator claimed an additional $[illegible]0.00 per month for supervision and engineering for each month July, 1958 thru March, 1959 with the exception of the month of October when a charge of $100.00 was made. The exploration contract author-

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

uses a maximum allowable charge for supervisors and technicians of $650.00 per month. Analysis of claimed costs for supervision during the period June 23, 1958 to March 31, 1959 is as follows:

Shift foremen charges for Transite Pipe and Pump column Installation per labor contract	$1,800.00
Superintendent, Engineers & Geologist, Master Mechanic, & Chief Electrician	3,700.00
Acceptable total	$5,500.00

The Operator's records distributed the foregoing charges for supervision to:

Transite Pipe and Pump Column Installations	$4,600.00
Drifting (2 mo.)	900.00
Total as above	$5,500.00

During the audit the following computation was made from the Company's salary records to show recorded time devoted to the exploration project during period June 23, 1958 to March 31, 1959, by the following supervisory and technical employees of the Company.

Gale Hansen, Mine Sup. 708 hrs. at $3.00	$2,124.00
Walter Bauer, Geol. Engr. 154 hrs. at $2.70	415.80
Earl Annes, Geol. Engr. 150 hrs. at $2.50	375.00
Bobbie Archer, Geol. Engr. 368 hrs. at $1.50	552.00
Phillip Santy, Master Mech. 237 hrs. at $2.70	639.90
Edwin R. Booth, Chief Elec. 407 hrs. at $2.60	1,058.20
J. Santy, Assist. Engr. 16 hrs. at $1.50	24.00
Total	$5,188.90
Portion Claimed by Operator on MP-104	$3,700.00

In view of the foregoing analysis the Operator's charges of $650.00 (allowable maximum) for supervision and technical services is considered reasonable by the examining engineer, the executive officer of the field team and the auditor.

JUN 15 1959
O.M.E.

(5) Operating Materials and Supplies

All charges to this category were confirmed by detailed audit and analysis of vendors invoices and daily charges from warehouse. Prices used on warehouse issues were based on average invoice cost plus transportation without any carrying charge being added. Warehouse issue prices were confirmed by examination of representative invoices and freight bills. Direct charges were confirmed by the examination of the applicable invoices.

Analysis of the supplies accounts after adjustment for errors in distribution and disallowances follows:

Timber: As Claimed	Instal. Trenchs Pipe	Instal. Pump Columns	Drifting	Total
2584 B Ft. 8x8	$147.56			
470 B Ft. 4x6	29.08			
1375 B Ft. 2x6	85.09			
233 B Ft. 2x8	14.40			
75 B Ft. 3x6	4.64			
100 B Ft. 3x8	6.19			
165 B Ft. 3x10	10.09			
4154 B Ft. 8x8		272.50		
1632 B Ft. 8x8		106.08		
213 B Ft. 8x8		13.51		
7 B Ft. 4x6		.46		
2 B Ft. 4x6		.13		
2081 B Ft. 2x6		136.51		
209 B Ft. 2x6		13.06		
70 B Ft. 8x6		4.55		
49 B Ft. 2x8		3.21		
8 B Ft. 2x8		.53		
713 B Ft. 3x10			48.49	
160 B Ft. 4x6			10.62	
460 B Ft. 3x8			30.50	
96 Ft. 6x8 at $1.70 ea.			98.20	
Acceptable timber cost claimed	$297.05	$550.34	$161.81	$1009.20
Additional timber cost Allowable if claimed 3551 B Ft. (assorted sizes)		217.52		217.52
Total acceptable timber cost if claimed	$297.05	$767.86	$161.81	$1226.72

Explosives: As Claimed	Instal. Pump Column	Drifting	Total
613 sticks CLX Pwd.		$ 60.68	
5737 sticks HSX Pwd.		378.64	
1105 Electric Caps		306.65	
Allowable Claimed Total		$745.97	$745.97
Additional cost of caps and Explosives allowable if claimed	$9.05		9.05
Total accepted cost of Explosives if claimed	$9.05	$745.97	$755.02

The audit disclosed an overcharge of $5.18 for explosives for the month of February, 1959, which is disallowed in this report.

Pipe (50% of Cost)*	Transite Pipe and Fittgs.	Air & Water Lines	Total
6433.5 ft. at $3.7935/ft ($24,405.48)	$12,202.74		
166 Ft.6" at $1.10/ft ($182.60)		91.30	
166 Ft. 2" at .48/ft ($79.68)		39.84	
26-6" Vle. Coup. at $6.45/ea ($167.70)		83.85	
19-2" Vle. Coup. at $1.74/ea ($33.06)		16.53	
Allowable Total Cost of Pipe	$12,202.74	$231.52	$12,434.26

All pipe and applicable freight invoices were examined during the audit. The audit disclosed overcharges of $262.52 for Transite Pipe and $231.62 for Water and Air Lines. These overcharges have been disallowed in this report.

*The contract stipulates that the foregoing items of pipe be claimed at 50% of cost and provides the Government will not acquire any salvage interest in such items.

Track (At 50%)*	Instal. Pump Column	Drifting	Total
347 Ft. 40 lb. Rail at .693 ($240.48		$120.24	
29 pcs. 38" Ties at.42 ea ($12.18)		6.09	
16 pcs. 9Ft Ties at $1.19 ea ($19.04)		9.52	

Trunk (at 50%)	Instal. Pump Column	Drifting	Total
1 bag spikes at $25.04		$12.52	
1 bag bolts at $39.20		$19.60	
Allowable total as claimed		$167.37	
Additional trunk cost if claimed			
120 Ft. 40 lb. rail at .693 ($83.16)	$41.58		
Total Acceptable cost if claimed	$41.58	$167.37	$209.53

The audit disclosed an over charge of $391.93 of trunk cost applicable to Drifting which has been disallowed in this report.

*Chargeable at 50% of cost similar to Pipe.

Pump Column (at 50%)	Audited Invoice Cost
581 Ft. 12" Pipe	$ 3,808.86
932 Ft. 10" Pipe	4,744.39
64-12" Couplings	924.69
106-10" Couplings	1,388.25
9-12"-45° Ells	166.95
4-10"-45° Ells	139.34
Shop work, welding, & Prefabrication	989.84
20 splice housings	170.00
2 splice kits	30.00
2-10" Check flow valves	2,188.80
2-10" Flanged gate valves	553.48
542 Ft.-2" Pipe	15.52
100 Cable straps	13.49
100 lbs. welding rod	21.88
77 Machine bolts	36.34
4-10" Weld flanges	102.09
1-6" Weld flange	18.18
2-Circuit Breakers	512.00
9-Transformers	276.00
2-Switch Racks	100.00
16-Copper Sleeves	16.08
157 Column Hangers	181.10
Total Audited Invoice Cost	$16,308.88
Acceptable Cost (50%)	$8,154.44

The audit disclosed an over charge of $95.38 applicable to column hangers which has been disallowed in this report.

*Chargeable at 50% of cost similar to pipe.

[illegible]

Supplies	Instal. Tunnelite Pipe	Drift	Total
591 yds. Ballast Gravel	$2,279.46		
20 Nails	110.49		
43 Bits		565.45	
42 pcs. 6.5 Ft. Steel		156.66	
18 pcs. Reshank Steel		67.50	
100 Ft. 2" Sand Blast Hose		153.00	
300 Ft. 2" Hose		459.00	
Frgt. on Hose		11.30	
Sundry Clamps & Hose Fttgs.		46.91	
8 Hose Couplings		8.80	
Nuts & Bolts		1.98	
Spikes		28.80	
1 Bag Lumnite Cement		6.36	
Accepted Total Cost of Supplies	$2,389.95	$1,505.76	$3,895.71

The audit disclosed an overcharge on bits of $7.85 which has been disallowed in this report.

Power

The Operator has made no claim for power cost prior to the start of drifting operations in February, 1959. The auditor was advised that charges for power as claimed were based on the superintendents estimated cost for power as set forth in the Operator's original application for an exploration loan.

During the audit the examining engineer and the auditor reviewed the nature of the operations. This review of operations was subsequently discussed with the Executive Officer of the OME Field Team, Region III. It is our conclusion that the most feasible and equitable manner of allocating power costs to the exploration project in this case is on a rock ton hoisted basis.

During the course of the audit the following analysis was prepared.

	Feb.	March	Total
Total rock tons hoisted	5,704	5,299	
OME rock tons hoisted	1,503	504	
Total mine power bill			
Net of cash discount	$6,374.50	$6,485.65	
Cost per rock ton hoisted	$1.1175	$1.2239	
Power cost prorated to OME project	$1,679.60	$ 616.85	$2,296.45
Total power cost as claimed			968.13
Additional power cost acceptable if claimed			$1,328.32

(4) Operating Equipment

Rental

None authorized by this Contract.

JUN 15 1953
O.M.E.

Purchase

None authorized by this Contract.

Depreciation

Daily logs of equipment use are not maintained. The examining engineer advised he was of the opinion, based on monthly examinations, that the equipment listed for depreciation was in use as indicated.

During the audit depreciation charges were compared with the monthly rates authorized by the exploration contract.

The depreciation charges consisted of the following items:

1500 Ft. 5000 V Cable, 2 Months at $67.50/Mo	$ 135.00
1 Jumbo, 1 Month at $250.00/Mo	250.00
1-650 Rimco, 2 Months at $168.33/Mo	336.66
1-Train Car Loader (2 Months Partial)	315.68
1 Charge Panel 2 Months at $12.33/Mo	24.66
Motor Batteries 2 Months at $54.16/Mo	108.32
1 Transformer 2 Months at $30.00/Mo	60.00
1-25 H.P. Fan 2 Months at $11.67/Mo	23.34
Allowable cost of Depreciation	$1,253.66

(5) Initial Rehabilitation and Repairs

None authorized by this Contract.

(6) New Buildings and Improvements

None authorized by this Contract.

(7) Miscellaneous

(a) Repairs to Equipment

Analysis of the claimed costs of repairs disclosed the following:

Repair Parts for Demolition Tool ("Cement Buster")	$ 379.03
12 Moils	67.93
Total repairs as claimed	$ 446.96

Add:
Repairs originally charged to Supplies-Distribution corrected during audit

Repair Parts for Jumbo	$6.98	
Freight on Repair Parts	6.49	$ 13.47
Sub Total		460.43
Less: 12 Moils transferred to mine supplies (Expendable Points)		67.93
Total Repairs-Distribution corrected by audit		$392.50

Invoices supporting all of the foregoing charges for repairs to equipment were examined during the audit.

The acceptable cost of repairs are applicable to:

Transite Pipe Installation	379.03
Drifting	13.47
Total Accepted Cost of Repairs	$392.50

(b) Fringe Benefits

Fringe Benefits consist of FICA; State and Federal Unemployment; Workmens Compensation Insurance; Hospital and Group Life Insurance. Examination of the Operator's files disclosed the following prevailing rates:

	1958	1959
FICA	2.25	2.50
Unemployment		
State	1.60	1.80
Federal	0.30	0.30
Workmens Compensation	3.906	3.225
Hospital	2.78	2.70
Group Life Insurance	2.09	2.31
Total Fringe Benefit Rates	12.926%	12.835%

Analysis of claimed cost of Fringe Benefits is as follows:

Credited to Lessee:

Labor	$1,949.19	
Shift Supervision	207.00	$2,156.19
Applicable to allowable company supervision		382.04
Total allowable Fringe Benefits as claimed		$2,538.23

Additional Fringe Benefits were credited to Lessee for labor on power cable installation for pump column but not claimed	$ 97.52
Total allowable Fringe Benefits if claimed	$2,635.75

(c) Accounting

The Operator has claimed $250.00 per month for accounting during the period July 1, 1958 to March 31, 1959 with the exception of the month of October, 1958, when $150.00 was claimed. Total claimed by the Operator for accounting is $2,150.00. This amount is considered to be reasonable in light of the following tabulation prepared during the audit from monthly time records of the office force for the period June 23, 1958 to March 31, 1959.

Carl D. Harper, Auditor 362 hrs. at $2.80/hr	$1,013.60
Harry McMillan, Bookkeeper 215 hrs. at $2.50/hr	537.50
Francis Smith, Bookkeeper 289 hrs. at $2.50/hr	722.50
Barbara Wilson, Steno-Clerk 189 hrs. at $1.50/hr	283.50
Total	$2,557.10

Other Observations

Drifting Costs in Excess of Allowable Maximum

The contract provides that the maximum allowable cost of drifting is $45.00 per linear foot on an average basis. The Field Team is therefore suspending drifting costs reported during the course of such work which exceed this amount. Such suspended costs may be subsequently reinstated when the work is completed if the total average cost of drifting with such reinstatement is within the allowable maximum.

Prior to the audit the Field Team had suspended a total reported cost of Drifting in excess of allowable maximum in the amount of $5,622.20. Disallowances of sundry overcharges applicable to drifting reduced the total cost of drifting by $650.03. These disallowances therefore reduced the suspended excess over allowable maximum to $4,972.17. If the Operator elects to claim an additional allowable amount of power cost applicable to drifting in the amount of $1,328.32 (See comments under power) the amount of suspended Drifting cost in excess of allowable maximum will be increased to $4,300.49 as of March 31, 1959, as shown by the following summary analysis of drifting costs.

Total advance March 31, 1959 173.50 ft.
Maximum allowable cost of Drifting at $45.00 ft. $7,807.50

Drifting Costs as Adjusted by Audit

Labor	$ 4,223.08
Supervision	900.00
Timber	161.81
Explosives	745.97
Pipe (50% basis)	231.52
Track (50% basis)	167.97
Supplies	1,505.76
Power (as claimed)	968.13
Depreciation	1,253.66
Repairs to Equipment	13.47
Fringe Benefits	221.77
Accounting	400.00
Sub Total	$10,793.14
Drifting cost in excess of Allowable maximum	[illegible]
Allowable cost of Drifting as above	$7,807.50

Drifting costs if additional Power cost is claimed

Sub total of Drifting cost above	$10,793.14
Additional Power cost if claimed	1,328.32
Total Drifting cost if claimed	12,121.46
Drifting cost in excess of allowable maximum	[illegible]
Allowable Drifting cost as above	$7,807.50

IV. CONCLUSIONS

The audit disclosed that all costs charged to this project with the exception of the net disallowances aggregating $3,980.10 as itemized in the preceding section of this report, are reasonable and proper under the terms of the contract. In addition there are other costs applicable to the contract in the net amount of $7,776.67 that were unclaimed at the time of the audit which are allowable if claimed.

The adjustments between "Items of Costs" as shown on the March, 1959 MP-104, the disallowances, reinstatements, the accepted costs as claimed, additional costs acceptable if claimed and total costs as disclosed by this audit are summarized in Exhibit A attached hereto.

At the conclusion of the audit on May 19, 1959, the findings were discussed in detail with Mr. Clark L. Wilson, Vice-President and Mr. Carl D. Harper, Auditor at the Salt Lake City Office of the Company. Mr. M. H. Howes, Mining Engineer, OMM was present at this conference.

On May 21, 1959, these findings were discussed in detail with Mr. J. W. Townsend, Executive Officer, OME Field Team, Region III. Mr. Townsend and Mr. Howes concur with the Auditor on the disallowances, reconstructions and the acceptability of the additional costs if claimed as previously itemized in this report.

June 3, 1959

Donald T. Finch
Donald T. Finch
OME Auditor

IBM-K1218

DOCKET NO. DMEA 4981

NEW PARK MINING COMPANY

EXHIBIT A

SUMMARY OF COSTS

JUNE 23, 1958 THRU MARCH 31, 1959

	Total to Date MF-104 March, 1959	Distribution Corrected	Prior Disallowances	Audit Disallowances	Reinstatements	Acceptable Claimed Costs	Additional Costs Acceptable if Claimed	Total Costs
Independent Contracts								
Drilling								
Bulldozing								
Crosscutting								
Drifting								
Labor and Supervision								
Labor	$20,116.08	$20,116.08				$20,116.08	$7,411.00	$27,527.08
Supervision	5,500.00	5,500.00				5,500.00		5,500.00
Technical Services								
Operating Matls. & Supplies								
Timber	1,009.20	1,009.20				1,009.20	217.52	1,226.72
Explosives	751.15	751.15		$ 5.18		745.97	9.05	755.02
Pipe at 50%	12,465.26	12,928.40		494.14		12,434.26		12,434.26
Track at 50%		559.90		391.93		167.97	41.58	209.55
Column Hangers	191.10							
Ballast Gravel	2,322.02							
Pump Column at 50%	8,058.72	8,249.82		95.38		8,154.44		8,154.44
Supplies	3,518.23	3,903.54		7.83		3,895.71		3,895.71
Power		968.13				968.13	1,328.32	2,296.45
Operating Equipment								
Rental								
Purchase								
Depreciation	1,253.66	1,253.66				1,253.66		1,253.66

IDM-E1218

DOCKET NO. DMEA 4981

NEW PARK MINING COMPANY
EXHIBIT A

SUMMARY OF COSTS
JUNE 23, 1958 THRU MARCH 31, 1959

	Total to Date MF-104 March, 1959	Distribution Corrected	Prior Disallowances	Audit Disallowances	Reinstatements	Acceptable Claimed Costs	Additional Costs Acceptable if Claimed	Total Costs
Initial Rehab. & Repairs								
New Bldgs. & Improve.								
Miscellaneous								
Repairs to Equip.	$ 446.96	$ 392.50				$ 392.50		$ 392.50
Sampling & Analyses								
Payroll Taxes	2,538.23							
Liability Ins.								
Accounting	2,150.00	2,150.00				2,150.00		2,150.00
Fringe Benefits		2,538.23				2,538.23	$ 97.52	2,635.75
Drifting Cost in Excess of Allowable Maximum			$3,622.20		$636.56	[illegible]	[illegible]	[illegible]
Totals	$60,320.61	$60,320.61	$3,622.20	$994.46	$636.56	$56,340.51	$7,776.67	$64,117.18

Dear Joe:

For your information the Y.A.O. representatives made a thermofax copy of the New York interim audit report.

They are apparently taking exception to the "Additional Cost".

I thought you might like to know

(Finch)

Rec'd 8/21/59

Preference in the Interim Audit

August 18, 1959

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

DATE	INITIALS	CODE
8-21	gad	220
		800

Memorandum
To: Mr. E. D. Tolbert, Acting Chief
Contract Administration and Credit Division
From: Donald J. Francis, Chief, Audit Division
Subject: Docket No. DMEA 47981 (Audit-Fiscal Report)
New Park Mining Company
Contract No. IDM 1218

Your memorandum requesting distribution data for Supervising, Accounting and Fringe Benefits applicable to totals to date operator's MZ104A March 31, 1959 is submitted in this long hand memo to avoid delay in issuing stenographic service.

The operator's distribution of the requested data on the March 1959 MZ 104 A compared with the reconciliation totals attached to your Memorandum is shown on the Attached Summary and Condensed reconciliation schedule.

You will note operator's error in distribution on its MZ 104 A for March 1959 of $550.34 Jumbo Cart charged to Franklin Pipe which should have been distributed to pump + Column.

Reconciliation of Costs Distributed for Other Costs
March 1959 MF 104 A and Interim Audit Report
Form E 1218 New York Telephone Company Date 4981

7206 BUFF
G 7206 GREEN TINT

		Trunks Pumps & Cables	Dial & Local	Totals 104
Other Costs	(Compiled from Interim Audit Report)			
	(See Schedule Attached to Mr. Roberts' Memo Dated 4/1/1959)			
Supervision		?	?	$ 90000
Accounting		?	?	40000
Fringe Benefits		?	?	22177
Totals		$ 726745	$ 149693	$ 152177 $ 1028575
Other Costs	(Compiled from Operators MF 104 A)			
Supervision		$ 345000	$ 115000	$ 90000 $ 550000
Accounting		135000	40000	40000 215000
Fringe Benefits		191671	39975	22177 253823
Additional Fringe Benefits Reported by Plant			9752	9752
Total Other Costs		$ 671671	$ 204727	152177 $ 1028575
Difference		$ 55034	$ 55034	

Accounted for

Operator Charge Trunks Pics as MF 104 for Number Used	24739
Correct Distribution for Number Used on Trunks Pics was	29795
Difference should have been Charged to Pumps and Cables	$ 55034

1 2 3 4 5 6

Amended Condensed Reconciliation of Cost Distribution
March 1969 WI 7104 A and Variance Report
7206 BUFF D ME 1218, New York Merchants Company
G 7206 GREEN TINT

	Frontier Pipe	Company & Claim	Built & Acquired Cross Lot Tables	Total
Claimed (WI 7104 A)	$ 3566534	$ 1322557	$ 1142970	$ 6032061
Adjustment to Claim				
Distribution (Exhibit)	15034	55034		
Disallowances (See Talbert Schedule)	26305	9538	13656	99499
Revised Claim	$ 3485183	$ 1368053	$ 1079314	$ 5932562
Additional allowances (See Talbert Schedule)	37400	740267	132802	910469
Adjusted Costs	$ 3522648	$ 2108320	$ 1212116	$ 6843031
Excess Costs			431396	431396
Acceptable Costs	$ 3522648	$ 2108320	$ 780750	$ 6411718
Distribution				
Labor Costs (See Talbert Schedule)	$ 1324100	$ 1006300	$ 422308	$ 2752708
Materials and Supplies	1488974	897293	510948	2897215
Depreciation			125366	125366
Repairs to Equipment	37903	0	1347	39250
Other Costs (See Schedules Attached)	671671	204727	152177	1028575
Excess Costs	0	0	431396	431396
Acceptable Costs	$ 3522648	$ 2108320	$ 780750	$ 6411718

1 2 3 4 5 6

AUG 14 1959

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-4931 (Lead-Zinc-Copper)
New Park Mining Company
Contract No. Idm-E1218

Enclosed for your information is a copy of a reconciliation of your recent audit findings on the subject contract with the Operator's cost distribution as shown on the March MF-104.

It will be noted that the distribution of costs of Supervision, Accounting, and Fringe Benefits have not been completed but have been indicated by question marks in this reconciliation. These figures are not available to me inasmuch as your audit did not fully distribute these items. Please furnish me with this missing information, which I'm sure you have in your working papers.

Enclosure

EDTalbert/ama
August 14, 1959

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

Reconciliation of Cost Distribution
March 1959 MF-104A and Interim Audit Report
Idm-E1218, New Park Mining Company, DMEA-4981

	Transite Pipe	Pumps & Column	Drift & Crosscut
Claimed (MF-104A)	$35,665.34	$13,225.57	$11,429.70
Less Disallowances:			
Explosives			5.18
Pipe	262.52		231.62
Rail			391.93
Column Hanger		95.38	
Bits			7.83
Acceptable Claim	35,402.82	13,130.19	10,793.14
Additional Allowances:			
Labor	374.00	7,037.00	
Timber		217.52	
Explosives		9.05	
Track		41.58	
Power			1,328.32
Fringe Benefits		97.52	
Adjusted Costs	35,776.82	20,532.86	12,121.46
Excess Costs			4,313.96
Acceptable Costs	$35,776.82	$20,532.86	$ 7,807.50
Audit Adjustment (Timber)	-550.34	+550.34	
Corrected Acceptable Costs	$35226.48	$21,083.20	
Distribution			
Labor Costs:			
Contract Labor	$12,867.00	$ 3,026.00	$ 4,223.08
Timbering	374.00		
Shaft Work		2,449.00	
Level Work		3,740.00	
Power Cable		848.00	
	13,241.00	10,063.00	4,223.08
Materials & Supplies:			
Timber	297.05	767.86	161.81
Explosives		9.05	745.97
Pump Column -			
Pipe		4,276.23*	
Couplings & Ells		1,306.71*	
Valves		1,368.14*	
Shop Work, etc.		454.92*	
Transformers, etc.		444.00*	
Other Materials		304.44*	
Other Pipe	12,202.74*		231.52*
Track		41.58*	167.97*
Power			2,296.45
Other	2,389.95		1,505.76
	14,889.74	8,972.93	5,109.48

	Transite Pipe	Pumps & Column	Drift & Crosscut
Equipment:			
Depreciation	$ -0-	$ -0-	$ 1,253.66
Repairs to Equipment:			
Cement Buster	379.03		
Jumbo			13.47
	379.03	-0-	13.47
Other Costs:			
Supervision	3,450.00 ?	1,150.00 ?	900.00
Accounting	1,350.00 ?	400.00 ?	400.00
Fringe Benefits	1,916.71 ?	497.27 ?	221.77
	6,716.71 ~~7,267.05~~	2,047.27 ~~1,496.93~~	1,521.77
Excess Costs	-0-	-0-	4,313.96
	35,226.78	21,083.20	
Acceptable Costs	$~~35,776.82~~	$~~20,532.86~~	$ 7,807.50
**Subsequent Costs:			
April 1959	$ 4,001.62	$ 1,157.11	$ 6,661.43
May 1959	1,087.80	141.54	6,914.28
	5,089.42	1,298.65	13,575.71
Excess Costs	-0-	-0-	5,588.21
Total Costs, May 31, 1959	$~~40,866.24~~	$~~21,831.51~~	$15,795.00
	$ 40,315.90	$ 22,381.85	

*50% of actual costs, as provided by contract.
**Accepted by Field Team, subject to audit.

Pencil corrections are in accordance with Fouch's 8/18/59 memo and attachments

Fred

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
~~WASHINGTON 25, D.C.~~
Building 20 - Federal Center
Denver 25, Colorado

August 7, 1959

Memorandum

To: Donald T. Finch, OME Auditor, Region III

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract No. Idm-E1218
New Park Mining Company (Mayflower Mine) Wasatch County, Utah

Enclosed are two copies of a memorandum dated August 6, 1959, from M. H. Howes, Mining Engineer, Bureau of Mines, which is in reference to certain additional costs of project work as outlined in your Audit Certificate and Audit Report dated June 3, 1959.

Also enclosed are two copies of a Labor Agreement between the Operator and the Lessees pertaining to installation of transite pipe and installation of pump column and pumps.

/s/ J. W. Townsend

c
o
p
y

August 6, 1959

Memorandum

TO: J. F. Townsend, Executive Officer, OSM Field Team, Region III

From: N. E. Brown

Subject: Docket No. DMRA 4981 (Lead-Zinc-Copper) Contract No. Mm-X1718
New Punk Mining Company (Mayflower Mine) Wasatch County, Utah

This memorandum is written in compliance with your verbal request for information regarding the installation of the transite pipe, and pumps and pump columns of Items Nos. 1 and 2 of the contract.

Item No. 1, provides for the installation of 7,140 feet of 16-inch transite pipe in the Mayflower tunnel (800 level). The transite pipe was designed to carry the mine water discharged from the 800-foot level plus the additional mine water to be developed by the proposed drifting and crosscutting on the 2005 level. The mine water was formerly discharged through a ditch, of limited capacity, in the Mayflower tunnel. In order to do work in the mine that would develop more water, a discharge facility of greater capacity had to be devised. It was possible either to enlarge the ditch or to install a pipe of sufficient size to carry the increased flow. The estimated cost of pipe and installation was less than the estimated cost of ditch enlargement. Therefore the pipe was used.

A labor contract between the company and the laborers was written to specify the position of installation of the 16-inch transite pipe and the terms of payment. The pipe was to be installed on a ballast of pea gravel at track grade, with the pipe bell as higher in elevation than the track bell, at a unit price of $2.00 per lineal foot plus fringes of 85 cents per lineal foot. Supervision at $200 per month was also allowed. It was mutually understood by the company and the laborers that the pipe would be laid in the old water ditch, and that the old water ditch would be cleaned out and deepened so that the top of the pipe would be at the proper elevation, and that installation, bulkheading and the drawer would then be accomplished. Much of the Mayflower tunnel requires timber support. The old water ditch had been constructed in such a manner that the supporting timbers were not disturbed by the installation of the 16-inch transite pipe. However, a condition encountered, unknown by either the company or the laborers, caused considerable extra labor; certain of the old timbers had been installed in such a manner that they had to be removed to make room for the pipe, and new timbers had to be installed to clear the pipe. This work required several shifts more than would have been necessary under normal conditions, and the cost is considered by the company and inspecting engineer to be reasonable and necessary.

Item No. 2, as revised by Amendment No. 1 to the contract, states that installation in the shaft of a 12-inch steel water column from the 2005 level to the 1630 level, and a 10-inch steel water column from the 1630 level to the 800 level (Mayflower tunnel) shall be accomplished; also, that two 350-HP pumps shall be installed on the 1630 level and that two 450-HP submersible pumps shall be installed on the 2005 level. The installation of the pumps and pump columns is necessary to take care of the water expected to be developed by the proposed drifting and crosscutting on the 2005 level.

A labor contract between the company and the lessees was drawn up to specify the method of installation of pumps and pump columns, at a unit price of $2.00 per lineal foot plus fringes of 25 cents per lineal foot. Supervision at $800 per month was also allowed. It was mutually understood and agreed by the company and the lessees that this labor contract applied only to the actual installation of pumps and pump columns. In order to prepare the shaft for the installation it was necessary to clear out the compartment in which the column was placed and to enlarge the sump on the 2005 level. The shaft compartment clean-out job involved removal of certain timbers and pipes and realignment of other pipe lines and electric cables. The enlargement of the sump on the 2005 level included deepening, raising, and lateral extension to make room for the pumps and pump accessories. The preparatory work described took considerable time and was considered to be above and beyond the actual pump and pump-column installation requirements and its cost was considered, by the company and the inspecting engineer, to be reasonable and necessary.

M. R. Howes
M. R. Howes

ce:

July 31, 1959

Memorandum

To: E. D. Tolbert, Acting Chief
Contract Administration and Audit Division

From: Donald T. Finch, OME Auditor

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper)
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah
Contract No. IDME 1218

Reference is made to your memorandum dated July 28, 1959 concerning a more detailed explanation and specific identification of the "preparation work" involved in the additional work costs shown in the interim audit.

This matter has been the subject of considerable discussion this week with the representatives of the G.A.O. currently examining the files of OME in Denver Colorado.

These labor costs were compiled during the interim audit by the Auditor and Mining Engineer from payroll records that supported credits to the employees Organization account. May work papers show only the classification

indicated in the ~~work papers~~ audit report. I have referred the copy of your memorandum to Mr. Townsend who advises by telephone he will have Mr. Howes prepare a description of the work involved since he observed it monthly during his inspections of the project. Mr. Howes will also comment on the essential nature of the work. I will forward this statement as soon as Mr. Howes prepares it upon his return from the field next week.

For your information the points raised by the G.A.O. representatives as I understand it are:

1. Was the installation cost contract with the mine employee's organization an all inclusive rate?

I have stated I examined a written contract between the employees and the company and one of the opinions it covered installation costs only. It was in my opinion a rather poorly written contract and was part the overall arrangement used by the company to operate under present labor conditions and more fully described in their annual statement for 1957 copy of which

was furnished your office. The additional labor was actually incurred in connection with the installations and was included in my interim audit report on the assurance of the Engineer and the Executive Officer of the field team that it was a necessary cost in connection with the operations.

I have further stated that in my opinion that even if the agreement with the miners was intended to be all inclusive at its inception the fact the company incurred necessary additional costs which were verified, ~~that~~ then was a promise in the government exploration contract for contribution by the Government on the basis of actual costs incurred provided such costs were reasonable and necessary.

I am sending this long hand letter to you because I do not have a stenographer available except at the Federal Center and it would be next week before I could send you a copy if I wanted for a typed copy.

Sincerely yours
Donald F. Finch

over;

P. S. I have coordinated this letter with Mr. Townsend and informally with Mr. Smith of G.A.O.

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

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8-3	gad	120
		800

JUL 28 1959

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-4981 (Lead-Zinc-Copper)
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah
Contract No. [illegible]-[illegible]

Your recent interim audit of the subject contract allowed net additional costs aggregating $7,776.67, of which $7,037.00 are man-shift labor costs allocated to the contract's work item no. 2, pumps and pump column installation. The only explanation in your audit report is that such additional costs cover preparation of shaft, preparation of level, and installing power cable.

These additional labor costs are more than double the $3,026.00 claimed by the Operator for the column installation on a footage basis. Also, the total costs for the pumps and pump installation apparently are considerably in excess of such costs as anticipated at the time the contract was drafted. Your report, however, states that both the examining engineer and the Executive Officer consider such costs as reasonable and necessary.

In view of questions being raised relative to these additional costs a more detailed explanation and specific identification of the "preparation" work would be appreciated.

EDTalbert/GMcC
July 28, 1959

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

JUN 15 1959

Memorandum

To: Mr. Donald T. Finch, CME Auditor

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

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
New Park Mining Company
Contract No. Ldm-K1218

Your interim Audit Report and Certificate on the subject contract is acceptable and normal distribution is authorized after revising the last portion of the second paragraph of the Certificate to read as follows (and as suggested in my June 8 memorandum):

Additional cost allowable	7,776.67	
Less: Offset used above	3,980.10	3,796.57
Total acceptable cost, if claimed		$61,117.18

This revision has been made on the Washington copies.

EDTalbert/ama
June 16, 1959

Copy to: Docket
Director's Reading File
Code 800

JUN 8 1959

Memorandum

To: Mr. Donald T. Finch, C&F Auditor

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

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
New Park Mining Company
Contract No. Idm-E1218

Your interim audit report covering the subject contract indicates a job well done. It is, therefore, with regret that I find it necessary to return the report for correction of an error due to misinterpretation of a contract provision.

On page 10 of the report, in justification of your disallowance of repairs to equipment under category (7), the second sentence of Article 6 of the contract is sited. This sentence refers to category or sub-category and not to elements. There is no sub-category under category (7), and, as Exhibit "A" contains estimates for elements or items of fringe benefits, assaying, and accounting under this category, any reasonable and necessary items of miscellaneous costs are allowable. Accordingly, the repairs to equipment in the amount of $392.50 appear properly for allowance as costs of the project.

For your information in this connection, it has been the practice to use the words "none except" in an Exhibit "A" whenever a category or sub-category was to be restricted to certain specified items. See Idm-E1148, DMEA-4328, D.A.C. Uranium Company, for example.

A few additional errors, apparently typographical, also require correction. These are on:

(a) Page 1, 2nd paragraph, 3rd line, where it appears that "and" should replace the comma between "McMillan" and "Mr.";

(b) Page 1, last paragraph, 3rd line, where semicolon should be a comma;

(c) Page 3, 1st paragraph, 3rd line, where spelling of "recomputed" should be corrected;

(d) Page 3, 3rd line from bottom, where capital "E" should be removed from "Engineering";

(e) Page 9, last paragraph, where total repairs claimed should be corrected to "$446.96";

(f) Page 11, penultimate paragraph, 4th and 6th lines, where spelling of "reinstated" and "reinstatement" should be corrected; and

(g) Page 2 of summary Exhibit A, where total of column 1 should be corrected to "$60,320.61".

It is suggested, also, that the last portion of the factual date on your audit certificate be revised as follows, in order to clearly tie in with your excellent summary:

"Additional cost allowable	$7,776.67	
Less: Offset used above	4,359.13	3,417.54
Total acceptable cost, if claimed		$63,738.15"

The amounts above, of course, will be changed as a result of the correction referred to in the second paragraph of this letter.

If at all possible the certificate should be restricted to one page. I believe this can be done, if the heading is moved near the top of the page and the need of the last paragraph is eliminated by inserting "if the project is otherwise accepted as having met the terms of the contract," between "Therefore," and "payments" in the preceding paragraph.

Enclosures

EDTalbert/ama
June 8, 1959

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

224 New Customhouse
Denver 2, Colorado
April 29, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 4 1959

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Mr. E. D. Talbert, Acting Chief
Contract Administration and Audit Division, OME
Department of the Interior
Interior Building
Washington 25, D. C.

Re: Docket No. DMEA 4981 (~~Lead~~-Zinc-Copper)
Contract Idm-E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah

Dear Mr. Talbert:

I have just made arrangements to start an interim audit on the subject contract. I shall leave Denver Sunday night May 10, 1959, and meet Mike Howes in Salt Lake City Monday morning.

This arrangement has been rather sudden because Mr. East has advised me Mr. Howes is being transferred by the end of May, and there will be no engineer familiar with the project that will be available. Inasmuch as this audit may involve consideration of several engineering problems, it has been deemed advisable that an engineer accompany the auditor.

By taking care of the matter as outlined above such engineering advice will be available during the audit. It appears this audit may require approximately three weeks field work.

Very truly yours,

Donald T. Finch

Donald T. Finch
OME Auditor

OFFICIAL FILE COPY
O. M. E.
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DATE	INITIALS	
10/21	C	220 800

224 New Customhouse
Denver 2, Colorado
October 16, 1958

Memorandum

To: E. N. Harshman, Acting Executive Officer, OME Field Team, Region III

From: OME Auditor

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract No. Idm-K1218 New Park Mining Company (Mayflower Mine) Wasatch County, Utah

Reference is made to the memorandum from your office, dated September 16, 1958, requesting that an on-site audit be made at an early date of the subject contract, and requesting advice concerning the date when such audit will be scheduled.

Reference to the MF-104's applicable to this project for the months of July and August discloses that to date only preliminary work has been involved. On October 15, subject of this audit was discussed with Mr. Talbert, Assistant Chief, Contract Administration and Audit Division and with Mr. Harshman. It was decided to defer an on-site audit of this project until the late Spring of 1959, in order that the greatest benefit might be derived from the interim audit. It is considered that by that time the Operator will have progressed sufficiently to where the allocation of costs between types of work will be involved. The examining engineer and the auditor will, therefore, at that time be in a position to determine if the Operator's methods of allocation are in accordance with the contract and the principles of sound accounting. If not, corrective action will then be in order.

Donald T. Finch
Donald T. Finch

DTF:bh

cc: J. L. Chambers
Subject

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

Budget Bureau No. 42-R1036.5

MAY 11 1959 O.M.E.

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

Month of March, 1959 Docket No. DMEA 4901 Contract No. E-1230

Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper

Address 907 Walker Bank Building, Salt Lake City, Utah

Contract Amount, $ 564,000.00 Government Participation: 50 % Amount, $ 282,440.00

ITEMS OF COSTS UMTD 01, 2 & 3	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	$ 4,326.30	$15,789.72	$20,116.00			
Supervision	650.00	4,850.00	5,500.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	299.44	709.76	1,009.20			
Explosives	192.28	558.87	751.15			
Pipe Transito 0 50%	1,062.63	10,602.63	12,665.26			
Column Hangers		191.10	191.10			
Ballast Gravel	1,074.57	1,247.45	2,322.02			
Pump Column 0 50%	1,432.00	6,626.72	8,058.72			
Supplies	1,956.01	1,562.16	3,518.23			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation	783.40	470.26	1,253.66			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		446.96	446.96			
Sampling and Analysis						
Payroll Taxes 0 11.5%	457.59	2,060.64	2,530.23			
Liability Insurance						
Accounting	250.00	1,900.00	2,150.00			
(8) Contingencies (specify):						
TOTALS	$13,284.31	$47,036.30	$60,320.61	982.74	4685.67	56,698.41

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

Date 4/15/59 Payee New Park Mining Company

Per [signature] Title Vice President

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

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

(Instructions on reverse)

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

$ 4,941.37

Signature [signature]
(Authorized Certifying Officer)

Date 5/8/59 Vou. No. OMR 59-106

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E1218 in accordance with the terms of the contract.

Signature M. H. Howes Title Mining Engineer Date 5/4/59

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Checked for Engineering Allowability

Signature [illegible] Title Executive Officer Date MAY 7 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1962)

Budget Bureau No. 42-R1151.2

MAY 11 1959
O.M.E.

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

Month of March, 1959 Docket No. DMEA 4981 Contract No. C-1216
Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper
Address 907 Walker Bank Building, Salt Lake City, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
#3- Drifting & Crosscutting	Feet	$5,854.12	54½	$11,429.70	173½	$65.88	8,600	
Crosscutting								
Raising								
#2- ~~xxxx~~ Pump Column @ 50%	Feet	1,092.50	206½	13,225.57	1,513	8.74	1,660	
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
#1- 16" Transite Pipe	Feet	5,537.69	982	35,665.34	6,433½	5.54	7,140	
TOTAL DISTRIBUTED COSTS		13,284.31		60,320.61				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$13,284.31		$60,320.61				

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

Date 4/12/59 Operator New Park Mining Company

Per [signature] Title Vice President

REMARKS:

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

(Instructions on reverse)

(For Government use only)

M. L. Howes, Mining Engineer, 5/4/59

INSTRUCTIONS

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

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

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

GPO 872894

FINAL DISTRIBUTION

MADE MAY 8 1959

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

Administrative Audit Difference Statement

Date: May 8, 1959
Payee's
Reference: March 1959

New Park Mining Co.
907 Walker Bank Bldg.
Salt Lake City, Utah

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

Amount Claimed $ 12,894.12

Difference $ 3,401.62

Amount Approved $ 9,492.50

EXTRA COPY O. M. E. RECEIVED MAY 18 1959		
DATE	INITIALS	CODE
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The reason for the difference was due to:

Amount Suspended, Drifting and Crosscutting

The maximum allowable unit cost of $45.00 per foot for drifting and crosscutting has been exceeded, therefore the excess cost is suspended, as follows, subject to possible reinstatement at a later date to the extent that subsequent drifting and crosscutting costs may fall below the maximum allowable average unit cost.

Reported, 54.5 feet at total cost of----------$3,894.12
Allowable, 54.5 feet at $45.00 per foot---------- 2,452.50
Amount suspended----------$3,401.62

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

Correction of Previous Error

Due to error, the amount claimed by the Operator on the February, 1959 voucher was indicated by this office to be $11,883.50 whereas the correct amount is $11,883.55, a difference of $0.05. Consequently, the Operator was reimbursed on the basis of the lower, incorrect amount. Correction is made herewith.

Correction of previous error----------$----$.05

Net deduction----------$3,401.57

224 New Customhouse
Denver 2, Colorado
May 7, 1959

Memorandum

To: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract I4m-M1218 New Park Mining Co., (Mayflower mine) Wasatch County, Utah - Operator's Monthly Progress Report for the Month of March, 1959

Enclosed are the original and four copies each of Forms MF-104 and MF-104A, Operator's Narrative Report, and Engineer's Report for the above period.

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. Documentation has been waived, therefore we recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to verification of arithmetical accuracy within Form MF-104, and contingent on the findings of subsequent on-site audit of the Operator's account, except for the following deduction:

Amount to be Suspended, Drifting and Crosscutting

The maximum allowable unit cost of $45.00 per foot for drifting and crosscutting has been exceeded, therefore the excess cost is to be suspended, as follows, subject to possible reinstatement at a later date to the extent that subsequent drifting and crosscutting costs may fall below the maximum allowable average unit cost.

Reported, 54.5 feet at total cost of----------	$5,854.12
Allowable, 54.5 feet at $45.00 per foot----------	2,452.50
Amount to be suspended----------	$3,401.62

Amount Suspended to date:

Amount previously suspended----------	$ 220.58
Amount suspended this report---------	3,401.62
Total suspended to date---------	$3,622.20

Correction of Previous Error

Due to error, the amount claimed by the Operator on the February, 1959 voucher was indicated by this office to be $11,883.50 whereas the correct amount is $11,883.55, a difference of $0.05. Consequently, the Operator was reimbursed on the basis of the lower, incorrect amount. Correction is to be made herewith.

Reconciliation With Amount Reported by the Operator on Form MF-104 for the month of March, 1959

Amount reported on Form MF-104 for March, 1959		$13,284.31
Amount to be suspended	$3,401.62	
Correction of previous error	0.05	
Net deduction		3,401.57
Acceptable cost for March, 1959		$ 9,882.74
Government participation at 50 percent		$ 4,941.37

Remarks:

Date of Report ---------- April 15, 1959
Date Received in Field Office ---------- ---
Date Received in Region Office ---------- May 5, 1959

Original signed by
J. W. TOWNSEND
J. W. Townsend

Enclosures

JDC:hsh

cc: Chmn. Op. Comm. (2)
Noves, CMR/SLC
MF-104 file, Reg. III
Harshman) w/copy of
Cooper) Engr's report
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

OME
DEPARTMENT OF THE INTERIOR
MAY 5 - 1959
REGION III
DENVER, COLORADO

REGION III

INTERMOUNTAIN EXPERIMENT STATION

1600 EAST 1ST SOUTH STREET
SALT LAKE CITY, UTAH

May 4, 1959

Memorandum

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

From: M. E. Howes

Subject: Docket No. DMKA-4081 (Lead-zinc-copper), Contract Idm-E1218, New Park Mining Co. (Mayflower mine), Wasatch County, Utah. Progress report for March 1959

Attached are the original and four copies of the operator's monthly report for March 1959.

The property was inspected April 7, 1959, in the company of Gale A. Hanson, general superintendent. It is verified that during March 1959, under Item No. 1, 962 feet of 16-inch transite pipe was laid in the Mayflower Tunnel, for a total distance of 5,423-1/2 feet; under Item No. 2, 200-1/2 feet of pump column was installed across the main water sump on the 1650 level, in the connection to the 16-inch transite pipe on the Mayflower Tunnel level, and in the final connection to the pumps on the 2006 level; and under Item No. 3, 54-1/2 feet of 9- x 10-foot drift was advanced. The drift was driven entirely in black, fine-grained diorite. Drift progress during the month was retarded because of lowering, assembling, and installation of equipment and facilities.

The accounts were checked and it is verified that all charges for services and supplies, as reported on form MP-104, were necessary and that they do not appear to be excessive. The operator's narrative report and map are considered to be adequate.

The following are tabulations of footages, reported costs, maximum allowable costs, and cost differences:

Drifting and Crosscutting

	Footage	Reported cost	Max. allowable cost at $45.00	Cost difference
Totals thru Feb. 1959	119.0	$ 5,575.56	$5,355.00	$ 220.56*
Mar. 1959	54.5	5,854.12	2,452.50**	3,401.62*
Totals thru Mar. 1959	173.5	11,429.70	7,807.50	3,622.20*

* Amount of excess costs, which are suspendable.

**	Maximum allowable Unit No. 3 cost for March 1959								- $2,452.50
	"	"	"	"	1	"	"	"	- 1,882.50
	"	"	"	"	2	"	"	"	- 3,537.09
	Total maximum allowable cost					"	"	"	$9,882.09
	Government participation at 50 percent								$4,941.34

It is recommended that the operator be reimbursed $4,941.34, which is 50 percent of $9,882.09, the maximum allowable cost for March 1959.

M. H. Howes

M. H. Howes

cc: J. N. Clemmer

April 10, 1959

DMEA Field Team
United States Bureau of Mines
1600 East First South
Salt Lake City, Utah

MARCH REPORT ITEMS NUMBER 1, 2 AND 3

Re: Docket No. DMEA 4981 Contract E-1218

Gentlemen:

During the month of March, nine hundred and eighty two feet of sixteen inch transite pipe was installed in the main haulage tunnel. This unit of work, Item No. 1, may near completion during the month of April. The last five hundred feet of work to be completed will require a considerable amount of timber changing and installation of facilities to handle tunnel drainage water on the outside of the sixteen inch transite pipe during freezing conditions.

Item No. 2: Pumps and Pump Column

During the month, two hundred six and one-half feet of pump column was installed. This work includes: the installation of the twelve inch pump column across the main water sump on the 1630 Level, the connection to the sixteen inch transite pipe on the 800 level and the final connection to the pumps on the 2005 level. There still remains the final connection to be made across the 1630 level pump station to the main 1630 level sump. This work is slated to be completed during the month of April.

Item No. 3: Drifting and Crosscutting

Fifty four and one-half feet of 9 x 16 foot drift was driven off the 2005 level (note enclosed geologic and progress map).

Progress in the drift advance was slow during the month because of time required to lower and assemble equipment and making the necessary installations and facilities pertaining to this unit of work.

The following equipment and machinery have been lowered to the 2005 level and put into operation.

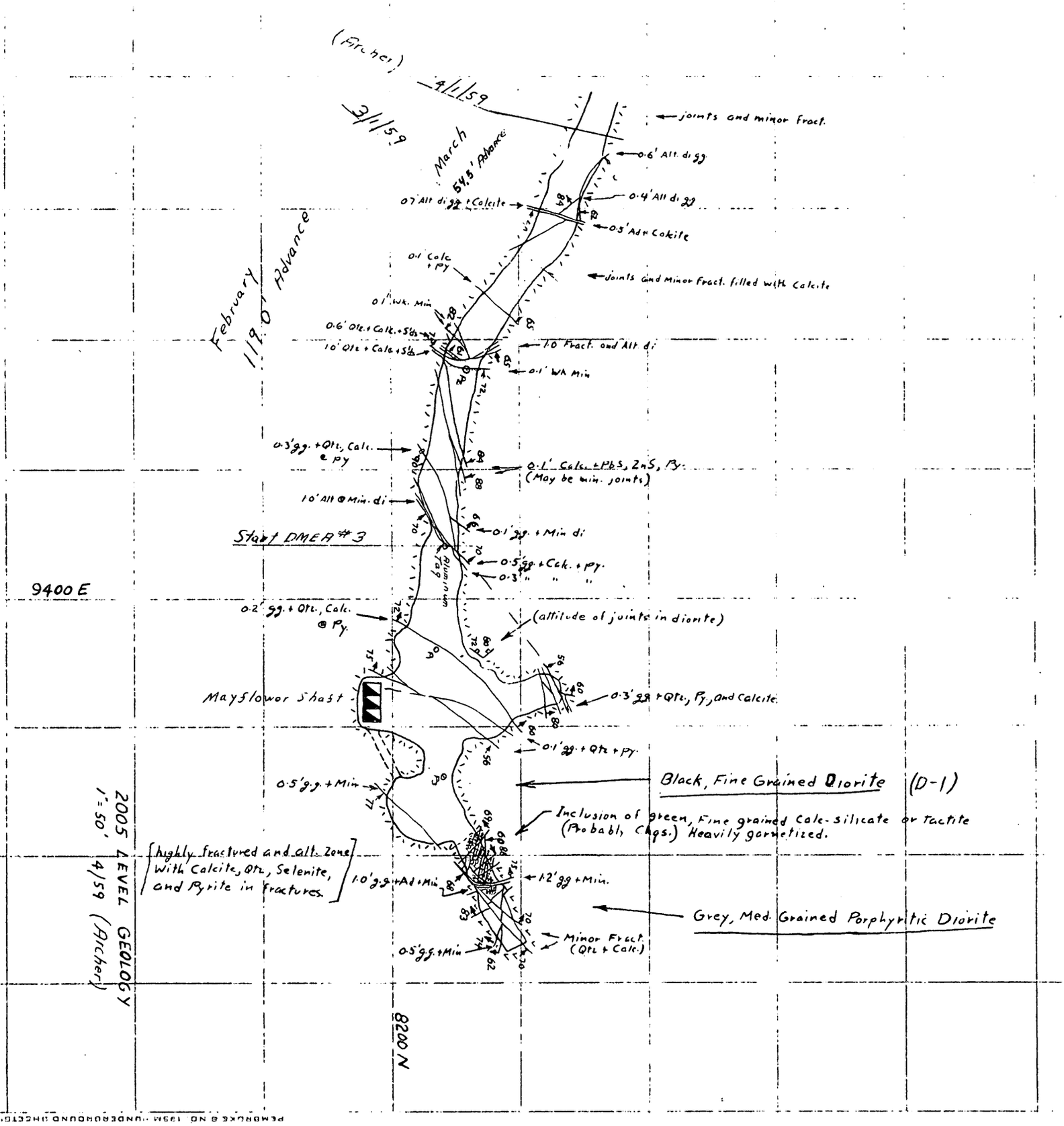
Item	Cost	Depreciation This Month	Note
1,500 Feet 2-0 Cable	$ 4,051.50	$ 67.50	800 to 2005 level
630 Eimco Loader	10,100.00	168.33	
1 Train Car Loader (5 Car Train)	19,000.00	189.41	3 Cars
1 Charging Panel	740.00	12.33	
2 Motor Battteries	6,500.00	54.16	1 Battery
1 Set 150 KVA Transformers	1,800.00	30.00	
5 - 25 HP Fans	3,500.00	11.67	1 Fan
1 Gantry Jumbo	15,000.00	250.00	
TOTAL TO-DATE		$783.40	

Very truly yours,

NEW PARK MINING COMPANY

G. A. Hansen,
General Superintendent

GAH:bw
cc: Mr. C. L. Wilson
Mr. C. D. Harper



PEMBROKE 8 NO. 1939 "UNDERGROUND DIRECTOR"

BY DATE SUBJECT SHEET NO. OF
CHKD. BY DATE JOB NO.

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

Budget Bureau No. 42-R1036.5

MAR 30 1954 O.M.E

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

Month of February, 1959 Docket No. DMEA 4981 Contract No. E-1218

Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper

Address 907 Walker Bank Building, Salt Lake City, Utah

Contract Amount, $ 564,880.00 Government Participation: 50 % Amount, $ 282,440.00

ITEMS OF COSTS UNITS #1, 2, & 3	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor @ $2.00/Ft.	$ 4,213.72	$11,576.00	$15,789.72			
Supervision	650.00	4,200.00	4,850.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	412.71	297.05	709.76			
Explosives	558.87		558.87			
Pipe Transite @ 50%	1,915.25	8,687.38	10,602.63			
~~xxxx~~ Column Hangers		191.10	191.10			
Ballast Gravel		1,247.45	1,247.45			
Pump Column @ 50%	1,454.35	5,172.37	6,626.72			
Supplies	1,562.19		1,562.19			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation	470.26		470.26			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	89.56	357.40	446.96			
Sampling and Analysis						
Payroll Taxes @ 11.5%	306.64	1,774.00	2,080.64			
Liability Insurance						
Accounting	250.00	1,650.00	1,900.00			
(8) Contingencies (specify):						
TOTALS	$11,883.55	$35,152.75	$47,036.30	11,662.92	35,152.75	46,815.67

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

Date 3/25/59 *Payee New Park Mining Company

Per [signature] Title Vice President

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

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

(Instructions on reverse)

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

$ 5831.46

Signature [signature]
(Authorized Certifying Officer)

Date 3/25/59 Voucher DME 59-97
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E1218 in accordance with the terms of the contract.

Signature M. H. Howes Title Mining Engineer Date Mar. 19, 1959

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Checked for Engineering Allowability

Signature [illegible] Title Executive Officer Date MAR 24 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February, 1959 Docket No. DMEA 4981 Contract No. E-1218

Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper

Address 907 Walker Bank Building, Salt Lake City, Utah

	OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
#3	Drifting & Crosscutting	Feet	$ 5,575.58	119	$ 5,575.58	119	$46.85	8,600	
	Crosscutting								
	Raising								
#2	~~xxxx~~ Pump Column @ 50%	Feet	1,454.35	None	11,333.07	1,306½	8.67	1,660	
	Winzes								
	Drilling: Core								
	Churn								
	Auger								
	Stripping								
	Trenching								
	Test Pits								
	Roads and Trails								
#1	16" Transite Pipe	Feet	4,853.62	970	30,127.65	5,451½	5.53	7,140	
	TOTAL DISTRIBUTED COSTS		11,883.55		47,036.30				TOTAL COSTS AUTHORIZED BY CONTRACT
	Operating Equipment Purchased								
	Initial Rehabilitation and Repairs								
	New Buildings, Improvements, etc.								
	TOTAL COSTS		$ 11,883.55		$ 47,036.30				

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

Date 3/15/59 Operator New Park Mining Company

Per [signature] Title Vice President

REMARKS:

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

(Instructions on reverse)

(For Government use only)

M. L. Howes, Mining Engineer, 3/19/59

INSTRUCTIONS

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

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

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

GPO 872894

EXTRA COPY
O. M. E.
RECEIVED MAR 30 1959
DATE | INITIALS | CODE
400

FINAL DISTRIBUTION
MADE MAR 25 1959

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

Administrative Audit Difference Statement

Date: March 25, 1959

Payee's Reference: February 1959

New Park Mining Co.
907 Walker Bank Bldg.
Salt Lake City, 11, Utah

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

Amount Claimed $ 11,883.50

Difference $ 220.58

Amount Approved $ 11,662.92

The reason for the difference was due to:

Suspension, Drifting and Crosscutting

The maximum allowable average unit cost for "Drifting and Crosscutting" as established in Exhibit "A" to the contract, is $45.00 per foot. During February, 1959 the average unit cost for this item was $46.85 per foot, therefore in accordance with item (c) of ANNEX II to the contract, the reported cost in excess of $45.00 per foot is suspended, subject to possible reinstatement at a future date, to the extent that subsequent costs of drifting and crosscutting may fall below the maximum allowable average unit cost.

Reported cost for drifting and crosscutting,
119 feet at $46.85/ft. ---------- $5,573.58
Allowable cost for drifting and crosscutting,
119 feet at $45.00/ft. ---------- 5,353.00

Amount suspended ---------- $ 220.58

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

Very sincerely yours,

N. E. Stokes
Audit Section

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

224 New Customhouse
Denver 2, Colorado
March 24, 1959

Memorandum

To: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract Idm-E1218 New Park Mining Co., (Mayflower mine) Wasatch County, Utah - Operator's Monthly Progress Report for the month of February, 1959

Enclosed are the original and four copies each of Forms MF-104 and MF-104A, Operator's Narrative Report, and Engineer's Report for the above period.

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. Documentation has been waived, therefore we recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to verification of arithmetical accuracy within Form MF-104, and contingent on the findings of subsequent on-site audit of the Operator's account, except for the following deduction:

Suspension, Drifting and Crosscutting

The maximum allowable average unit cost for "Drifting and Crosscutting" as established in EXHIBIT "A" to the contract, is $45.00 per foot. During February, 1959 the average unit cost for this item was $46.85 per foot, therefore in accordance with item (c) of ANNEX II to the contract, the reported cost in excess of $45.00 per foot is to be suspended, subject to possible reinstatement at a future date, to the extent that subsequent costs of drifting and crosscutting may fall below the maximum allowable average unit cost.

Reported cost for drifting and crosscutting, 119 feet at $46.85/ft.	$5,575.58
Allowable cost for drifting and crosscutting, 119 feet at $45.00/ft.	5,355.00
Amount to be suspended	$ 220.58

Reconciliation With Amount Reported by the Operator on Form MF-104 for the month of February, 1959

Amount reported on Form MF-104 for February, 1959--------	$11,883.50
Amount to be suspended----------	220.58
Acceptable cost for February, 1959----------	$11,662.92
Government participation at 50 percent----------	$ 5,831.46

Remarks:

Date of Report----------March 15, 1959
Date Received in Field Office----------Not indicated
Date Received in Region Office----------March 20, 1959

Original signed by
J. W. TOWNSEND
J. W. Townsend

Enclosures

JDC:bmh

cc: Chmn. Op. Comm. (2)
Howes, GMR/SLC
MF-104 file, Reg. III
Harshman (2)) w/copy of
Cooper) Engr's Report
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

INTERMOUNTAIN
EXPERIMENT STATION

1600 EAST 1ST SOUTH STREET
SALT LAKE CITY, UTAH

OME
DEPARTMENT OF THE INTERIOR
MAR 20 1959
REGION III
DENVER COLORADO

March 19, 1959

Memorandum

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

From: M. H. Howes

Subject: Docket No. DMEA-498 (Lead-zinc-copper), Contract Idm-X1218, New Park Mining Co. (Mayflower mine), Wasatch County, Utah. Progress report for February 1959.

Attached are the original and four copies of the operator's monthly report for February 1959.

The property was inspected March 10, 1959, in the company of C. L. Wilson, vice president, and Gale A. Hansen, general superintendent. During February 1959, under Item No. 1, 970 feet of 16-inch transite pipe was laid in the Mayflower Tunnel, for a total distance of 5,481-1/2 feet; under Item No. 2, check valves and gate valves were installed on the 2005 level; and under Item No. 3, 119 feet of 10- x 12-foot drift was driven.

The accounts were checked, and it is verified that all charges for services and supplies, as reported on form MF-104, were necessary, and that they do not appear to be excessive. The operator's narrative report is considered to be adequate.

It is recommended that the operator be reimbursed $5,941.78, which is 50 percent of $11,883.55, the maximum allowable cost for February 1959.

M. H. Howes

M. H. Howes

Enclosure
cc/ J. B. Clemmer

March 10, 1959

DMEA Field Team
United States Bureau of Mines
1600 East First South
Salt Lake City, Utah

FEBRUARY REPORT ITEMS NUMBER 1, 2 AND 3

Re: Docket No. DMEA 496U Contract E-1218

Gentlemen:

During the month of February, nine hundred and seventy feet of sixteen inch transite pipe was installed in the main haulage tunnel. This unit of work, Item No. 1, progressed well during the month with little or no difficulty.

Item No. 2: Pumps and Pump Column. This unit of work was delayed during the month because of necessary maintenance work in the shaft. Progress during the month of February consisted of installation of the check flow valves and gate valves on the 2005 level. Plans are being made to complete the pump and pump column installation during the month of March.

Item No. 3: Drifting and Crosscutting. One hundred and nineteen feet of 10 x 12 foot drift were driven off the 2005 level station during the month. This distance allows enough footage room to install the train loader, the 630 Eimco Loader Jumbo, etc.

The following equipment and machinery were lowered to the 2005 level and put into operation during the month. Depreciation on this machinery and equipment is being charged off according to our contract Amendment No. 1, dated the 13th day of February, 1959.

Item	Cost	Depreciation This Month	Note
2-0 Cable	$ 4,051.50	$ 67.50	800 to 2005 level
630 Eimco Loader	10,100.00	168.33	

Item	Cost	Depreciation This Month	Note
1 Train Car Loader "5 Car Train"	$19,000.00	$126.27	Percentage for 2 cars
1 Charging Panel	740.00	12.33	
2 Motor Batteries "4 Ton 50 Gall"	6,500.00	54.16	Percentage for 1 battery
1 Set 150 KVA Transformers	1,800.00	30.00	
5 - 25 H.P. Fans	3,500.00	11.67	Percentage for 1 fan
Total To-Date		$470.26	

During the month of March, the Jumbo, the complete train loader, dumping facilities, electrical installations, etc. will be lowered to the 2005 level and put into operation.

Very truly yours,

NEW PARK MINING COMPANY

G. A. Hansen,
General Superintendent

GAH:bw
cc: Mr. C. L. Wilson
Mr. C. D. Harper

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

Budget Bureau No. 42-R1036.5

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

MAR 20 1959 O.M.E.

Month of January, 1959 Docket No. DMEA 4981 Contract No. E-1218
Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper
Address 907 Walker Bank Building, Salt Lake City, Utah
Contract Amount, $ 564,880.00 Government Participation: 50 % Amount, $ 282,440.00

ITEMS OF COSTS UNIT #1 & #2	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor @ $2.00/Ft. @	3,477.00	8,099.00	11,576.00			
Supervision	650.00	3,550.00	4,200.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		297.05	297.05			
Explosives						
Pipe Transite @ 50%	1,659.77	7,027.61	8,687.38			
Pump Column Hangers	114.80	76.30	191.10			
Ballast Gravel	360.57	886.88	1,247.45			
Pump Column @ 50%	3,032.82	2,139.55	5,172.37			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		357.40	357.40			
Sampling and Analysis						
Payroll Taxes @ 11.5%	474.61	1,299.39	1,774.00			
Liability Insurance						
Accounting	250.00	1,400.00	1,650.00			
(8) Contingencies (specify):						
TOTALS	$10,019.57	$25,133.18	$35,152.75	10,019.75	25,133.18	35,152.75

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

Date 3/12/59 *Payee New Park Mining Company

Per [signature] Title Vice President

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

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

(Instructions on reverse)

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

$ 5009.78

Signature [signature]
(Authorized Certifying Officer)

Date 3/16/59 Voucher 07078 59-93

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E1218 in accordance with the terms of the contract.

Signature M. H. Howse Title Mining Engineer Date 3/3/59

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Checked for Engineering Allowability

Signature [illegible] Title Executive Officer Date MAR 13 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

MAR 20 1959 D.M.E.

Month of January, 1959 Docket No. DMEA 4981 Contract No. E-1216
Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper
Address 907 Walker Bank Building, Salt Lake City, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
#2 Sawyer Pump Column 0 50	Feet	$ 5,631.32	821.5	$ 9,878.72	1,306½	$7.56	1,660	
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
#1-16" Transite Pipe	Feet	4,388.25	917	25,274.03	4,401½	5.64	7,140	
TOTAL DISTRIBUTED COSTS		10,019.57		35,152.75				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$10,019.57		$35,152.75				

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

Date 2/25/59 Operator New Park Mining Company

Per [signature] Title Vice President

REMARKS:

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

(Instructions on reverse)

(For Government use only)

M. L. Lowez, Mining Engineer, 3/3/59

INSTRUCTIONS

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

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

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

GPO 872894

FINAL DISTRIBUTION
MADE MAR 17 1959

EXTRA COPY O. M. E. RECEIVED MAR 20 1959		
DATE	INITIALS	CODE
		800

224 New Customhouse
Denver 2, Colorado
March 13, 1959

Memorandum

To: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract Idm-H1218, New Park Mining Company, (Mayflower mine) Wasatch County, Utah - Operator's Monthly Progress Report for the month of January, 1959

Enclosed are the original and four copies each of Forms MF-104 and MF-104A, Operator's Narrative Report, and Engineer's Report for the above period.

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. Documentation has been waived, therefore we recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to verification of arithmetical accuracy within Form MF-104, and contingent on the findings of subsequent on-site audit of the Operator's account.

Remarks:

Date of Report----------February 13, 1959
Date Received in Field Office--- "
Date Received in Region Office--March 11, 1959

Original signed by
J. W. TOWNSEND
J. W. Townsend

Enclosures

JBC:hmh

cc: Chmn. Op. Comm. (2)
Bowns, OME/SLC
MF-104 file, Reg. III
Hardeman (2) - w/copy Engr's Report
Chron

OME
DEPARTMENT OF THE INTERIOR
MAR 11 1959
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

INTERMOUNTAIN
EXPERIMENT STATION

1600 EAST 1ST SOUTH STREET
SALT LAKE CITY, UTAH

March 9, 1959

Memorandum

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

From: M. H. Howes

Subject: Docket No. DMEA-4081 (Lead-zinc-copper), Contract Idm-21213, New Park Mining Co. (Mayflower mine), Wasatch County, Utah. Progress report for January 1959

Attached are the original and four copies of the operator's monthly report for January 1959.

The property was inspected February 3, 1959, in the company of Gale A. Hansen, general superintendent. During January 1959, under Item No. 1, 817 feet of 18-inch transite pipe was laid in the Mayflower Tunnel, for a total distance of 4,481-1/2 feet; under Item No. 2, 821-1/2 feet of 10-inch pump column was installed in the shaft; and under Item No. 3, no distance was charged for drifting and crosscutting, even though actual drifting started late in January. Installation of air receiver, fan, charger, locomotive, cars, etc., on the 2005 level has slowed the drift starting considerably. The operator states that charges for drifting and crosscutting will be submitted in following monthly statements.

The accounts were checked, and it is verified that all charges for services and supplies, as reported on form MF-104, were necessary, and that they do not appear to be excessive. The operator's narrative report is considered to be adequate.

It is recommended that the operator be reimbursed $5,009.75, which is 50 percent of $10,019.57, the maximum allowable cost for January 1959.

M. H. Howes
M. H. Howes

Enclosures
cc: J. B. Clemmer

February 10, 1959

DMEA Field Team
United States Bureau of Mines
1600 East First South
Salt Lake City, Utah

JANUARY REPORT ITEMS NUMBER 1 AND 2

Re: Docket No. DMEA 4981 Contract E-1218

Gentlemen:

During the month of January, nine hundred and seventeen feet of sixteen inch transite pipe was installed in the main haulage tunnel. This unit of work, Item No. 1, progressed very well during the month.

Item No. 2: Pumps and Pump Column. During the month of January, eight hundred twenty one and one-half feet of ten inch pump column was installed. This completes the installation of the pump column in the shaft itself. There still remains some horizontal pump column to be installed on the 1630 level and on the 800 level in order to complete Item No. 2.

Actual drifting off the 2005 level station commenced during the latter part of January. The first one hundred fifty feet of work will be time consuming in getting away from the station because of the necessary installations such as air manifolds, fans, chargers, motors, cars, etc. applicable to the operation of Item No. 3: Drifting and Crosscutting.

No charge is being made with DMEA for Item No. 3 during the month of January but will follow on schedule during the coming monthly reports.

Very truly yours,

NEW PARK MINING COMPANY

G. A. Hanson,
General Superintendent

GAH:bw
cc: Mr. C. L. Wilson
Mr. C. D. Harper

Form ME-104 (Rev.)
(Apr. 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

FEB 2 1959

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1958 Docket No. DMEA 4979 Contract No. E-1218
Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper
Address 907 Walker Bank Building, Salt Lake City, Utah
Contract Amount, $564,880.00 Government Participation: 50 % Amount, $282,440.00

ITEMS OF COSTS UNIT #1 & #2	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
* Labor @ $2.00/Foot	$3,153.00	$ 4,946.00	$ 8,099.00			
Supervision	650.00	2,900.00	3,550.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		297.05	297.05			
Explosives						
Pipe Transite @ 50%	2,335.06	4,692.55	7,027.61			
~~xxxx~~ Column Hangers	58.80	17.50	76.30			
Ballast Gravel	335.59	551.29	886.88			
Pump Column @ 50%	1,596.86	542.69	2,139.55			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		357.40	357.40			
Sampling and Analysis						
** Payroll Taxes @ 11.5%	437.35	862.04	1,299.39			
Liability Insurance						
Accounting	250.00	1,150.00	1,400.00			
(8) Contingencies (specify):						
TOTALS	$8,816.66	$16,316.52	$25,133.18	8,816.66	16,316.52	25,133.18

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

Date 1/14/59 *Payee New Park Mining Company

Per [signature] Title Vice President

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

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

(Instructions on reverse)

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

$4408.33

Signature [signature]
(Authorized Certifying Officer)

Date 1/28/59 Vou. No. DMEA 59-85
(See other side)

* Included Labor for 125' of Pump Column during Nov. 1958 ($250.00)
** Included Payroll Tax for Nov. 1958 ($28.75)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-1218 in accordance with the terms of the contract.

Signature M. H. Howes Title Mining Engineer Date Jan. 16, 1959

Checked for Engineering Allowability

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title Executive Officer Date JAN 23 1959

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MIF-104A
(April 1962)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

FEB 2 1959
O.M.E.

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December, 1958 Docket No. DMEA 4981 Contract No. E-1218

Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper

Address 907 Walker Bank Building, Salt Lake City, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
#2 ~~xxxx~~Pump Column @ 50%	Feet	$3,237.21	360	$ 4,247.40	485	$8.76	1,660	
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
#1-16" Transite Pipe	Feet	5,579.45	1,091½	20,885.78	3,564½	5.86	7,140	
TOTAL DISTRIBUTED COSTS		8,816.66		25,133.18				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$8,816.66		$25,133.18				

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

Date 1/15/59 Operator New Park Mining Company

Per [signature] Title Vice President

REMARKS:

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

(Instructions on reverse)

(For Government use only)

M. L. Howes, Mining Engineer, 1/16/59

INSTRUCTIONS

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

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

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

GPO 872894

224 New Customhouse
Denver 2, Colorado
January 23, 1959

Memorandum

TO: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract Idm-E1218 New Park Mining Co., (Mayflower mine) Wasatch County, Utah, - Operator's Monthly Progress Report for the month of December, 1958

Enclosed are the original and four copies each of Forms MF-104 and MF-104A, Operator's Narrative Report, and Engineer's Report for the above period.

Work is being performed by the Operator on the basis of actual incurred costs.

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. Documentation has been waived, therefore we recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to verification of arithmetical accuracy within Form MF-104, and contingent on the findings of subsequent on-site audit of the Operator's account.

Remarks:

Date of Report----------January 14, 1959
Date Received in Field Office-----January 15, 1959
Date Received in Region Office----January 19, 1959

Original signed by
J. W. TOWNSEND

J. W. Townsend

EXTRA COPY
O. M. E.
RECEIVED FEB 2 1959

DATE	INITIALS	CODE
		800

Enclosures

JDC:ltm

cc: Chmn. Op. Comm. (2)
Howes, OME/SLC
MF-104 File, Reg. III
Harshman - w/cpy Engr's Rept.
Chron.

Original signed by
J. W. TOWNSEND

EXTRA COPY
O. M. E.
RECEIVED FEB 2 1959

DATE	INITIALS	CODE

OME
DEPARTMENT OF THE INTERIOR
JAN 19 1959
REGION III
DENVER, COLORADO

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

INTERMOUNTAIN
EXPERIMENT STATION

1600 EAST 1ST SOUTH STREET
SALT LAKE CITY, UTAH

January 16, 1959

Memorandum

To: J. W. Townsend, Executive Officer, OMK Field Team, Region III

From: M. H. Howes

Subject: Docket No. DMEA-4081 (Lead-zinc-copper), Contract Idm-21218, New Park Mining Co. (Mayflower mine), Wasatch County, Utah. Progress report for December 1958

Attached are the original and four copies of the operator's monthly report for December 1958.

The property was inspected January 15, 1959, in the company of C. L. Wilson, vice president, and Gale A. Hansen, general superintendent. During December 1958, under Item No. 1, 1,081-1/2 feet of 16-inch transite pipe was laid in the Mayflower Tunnel, for a total distance of 3,564-1/2 feet; and under Item No. 2, 360 feet of pump column was installed in the shaft and on the 2005 and 1820 shaft stations.

The accounts were checked and it is verified that all charges for services and supplies, as reported on form MF-104, were necessary, and that they do not appear to be excessive. Labor plus payroll tax on pump-column installation was not included on the November statement. The labor charge of $2.00 per feet plus 11.5 percent payroll taxes and fringes for November is included in the December statement. The operator's narrative report is considered to be adequate.

It is recommended that the operator be reimbursed $4,408.33, the maximum allowable cost for December 1958.

M. H. Howes

M. H. Howes

Enclosures
cc: J. E. Clemmer

January 10, 1959

DMEA Field Team
United States Bureau of Mines
1600 East First South
Salt Lake City, Utah

DECEMBER REPORT ITEMS NO. 1 AND 2

Re: Docket No. DMEA 4981 Contract E-1218

Gentlemen:

During the month of December, one thousand ninety one and one-half feet of sixteen inch transite pipe was installed in the main haulage tunnel. This unit of work, Item No. 1, progressed very well during the month with little or no difficulties encountered.

Item No. 2: Pumps and Pump Column. During the month of December, three hundred and sixty feet of pump column was installed in the shaft, the 2005 level and the 1630 level stations. This work progressed quite well considering the complications of piping across the 1630 level stations towards the main water sump.

On the MF-104 Form for the month of November, 1958, you will note that we failed to report the labor charge for the installation of one hundred twenty five feet of pump column. On the MF-104 Form for the month of December, 1958, we have included this additional labor charge at $2.00 per foot and the 11.5% Payroll Taxes and fringes with the labor and tax for the installation of three hundred sixty feet of pump column installed during the month of December, 1958.

During the first week of December, our operation at the Mayflower Mine was hampered by a power failure which resulted in the flooding of the 2005 level. This breakdown delayed preparations on the 2005 level approximately 2 weeks in our planned schedule.

The installation of our pumps and the drifting on the 2005 level will be under way during the month of January, 1959.

Very truly yours,

[illegible] PARK MINING COMPANY

G. A. Hansen,
General Superintendent

GAH:bw
cc: Mr. C. L. Wilson
Mr. C. D. Harper

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

Budget Bureau No. 42-R1036.5

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

Month of November, 1958 Docket No. DMEA 4983 Contract No. D-1210
Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper
Address 907 Walker Bank Building, Salt Lake City, Utah
Contract Amount, $ 564,000.00 Government Participation: 50 % Amount, $ 282,140.00

ITEMS OF COSTS MEI (1) AND (2)	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor @ $2.00/Foot	1,004.00	3,142.00	4,146.00			
Supervision	650.00	2,250.00	2,900.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		297.05	297.05			
Explosives						
Pipe Transite @ 50%	1,776.60	2,915.95	4,692.55			
Track Column Hangers	17.50		17.50			
Ballast Gravel		551.39	551.39			
Pump Column @ 50%	542.69		542.69			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	67.93	289.47	357.40			
Sampling and Analysis						
Payroll Taxes @ 11.5%	241.96	620.08	862.04			
Liability Insurance						
Accounting	250.00	900.00	1,150.00			
(8) Contingencies (specify):						
TOTALS	5,350.68	10,965.84	16,316.52	5,350.68	10,965.84	16,316.52

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 12/15/58 *Payee New Park Mining Company
Per [signature] Title Vice President

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 2675.34
Signature [signature]
(Authorized Certifying Officer)
Date 1/5/59 Voucher No. DMEA 59-78
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-1218 in accordance with the terms of the contract.

Signature M. H. Howes Title Mining Engineer Date 12/23/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Checked for Engineering Allowability

Signature [illegible] Title Executive Officer Date DEC 29 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

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

Month of November, 1958 Docket No. DMEA 4981 Contract No. E-1218

Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper

Address 907 Walker Bank Building, Salt Lake City, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
#2 Shafts Pump Column @ 50%	Feet	$ 560.19	125	$ 560.19	125	$8.82	1,660	
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
#1-16" Transite Pipe	Feet	4,790.49	902	15,756.33	2,473	6.37	7,140	
TOTAL DISTRIBUTED COSTS		5,350.68		16,316.52				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$5,350.68		$16,316.52				

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

Date 12/15/58 Operator New Park Mining Company

Per [signature] Title Vice President

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

REMARKS:

(Instructions on reverse)

(For Government use only)

M. H. Lowe, Mining Engineer, 12/23/58

INSTRUCTIONS

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

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

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

GPO 872894

FINAL DISTRIBUTION

MADE JAN 5 1959

224 New Customhouse
Denver 2, Colorado
December 29, 1958

EXTRA COPY O. M. E. RECEIVED JAN 9 1959		
DATE	INITIALS	CODE
		800

Memorandum

To: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. IMBA 4981 (Lead-Zinc-Copper) Contract [illegible]
New Park Mining Co., (Mayflower mine) Wasatch County,
Utah, - Operator's Monthly Progress Report for the
month of November, 1958

Enclosed are the original and four copies each of Forms MF-104 and MF-104A, Operator's Narrative Report, and Engineer's Report for the above period.

Work is being performed by the Operator on the basis of actual incurred costs.

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. Documentation has been waived, therefore we recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to verification of arithmetical accuracy within Form MF-104, and contingent on the findings of subsequent on-site audit of the Operator's account.

Remarks:

Date of Report----------December 15, 1958
Date Received in Field Office----------(Not indicated)
Date Received in Region Office----------December 29, 1958

Original signed by
J. W. TOWNSEND

J. W. Townsend

Enclosures

HMC:hmh

cc: Chmn. Op. Comm. (2)
Howes, OME/SLC
MF-104 File, Reg. III
Hardesman - w/copy Engr's Report
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

INTERMOUNTAIN
EXPERIMENT STATION

OME
PARTMENT OF THE INTERIOR
DEC 29 1958
REGION III
DENVER, COLORADO

1600 EAST 1ST SOUTH STREET
SALT LAKE CITY, UTAH

December 23, 1958

Memorandum

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

From: M. H. Howes

Subject: Docket No. DMEA-4961 (Lead-zinc-copper), Contract Ida-E1318, New Park Mining Co. (Mayflower mine), Wasatch County, Utah. Progress report for November 1958

Attached are the original and four copies of the operator's monthly report for November 1958.

The property was inspected December 3, 1958, in the company of Gale A. Hansen, general superintendent. Under Item No. 1, 902 feet of 16-inch transite pipe was installed in the Mayflower Tunnel during November, for a total distance of 3,472 feet. In Item No. 2, 125 feet of 12-inch pump column was installed in the shaft above the 2005 level. Pump installation will proceed on the 2005 and 1630 levels as soon as preparatory work is completed.

The accounts were checked, and it is verified that all charges for services and supplies, as reported on form MF-104, were necessary and that they do not appear to be excessive. The operator's narrative report is considered to be adequate.

It is recommended that the operator be reimbursed $2,675.34, which is 50 percent of $5,350.68, the maximum allowable cost for November 1958.

M. H. Howes

M. H. Howes

Enclosures

cc: J. B. Clemmer

December 10, 1958

D.M.E.A. Field Team
United States Bureau of Mines
1600 East First South
Salt Lake City, Utah

NOVEMBER REPORT ITEM NOS. 1 AND 2

Re: Docket No. D.M.E.A. 4981 Contract E-1218

Gentlemen:

During the month of November, nine hundred and two feet of transite pipe was installed in the main haulage tunnel. This unit of work, Item No. 1, progressed very well during the month with little or no difficulties encountered.

Item No. 2 - Pump and Pump Column. During the month of November, preparations for installation of the pump column was completed and one hundred twenty five feet of pump column was installed in the shaft. This work to date consists of the installation of a 12 inch pipe column from the 2005 level to the 1880 level. All the pipe and necessary fittings are on hand to complete the pump column installation to the 800 level. This project will near completion during the month of December.

Very truly yours,

NEW PARK MINING COMPANY

G. A. Hansen
General Superintendent

GAH:bw
cc: Mr. C. D. Harper
Mr. C. L. Wilson

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED DEC 12 1958 O.M.E.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1958 Docket No. DMEA 4981 Contract No. E-1218
Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper
Address 907 Walker Bank Building, Salt Lake City, Utah
Contract Amount, $ 564,880.00 Government Participation: 50 % Amount, $ 282,440.00

ITEMS OF COSTS UNIT #1	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor @ $2.00/Ft.	$ 572.00	$2,570.00	$ 3,142.00			
Supervision	300.00	1,950.00	2,250.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber		297.05	297.05			
Explosives						
Pipe Transite @ 50%	624.68	2,291.27	2,915.95			
Track						
Ballast Gravel		551.29	551.29			
Cement Buster Repair						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		289.47	289.47			
Sampling and Analysis						
Payroll Taxes @ 11.5%	100.28	519.80	620.08			
Liability Insurance						
Accounting	150.00	750.00	900.00			
(8) Contingencies (specify):						
TOTALS	$1,746.96	$9,218.88	$10,965.84	1,746.96	9,218.88	10,965.84

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

Date 11/14/58 *Payee New Park Mining Company

Per [signature] Title Vice President

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

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

(Instructions on reverse)

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

$ 873.47

Signature [signature]
(Authorized Certifying Officer)

Date 12/8/58 Vou. No. 59-69

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E1218 in accordance with the terms of the contract.

Signature M. H. Hower Title Mining Engineer Date 11/05/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Checked for Engineering Allowability

Signature [illegible] Title Executive Officer Date DEC 3 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED DEC 12 1958 O.M.E.

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October, 1958 Docket No. DMEA 4981 Contract No. E-1218

Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper

Address 907 Walker Bank Bldg., Salt Lake City, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
16" Transite Pipe	Feet	$1,746.96	286	$10,965.84	1,571	$6.98	7,140	
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$1,746.96		$10,965.84				

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

Date 11/10/58 Operator New Park Mining Company

Per [signature] Title Vice President

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

REMARKS:

(Instructions on reverse)

(For Government use only)

M. L. Lowes, Mining Engineer, 11/25/58

INSTRUCTIONS

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

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

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

GPO 872894

FINAL DISTRIBUTION
MADE DEC 9 1958

224 New Customhouse
Denver 2, Colorado
December 1, 1958

EXTRA COPY
O. M. E.
RECEIVED DEC 12 1958

DATE	INITIALS	CODE
		880

Memorandum

To: T. A. Christensen

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract Idm-E1218, New Park Mining Co., (Mayflower Mine), Wasatch County, Utah - Operator's Monthly Progress Report for the month of October, 1958

Enclosed are the original and four copies each of Forms MF-104 and MF-104A, Operator's Narrative Report, and Engineer's Report for the above period.

Work is being performed by the Operator on the basis of actual incurred costs.

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. Documentation has been waived, therefore we recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to verification of arithmetical accuracy within Form MF-104, and contingent on the findings of subsequent on-site audit of the Operator's account.

Remarks:

Date of Report----------November 14, 1958
Date Received in Field Office----------(Not indicated)
Date Received in Region Office----------November 26, 1958

Original signed by
J. W. TOWNSEND

J. W. Townsend

Enclosures

JDC:hmh

cc: Chmn. Op. Comm. (2)
Howes, OME/SLC
MF-104 file, Reg. III
Harshman - w/copy of Engr's Report
Chron

$873.47
12/8/58 DMEA 59-69

FINAL DISTRIBUTION

DEC 3 1958

MADE _____

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DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

INTERMOUNTAIN
EXPERIMENT STATION

1600 EAST 1ST SOUTH STREET
SALT LAKE CITY, UTAH

OMSE
DEPARTMENT OF THE INTERIOR
NOV 26 1958
REGION III
DENVER, COLORADO

November 26, 1958

Memorandum

To: J. W. Townsend, Executive Officer, OMSE Field Team, Region III

From: M. H. Howes

Subject: Docket No. IDEA-4981 (Lead-zinc-copper), Contract Idm-E1218, New Park Mining Co. (Mayflower mine), Wasatch County, Utah. Progress report for October 1958

Attached are the original and four copies of the operator's monthly report for October 1958.

The property was inspected November 4, 1958, in the company of C. R. Wilson, vice president, and Gale A. Hansen, general superintendent. Under Item No. 1, 325 feet of 16-inch transite pipe was installed in the Mayflower Tunnel during October for a total distance of 1,571 feet. Considerable delay was encountered because of slow delivery of pipe and fittings. Progress in November has been speeded up. Work preparatory to installation of pumps and pump column in item 2 has been carried on satisfactorily.

The accounts were checked, and it is verified that all charges for services and supplies, as reported on form MF-164, were necessary and that they do not appear to be excessive. The operator's narrative report is considered to be adequate.

It is recommended that the operator be reimbursed $873.48, which is 50 percent of $1,746.96, the maximum allowable cost for October 1958.

M. H. Howes
M. H. Howes

Enclosures
cc: J. E. Clemmer

NEW PARK MINING COMPANY

KEETLEY, UTAH

November 10, 1958

D.M.E.A. Field Team
United States Bureau of Mines
1600 East First South
Salt Lake City, Utah

OCTOBER REPORT UNIT NO. 1

Re: Docket No. D.M.E.A. 4981, Contract E-1218

Gentlemen:

During the month of October, two hundred eighty six feet of transite pipe was installed in the Main Haulage Tunnel. This work was delayed during the month because of the shortage of transite pipe and special curves and fittings. However, we now have an ample supply of pipe and fittings on hand and on order sufficient for the remainder of this project.

Preparations for installation of our pumps and pump column on the 2000 level have progressed well during the month. Actual installation of the 12" Pump Column from the 2000 level to the 1630 level will be under way during the month of November. All the pump column, pumps, valves and fittings are on hand and ready for installation.

Our machinery and equipment necessary for drifting on the 2000 level have been purchased and this work will commence during the month of December.

Very truly yours,

NEW PARK MINING COMPANY

G. A. Hansen,
General Superintendent

GAH;bw
cc: Mr. C. L. Wilson
Mr. C. D. Harper

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

Budget Bureau No. 42-R1036.5

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

RECEIVED OCT 31

Month of September, 1958 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper
Address 907 Walker Bank Bldg., Salt Lake City, Utah
Contract Amount, $ 504,000.00 Government Participation: 50 % Amount, $ 252,000.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor @ 22.00/hr.	632.00	1,732.00	2,370.00			
Supervision	650.00	1,300.00	1,950.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber	297.05		297.05			
Explosives						
Pipe Granite @ 50%	777.92	1,519.35	2,297.27			
Track						
Ballast Gravel	251.75	299.54	551.29			
Cement Duster Repair	269.67		269.67			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes @ 11.53	270.13	249.37	519.50			
Liability Insurance						
Accounting	250.00	500.00	750.00			
(8) Contingencies (specify):						
TOTALS	[illegible]	[illegible]	[illegible]	3,534.62	5,684.26	9,218.88

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

Date Oct. 15, 1958 Payee New Park Mining Company

Per [signature] Title Vice President

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

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

(Instructions on reverse)

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

$1767.31

Signature [signature]
(Authorized Certifying Officer)

Date 10/24/58 Voucher DMA 59-56

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-1218 in accordance with the terms of the contract.

Signature M. H. Howe Title Mining Engineer Date Oct. 22, 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: Checked for Engineering Allowability

Signature E. M. Hershman Title acting Executive Officer Date OCT 24 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September, 1958 Docket No. DMEA 4901 Contract No. D-1210

Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper

Address 907 Walker Bank Bldg., Salt Lake City, Utah

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
16" Transite Pipe	Foot	3,594.62	416	87,210.00	1205	7.17	7140	
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		3,594.62	416	87,210.00				

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

Date Oct. 15, 1958 Operator New Park Mining Company

Per [signature] Title Vice President

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

Remarks:

(Instructions on reverse)

(For Government use only)

M. H. Stowie, Mining Engineer, 10/20/58

INSTRUCTIONS

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

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

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

GPO 872894

FINAL DISTRIBUTION

O. M. E. MADE OCT 28 1958

RECEIVED 1958 CODE 800

OFFICE OF MINERALS EXPLORATION
224 New Customhouse
Denver 2, Colorado
October 24, 1958

Memorandum

To: T. A. Christensen

From: Acting Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract Idm-E1218, New Park Mining Co., (Mayflower mine) Wasatch County, Utah - Operator's Monthly Progress Report for the month of September, 1958

Enclosed are the original and four copies each of Forms MF-104 and MF-104A, Operator's Narrative Report, and Engineer's Report for the above period.

Work is being performed by the Operator on the basis of actual incurred costs.

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. Documentation has been waived, therefore we recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to verification of arithmetical accuracy within Form MF-104, and contingent on the findings of subsequent on-site audit of the Operator's account.

Remarks:

Date of Report----------October 15, 1958
Date Received in Field Office----------October 16, 1958
Date Received in Region Office---------October 23, 1958

Original signed by
E. N. HARSHMAN

E. N. Harshman

Enclosures

HMC;hmh

cc: Chmn. Op. Comm. (2)
Howes, OME/SLC
MF-104 file, Reg. III
Harshman - w/copy of Engr's Report
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

INTERMOUNTAIN
EXPERIMENT STATION

OME
DEPARTMENT OF THE INTERIOR
OCT 23 1958
REGION III
DENVER, COLORADO

1600 EAST 1ST SOUTH STREET
SALT LAKE CITY, UTAH

October 21, 1958

Memorandum

To: E. N. Harshman, Acting Executive Officer, OME Field Team, Region III

From: M. H. Bowen

Subject: Docket No. DMEA-4081 (Lead-zinc-copper), Contract Idm-51213, New Park Mining Co. (Mayflower mine), Wasatch County, Utah, Progress report for September 1958

Attached are the original and four copies of the operator's monthly report for September 1958.

The property was inspected October 1, 1958, in the company of Gale A. Hansen, general superintendent. During September, 616 feet of 16-inch transite pipe, under Item No. 1, was laid in the Mayflower Tunnel, for a total of 1,225 feet. The apparent slow progress of pipelaying was caused by a delay in delivery of pipe and curve fittings. Also, 208 feet of the distance covered in September required retimbering. The most difficult part of the job has been completed and the management reports that more rapid progress can be expected for the remainder of the project. As soon as the pump column is delivered, work will commence on Item No. 2.

The accounts were checked and it is verified that all charges for services and supplies, as reported on form MF-104, were necessary and that they do not appear to be excessive. The operator's narrative report is considered to be adequate.

It is recommended that the operator be reimbursed $1,767.31, which is 50 percent of $3,534.62, the maximum allowable cost for September 1958.

M. H. Bowen
M. H. Bowen

Enclosures
cc: J. R. Clemmer

OME
PARTMENT OF THE INTERIOR
OCT 23 1958
REGION III
DENVER, COLORADO

October 10, 1958

D.M.E.A. Field Team
United States Bureau of Mines
1600 East First South
Salt Lake City, Utah

SEPTEMBER REPORT UNIT NO. 1

Re: Docket No. D.M.E.A. 4931, Contract E-1218

Gentlemen:

During the month of September, four hundred sixteen feet of sixteen inch transite pipe was installed in the Main Haulage Tunnel. This portion of Unit No. 1 completes the difficult area of installation in the tunnel. The ease of installation for the remainder of the project will progress at a much more rapid rate. In order to make room for the transite pipe, it was necessary to re-timber two hundred and eight feet of an older portion of the haulage tunnel.

Johns-Manville Sales Corporation was hampered somewhat in shipment of pipe by a labor strike and by the Teamsters' Union truck strike. This has delayed our operation during the month. We are still waiting shipment of special curves and fittings that were promised arrival early this month.

Our plans are developing well towards Unit No. 2, "Pumps and Pump Column Installation." Our new pumps have arrived and the main shaft is now being prepared for their installation.

Very truly yours,

NEW PARK MINING COMPANY

G. A. Hansen,
General Superintendent

GAH:bw
c.c.: Mr. C. L. Wilson
Mr. C. D. Harper

Form MF-101 (Rev.)
(April 1952)

DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Approval expires 6-30-53.

SEP 16 1958
REGION III
DENVER, COLORADO

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1958 Docket No. DMEA 4921 Contract No. E-1218
Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper
Address 907 Walker Bank Building, Salt Lake City, Utah
Contract Amount, $ 564,680.00 Government Participation: 50% Amount, $ 282,440.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor @ $2.00/hr.	702.00	$1,036.00	$1,738.00			
Supervision	650.00	650.00	1,300.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe Transito @ 50%	610.74	902.61	1,513.35			
Track						
Ballast Gravel	160.65	122.09	283.54			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes @ 11.5%	155.48	193.89	349.37			
Liability Insurance						
Accounting	250.00	250.00	500.00			
(8) Contingencies (specify):						
TOTALS	$2,528.87	$3,155.39	$5,684.26	2,528.87	3,155.39	5,684.26

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

Date Sept. 6, 1958 Payee New Park Mining Company

Per [signature] Title Vice President

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

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

(Instructions on reverse)

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

$12,64 44

Signature [signature]
(Authorized Certifying Officer)

Date 9/23/58 Vou. No. DMEA 59-40

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No E1218 in accordance with the terms of the contract.

Signature M. H. Howes Title Mining Engineer Date 9/15/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE Checked for Engineering Allowables

Signature E. N. Hershman Title ~~Alternate~~ acting Executive Officer Date SEP 22 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

DM

DEPARTMENT OF THE INTERIOR
SEP 16 1958
REGION III
DENVER, COLORADO

RECEIVED
SEP 29 1958
DMEA

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

Month of August 1958 Docket No. DMEA 4961 Contract No. E-1210
Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper
Address 907 Walker Bank Building, Salt Lake City, Utah

OPERATION	UNIT Feet	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
16" Transite Pipe	7140	2,520.07	351	5,684.26	669	8.54	7140	
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2,520.07	351	5,684.26				

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

Date Sept. 6, 1958 Operator New Park Mining Company

Per [signature] Title Vice President

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

REMARKS:

(Instructions on reverse)

(For Government use only)

M. H. Howes, Mining Engineer
9/15/58

INSTRUCTIONS

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

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

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

GPO 83-38475

FINAL DISTRIBUTION
MADE SEP 24 1958

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
OFFICE OF MINERALS EXPLORATION
224 New Customhouse
Denver 2, Colorado
Sept. 22, 1958

9/29 Chm 100
800

Memorandum

To: T. A. Christensen

From: Office of Minerals Exploration, REGION III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract Idm-R1218, New Park Mining Co., (Mayflower mine) Wasatch County, Utah - Operator's Monthly Progress Report for the month of August, 1958

Enclosed are the original and four copies each of Forms MF-104 and MF-104A, Operator's Narrative Report, and Engineer's Report for the above period.

Work is being performed by the Operator on the basis of actual incurred costs.

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. Documentation has been waived, therefore we recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to verification of arithmetical accuracy within Form MF-104, and contingent on the findings of subsequent on-site audit of the Operator's account.

Remarks:

Date of Report----------September 6, 1958
Date Received in Field Office---------September 8, 1958
Date Received in Region Office-------September 15, 1958

SIGNED BY
E. N. HARSHMAN
E. N. Harshman

Enclosures

MEN:hmh

cc: Chrm. Op.Comm. (2)
Bowen, ONR/SLC
MF-104 file, Reg. III
Harshman - w/copy of Engr's Report
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION III

INTERMOUNTAIN
EXPERIMENT STATION

1600 EAST 1ST SOUTH STREET
SALT LAKE CITY, UTAH

DMEA
DEPARTMENT OF THE INTERIOR
SEP 16 1958
REGION III
DENVER, COLORADO

September 15, 1958

Memorandum

To: J. W. Townsend, Alternate Acting Executive Officer, DMEA Field Team, Region III

From: M. H. Howes

Subject: Docket No. DMEA-4981 (Lead-zinc-copper), Contract Idm-21218, New Park Mining Co. (Mayflower mine), Wasatch County, Utah. Progress report for August 1958

Attached are the original and four copies of the operator's monthly report for August 1958.

The property was inspected September 3, 1958, in the company of Gale A. Hansen, general superintendent. During August, under Item No. 1, 351 feet of 16-inch transite pipe was laid in the Mayflower Tunnel, thus completing 869 feet of the 7,140 feet allowed by the contract. The company's supply of pipe has been exhausted. A labor strike at the factory has temporarily delayed shipment of the pipe. It is reported that a railroad carload of pipe is en route to the mine. In the meantime, excavation and timbering preparatory to pipelaying is being conducted. Company work preliminary to the installation of pumps and pump column, Item No. 2, is being carried out satisfactorily, and should be completed by the time the pumps and pipe arrive, sometime in late September.

The accounts were checked and it is verified that all charges for services and supplies, as reported on form MF-104, were necessary and that they do not appear to be excessive. The operator's narrative report is considered to be adequate.

It is recommended that the operator be reimbursed $1,264.44, which is 50 percent of $2,528.87, the maximum allowable cost for August 1958.

M. H. Howes

M. H. Howes

Enclosures
cc: J. B. Clemmer

DMEA
DEPARTMENT OF THE INTERIOR
SEP 16 1958
REGION III
DENVER, COLORADO

September 6, 1958

D.M.E.A. Field Team
United States Bureau of Mines
1600 East First South
Salt Lake City, Utah

AUGUST REPORT UNIT #I

Re: Docket No. D.M.E.A. 4981, Contract E-1218

Gentlemen:

During the month of August, three hundred fifty one feet of sixteen inch transite pipe was installed in the main haulage tunnel. This portion of Unit #I was completed with considerable difficulty due to necessary mulling and timbering in making room for the pipe. However, we are happy to report that the remainder of the project will be a much easier installation and should progress at a rapid rate.

Johns-Manville Sales Corporation was involved in a labor strike during the month and our shipment of pipe was delayed three weeks. This also hampered our operation during the month. We now understand that this strike has been settled and our next shipment is on its way, via rail.

Our plans are developing well towards Unit #2, "Pumps and Pump Column Installation." This equipment has been ordered and is now enroute to our Mayflower Mine.

Very truly yours,

NEW PARK MINING COMPANY

Gale A. Hansen
General Superintendent

GAH:bw
c.c.: Mr. C. L. Wilson
Mr. C. D. Harper

224 New Customhouse
Denver 2, Colorado
September 16, 1958

800

Memorandum

To: T. E. Dreding, DMEA Auditor

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

Subject: Docket No. DMEA 4-31 (Lead-Zinc-Copper), Contract No. Zin-[illegible], New York Mining Company (Mayflower mine), Washoe County, Utah

Reference is made to the letter from the Chairman, Operating Committee, DMEA, dated September 2, 1958, a copy of which was provided for your records.

The Operator has submitted accounting reports for the months of July and August, 1958. Therefore, it is requested that an on-site interim audit of reported costs be made at an early date, so that any questions regarding allowability of costs and maintenance of satisfactory cost accounting records can be resolved before the work has progressed to any great extent.

Please advise the date you will schedule the audit.

Original signed by
J. W. TOWNSEND

J. W. Townsend

J/T:yrl

cc: Chmn. Op. Comm. (2)
Burnham (2)
Brown, DMEA/SLC
Gorman. file
Cooper
Chron.

EX
D
RECEIV
DATE
800

224 New Customhouse
Denver 2, Colorado
September 16, 1958

Mr. Glenn L. Wilson
New Park Mining Company
Hanchey, Utah

Re: Contract No. DMSA 4951 (Lead-Zinc-Copper)
Amendment No. Zinc-[illegible]
New Park Mining Company
(Mayflower mine)
Uintah County, Utah

Dear Mr. Wilson:

We note in your MF-104 reports for the months of July and August, 1958, that you have claimed $250.00 monthly for accounting, which is the maximum allowable cost of accounting as detailed under Category (T) of Exhibit "A".

Since documentation of reported costs has been waived, your attention is specifically directed to the fact that all costs in which the Government will participate must be reasonable and the direct and necessary cost of performing the work, and that all such costs must be substantiated by your records when audits are made by representatives of the Defense Minerals Exploration Administration.

Jwright

Very truly yours,

Original signed by
J. W. TOWNSEND
J. W. Townsend
Alternate Acting Executive Officer
DMEA Field Team, Region III

cc: Chem. Op. Comm. (2)
Secretary (2)
Treas, DMEA/EXC
Amendment file, Reg. III
DMEA Auditor, Reg. III
Contrs. file
Cooper
Chrom.

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

Budget Bureau No. 42-R1036.5

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

Month of July, 1958 Docket No. DMEA 4981 Contract No. E-1218
Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper
Address 907 Walker Bank Building, Salt Lake City, Utah
Contract Amount, $ 564,880.00 Government Participation 50 % Amount, $ 282,440.00

ITEMS OF COSTS UNIT #I	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor @ $2.00/ft.	$1,036.00	None	$1,036.00			
Supervision	650.00	None	650.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
XXXIB Nails @ $5.32	42.56		42.56			
Transite Pipe @ 50% Cost	902.61	None	902.61			
Pea Gravel ballast	80.33	None	80.33			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes @ 11.5%	193.89		193.89			
Liability Insurance						
Accounting	250.00	None	250.00			
(8) Contingencies (specify):						
TOTALS	$3,155.39		$3,155.39	3,155.39		3,155.39

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

Date Aug 7, 1958 *Payee New Park Mining Company

Per [signature] Title Vice Pres

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

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

(Instructions on reverse)

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

$1577.70

Signature [signature]
(Authorized Certifying Officer)

Date 9/10/58 Vou. No. DMA 59-36

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 1218 in accordance with the terms of the contract.

Signature M. H. Moore Title Mining Engineer Date 8/11/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature E. N. Hanselman Title acting Executive Officer Date SEP 9 1958

Approved for Engineering Allowability

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 195 8 Docket No. DMEA 4981 Contract No. E-1218

Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper

Address 907 Walker Bank Building, Salt Lake City, Utah

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
16" Transite Pipe	Feet 7140	$3,155.39	518	$3,155.39	518	$6.09	7140	
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date Aug 7, 1958 Operator New Park Mining Company

Per Clark Stratton Title Vice Pres.

REMARKS: Calculated on percentage of DMEA Loan for Unit I - (Note Narrative)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

M. H. Hesse, Mining Engineer, 8/11/58

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

FINAL DISTRIBUTION

MADE SEP 11 1958

224 New Customhouse
Denver 2, Colorado
Sept. 9, 1958

		COD
		100
		800

Memorandum

To: T. A. Christensen

From: Acting Executive Officer, DMEA Field Team, Region III

Subject: Docket No. DMEA 4981 (Lead-Zinc-Copper) Contract Idm-E1218 New Park Mining Co., (Mayflower mine) Wasatch County, Utah - Operator's Monthly Progress Report for the month of July, 1958

Enclosed are the original and four copies each of Forms MF-104 and MF-104A, Operator's Narrative Report, and Engineer's Report for the above period.

Work is being performed by the Operator on the basis of actual incurred costs.

We consider that the Operator has complied with the intent of the contract and the work for which payment is recommended is acceptable to the Government. Documentation has been waived, therefore we recommend that payment be made to the Operator for 50 percent of the amount reported on Form MF-104, subject to verification of arithmetical accuracy within Form MF-104, and contingent on the findings of subsequent on-site audit of the Operator's account.

Remarks:

Date of Report----------August 7, 1958
Date Received in Field Office----------August 11, 1958
Date Received in Region Office----------August 13, 1958
Reason for delay: Processing of voucher deferred pending receipt of instructions from the Washington Office, DMEA, as to the exact interpretation of the contract.

Enclosures

Original signed by
E. N. HARSHMAN
E. N. Harshman

MHM:hsh
cc: Chem. Op. Comm. (2)
Howes, DMEA/SLC
MF-104 file, Reg. III
Harshman - w/copy Engr's Report
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
1600 EAST FIRST SOUTH STREET
SALT LAKE CITY 1, UTAH

DMEA
DEPARTMENT OF THE INTERIOR
AUG 13 1958
REGION III
DENVER, COLORADO

August 12, 1958

Memorandum

To: J. W. Townsend, Alternate Acting Executive Officer, DMEA Field Team, Region III

From: M. E. Howes

Subject: Docket No. DMEA-4861 (Lead-zinc-copper), Contract Idm-81218, New Park Mining Co. (Mayflower mine), Wasatch County, Utah. Progress report for July 1958

Attached are the original and four copies of the operator's monthly report for July 1958.

The property was inspected August 1, 1958, in the company of Gale A. Hansen, general superintendent. It was reported that work on Unit #1, "Water Disposal Facilities," was started July 1, 1958. Beginning at the shaft and working toward the portal of the adit, 518 feet of 16-inch-diameter transite pipe was laid. Company work preparatory to Unit #3, "Pumps and Pump Column Installation," is progressing according to the operator's plans.

The accounts were checked and it is verified that all charges for services and supplies, as reported on form MF-104, were necessary and that they do not appear to be excessive. The operator's narrative report is considered to be adequate.

Since it appears obvious that an "on-site" audit of the contract will be made, the operator did not submit supporting documentation for reimbursable expenses.

It is recommended that the operator be reimbursed $1,577.69, which is 50 percent of $3,156.39, the maximum allowable cost for July 1958.

M. E. Howes
M. E. Howes

Enclosures
cc: J. B. Clemmer

August 4, 1958

DMEA Field Team
United States Bureau of Mines
1600 East First South
Salt Lake City, Utah

JULY REPORT UNIT #I

Re: Docket No. DMEA 498I, Contract E-1218

Dear Sirs:

We are happy to report that our DMEA project got under way July 1, 1958.

Work has commenced on Unit #I, "water disposal facilities." This involves installation of a sixteen inch transite pipe in our main haulage level. During the month, 518 feet of sixteen inch transite pipe was installed. Because of required moiling and blasting in making trench room for the pipe, we estimate the first 1,500 feet of this project to be the most difficult.

You will note that we have broken down the cost figures on Unit #I into cost per unit foot. This system will simplify our records in that the work is being done on a footage basis by the mine lessees at $2.00 per lineal foot plus fringes, supervision and necessary supplies.

According to our contract, the government's participation in the cost of the pipe would be 25%. Labor, supervision, accounting, fringes and a limited amount of other materials and supplies the government will participate at 50% of the cost. Using a pro-rata basis from our original estimate of costs for Unit #I as compared to the amount awarded by the government, we have contracted the laying of pipe on a footage basis to the mine lessees.

Our plans are developing well towards Unit #2, "pumps and pump column installation." Company work on the 2005 level sump is progressing satisfactorily. The pumps and steel pump column have been ordered so that the next unit of work may be completed on schedule.

Very truly yours,

NEW PARK MINING COMPANY

Gale A. Hansen,
General Superintendent

GAH:bw
c.c.: Mr. C. L. Wilson
Mr. C. D. Harper

AUG 2 9 1962

New York Mining Company
904 Walker Bank Building
Salt Lake City 11, Utah

Re: [illegible] (Lead-Zinc-Copper)
New York Mining Company
Mayflower Mine
Wasatch County, Utah
Contract [illegible]

Gentlemen:

Reference is made to our letter of April 5, 1962, enclosing a certification of discovery or development covering the subject property.

At the time of our letter the exact amount contributed by the Government under this project was subject to audit. Subsequently, an audit determined the amount to be $133,022.03 which is repayable by your company through royalty on production. Payments should be made in accordance with the instructions contained in the above-mentioned letter.

Sincerely yours,

George Fumich, Jr.

Director

Copy to:
United States Smelting Refining and
Mining Company
1063 Newhouse Building
P. O. Box 1958
Salt Lake City 10, Utah

GLAmlt/a
8-28-62
cc to: Director's Reading File
Contract Division
Region III (2)
Docket
Code 500

JUL 11 1962

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: EMEA-4931 (Copper-Lead-Zinc)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract Idm-E1219

The Director has signed all copies of the Termination Agreement, dated March 1, 1962, signed by David H. Clegg, Secretary of New Park Mining Company, and enclosed with your memorandum of July 5, 1962.

Accordingly, the Operator's and Field Office's copies are enclosed to replace the agreement of the same date signed by the office manager of New Park.

George C. Selfridge

Enclosures

GLAult/a
7-10-62
cc to: Director's Reading File
Review Committee
Contract Division
Docket

Audit's copy

TERMINATION AGREEMENT

It is agreed this 1st day of March, 1962, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government", and New Park Mining Company, hereinafter called the "Operator", parties to that certain Exploration Project Contract No. Idm-E1218, Docket No. DMEA-4981, dated June 23, 1958, as amended, hereinafter called the "Contract", that:

1. Effective November 1, 1961, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the unit costs of the work performed prior to said effective date, except for subsequent assays.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including furnishing to the Government five copies of a final report (in addition to the final monthly report) which shall include a geological and engineering evaluation of the results of the work performed under the Contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

4. All rights of the Government respecting certification of possible production, percentage royalty and liens to secure the payment thereof, reports (including preservation of the Operator's records), accounts, audits, and the right to recover any overpayment are hereby preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnich

Director, Office of Minerals Exploration

NEW PARK MINING COMPANY

By [illegible]

Title Secretary

Contract Division

CERTIFICATION BY THE UNITED STATES OF AMERICA OF A DISCOVERY OR DEVELOPMENT UNDER AN EXPLORATION PROJECT CONTRACT

To: New Park Mining Company
904 Walker Bank Building
Salt Lake City 11, Utah

Pursuant to the provisions of Exploration Project Contract No. Idm-E1218, dated June 23, 1958, (Docket No. DMEA-4981), hereinafter called the "contract," between the New Park Mining Company, a Nevada corporation, and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien therefor 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:

Work of drifting, crosscutting, raising, diamond drilling, and long-hole drilling on the 2005 level of the Mayflower mine has shown the existence of lead-zinc-silver-gold ores occurring in the Mayflower and Pearl fissure zones, both in the diorite and in the limestones and dolomites of the Deseret formation. Such ores occur as veins and also as replacement pods and lenses.

THE UNITED STATES OF AMERICA

By Frank Trimble
Director, Office of Minerals Exploration

Dated: April 5, 1962

WRGriswold/gla 3-20-62
cc to: Director's Reading File
Mr. Johnson
Review Committee
United States Smelting Refining and Mining Company
Contract Division
Fiscal Section
Region III (2)
Docket
Mr. Harold Kirkemo, USGS

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

APR 5 1962

New Park Mining Company
904 Walker Bank Building
Salt Lake City 11, Utah

Re: DMEA-4981 (Lead-Zinc-Copper)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract Idm-E1218

Gentlemen:

Enclosed is a certification of discovery or development that covers all the land described in Article 2 of the contract.

By the terms of the Exploration Project Contract, as amended, and the certification, all minerals mined or produced from June 23, 1958, to June 23, 1973, are subject to the Government's percentage royalty as set forth in the contract until the amount contributed by the Government is repaid. In addition, ores transported through DMEA workings are subject to the payment of royalty in accordance with Article 13(b) of Annex II of the contract.

Royalty payments as heretofore should be made to the Field Officer, OME, Region III, Building 20, Denver Federal Center, Denver 25, Colorado, with checks drawn payable to the Office of Minerals Exploration. Each check should be accompanied by suitable sales evidence - such as copies of settlement sheets - showing the name of the purchaser, the quantity and grade of the products sold, and the price and charges, certified to be correct by the purchaser, or as agreed upon.

You are requested to notify the Field Officer of any changes in ownership or production rights that may have any effect on the Government's right to its percentage royalty. Also if production ceases at any time for an extended period, please notify the Field Officer accordingly at six-month intervals.

Sincerely yours,

George Fumich, Jr.

Director

Enclosure

WRGriswold/gla 3-20-62
Rewritten: 3-28-62
cc to: United States Smelting Refining and Mining Company
Director's Reading File
Mr. Johnson
Review Committee
Harold Kirkemo, USGS
Contract Division
Region III (2)
Docket

MAY 17 1962
O.M.E.

Contract Division's copy

TERMINATION AGREEMENT

It is agreed this 1st day of March, 1962, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and New Park Mining Company, hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Idm-E1218, Docket No. EMRA-4981, dated June 23, 1958, as amended, hereinafter called the "Contract," that:

1. Effective November 1, 1961, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the unit costs of the work performed prior to said effective date, except for subsequent assays.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including furnishing to the Government five copies of a final report (in addition to the final monthly report) which shall include a geological and engineering evaluation of the results of the work performed under the Contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

4. All rights of the Government respecting certification of possible production, percentage royalty and liens to secure the payment thereof, reports (including preservation of the Operator's records), accounts, audits, and the right to recover any overpayment are hereby preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnich
Director, Office of Minerals Exploration

NEW PARK MINING COMPANY

By Grant H. McGuire

Title Office Manager

800

Building 20 - Federal Center
Denver 25, Colorado

April 24, 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-4981 (Lead-Zinc-Copper)
Contract Idm-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Enclosed are the original and one copy of a letter from F. M. Smith, Accountant, for New Park Mining Company and copies of my reply.

It is my understanding that when Mr. Harper left the Company it was not under friendly circumstances and all copies of the Termination Agreement were probably destroyed.

Will you forward this office a new set of the Termination Agreement.

Original signed by

Hugh M. Connors

Attachments

NPM

NEW PARK MINING COMPANY

KEETLEY, UTAH

April 19, 1962

OME
DEPARTMENT OF THE INTERIOR
APR 24 1962
REGION III
DENVER, COLORADO

Mr. Hugh M. Connors
Acting Field Officer, OME
Region 111
Building 20 - Federal Center
Denver 25, Colorado

Dear Mr. Connors:

In reference to your letter of April 16, 1962. Due to the recent changeover of personnel the five copies of the Termination Agreement you sent us have either been lost or missplaced.

We would appreciate it if you would forward us five more copies of the agreement.

Yours very truly,

NEW PARK MINING COMPANY

F. M. Smith

FMS:sr

Building 20 - Federal Center
Denver 25, Colorado

April 24, 1962

Mr. F. M. Smith
New Park Mining Company
P. O. Box 929
Park City, Utah

Re: DMEA-4981 (Copper-Lead-Zinc)
Contract No. Idm E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Dear Mr. Smith:

This will acknowledge receipt of your letter dated April 19, 1962 requesting five more copies of the Termination Agreement to replace those forwarded with my letter of March 6, 1962.

I have requested our Washington Office to prepare five more copies of the Termination Agreement.

Yours very truly,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

HMC/lm
cc Chief, Division of Field Operations, OME (2)
Contract Idm E1218
Chron

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E.
RECEIVED

800

March 6, 1962

Carl D. Harper, Secretary
New Park Mining Company
P. O. Box 929
Park City, Utah

Re: DMEA-4981 (Copper-Lead-Zinc)
Contract No. IAm E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Enclosed are the Government's, Operator's, Fiscal Section's, Audit's, and Field Office's copies of a proposed Termination Agreement to the subject contract.

If the proposed Termination Agreement is satisfactory to you please sign all five copies, retain the Operator's copy, and return the remaining copies to this office.

If any part of the Agreement does not have your approval, the original and all copies are to be returned to this office together with your proposed changes for consideration.

Yours very truly,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

Enclosures

HMC/lm
cc Chief, Division of Field Operations, OME (2)
Contract Corres E1218
Chron

EXTRA COPY
O. M. E
RECEIVED OCT 30 1961

DATE	INITIALS	CODE
		800

October 24, 1961

George Fumich, Jr., Director
U. S. Department of the Interior
Office of Minerals Exploration
Washington 25, D. C.

Re: DMEA-4981 (Lead-Zinc-Copper)
New Park Mining Company Mayflower Mine
Wasatch County, Utah
Contract 10m-E1218

Dear Sir:

Thank you for your letter of October 18th calling our attention to the requirements of your office in regard to the provisions of the DMEA Contract which our company has with the government.

At the present time we have sent in a request for the termination of the old DMEA Contract and a request for the issuance of a new contract under OME. Y ou may be assured that we will comply with the articles you call our attention to in the old DMEA Contract, as well as with any that are present should the OME Contract requested be granted, and we will secure the acquiescence and agreement of the Hecla people should they exercise their option to make the proposed lease effective. We will furnish you with copies when the contract and option have been finally entered into and become effective. Again, thank you for your courtesy in calling our attention to the provisions of the government contracts.

Yours very sincerely,

NEW PARK MINING COMPANY

W. H. H. Cranmer
President

WHHC:jw

Building 20 - Federal Center
Denver 25, Colorado

July 5, 1961

EXTRA COPY
O. M. E.
RECEIVED JUL 7 1961
DATE | INITIALS | CODE
800

Mr. Gale A. Hansen
General Superintendent
New Park Mining Company
P. O. Box 929
Park City, Utah

Re: Docket DMEA-4981 (Lead-Zinc-Copper)
Contract No. Ida 81218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Dear Mr. Hansen:

This responds to your letter to Mr. Romslo, dated June 22, 1961, requesting reconsideration of your proposed amendment.

The OME Washington Office informs me that they are authorized to amend DMEA contracts only as may be necessary to complete the work or to achieve the original purpose of the contract. They are not authorized to change the target area or increase the financial commitment where a project is certifiable as a discovery or development.

The work under the contract was designed to explore the favorable target area on the 2005 level which seemed likely to have the most potential for the future life of the Mayflower Mine as well as the district. To change the work to explore a target area on the 1630 level with far less potential would not achieve the original purpose of the contract. Under the circumstances, they are unable to comply with your request.

The contract has been in force since June 23, 1958, and will expire on November 11, 1961, about 3½ years after the termination of the DMEA program. They are responsible for the orderly liquidation of this program and have no authority to continue projects under it indefinitely. They feel that you had sufficient time to complete the project within the time limit if you had been able to concentrate your efforts on the exploration work. They realized the seriousness of the water problem and, therefore, made their suggestion

regarding the possible extension of the contract to complete the work in accordance with its provisions. You feel that additional time beyond that which they could reasonably approve would be required to complete either the original work under the contract on the 2005 level or the proposed change in the work to the 1630 level.

In view of the considerable length of time estimated to complete the project as presently authorized, they suggest that the contract be terminated and sufficient time taken to drain the area involved. When the water problem is solved, they could then entertain an application for exploration of the original target area on the 2005 level under OME. This would be exploration for new or unexplored ore bodies and would meet the criteria as to geological probability and relation of costs to size and grade of potential deposits.

Yours very truly,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

TMR/lm
cc Chief, Division of Field Operations, OME
Contract Corres ~~E1218~~
Chron

EXTRA COPY
O. M. E
RECEIVED APR 12 1961
DATE | | CODE
800

Building 20 - Federal Center
Denver 25, Colorado

April 10, 1961

Mr. Gale A. Hansen
General Superintendent
New Park Mining Company
Keetley, Utah

Re: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract I4m-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Dear Gale:

This responds to a letter by Mr. Bob Archer, chief geologist and engineer, dated March 17, 1961, relative to proposed north and south crosscuts, long-hole and diamond drilling, and drifting from the crosscuts. As you know, maps showing the locations of the proposed work were not received by this office until March 29, 1961.

You are hereby advised that the contract does not provide for the proposed drifting.

Yours very truly,

Original signed by

Hugh M. Connors
Acting Field Officer, OME
Region III

TMR/lm

cc Chief, Division of Field Operations, OME (2)
Contract Corres E1218
Chron

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY O. M. E RECEIVED JUL 18 1960		
DATE	INITIALS	CODE
		800

July 15, 1960

Mr. Robert L. Cranmer, Executive Vice President
New Park Mining Company
904 Walker Bank Building
Salt Lake City, Utah

Re: Docket No. DMEA-4981 (Lead-Zinc-Copper)
Contract No. Idm-E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah

Dear Mr. Cranmer:

By letter to your company under date of August 14, 1958, the former Alternate Acting Executive Officer, DMEA Field Team, Region III, waived the requirement for documentary support of your monthly vouchers. Site audits of the accounts pertaining to the project thereby became mandatory and have been made on two occasions.

One of the purposes of the recently executed Amendment No. 7 to this contract was the elimination of the need for site audits. To make this fully effective, you are advised that the waiver of documentation is rescinded and future vouchers claiming costs of diamond drilling (the only work remaining for performance on an "actual cost" basis) must be supported by certified copies of the drilling contractor's invoices.

Yours very truly,

Original signed by

Hugh M. Connors
Acting Field Officer
OME, Region III

TMR/lm
cc: Chief, Division of Field Operations (2)
File DMEA 4981 E 1218
Chron

JUL 12 1960

Memorandum

To: Acting Field Officer, Region III

From: Chief, Division of Field Operations

Subject: DMEA-4981 (Lead-Zinc-Copper)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract Idm-E1218

By letter to the subject Operator under date of August 14, 1958, the former Alternate Acting Executive Officer, DMEA Field Team, Region III, waived the requirement for documentary support of the Operator's monthly vouchers. Site audits of the Operator's accounts pertaining to the project thereby became mandatory.

One of the purposes of the recently executed Amendment No. 7 to this contract was the elimination of the need for site audits. To make this purpose fully effective, it is suggested that you advise the Operator that the waiver of documentation is rescinded and future vouchers claiming costs of diamond drilling (the only work remaining for performance on an "actual cost" basis) must be supported by certified copies of the drilling contractor's invoices.

George C. Selfridge

EDTalbert/fw-7/11/60
cc: Docket
Dir.Read.File
Review Committee
Mr. Kirkemo, USGS
CA&A Division
Chron.

Audit's Copy

EXPLORATION PROJECT CONTRACT
NEW PARK MINING COMPANY
DOCKET NO. DMEA-4981

AMENDMENT NO. 7

It is agreed this 21st day of June, 1960, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and New Park Mining Company, hereinafter called the "Operator," that Exploration Project Contract No. Idm-E1218 (Docket No. DMEA-4981), dated June 23, 1958, as amended, hereinafter called the "Contract," is further amended as follows, effective June 23, 1958:

PART ONE

WHEREAS, it has been found by experience to date, as verified by two audits by the Government, that the actual costs as provided for in the Contract far exceed the maximums allowed by the Contract, and there is small likelihood that the actual costs in the future could become significantly less than heretofore; and

WHEREAS, auditing, accounting, and contract administration costs would be greatly diminished by placing most items of work on a fixed unit cost basis:

NOW, THEREFORE,

1. In Annex II, under the title "Article 13. Changes and added provisions", the following provision is added:

(f) In addition to the costs of work estimated in Exhibit "A" by categories of actual costs, the cost of work requirements specified in Exhibit "A" as "Fixed Unit Costs" are allowable costs of the project. The Government will contribute to the fixed unit costs as work units are acceptably performed. A "Fixed Unit Cost" is an agreed price for each unit of work so performed regardless of costs incurred by the Operator. Costs set forth in Exhibit "A" include all allowable costs of the work to be performed under the Contract.

2. In "Exhibit A", the title, "Estimate of the Project", is deleted with all material thereto and the following is substituted:

Estimated Costs of the Project 1/

Actual Costs:

Category (1) Independent Contracts

11,000 feet diamond drilling @ $6.35/ft. 2/	$69,850.00

Categories (2) Labor and Supervision

(3) Operating Materials & Supplies,

and

(7) Miscellaneous

None except:

Water disposal facilities	41,036.71*
Pumps and Pump column installation	32,807.55*

Categories (4) Operating Equipment

(5) Initial Repairs & Rehabilitation,

and

(6) New Buildings, Fixtures & Installations

None

Fixed Unit Costs

Installation of water doors @ $980.00/ea.

Drifting and crosscutting @ $45.00/ft.

Timbering or setting of steel sets @ $11.00/ft.

Rockbolting @ $3.00/bolt

Timbered raising @ $46.00/ft.

may not exceed 8,600 feet. The drifts and crosscuts initially shall be approximately 7 feet by 10 feet in rock section, but periodically the bottom two feet may be back filled in connection with construction of a drainage ditch. Drifts and crosscuts shall be supported as necessary using standard drift sets, steel ring sets, or rock bolts and head plates.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Director, Office of
Minerals Exploration

NEW PARK MINING COMPANY

By [illegible]

Title Executive Vice President

NEW PARK MINING COMPANY

KEETLEY, UTAH

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

July 1, 1960

OME
DEPARTMENT OF THE INTERIOR
JUL 5 1960
REGION III
DENVER, COLORADO

United States Department of the Interior
Office of Minerals Exploration
Building 20, Federal Center
Denver 25, Colorado

EXTRA COPY O. M. E RECEIVED JUL 11 1960		
DATE	INITIALS	CODE

Attention: Hugh M. Connors
Acting Field Officer
OME, Region III

Re: Docket No. DMEA ~~4931~~ 4981 (Lead-Zinc-Copper)
Contract No. Idm-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Dear Mr. Connors:

I am returning herewith the Government's, Field Office, and Audit's and Fiscal Section copies of the proposed Amendment No. 7 to Contract No. Idm-E1218 sent to this office by letter dated June 27, 1960, by you.

You will find that all copies have been signed by the undersigned as Executive Vice President of the New Park Mining Company and that the corporate seal has been affixed thereto. We have retained in this office the Operator's copy and are returning the Government's copy, Field Office Copy, Audit Copy and Fiscal Section copy.

As Mr. Clark L. Wilson has recently resigned his position with this company and is now Chairman of the Emergency Lead-Zinc Committee with offices in Washington, D. C., all further communications should be addressed to the undersigned pertaining to the above subject matter.

Very truly yours,

NEW PARK MINING COMPANY

Robert L. Cranmer
Executive Vice President

Encl.

Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY
O. M. E
RECEIVED JUL 11 1960

DATE	INITIALS	CODE
7-11	gad	VVO 800

July 5, 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 4931 (Lead-Zinc-Copper)
Contract No. IDM-E1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Enclosed with the operator's letter of transmittal are the Government's, Audit's and Fiscal Section copies of Amendment No. 7 on the subject contract which have been signed by Robert L. Cranmer, Executive Vice President. We have retained the Field Office copy of the Amendment.

(Original signed)

Hugh M. Connors

Attachments
HMC/lm
cc: Chief, Division of Field Operations 1 with orig.
Contract Corres. E1218
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

EXTRA COPY O. M. E RECEIVED MAY 6 1960		
DATE	INITIALS	CODE
		800

May 3, 1960

Mr. Clark L. Wilson
Vice President
New Park Mining Company
904 Walker Bank Building
Salt Lake City, Utah

Re: Docket No. IMEA 4981
(Lead-Zinc-Copper)
Contract No. Zm-K1218
(Mayflower Mine)
Wasatch County, Utah

Dear Mr. Wilson:

In reference to your request by letter of April 25, 1960, this confirms verbal concurrence by the Government for the drilling of percussion drill holes Nos. 6 - 16, inclusive, at the locations and attitudes indicated on the map attached to your request.

Very truly yours,

Acting Field Officer
Region III

Hugh M. Connors

Hugh M. Connors

cc: Fiscal Section, Div. of Adm. Services
Office of the Secretary, Depart. of Interior
Washington 25, D. C.

Amendment File, Region III

Chief, Div. of Field Operations (2)) W/copy
Hasler) Operator's
Correspondence File, Region III) request
Chron) April 25, 1960

EXTRA COPY
O. M. E
RECEIVED APR 6 1960

DATE	INITIALS	CODE
		800

Building 20 - Federal Center
Denver 25, Colorado

April 4, 1960

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region III

Subject: Docket No. DMEA-4981 (lead-zinc-copper)
Contract No. ID-H1218
New Park Mining Company
(Mayflower Mine)
Wasatch County, Utah

Reference is made to your memorandum of April 1, 1960, regarding the position of the 1880 level face in reference to the land subordinated under the subject contract.

Information obtained by T. M. Rusalo, Mining Engineer, Bureau of Mines, during his progress inspection of March 16, 1960, indicates that neither the 1880 level or any of the levels above the 1880 have reached the subordinated ground. The farthest advanced levels are the 1505 and 1630. These levels, which have been advanced a few hundred feet beyond the present face of the 1880 level, are short of the subordinated area by about 150 feet.

Original signed by

J. W. Townsend

Audit's Copy

EXPLORATION PROJECT CONTRACT
NEW PARK MINING COMPANY
DOCKET NO. DMEA-4981

AMENDMENT NO. 6

It is agreed this 27th day of November, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and New Park Mining Company, hereinafter called the "Operator," that Exploration Project Contract No. Idm-X1218 (Docket No. DMEA-4981), dated June 23, 1958, as amended, hereinafter called the "Contract," is further amended as follows, effective June 23, 1958:

In Exhibit "A," under the heading Description of the Work, Item No. 2, amended by Amendment No. 1, is further amended to read as follows:

2. Pumps and pump column installation

Install a twelve-inch steel water column from the new 2005 level to the 1630 level. From the 1630 level to the 800 (drainage tunnel) level, install a ten-inch steel water column; install two 350 HP pumps on the 1630 level; install two 450 HP submersible pumps on the 2005 level; and make the necessary rock excavations on the 2005 level for pump installation and adequate sump.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the amount of any item designated as maximum.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Director, Office of
Minerals Exploration

NEW PARK MINING COMPANY

By [illegible]

Title Vice President

Author's Copy

EXPLORATION PROJECT CONTRACT
NEW PARK MINING COMPANY
DOCKET NO. DMRA-4981

AMENDMENT NO. 3

It is agreed this 9th day of October, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration hereinafter called the "Government," and New Park Mining Company, hereinafter called the "Operator," that Exploration Project Contract No. Idm-21213 (Docket no. DMRA-4981), dated June 23, 1958, as amended, hereinafter called the "Contract," is further amended as follows, effective June 1, 1959.

In Exhibit "A" under the heading, Description of the Work, as amended by Amendment Nos. 2 and 3, is further amended as follows:

3. Drifting and Crosscutting.

Drift and crosscut westerly on the 2005 level an estimated 6,000 feet. Also crosscut approximately 2,600 feet additional on the 2005 level and on the 800 level, to explore favorably mineralized areas and for diamond drill and long-hole percussion drill stations. The total of all drifting and crosscutting may not exceed 8,600 feet. The drifts and crosscuts initially shall be approximately 7 feet by 10 feet in rock section, but periodically the bottom two feet may be back filled in connection with construction of a drainage ditch. Drifts and crosscuts shall be supported as necessary using standard drift sets or rock bolts and head plates.

This Amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the amount of any item designated as maximum.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Director, Office of
Minerals Exploration

NEW PARK MINING COMPANY

By

Title Vice President

EXTRA COPY
O. M. E.
RECEIVED OCT 29 1959

DATE	INITIALS	CODE
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		800

Building 20 - Federal Center
Denver 25, Colorado

October 26, 1959

Mr. Clark L. Wilson, Vice-President
New Park Mining Company
904 Walker Bank Building
Salt Lake City, Utah

Re: Docket No. DMEA 4981 (Lead-Zinc-Copper)
Contract No. IBm-X1918
New Park Mining Company
(Magflower mine)
Wasatch County, Utah

Dear Mr. Wilson:

Enclosed is the Operator's copy of Amendment No. 5 which has been executed to provide for preparation of drill stations for long hole percussion drilling as well as diamond drilling.

Very truly yours,

Original signed by

J. W. Tomasoni
Executive Officer, OME
Field Team, Region III

JWT:lbm

cc: Chem. Op. Comm. (2) w/Grv't & Ast. copy of Amend.
Finance Off. Reg. III } w/copy of
Mailer } Amendment
OME/ELC }
Contrac. file, Reg. III
Supp. file
Chron.

EXTRA COPY O. M. E. RECEIVED SEP 21 1959		
DATE	INITIALS	CODE
		800

Building 20 - Federal Center
Denver 25, Colorado

September 18, 1959

Mr. Clark L. Wilson
Vice President
New Park Mining Company
904 Walker Bank Building
Salt Lake City, Utah

Re: Docket No. DMEA 4981
(Lead-Zinc-Copper)
Contract No. Idm-X1218
(Mayflower Mine)
Wasatch County, Utah

Dear Mr. Wilson:

In reference to your request by letter of August 21, 1959, this confirms verbal concurrance by the Government for the drilling of percussion drill holes Nos. 1-5, inclusive, at the locations and attitudes indicated on the map attached to your request.

Very truly yours

OME Field Team, Region III

Original signed by
J. W. TOWNSEND

J. W. Townsend

Original signed by
J. WILLIAM HASLER

J. W. Hasler

cc: Finance Office, Reg. III
Amendment File, Reg. III
✓Chan. Op. Comm. (2)) W/cpy
Hasler) Operator's
OME/SLC) request 8/21/59
Corr. file, Reg. III) & Romslo's
Susp.) memo 9/8/59
Chron.)

EXTRA COPY
O. M. E.
RECEIVED SEP 21 1959

DATE	INITIALS	CODE

Building 20 - Federal Center
Denver 25, Colorado

September 8, 1959

Memorandum

To: J. W. Townsend

From: T. M. Romslo

Subject: Proposed Long-Hole Percussion Drilling, Docket DMEA-4981, (Lead-Copper) Contract Idm-81218, New Park Mining Company (Mayflower Mine) Wasatch County, Utah

The Operator in a letter to you of August 21, 1959, requests approval of a proposed plan for the percussion drilling of 5 long holes on the 2005 level. A map attached to the letter shows the locations of the drift, the drill sites and the proposed holes. It also shows known geology and the projections of the various fissure systems.

On September 3, 1959, during a progress inspection of the project, the writer obtained information relative to the proposed plan of drilling through an inspection of mine maps and underground workings. It was found that ore deposits above the 2005 level occur along the fissure systems known as The Pearl, The No. 3, and The Mayflower. In the Pearl fissure high copper and gold values occur intermittently in both the diorite and limestone as zones averaging about 2 feet in width and ranging in strike length from a few tens of feet to a few hundred feet. It has been productive from the surface and can reasonably be expected to extend into the area of proposed exploratory drilling. Along the No. 3 and Mayflower fissures ore also occurs intermittently as deposits ranging in strike length from a few tens of feet to as much as 250 feet. These deposits are most extensive in the limestone where they pinch and swell along both the dip and strike to maximum widths of 30 to 40 feet. Possibilities of their extensions into the project area also are considered favorable. To the south of the drift the indicated fissure zone and another fissure further to the south are mineralized where cut by the drift. Although neither of these fissures have been productive, the presence of near ore grade material in a comparatively wide zone at the drift indicates that these fissures also should be explored.

On the basis of the above findings, the writer orally informed Gale A. Hansen, General Superintendent, that the proposed drilling plan was acceptable by the Government. The decision was verbally approved by J. W. Hasler, September 7, 1959, when I discussed my findings with him.

Additional information relative to the drilling plan follows:

1. Drill site no. 20-895 has been completed and the other site will be excavated at or near the indicated position.

2. Information obtained from the 5 drill holes will be analysed to determine if additional explorations by either percussion or diamond drilling is necessary.

3. The Operator will shortly request that percussion and/or diamond drilling be allowed from the presently allowable diamond drill stations.

Original signed by
T. M. Romslo
T. M. Romslo

cc: OMZ 6
Chron.

5

NEW PARK MINING COMPANY

KEETLEY, UTAH

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

August 21, 1959

EXTRA COPY
O. M. E.
RECEIVED SEP 21 1959

DATE	INITIALS	CODE
	OME	
DEPARTMENT OF THE INTERIOR		
	AUG 25 1959	
	REGION III	
DENVER COLORADO		

Mr. J. W. Townsend, Executive Officer
O. M. E., Field Team Region III
Building 20, Federal Center
Denver 25, Colorado

Re: Docket No. DMEA 4981
Contract No. Idm - E1218

Dear Mr. Townsend:

Under the provisions of Amendment No. 4, to the above referenced contract, we would like to submit information on proposed percussion holes to be drilled on the 2005 level. We would appreciate your approval of the plan.

I am enclosing a sketch map indicating the drift outline on the 2005 level, together with known geology and projections of various fissures. You will note that holes, numbers 1 through 5, to be drilled essentially horizontal, should pretty well prospect not only the Mayflower fissure but also the Pearl fissure to the north.

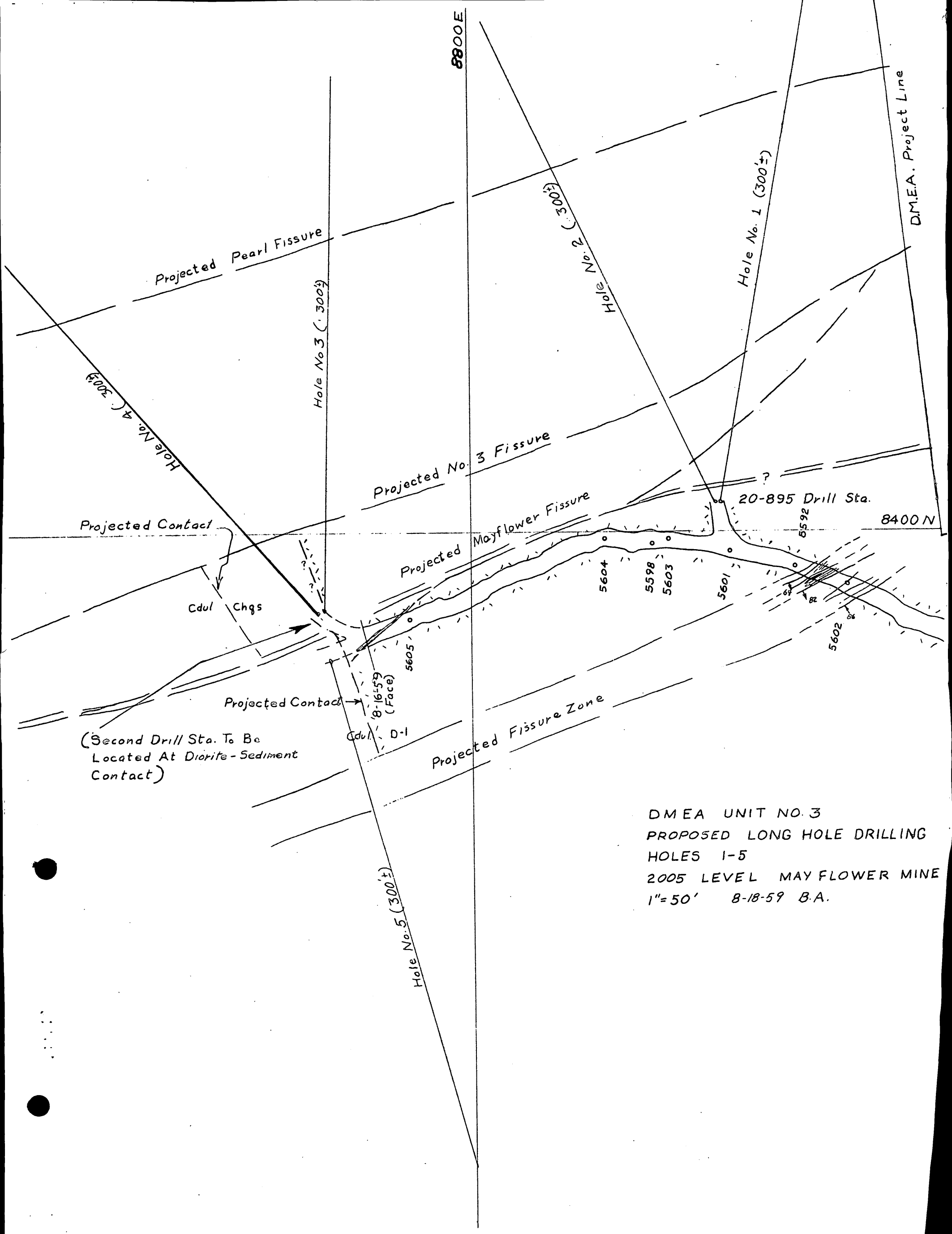
We have already finished the drill station numbered 20-895, and propose the second drill station near the present face at the projected contact of the diorite and sediments.

The present face is on a footwall strand of the Mayflower fissure, and the wall rock seems to indicate that the projected contact is very near. As soon as the bad ground at the face is timbered up, we plan to start the ventilation raise, and after the last timbering is completed, we would hope to begin this drilling phase. Your approval would be appreciated.

Very truly yours,

CLARK L. WILSON,
Vice President

CLW:ih
cc: Gale A. Hansen



DMEA UNIT NO. 3
PROPOSED LONG HOLE DRILLING
HOLES 1-5
2005 LEVEL MAY FLOWER MINE
1"=50' 8-18-59 B.A.

EXTRA COPY
O. M. E.
RECEIVED SEP 21 1959

DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

SEP 11 1959

Memorandum

To: Executive Officer, OME Field Team, Region III

From: ACTING Chairman, Operating Committee, OME

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
New Park Mining Company
Mayflower Mine
Wasatch County, Utah
Contract No. Idm-81212

We have your September 2 memorandum covering certain work under the cited contract. We are not inclined to contend that the sump excavation was not a necessary adjunct to pump installation; however, since it has been our general practice to consider any appreciable amount of rock excavation as a separate work item in a contract, it seems logical to make a clarifying amendment.

We are so in the dark as to the actual installation that (as requested in our August 18 memorandum) we would appreciate receiving a simple rough sketch showing, in plan and section, the installation as it presently exists, indicating excavations made. This would assist us in preparing an amendment.

We see no reason why you should withhold payment of the July vouchers.

W. R. Griswold

APPROVED:

Frank D. Lamb

Member, Bureau of Mines

Harold Kirkemo

Member, Geological Survey

cc: Docket
Director's Reading File
Operating Committee
O. M. Bishop, USBM
Harold Kirkemo, USGS
Chron.
Contract A + A Div.

WRGriswold/GMcC
September 10, 1959

AUG 18 1959

Memorandum

To: Acting Director

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: Docket No. DMEA-4981 (Lead-Zinc-Copper)
New Park Mining Company
Contract No. Idm-E1218

In my July 10 memorandum, endorsing Mr. Fisher's recommendation that consideration be given to converting the A.S. & R. contract (Idm-E1134, DMEA-4712) to a unit cost basis, I stated that:

"Consideration of a similar amendment for Contract Idm-E1218, Docket DMEA-4981, New Park Mining Company, also seems appropriate."

After further review of the subject docket I have concluded that such an amendment is not appropriate. The files disclose that most of the excess costs of drifting as performed through May 1959 were occasioned by over-breakage and non-repetitive costs of lowering, assembling, and putting into operation the various items of equipment (Jumbo, Eimco loader, tram car loader, transformers, batteries, etc.).

The contract specifies that:

"The drifts and crosscuts initially shall be approximately 7 feet by 10 feet in rock section, but periodically the bottom two feet may be back filled in connection with construction of a drainage ditch."

Under this specification the 351 feet of drift completed through May would involve approximately 24,570 cubic feet of excavation. However, the actual excavation amounted to 33,385 cubic feet based on reported drifting of 119 feet 10x12, 54.5 feet 9x10, and 177.5 feet 8x10. This is an aggregate over-breakage of approximately 35.9%.

Based on the audited costs of $12,121.46 for the first 173.5 feet and unaudited costs of $13,575.71 for the 177.5 feet, or a total of $25,697.17 for 351 feet, the average actual cost was

$73.21 a foot. If consideration is given to the 35.9% over-breakage a unit cost of approximately $53.87 for a 7x10 drift is indicated. Considering also that this cost includes the non-repetitive costs mentioned in the second paragraph, it appears that the excess costs are not sufficient to justify consideration of a fixed unit cost amendment to the contract.

Aside from the question of justification for conversion to fixed unit costs, such an amendment may not be either practical or to the best interests of the Government. This contract provides, through the deletion of the last portion of Article 3, that the Operator shall complete the work provided in the contract regardless of costs incurred (though this may be contravened by failure to delete the last clause of the first paragraph under Article 6). This work consists of the following items and allowable costs:

1.	Water Disposal Facilities	$?
2.	Pumps & Column Installation	?
3.	Drifting & Crosscutting (8,600' @ $45.)	387,000.00
	Timbering (as required @ $11.)	?
	Rockbolting (as required @ $5.)	?
4.	Ventilation Raises (250' @ $48.)	12,000.00
5.	Water Doors	?
6.	Longhole Drilling (20,000' @ $1.)	20,000.00
7.	Diamond Drilling (11,000' @ $6.35)	69,850.00
-	Assaying (2,500 determinations @ $1.)	2,500.00
	Total Contract	$564,880.00

Work items, for which maximum allowable costs are not specified, are indicated by question marks in the above listing. As the four items, for which maximums are specified, plus the estimate for assaying aggregate $491,350.00, and the costs through May of work items nos. 1 and 2 total $62,697.75 (audited costs through March plus claimed costs for April and May), there remains only $10,832.00 for the completion of items nos. 1 and 2, the entire cost of item no. 5, and necessary timbering and rockbolting under item no. 3. As no provision is made for sideswiping, any such work as may be necessary must be at the Operator's sole expense.

From the foregoing it seems a certainty that the Operator must assume a considerable amount of costs in excess of the contract amount in order to complete the work, as required by Article 3. Therefore, it does not appear to be in the Government's interest to amend the allowable costs provisions of this contract.

EDTalbert/ama
August 17, 1959

Copy to: Docket
Director's Reading File
CA & A Division

Audit's copy

EXPLORATION PROJECT CONTRACT
NEW PARK MINING COMPANY
DOCKET NO. DMRA-4981

AMENDMENT NO. 4

It is agreed this 11th day of August 1959, between the United States of America, acti through the Department of the Interior, Office o Minerals Exploration, hereinafter called the "Gov and the New Park Mining Company, hereinafter calle "Operator," that Exploration Project Contract No. I6m-R1218 (Docket No. DMRA-4981), dated June 23, 19 as amended, hereinafter called the "Contract," is f amended, effective July 17, 1959, as follows:

1. In Exhibit "A", under the heading, Description of the Work, item No. 6 is amended to read as follows:

6. Long-Hole Percussion Drilling

An estimated 20,000 feet of long-hole drilling shall be performed to probe the walls of the crosscuts and drifts. The locations of the holes shall be subject to Government approval.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the amount of any item designated as maximum.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Francis E. Johnson
Acting Director, Office of
Minerals Exploration

NEW PARK MINING COMPANY

By Robt. Forbes

Title Vice President

EXTRA COPY O. M. E. RECEIVED AUG 24 1959		
DATE	INITIALS	CODE
8/24	gad	9V0
		800

Building 20 - Federal Center
Denver 25, Colorado
August 19, 1959

Mr. Clark L. Wilson
Vice-President
New Park Mining Company
900 Walker Bank Building
Salt Lake City, Utah

Re: Contract No. DOA 4901
(Lead-Zinc-Copper)
Contract No. Ida-41218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah

Dear Mr. Wilson:

Enclosed is the Operator's Copy of Amendment No. 4 which has been executed to notify the description pertaining to long-hole drilling under the contract.

Very truly yours,

Original signed by

J. W. Townsend
Executive Officer, GSE
Field Team, Region III

Enclosure

JWT/eg

cc: Chem. Op. Comm. (2)) w/Gov't & Audit copies of Amend.
Fin. Off. Reg. III) w/cpy of Amend.
Butler
GSE/HLC
Curran. file
Comp. file
Chron.

JUL 10 1959

Memorandum

To: Acting Director

(Signed) E. D. Talbert

From: E. D. Talbert, Acting Chief
Contract Administration and Audit Division

Subject: Docket No. DMEA-1712 (Lead-Zinc)
American Smelting & Refining Company
Contract No. Idm-41134

and

Docket No. DMEA-1981 (Lead-Zinc-Copper)
New Park Mining Company
Contract No. Idm-41213

A July 6 communication from Clarence E. Fisher, who is in Region I for the purpose of performing required royalty and interim cost audits, contains the following comment on Contract Idm-41134, Docket DMEA-1712, American Smelting and Refining Company:

"I am now deep in the A.S. & R. cost audit report and hope to have it ready by the end of the week. I believe consideration should be given to converting that contract to a unit cost basis. All costs, except contract diamond drilling, have proven to be greatly in excess of the rates allowable for Government participation. There does not seem to be any chance of the costs coming down during the remaining period of the contract. This would save a great amount of accounting effort for both the Operator and the Government."

Your consideration of Mr. Fisher's suggestion is solicited and recommended. Amendment of this contract to provide for contribution by the Government on the basis of fixed unit costs, rather than actual costs not in excess of maximum unit costs, appears amply justified by the budgetary situation. Funds for auditors' travel and per diem have been stringently curtailed; and cost audits of large companies such as A.S. & R. are time consuming and expensive. Furthermore, I understand that the budgetary situation may require the elimination of one of this Division's present staff of two auditors.

Consideration of a similar amendment for Contract Idm-41213, Docket DMEA-1981, New Park Mining Company, also seems appropriate.

The June 3, 1959, interim audit report of Donald T. Finch, discloses that the actual costs of drifting are far in excess of the maximum unit costs allowable for contribution by the Government. The total actual cost of 173.5 feet of drifting through March 31, 1959, was $12,121.46, whereas the allowable cost was only $7,807.50 at the maximum rate of $45.00 a foot provided by the contract.

The travel and per diem expenses of Mr. Fisher's trip to Region I will total approximately $870.00; however, the interim audit of A.S. & R. was only an incidental of the trip, which was primarily for urgent royalty audits of Taylor-Knapp, Bunker Hill, and others. On the other hand, Mr. Finch's trip from Denver to Salt Lake City cost $177.13 for travel and per diem and was solely for the interim audit of New Park. Either trip from Washington for a final audit will cost several hundred dollars more.

EDTalbert/ama
July 10, 1959

Copy to; Docket -
Director's Reading File
CA & A Division - E1134

Auditis copy

[redacted]

EXPLORATION PROJECT CONTRACT
NEW PAPE MINING COMPANY
DOCKET NO. DMA-1981

AMENDMENT NO. 1

It is agreed this first day of April, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government", and New Pape Mining Company, hereinafter called the "Operator," that Exploration Project Contract No. 14-08-0001-[illegible] (Docket No. DMA-1981), dated June 23, 1958, as amended, hereinafter called the "Contract," is further amended as follows:

In Exhibit "A" under the heading, Description of the Work, item No. 3, as amended by Amendment No. 1, is further amended to read as follows:

3. Drifting and Crosscutting.

Drift and crosscut westerly on the 8005 level an estimated 6,000 feet. Also crosscut approximately 2,000 feet additional on the 8005 level and on the 850 level, to explore favorably mineralized areas and for diamond drill stations. The total of all drifting and crosscutting may not exceed 8,600 feet. The drifts and crosscuts initially shall be approximately 7 feet by 10 feet in cross section, but particularly the drifts the first may be back filled in preparation with operation of a mechanized ditch. Drifts and crosscuts shall be enlarged as necessary using standard drill jumbos or rock bolts and head plates.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to reimburse, nor the extent of any [illegible] to reimburse.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

NEW PAPE MINING COMPANY

By Robt. Pape

Title Vice President

By Paul E. Johnson
Acting Director, Office of
Minerals Exploration

Auditi's copy

AMERICAN TRADE PROJECT CONTRACT
NEW PEAK MINING COMPANY
CONTRACT NO. DPMA-4501

AMENDMENT NO. 2

It is agreed this first day of April, 19[illegible], between the United States of America, acting through the Secretary of the Interior, Office of Mineral Exploration, hereinafter called the Government, and New Peak Mining Company, hereinafter called the Contractor, the Exploration Project Contract No. DPMA-4501 (Contract No. OMX-4501), dated June 21, 1952, as amended, hereinafter called the Contract, is further amended as follows:

In Exhibit "A" under the heading, Description of the work, item No. 3, as amended by Amendment No. 1, is further amended to read as follows:

3. Drilling and Crosscutting.

Drill and crosscut vertically on the 400 level an estimated 6,000 feet. Also crosscut upward - vertically 2,500 feet additional on the 400 level and on the 500 level, to explore inferentially mineralized areas and for general drill stations. The total of all drilling and crosscutting may not exceed 8,500 feet. The drifts and crosscuts initially shall be approximately 7 feet by 7 feet in cross section, but particularly the bottom one may be been filled in accordance with operations of a continuous drift. Drifts and crosscuts shall be as necessary using standard drifting and timbering tools and hand plates.

RECEIVED JUN 27 1952

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be obligated to contribute, nor the amount of any item contained in the schedule.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

NEW PEAK MINING COMPANY

By [illegible]
Mineral Exploration

Title Vice President

By [illegible]
Acting Director, Office of
Mineral Exploration

EXTRA COPY O. M. E. RECEIVED APR 27 1959		
DATE	INITIALS	CODE
		800

224 New Customhouse
Denver 2, Colorado
April 23, 1959

Mr. Clark L. Wilson,
Vice President
New Park Mining Company
904 Walker Bank Building
Salt Lake City, Utah

Re: Docket No. DMEA 4981
(Lead-Zinc-Copper)
Contract No. Idm-E1218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah

Dear Mr. Wilson:

Enclosed is the "Operator's Copy" of Amendment No. 3 which has been executed to provide for excavation of diamond drill stations.

Very truly yours,

Original signed by
J. W. TOWNSEND

J. W. Townsend
Executive Officer, OME
Field Team, Region III

Enclosure

JDC:hmh

cc: Chmn. Op. Comm. (2), w/Government's and Audit's copies Amendment No. 3
Finance Office, Reg. III
Harshman
Howes, OME/SLC
Corres.file, Reg. III
} w/copy Amendment No. 3
Cooper
Chron

Audit's copy

EXTRA COPY
O. M. E.
RECEIVED APR 15 1959
DATE | INITIALS | CODE
800

EXPLORATION PROJECT CONTRACT
NEW PARK MINING COMPANY
DOCKET NO. DMEA-4981

AMENDMENT NO. 2

It is agreed this 20th day of March, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government", and New Park Mining Company, hereinafter called the "Operator", that Exploration Project Contract No. Ler-31018 (Docket No. DMEA-4981), dated June 23, 1958, as amended, hereinafter called the "Contract", is further amended as follows:

1. In Exhibit "A" under the heading, Description of the Work, Item No. 3 is revised to read as follows:

3. Drifting and crosscutting.

Drift and crosscut westerly on the 2005 level an estimated 6,000 feet, and crosscut approximately 2,500 feet additional in favorable mineralized areas, not to exceed an aggregate of 8,500 feet of drifts and crosscuts. The drifts and crosscuts initially shall be approximately 7 feet by 10 feet in rock section, but periodically the bottom two feet may be back filled in connection with construction of a drainage ditch. Drifts and crosscuts shall be supported as necessary using standard drift sets or rock bolts and head plates.

2. In Exhibit "A" under the heading, Estimated Costs of the Project, there is added the following:

"Rock bolting, $5.00 per steel rock bolt. Not more than eight bolts in any five foot linear section will be allowed as cost for contribution by the Government."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the amount of any item designated as maximum.

Auditor's copy
O. M. C.
RECEIVED JAN 15 1959

[illegible]
[illegible] COUNTY
[illegible]

[illegible]

In [illegible] this [illegible] day of [illegible], 195[illegible], between the United States of America, [illegible] the Department of the Interior, Office of Indian Affairs, hereinafter called the Government, and the [illegible] Tribe, hereinafter called the Contractor, that [illegible] contract No. [illegible] (Tribal Contract No. [illegible]), dated June [illegible], 195[illegible], as amended, hereinafter called the Contract, is further amended as follows:

1. In Article "A" under the heading, Description of the Work, item No. 3 is revised to read as follows:

3. Drilling and development.

Drill and encased sections on the ROCK level on spacing of 200 feet, and structure approximately 2,500 feet additional in approximately 2,500 feet additional in favorable mineralized areas, not to exceed an aggregate of 7,500 feet of drilling and development. The drifts and crosscuts initially shall be approximately 7 feet by 10 feet in rock section, but periodically the bottom two feet may be back filled in accordance with construction of a drainage ditch. Drills and equipment shall be supported in necessary drilling platforms with area of rock bolts and heat placed.

2. In Article "A" under the heading, Estimated Costs of the Project, there is added the following:

Rock bolting, $5.00 per [illegible] rock bolt, [illegible] rock bolts [illegible] five feet. Labor costs will be allowed as cost for contribution by the Government.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the amount of any item designated as maximum.

[redacted] is [redacted] the day and year first above written.

[redacted]

[redacted]

ACTING [redacted]

[redacted]

By [redacted]

Title Vice President

Audit's copy

MAR 13 1959
O.M.E.

EXPLORATION PROJECT CONTRACT
NEW PARK MINING COMPANY
CONTRACT NO. DMMA-1635

AMENDMENT NO. 1

It is agreed this 13th day of February, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and New Park Mining Company, hereinafter called the "Operator," that Exploration Project Contract No. 1635 (Contract No. DMMA-4981), dated June 23, 1958, hereinafter called the "Contract," is amended, as follows:

1. In Exhibit "A" under the heading, Description of the Work, item No. 2 is revised to read as follows:

2. Pumps and pump column installation.

Install a sixteen inch steel water column from the new 2000 level to the 1630 level. From the 1630 level to the 800 (drainage tunnel) level, install a ten inch steel water column; install two 350 HP pumps on the 1630 level; and install two 450 HP submersible pumps on the 2000 level.

2. In Exhibit "A" under the heading, Estimated Costs of the Project, Category (4) Operating Equipment is revised to read as follows:

"Category (4) Operating Equipment

(a) and (b) Rental and purchases — None

(c) Depreciation — Per Month

Item	Value	
Power cable, 1,000 feet, 5,000 v. armored cable, @ $4.25/ft.	$ 4,050.00	$ 67.50
2 4-cy. IR 350 HP pumps, 9-1/2- inch impeller, switches and controls	17,500.00	291.67
2 BJ, 16-inch CCIF 5 stage, 450 HP submersible pumps with controls	27,300.00	455.00

O.M.E.

Drifting and Crosscutting

1 Gantry-type Jumbo complete with 6 drills	$15,000.00	$250.00
1 - 630 Eimco loader	10,100.00	168.33
1 - 5 car "train car loader"	19,000.00	316.67
1 charging panel	740.00	12.33
2 4-ton, 50-cell motor batteries	6,500.00	108.33
5,000 feet of #1-0 600 v. power cable	7,500.00	125.00
1 set 100 KVA transformer (used) 2300-440 volts	1,800.00	30.00
5-25 HP fans (or equivalent)	3,500.00	58.33

Drilling, Long Hole

2 long-hole machines complete	$ 4,800.00	$ 80.00

The total depreciation allowance for any one month shall not exceed $1,590.00 nor the total depreciation allowance for the duration of the contract shall not exceed $47,700.00.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the amount of any item designated as maximum.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMER-

NEW PARK MINING COMPANY

By [signature] By [signature]

ACTING Director

Title Vice President

Building and Equipment

1 Quick-freeze Tunnel complete with 3 units	$[illegible]
4 - 300 Floor Jacket	$[illegible]
1 - 3 ton Units for Loader	$[illegible]
5 storage rooms	$[illegible]
4 1-ton, 40-volt Motor Equipment	$[illegible]
2,300 feet of 21-2 100 V.A power cable	$[illegible]
1 set 100 KVA transformer (1000) 2300-440 volts	$[illegible]
2-12 Ton (on contract)	$[illegible]

Preliminary Labor Costs

4 longwords machines complete	$[illegible]

The total depreciation allowance for any one month shall not exceed $[illegible] for the total depreciation allowance for the 3 months period shall not exceed $[illegible].

This agreement will not be construed to increase the maximum total cost to the Lessee, the aggregate amount which the Government may be required to contribute, nor the amount of any item therein to be exceeded.

Witness to authenticate the day and year first above written.

The United States of America

By [illegible]

Acting Director

Vice President

Mr. J. W. Townsend
Alternate Acting Executive Officer
DMEA Field Team, Region III
224 New Customhouse
Denver 2, Colorado

Re: Docket No. DMEA-4981
(Lead-Zinc-Copper)
New Park Mining Company
Contract No. Idm-E1218

(See July 1958 MI 104)

Dear Mr. Townsend:

The assumption in your memorandum dated August 21, 1958, that the reference of paragraph (g) of Article 13 was intended to be paragraph (c) is correct. A letter to the Operator calling attention to this typographical error should be sufficient for the time being. If any amendment to the contract is made for any purpose, this matter may be formally corrected at that time.

The items of work set forth in Exhibit "A" of the contract are purely descriptive of the nature of the work contemplated to be performed under the contract. The order in which the items are stated is not related to the order in which the work is to be performed. Of course, any important deviations in the work performed from that contemplated by these work items must be authorized by appropriate amendment to the contract.

The costs set forth under the caption "Estimated Costs of the Project" are governing for the purpose of reimbursement by the Government. Periods, quantities, and amounts stated as maximums are not to be exceeded. The only limitations placed on the other items of cost are set forth in Article 6 (a), that is, "those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories."

While it is possible that the total costs of the exploration project may exceed the amount stated in the contract as the maximum amount in which the Government will participate, it is not at all certain that this will happen. The entire amount of any excess costs incurred must be

assumed by the Operator. There is no justification for setting limits to the allowable costs under a specific work item other than that they be direct, reasonable, and necessary.

If, as you state, the transite pipe is being placed on a labor contract unit foot basis the rate of $2.00 per foot is allowable as labor cost if it is deemed to be fair and reasonable and represents costs actually incurred. The charge for fringe benefits should be the amount of actual costs incurred and may be more or less than the 11.5 percent used for estimating costs under Category (7).

The amount set up for supervision and technical services under Category (2) should not be construed as an arbitrary allowance of $650.00 per month for such services. Instead, that amount is the maximum allowable during any month. Actual costs, substantiated by the Operator's records and subject to audit by DMEA, may be claimed for reimbursement but not in excess of $650.00 in any month. The time during which the Government will contribute to actual supervision and technical service costs is limited to 40 months.

Presumably the accounting in connection with this project is to be performed by the Operator's employees in connection with their other duties. The estimate of 40 months at $250.00 monthly, total $10,000.00, is not a contract maximum. Neither is it intended that $250.00 shall be an arbitrary charge for accounting services. The charge for accounting should be substantiated in the Operator's records, subject to audit and the fair and reasonableness test.

The item of labor under Category (2)(c) is an estimate and not a contract maximum. The amount of $191,230.00 may be exceeded if that should become necessary. Of course, any excess expenditures for labor must be made up from savings under the other categories, or assumed by the Operator, so that the estimated total cost of the project in which the Government will participate is not exceeded.

While it was proper to waive documentation of costs in this case and your letter to the Operator dated June 30, 1958, does call attention to the provisions of Article 6 of the contract, it is believed that the Operator's attention should be especially directed to the fact that all of the costs in which the Government will participate must be actual costs capable of substantiation from his records when audits are made by representatives of DMEA. It is further believed that an interim

cost audit should be performed during the early stages of the work so that any questions regarding allowable costs may be resolved and the possibility of substantial disallowances at the time of the final audit may be minimized.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

/s/ F. J. Cservenyak
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

CEFisher/GMcC
August 29, 1958
cc: Docket
Admr. Reading File
Operating Committee
Mr. Chambers
THKiilsgaard
OMBishop

orig to 500

800

25th New Customhouse
Denver 2, Colorado
August 21, 1958

Memorandum

To: Chairman, Operating Committee, DMEA

From: Alternate Acting Executive Officer, DMEA Field Team, Region III

Subject: Project No. DMEA 4581 (Lead-Zinc-Copper), Contract No. DMI-DMEA, New Park Mining Company (Keystone mine), Tooele County, Utah

Enclosed are two copies of the Operator's narrative report and Forms DP-104 and DP-104A, submitted to cover work performed during the month of July, 1958.

In starting to process the Operator's accounting report, a review of the contract brings to attention certain deficiencies and ambiguities which leave us in doubt as to how to proceed, and which may lead to a misunderstanding by the Operator of accounting requirements. The matter has been discussed with the Region III DMEA Auditors and it is their recommendation that clarification be obtained from your office.

The matters in question are:

1. On page 3 of Exhibit "A", section "Estimated Costs of the Project," reference is made to paragraph (g) of Article 13 (Annex II). Since there is no paragraph (g) in Annex II, it is assumed that the reference was intended for paragraph (c).

2. In review of the enclosed Operator's accounting report for July, 1958, you will note that the work under Item 1 of the contract is being performed on a labor contract unit fact basis, which is questioned as being permissible under the present contract provisions.

3. We cannot reconcile the allowable maximum cost as set forth in the contract for work under Items 3, 4, 6, and 7, as against the total estimated cost of the project in order to determine the extent of costs that are allowable for work under Items 1, 2, and 5.

There follows a tabulation of maximum allowable costs based on the established maximum average unit cost and units of work authorized:

[illegible]

Items of Work
in Exhibit "A"

3 - Drifting and crosscutting, 8600 ft. at $45.00/ft.	$ 387,000.00
4 - Ventilation raises, 250 ft. at $48.00/ft.	12,000.00
6 - Longhole percussion drilling, 20,000 ft. at $2.00/ft.	20,000.00
7 - Diamond drilling, 11,000 ft. at $6.35/ft.	69,850.00
Timbering drifts and crosscuts (20% of 8600 ft.) 1/ or 1720 ft. at $11.00/ft.	18,920.00
Assaying, 2500 determinations at $1.00/ea.	2,500.00
Subtotal	$ 510,270.00

1/ From the Examination Report.

The following listed items of work are enumerated in Exhibit "A" of the contract, but no estimated costs are established. The costs as listed are taken from the Examination Report.

1 - Water disposal facilities	$49,562.85 1/	
2 - Pumps and pump column installation	18,530.39 1/	
5 - Water doors	1,960.00 1/	
		70,055.24
Total		$ 580,325.24

As against the total estimated cost in the contract $ 364,000.00

Since the work under Items 1, 2, and 5 of Exhibit "A" will be performed first and reimbursement claimed, we will be in a quandary as to the extent of allowable costs. Therefore, it appears that either total allowable costs should be established for these Items or that all costs incurred under Categories (2) to (7), inclusive, be apportioned to and/or prorated to work Items 3, 4, 6, and 7, including costs applicable to work Items 1, 2, and 5. Otherwise, it appears that the total allowable costs of work under Items 1, 2, and 5 would have to be arbitrarily established as being the difference between $510,270.00 and $364,000.00, the total estimated cost of the project.

As the matter now stands, we do not have a firm basis by which to determine the extent of allowable costs under Items 1, 2,

and 5 for use in processing the Operator's accounting reports, and consequently are placed in the position of having to accept the Operator's apportionment between the various items of work.

Labor, under Category (2)(e), is the uncertain element, on which we have no control, expenditures for which could throw the entire work program out of balance.

Because of the complexities involved in documenting costs incident to the work, the requirement for such documentation has been waived. In an operation of this kind, it is impossible for the Government representative to determine, on such widespread periodic inspections, that the charges made are a direct and necessary cost of performing the work.

When you have reviewed the matter, we will appreciate advice on each of the problems as posed, and instructions as to how we should proceed.

Original signed by
J. W. TOWNSEND

J. W. Townsend

Enclosures:

JWT:yel

cc: Hardman (2)
Rowan HMRA/EIC
Bradley-HMRA
Auditor
Corres. file
Cooper
Chron.

} w/copy of Operator's accounting report.

Form MLE-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1958 Docket No. DMEA 4981 Contract No. E-1218

Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper

Address 907 Walker Bank Building, Salt Lake City, Utah

Contract Amount, $564,880.00 Government Participation: 50 % Amount, $282,440.00

ITEMS OF COSTS UNIT #I	FOR OPERATOR'S USE Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor @ $2.00/ft.	$1,036.00	None	$1,036.00			
Supervision	650.00		650.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
8 Moils @ $5.32	42.56		42.56			
Transite Pipe @ 50% Cost	902.61	None	902.61			
Pea Gravel ballast	80.33	None	80.33			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes @ 11.5%	193.89		193.89			
Liability Insurance						
Accounting	250.00	None	250.00			
(8) Contingencies (specify):						
TOTALS	$3,155.39		$3,155.39			

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Aug 2 1958 Payee New Park Mining Company

Per [signature] Title Vice Pres

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1958 Docket No. DMEA 4981 Contract No. E-1218
Operator's Name New Park Mining Company Minerals Lead, Zinc, Copper
Address 907 Walker Bank Building, Salt Lake City, Utah

OPERATION	Unit Feet	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
16" Transite Pipe	7140	$3,155.39	518	$3,155.39	518	$6.09	7140	
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date Aug 7, 1958 Operator New Park Mining Company

Per Clark Fowler Title Vice Pres.

Remarks: Calculated on percentage of DMEA Loan for Unit I - (Note Narrative)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

(For Government use only)

M. H. Howe, Mining Engineer, 8/11/58

NEW PARK MINING COMPANY

KEETLEY, UTAH

August 4, 1958

DMEA Field Team
United States Bureau of Mines
1600 East First South
Salt Lake City, Utah

JULY REPORT UNIT #I

Re: Docket No. DMEA 4981, Contract E-1218

Dear Sirs:

We are happy to report that our DMEA project got under way July 1, 1958.

Work has commenced on Unit #I, "water disposal facilities." This involves installation of a sixteen inch transite pipe in our main haulage level. During the month, 518 feet of sixteen inch transite pipe was installed. Because of required moiling and blasting in making trench room for the pipe, we estimate the first 1,500 feet of this project to be the most difficult.

You will note that we have broken down the cost figures on Unit #I into cost per unit foot. This system will simplify our records in that the work is being done on a footage basis by the mine lessees at $2.00 per lineal foot plus fringes, supervision and necessary supplies.

According to our contract, the government's participation in the cost of the pipe would be 25%. Labor, supervision, accounting, fringes and a limited amount of other materials and supplies the government will participate at 50% of the cost. Using a pro-rata basis from our original estimate of costs for Unit #I as compared to the amount awarded by the government, we have contracted the laying of pipe on a footage basis to the mine lessees.

NEW PARK MINING CO.

Our plans are developing well towards Unit #2, "pumps and pump column installation." Company work on the 2005 level sump is progressing satisfactorily. The pumps and steel pump column have been ordered so that the next unit of work may be completed on schedule.

Very truly yours,

NEW PARK MINING COMPANY

Gale A. Hansen

Gale A. Hansen,
General Superintendent

GAH:bw
c.c.: Mr. C. L. Wilson
Mr. C. D. Harper

MME Form 14
March 1961

No. 139

Contract No. Idm-E) 14-23) 1218

Docket No. DMEA) MME) 4987

Date of Action May 21, 1962
Terminated contract

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OBLIGATION DOCUMENT

To: Chief, Fiscal Section, Office of the Secretary

From: Chief, Division of Administrative Management

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor:

New Park Mining Co.
907 Walker Bank Bldg.
Salt Lake City, Utah

Date of Contract	Region	State	Commodity
June 23, 1958	III	Utah	Lead, zinc, copper
	Reserve		Obligation
Prior Amount	0		$282,440.00
Increase	0		0
Decrease	0		149,417.97
Revised Amount	0		$133,022.03

Remarks:

cc: 110
800 ✓
210

88995-61

DMEA Form 14

Contract No. Idm-E 1218

Docket No. 4981

DEPARTMENT OF THE INTERIOR

Executed contract

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
June 23, 1958	III	Utah	Lead-Zinc-Copper

Name and Address of Operator: New Park Mining Co.
907 Walker Bank Bldg.
Salt Lake City 11, Utah

	Reserve	Obligation
Prior Amount	282,440.00	0
Increase	0	282,440.00
Decrease	282,440.00	0
Revised Amount	0	282,440.00

Remarks:

(Name)
Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date delivered to Bureau of Mines, Washington 6/30/58

22845

RECEIVED JUL 2 1958
MF-200
(Revised June 1954)

Audit's copy

Docket No. DMEA 4981

Commodity lead, zinc, copper

Contract No. Idm-E 1218

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

It is agreed this 23 JUN 1958 day of ....., 195...., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] New Park Mining Company, a Nevada corporation,

whose mailing address is 907 Walker Bank Building Salt Lake City 11, Utah, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200), the attached Exhibit "A," Annex I, and three maps

The Operator shall not transfer or assign this contract or any right thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Utah, County of Wasatch, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] See Annex I of [5] See Annex I in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] See Annex I, [7] recorded in Book ....., page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: Interests of lessor

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

Consent to Lien and Subordination Agreement of U. S. Smelting, Refining and Mining Co. for leased claims.

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of lead, zinc and copper. The work to be performed is described in Exhibit "A." The Operator on or before July 1, 1958 shall commence the work, and on or before November 1, 1961 (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall ~~either~~ have completed the work ~~or shall have incurred allowable costs (see Article 6) in a sum not less than the estimated total allowable cost set forth in Exhibit "A"~~ See Annex II

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Independent contracts.*—To the extent that the allowable costs are estimated in Exhibit "A" with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed; but if the reference in Exhibit "A" to any such independent contract requires the Government's approval thereof, payments under such contract will not be allowable costs unless the Government gives its written approval of the contract. Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract and regardless of the Government's approval thereof, the Government will participate in payments to the independent contractor only on account of work performed in accordance with the provisions of this exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $564,880.00. The Government shall contribute 50 percent of the allowable costs as they are incurred in a total sum not in excess of $282,440.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last

voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work or not in excess of the amount of the Government's contribution to the cost of property which is or may become subject to disposal as provided in Article 9(c), whichever is greater. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 7(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. "Costs incurred" mean costs that have been paid or have become due and payable, or that in the opinion of the Government have become an obligation. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Estimated costs.*—(a) *Categories of costs.*—The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories as specified in this article. If any category or subcategory is omitted from the estimate of costs, or if the word "none" is annexed to the listing thereof, costs under such category or subcategory are not allowable. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost, and any excess over the estimated total allowable cost of the work, shall not be allowable. Any excess over the estimate of any category, subcategory, or item, either as to requirement or related cost, not indicated as a maximum shall be allowable within the limit of the estimated total allowable cost of the work. To the extent that excesses over maximums other than the estimated total allowable cost of the work may be necessary for the performance of the work, the Operator shall incur such excesses for his own account without contribution by the Government; but except for any such necessary excesses in categories, subcategories, or items thereunder the Operator is not obligated to incur more than his agreed percentage of the estimated, total allowable cost of the work. **See Annex II.**

To the extent specified in this article or in Exhibit "A" the following categories, subcategories, and elements thereof are maximums; but if not so specified either here or in Exhibit "A" they are not maximums, and may be exceeded within the limit of the estimated total allowable cost of the work:

CATEGORY (1)—INDEPENDENT CONTRACTS.—Work to be performed under independent contracts (see Article 4(b)). The estimated total amount of this category and the estimated cost of each unit of work for performance under an independent contract are maximums. **See Annex II**

CATEGORY (2)—PERSONAL SERVICES.

Subcategory (a)—Supervision.—All elements of this subcategory (number of supervisors, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)—Technical services.—All elements of this subcategory (number of technicians, periods of employment, rates of pay, and total) are maximums.

Subcategory (c)—Labor.

CATEGORY (3)—OPERATING MATERIALS AND SUPPLIES.—Includes such items as drill bits and steel, explosives, fuel, pipe, power, small tools costing less than $50 each, timber, track.

CATEGORY (4)—OPERATING EQUIPMENT.

Subcategory (a)—Rental.—The number of each object to be rented [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)—Purchases.—The estimated total of this subcategory is a maximum.

Subcategory (c)—Depreciation.—All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)—INITIAL REHABILITATION AND REPAIRS.—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

Subcategory (a)—Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).—The estimated total of this subcategory is a maximum.

Subcategory (b)—Initial rehabilitation and repairs of operating equipment.—The estimated total of this subcategory is a maximum.

CATEGORY (6)—NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

CATEGORY (7)—MISCELLANEOUS.—Repairs and maintenance (other than initial) of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, communications, and any other items of requirement or cost that do not fall within any of the first 6 categories.

THE ESTIMATED TOTAL ALLOWABLE COST of the work is a maximum.

(b) *Nonallowable costs.*—The following costs are not allowable for contribution by the Government:

(1) *Costs of the land,* such as rental, depreciation, depletion, or other cost of acquiring, owning, or holding possession;

(2) *Indirect costs,* such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) *Previous work* performed or costs incurred before the date of this contract; and

(4) *Deferred payments.*—Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods; unless the purchase agreement is approved by the Government in writing.

(c) *Reductions in costs.*—The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original estimated total cost. This provision does not apply to receipts from production which are subject to the Government's percentage royalty under the provisions of Article 9. See Annex II.

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing detailed costs incurred during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and related costs incurred.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 8. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 7) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. See Annex II.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value therof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½)

percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

(For instance: the royalty on an amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 9. *Interests in purchased property.*—(a) *Title and ownership.*—All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions, although title thereto shall be taken in the name of the Operator.

(b) *Preservation of property.*—Until the final disposal of any property in which the Government has an interest the Operator shall preserve and protect same for the best interest of the Government, any reasonable and necessary costs thereof to be treated as an allowable cost of the project. After the completion of the work or termination of the Government's obligation to contribute, or when such property is not in use for or needed for the work, the Operator shall neither use it without the written consent of the Government nor without paying a reasonable rental to be fixed by the Government for its interest.

(c) *Disposal of property.*—Upon the completion of the work or termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator or the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government the Operator shall not sell at any price any item of property the cost of which was more than $500, and shall not sell at less than 25 percent of the purchase price any item of property which cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or himself cares to give. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, or explosives, or pipe, or rails), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the project.

(d) *Default of the Operator re disposal.*—If within 90 days after the completion of the work or termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, or after such further time as the Government may in writing allow, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may pursue one of the following two courses: (1) the Government, by written notice to the Operator, may place upon such property what in its opinion is a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the

date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; or (2) the Government may enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 10. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 10 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 11. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 12. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 13. *Changes and added provisions.*—
See Annex II.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mittendorf

Administrator, Federal Petroleum Exploration Administration

(Operator)

By W. H. H. Cranmer

Title President.

I, Robert L. Cranmer, certify that I am the secretary of the corporation named as Operator herein; that W. H. H. Cranmer who signed this contract on behalf of the Operator, was then President of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Robert L. Cranmer

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70617-1

35485

MF-205
(Combines and supercedes MF-2[illegible] and MF-203)
June 1956

RECEIVED
JUN 19 1956

For Government's Use Only
EXPLO[illegible]ION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E 1218
Contract Date 23 Jun 1956

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Summit and Wasatch, State of Utah, described as follows: 2/

See Exhibit 1

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that it does not know of any claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

An equitable claim of New Park Mining Company in 0.90 acres in the easterly portion of said Martha claim and the paramount title of the United States in the Link, Martha and Marne unpatented claims.

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this 13th day of June, 1958.

United States Smelting Refining and Mining Company	[Seal]	1019 Newhouse Building (P. O. Box 1980)	[Address]
C. G. Rice	[Seal]	Salt Lake City 10, Utah	[Address]
By O.G.Rice, Executive Vice President	[Seal]		[Address]
	[Seal]		[Address]
	[Seal]		[Address]
	[Seal]		[Address]

I, Francis Fieke certify that I am the Secretary (Secretary, etc.) of the corporation named herein; that C. G. Rice who signed this agreement was then Executive Vice President (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

Francis Fieke

[Corporate Seal]

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DATE

EXHIBIT I

Those certain lode mining claims situate in Section 34, Township 2 South, Range 4 East, Salt Lake Meridian, in Blue Ledge Mining District, in Wasatch County, State of Utah, particularly described as follows:

All of the following patented lode mining claims:

Dew Drop, Ethel, Hornet, Lookout Mountain, Lookout Mountain No. all Mineral Survey No. 7130 and all patented under United State Patent Number 1174018, recorded in the records of Wasatch Count in Book 11 at pages 213 and 214.

The described portions of the following patented lode mining claims:

Ben Butler, Mineral Survey No. 6642.

All that part of said Ben Butler lode mining claim lying West of the West end line of the Success No. 1 and Phyllis lode mining claims, Mineral Survey No. 6810, and West of a line projected North from the northwest corner (Corner No. 1) of said Success No. 1 lode.

Sitka, Mineral Survey No. 7126.

All that part of said Sitka lode mining claim lying South of a line drawn from the southeast corner of the San Diego lode mining claim, Lot No. 207, to the southwest corner of Oom Paul lode mining claim, Mineral Survey No. 5027.

A two-thirds undivided interest in and to that part of said Sitka lode mining claim lying North of the above described line.

All of the Martha unpatented lode mining claim, the Amended L Notice of which is recorded in the records of Wasatch County Book 8 at page 341.

All of the following unpatented lode mining claims situate in 27 and 34, Township 2 South, Range 4 East, Salt Lake Meridian, in Ui Blue Ledge Mining Districts, in Summit and Wasatch Counties, State o

	Location Notice or Amended Location Recorded in Records of		
	Summit County		Wasatch
Claim	Book	Page	Book
Link	5	10	8
Marne			6

- - - - - - -

June 11, 1958

EXPLORATION PROJECT CONTRACT
NEW PARK MINING COMPANY
DOCKET NO. DMEA-4981

ANNEX I

The land referred to in Article 2 of the contract consists of all or portions of the patented and unpatented claims listed below as delineated hereinafter in this Annex I:

Patented lode-mining claims owned by New Park Mining Co.

	Mineral Survey No.		Mineral Survey No.
Miriam No. 1	206	Sofia	99
Miriam No. 2	206	Mazzeppa	169
Fisher No. 1	6980	Rising Star	170
*Sitka (1/3 int.)	7125	Estella	167
W. H. C.	200	Success No. 1	6810
Annie	200	Crescent	5087
Sun Set No. 2	168	Phyllis	6810
Glencoe	98	Mary Jane	6810
North Side No. 3	100		

Patented lode-mining claims leased from U. S. Smelting, Refining and Mining Co.

	Mineral Survey No.
Lookout Mountain	7130
Lookout Mountain No. 2	7130
Ben Butler	6642
Dew Drop	7130
Ethel	7130
Hornet	7130
Sitka	7125

*Jointly owned by New Park Mining Company and U. S. Smelting, Refining and Mining Company. New Park Mining Company has a lease for U. S. Smelting, Refining and Mining Company's interest.

Unpatented lode-mining claims leased from U. S. Smelting, Refining & Mining Co.

Patents not completed

	Mineral Survey No.
Link	7130
Marne	7130
*Martha	7130

Land Excluded from the Contract

All of the area covered by the claims listed herein lying above the 1880 level and east of a vertical plane at approximately 2,120 feet S. 65 degrees W. of the Mayflower shaft, the plane being more particularly described as follows:

> A vertical plane striking N. 25 degrees W. through mine survey coordinate point 7570 North 7400 East, which bears S. 65 degrees W., 325.0 feet from survey station 5539 on the 1630 west level. The vertical plane is approximately indicated on the attached map entitled "Figure 10, Longitudinal Section Along the Mayflower - Pearl Fissure System ...".

excepting new veins and extensions thereof which may be discovered or in part developed by the work done under this contract.

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The land included in the contract is shown on the attached map entitled "New Park Mining Company, Property Map."

EXPLORATION PROJECT CONTRACT
NEW PARK MINING COMPANY
DOCKET NO. DMEA-4981

ANNEX II

Article 13. Changes and added provisions.-

(a) In Article 8, the period "fifteen years" is substituted for the period "ten years".

(b) A special "Agreement Concerning Royalty" is added as follows:

"Notwithstanding the certification provisions of Article 8, and with no further action required on the part of the Government, the Operator, as principal if the Operator is the producer or as a surety if the Operator is not the producer, shall pay to the Government a royalty on any of its production, regardless of where it comes from that is transported through any new workings to the cost of which the Government has contributed, or any portion of said workings, for the same period as is described in Article 8(b)(2) of the contract and pursuant to the terms of Article 8(c) et seq. However in no event shall more than one royalty be due on or paid on the same production.

"In the event that production from outside the boundaries of the land described in Article 2 is transported through the workings described above, and neither the Operator nor any subsidiary or affiliate thereof has any interest in said production, the Government shall be paid by the Operator the fixed rate of 5 per cent of the total transportation charges received by the Operator."

(c) Notwithstanding any other provision of the contract, the allowable unit cost of a work item (drilling and the asterisked items in Exhibit "A") is the average unit cost per foot computed on the basis of all the actual allowable costs of said work item in-

EXPLORATION PROJECT CONTRACT
NEW PARK MINING COMPANY
DOCKET NO. DMEA-4981

EXHIBIT "A"

Description of the Work

The purpose of the project is to explore, by means of drifting, crosscutting and diamond drilling, for ores of lead and zinc. The proposed work is partly shown on the attached map entitled "Figure 8, Geologic Map of the 2005 Level Showing Recommended Exploration, Mayflower Mine...".

The project consists of the following items of work.

Item Nos.

1. Water disposal facilities.

Install 7,140 feet of sixteen inch transite pipe in the Mayflower 800 level.

2. Pumps and pump column installation.

Install ten inch steel water column from the new 2005 level to the 800 (drainage tunnel) level; install two 1000 gallon capacity pumps on the 1630 level; and install two 1000 gallon capacity submersible pumps on the 2005 level.

3. Drifting and crosscutting.

Drift and crosscut westerly on the 2005 level an estimated 6,000 feet, and crosscut approximately 2,600 feet additional in favorable mineralized areas, not to exceed an aggregate of 8,600 feet of drifts and crosscuts. The drifts and crosscuts initially shall be approximately 7 feet by 10 feet in rock section, but periodically the bottom two feet may be back filled in connection with construction of a drainage ditch. Drifts and crosscuts shall be timbered as necessary using standard drift sets.

Exhibit "A"

Item Nos.

4. Ventilation Raises.

Two timbered ventilation raises, each approximately 125 feet long, shall be driven from the 2005 to the 1300 level at proper locations. Raises shall be approximately 6 by 10 feet in the clear of timber.

5. Water Doors.

Two steel and concrete water doors shall be installed on the 2005 level at proper locations to protect against unforeseen heavy flooding.

6. Longhole Percussion Drilling.

An estimated 20,000 feet of long hole drilling shall be performed to probe the walls of the crosscuts and drifts. Fan interval not less than 300 feet.

7. Diamond Drilling

One diamond drill hole shall be drilled an estimated length of 1,000 feet from a point near the westerly end of the 801-A drift, to probe for structure. Then, an estimated total of ten thousand feet of diamond drilling shall be performed along the course of the new 2005 level, to probe for ore occurrences. Diamond drilling shall be done with AX size, or larger, coring bits. The locations, directions, inclinations and depths of the holes are subject to prior Government approval. Intersections not closer than 200 feet.

Sludge samples shall be taken as the diamond drilling progresses and, when core recovery in significantly mineralized areas is less than seventy percent, the equivalent sludges shall be sampled and these samples assayed as described below.

All significantly mineralized areas encountered in drifting, crosscutting, long hole drilling and diamond drilling shall be sampled and the samples assayed for lead,

zinc, copper, gold and silver, as appropriate. It is estimated that 500 such samples will be required.

The Government will not participate in the cost of work performed closer than one hundred feet to property boundaries.

Estimated Costs of the Project

(An asterisk indicates a maximum in addition to the maximums set forth in contract form.)

The costs of completed work items are listed below in terms of maximum (asterisked) unit costs. The Government will contribute to the actual costs scheduled below that do not exceed the maximum unit costs computed as set forth in paragraph (g) of Article 13 (Annex II).

Timbered raises, $48.00* per linear foot.
Longhole drilling, $1.00* per linear foot.
Drifting and crosscutting, $45.00* per linear foot.
Timbering of drifts and crosscuts, $11.00* per linear foot.
Rockbolts 5.00* per bolt (see Annex 2)

Category (1) Independent Contracts

11,000 feet diamond drilling @$6.35/ft. (Includes all costs of drilling whatsoever except compressed air and water)		$ 69,850.00

Category (2) Personal Services

(a) and (b) Supervision and technical services 40 months, @$550.00 monthly, (estimated number of supervisors and technicians is waived)	$ 26,000.00	
(c) Labor	191,230.00	$217,230.00

Category (3) Operating Materials and Supplies $192,614.00

The Government's contribution to the cost of the following materials and supplies may not exceed one half

of fifty percent of the actual cost of such items, and the Government will not acquire any salvage interest in materials and supplies used in connection with the project work. The Government will not contribute to the costs of any materials and supplies acquired by the Operator which are not used for the project work.

1. Sixteen inch transite pipe and fittings.
2. Vent lines and fittings.
3. Compressed air lines and fittings.
4. Water lines and fittings.
5. Track and fittings.
6. Steel pump column, valves and fittings.

Category (4) Operating Equipment

(a) and (b) Rental and purchases None

(c) Depreciation, 60 month life

Pumping	Value
Power cable, 1,310 ft., 5,000 v. armored cable, @$4.25/ft.	$ 5,567.50
2 4-GT, IR 350 H.P. pumps @$7,777.62 each, 9-1/2-inch impeller	15,555.24
2 BJ, 12-inch 20KH 9 stage, 175 H.P. submersible pumps @$8,121.00/each	16,240.00
Switches, controls, and mountings for pumps @$3,120.00/each	$ 6,240.00
	$ 43,504.74

Drifting and Crosscutting

1 Jumbo G.D. rail model J-2P	$ 9,465.00
2 G.D. Cf - 93 P, drifting drills, complete	3,840.00
1 G.D. Cf - 93 P, drifting drill, bare	1,465.00
1 21 - C Eimco loader	4,720.00
1 Canton car transfer	1,200.00
10 50-cubic-foot mine cars @$920.00 each	9,200.00
1 charging panel	740.00
2 4-ton, 50-cell motor batteries	5,500.00
Power cable, ventilation #2 rubber, 3 conductor, @$.78/ft.	6,240.00
Power cable, blasting and blowing #4, 3 conductor @ $0.39/ft.	3,315.00
1 set 100 KVA transformer (used) 2300-440 volts	2,400.00
5-25-H.P. fans @$560.00 each	2,800.00
	$ 48,885.00

Drilling, Long Hole

2 long-hole machines, complete	2,930.00
Total machinery	$ 95,419.74

$1590.00* monthly, 30 months $ 47,700.00*

Category (5) Initial Rehabilitation and Repairs

(Exclusive of mine workings) None

Category (6) New Buildings, Fixtures and Installations

(Exclusive of mine workings) None

Category (7) Miscellaneous

Fringe benefits, 11.5%; (workmen's compensation, F.I.C.A., Federal and State unemployment, Group Insurance)	$ 24,985.00	
Assaying, (500 samples, 5 determinations each), 2,500 determinations @$1.00/each	2,500.00	
Accounting, 40 months @$250.00monthly	10,000.00	37,485.00
Estimated Total Cost of Project		$554,880.00
Government's participation 50%		$282,440.00

NEW PARK MINING COMPANY

KEETLEY, UTAH

SALT LAKE CITY OFFICE
904 WALKER BANK BUILDING

June 27, 1958

DMEA
DEPARTMENT OF THE INTERIOR
JUN 30 1958
REGION III
DENVER, COLORADO

Mr. J. W. Townsend
Alternate Acting Executive Officer
DMEA Field Team, Region 3
224 New Customhouse
Denver 2, Colorado

Re: Docket No. DMEA 4981
Exploration Project Contract
Idm - E1218

Dear Mr. Townsend:

I wish to acknowledge your letter of June 24, and the four copies of the above referenced Exploration Contract between the Defense Minerals Exploration Administration and New Park Mining Company.

You will note that they have been signed by Mr. W. H. H. Cranmer as President of New Park and certified by Mr. Robert L. Cranmer, the Secretary of our Corporation.

We are very pleased that the DMEA was able to complete our application and prepare the Contract in such short time, and we certainly hope that the Project will be as successful as we anticipate.

We are in the process of analyzing the various provisions of the Contract and will contact you in the future regarding your interpretation.

Very truly yours,

CLARK L. WILSON,
Vice President

CLW:ih

REGISTERED
RETURN RECEIPT REQUESTED

224 New Customhouse
Denver 2, Colorado
JUN 30 1958

Mr. Clark L. Wilson, Vice President
New Park Mining Company
904 Walker Bank Building
Salt Lake City 11, Utah

Re: Project No. DMEA 4981 (Lead-Zinc-Copper)
Contract No. Idm-21218
New Park Mining Company
(Mayflower mine)
Wasatch County, Utah

Dear Mr. Wilson:

Enclosed is the Operator's Copy" of Exploration Project Contract No. Idm-21218, Project No. DMEA 4981.

Also enclosed are six copies of Form MF-104, "Operator's Monthly Report and Voucher," and six copies of Form MF-104A, "Operator's Unit Cost and Progress Report." At the end of the first calendar month after work is commenced, and monthly thereafter, you are required to submit the original and four copies of each form to the

Defense Minerals Exploration Administration
1600 East First South Street
Salt Lake City 1, Utah.

The extra copy is for your records.

Forms MF-104 and MF-104A are to be combined into five sets of one of each form. Each set of the combined forms is to be accompanied by a map or sketch, showing the location and extent of work performed, and a signed narrative report which describes the work performed, conditions encountered, and results of the work. The monthly accounting report will not be processed for reimbursement unless it is accompanied by a signed narrative report and other required or pertinent data. Additional copies of Forms MF-104 and MF-104A will be sent you each month on receipt of your report for the prior month.

For your information, and in reply to many questions that have been asked, after Forms MF-104 and MF-104A are received, an engineer will check progress on the project and review your accounts, after

which the report forms will be forwarded to this office for administrative examination and vouchering. If the report is in order, a check will be issued by the Treasury Department for the Government's portion of the approved costs. If you have any difficulty in completing these forms and the reports, please call on either the field representatives or this office for assistance.

Your attention is directed to the provision in the contract that the diamond drilling described in Exhibit "A", Item 7, is subject to prior Government approval. In the matter of your claim for reimbursement of drilling costs under the terms of the contract, reimbursement to you will be on the basis of a hole or holes completed to the objective which has, or have, been drilled in compliance with all provisions in the contract pertaining thereto. Therefore, your monthly report should include only such holes which are completed to that extent and the required records made a part of your claim for reimbursement.

The contract is prepared on form NF-200, and as outlined in Exhibit "A" attached to the contract, the estimated allowable costs are broken down into categories which conform to the numbered "Categories" in Article 6 of the contract form and also conform to the numbered item for reporting on Form NF-104. Please refer to Article 6 of the contract form, which may be further qualified by special notations in Exhibit "A", for information as to which unit costs and extended total amounts are "allowable maximums" to which the Government will contribute its share as provided for in the contract. Under the provisions of Article 6, the work outlined under Category (1) is to be performed by an independent contractor and charges for such work must be documented by signed or certified true copies of billings from the subcontractor. For further information relative to documentation of costs, please refer to instructions on the reverse side of Form NF-104. Also please refer to the instructions on the reverse side of Form NF-104A regarding preparation of that form.

In reference to the drilling work under Category (1) of Exhibit "A", please refer to added provisions under Article 15(c) of the contract form pertaining to the average unit cost. If costs incurred any month cause the average unit cost to be in excess of the maximum allowable average unit cost, such excess costs will be suspended, subject to reinstatement at a later date within the aggregate of such suspensions, should the costs incurred any subsequent month cause the average unit cost to fall below the maximum allowable average unit cost. The foregoing applies to each separate class of drilling under each work "Stage."

In the event you desire to perform the work under Category (1) on company account instead of subcontracting it, as provided in the contract, it will be necessary that you request and obtain an appropriate amendment to the contract before reimbursement can be made to you for the Government's portion of the allowable incurred costs.

Your requests to this office for work approval, changes in the contract, or any other communication pertaining to operations under the contract, must be in writing, of which please supply the original and five copies, each copy complete with maps or other pertinent data. Each request for action by this office must pertain to one matter only. Such requests are not to be interpreted in your narrative report accompanying monthly progress report Forms NP-104 and NP-104A.

The proposed work is partly shown on the map, "Figure 8," attached to the contract. Should conditions encountered necessitate any appreciable change in the location or direction of the work, it is suggested that concurrence or approval of this office for the change be obtained prior to performance of the work.

No oral statement of any person shall be construed to modify or change the terms of the contract. Field representatives of the Government are not authorized to approve any changes in the work program or contract provisions. Such approval can be given only by the Washington Office, ECSA, or by the ECSA Field Team, Region III.

It is a regulation that reimbursement for the cost of work accomplished prior to the date of the contract will not be allowed. It is a requirement and imperative that you notify this office in writing the date work actually commences under the contract.

Very truly yours,

Original signed by
J. W. TOWNSEND

J. W. Townsend
Alternate Acting Executive Officer
ECSA Field Team, Region III

Enclosures

JWT:pfl

cc: Chem. Op. Comm. (2)
Finance Office, Reg. III
Assessment file, Reg. III
Barnhart (2)
ECSA/SLC(Howes)
Corres. file
Townsend
Chron.

DMEA Form 14

Contract No. Idm-E 1218

Docket No. 4981

Approved contract

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
June 23, 1958	III	Utah	Lead-Zinc-Copper

Name and Address of Operator: New Park Mining Co.
907 Walker Bank Bldg.
Salt Lake City 11, Utah

	Reserve	Obligation
Prior Amount	0	0
Increase	282,440.00	0
Decrease	0	0
Revised Amount	282,440.00	0

Remarks:

(Name)
Allen S. Dakon, Chief
Operations Control and
Statistics Division
(Title)

Date delivered to Bureau of Mines, Washington 6/23/58

22845

E-1216

2	Water Doors @	$980.00/ea	$1,960.00
8,600'	Drift / Rent @	45.00/ft	387,000.00
?	Timber + Steel Sets @	$11.00/ft	38,700.00*
?	Rockbolting @	$5.00/bolt	
250'	Timbered Raise @	$46.00/ft	11,500.00
20,000'	Longholing @	$1.00/ft	20,000.00
2,500'	Determination @	$1.00/ea.	2,500.00
11,000'	Incidental @	$.25/ft	2,750.00
			$464,410.00
	Available (Amend 7)		421,185.74
	Deficit		$43,224.26

* est. @ 10% of Drift / Rent accepted costs (per audit); 41.3% of drift timbered.

Orig. Contract
E 1218

Raises	$ 11,500
Longhole	20,000
Dryplant	387,000
Timber	38,700 (est)
Determinations	2,500
	459,700
Diam drill	69,850
	529,550
Contract	564,880
	$ 35330

available for Water disposal facilities, pump & column installation, water doors, and diam. drill. air + water.

E 1218

	Water Disposal		Pump & Column	
	Application	Actual	Application	Actual
Labor	$16,517.20	$15,393.50	7,807.50	$17,742.66
Supp. & Tech	5,195.00	3,850.00	2,300.00	2,000.00
Materials	28,090.00	17,717.19	27,087.00	10,567.76
Repairs	506.25	-0-	224.98	-0-
Freight	2,494.60	2,164.19	1,162.36	1,914.93
Misc	-0-	1,911.83	-0-	1,082.20
Totals	$52,803.05	$41,036.71	$38,581.84	$32,807.55
	$49,562.85		$18,532.32	

Field Exam

DRAFT
EDalbert/ama
June 6, 1960

EXPLORATION PROJECT CONTRACT
NEW PARK MINING COMPANY
DOCKET NO. DMEA-4981

AMENDMENT NO. 8

WHEREAS, Contract No. Idm-E1218, Docket No. DMEA-4981, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government", and New Park Mining Company, hereinafter called the "Operator", dated June 23, 1958, as amended, hereinafter called the "Contract", provides for contribution by the Government on the basis of actual costs; and

WHEREAS, it has been found by experience to date, as verified by two audits by the Government, that the actual costs far exceed the maximums allowed by the Contract, and there is small likelihood that the actual costs in the future could become significantly less than heretofore; and

WHEREAS, auditing, accounting, and contract administration costs would be greatly diminished by placing most items of work on a fixed unit cost basis;

NOW, THEREFORE, it is agreed this _____ day of _____, 1960, that said Contract is further amended as of ~~April 1, 1960~~ the date of this contract, as follows:

1. In Annex II, under the title "Article 13. Changes and added provisions", the following provision is added:

(f) In addition to the costs of work estimated in Exhibit "A" by categories of actual costs, the cost of

work requirements specified in Exhibit "A" as "Fixed Unit Costs" are allowable costs of the project. The Government will contribute to the fixed unit costs as work units are acceptably performed. A "Fixed Unit Cost" is an agreed price for each unit of work so performed regardless of costs incurred by the Operator. Costs set forth in Exhibit "A" include all allowable costs of the work to be performed under the contract.

2. In "Exhibit A", under the title, "Estimated Costs of the Project", everything is deleted and the following is substituted:

Estimated Costs of the Project 1/

Actual Costs:

Category (1) Independent Contracts

11,000 ft. diamond drilling @ $6.35/ft. 2/	$ 69,850.00

Categories (2) Labor and Supervision

(3) Operating Materials & Supplies, and

(7) Miscellaneous

None except:

Water disposal facilities	41,036.71*
Pumps and pump column installation	32,807.55*

Categories (4) Operating Equipment

(5) Initial Repairs & Rehabilitation, and

(6) New Buildings, Fixtures & Installations

None

Fixed Unit Costs:

Installation of water doors @ $980.00/ea.

Drifting and crosscutting @ $45.00/ft.

Timbering or setting of steel sets @ $11.00/ft.

Rockbolting @ $5.00/bolt

Timbered raising @ $46.00/ft.

Longhole drilling @ $1.00/ft.

Assaying @ $1.00/each determination

Incidental allowance 3/ for each foot of drilling completed @ $.25/ft. $401,185.74

Estimated Total Cost of the Project	$564,880.00
Government Participation @ 50%	$282,440.00

1/ An asterisk indicates a maximum in addition to the maximums set forth in the contract form.

2/ Includes all costs of drilling whatsoever except compressed air and water.

3/ For compressed air and water.

DRAFT
EDTalbert/ama
June 6, 1960

EXPLORATION PROJECT CONTRACT
NEW PARK MINING COMPANY
DOCKET NO. DMEA-4981

AMENDMENT NO. 7

It is agreed this _____ day of _____, 1960, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government", and New Park Mining Company, hereinafter called the "Operator", that Exploration Project Contract No. Idm-E1218 (Docket No. DMEA-4981), dated June 23, 1958, as amended, hereinafter called the "Contract", is further amended as follows, effective September 1, 1959.

In Exhibit "A" under the heading, Description of the Work, as amended by Amendment Nos. 2, 3, and 5, delete Item No. 3 ~~is further amended as follows:~~ and substitute the following:

3. Drifting and Crosscutting.

Drift and crosscut westerly on the 2005 level an estimated 6,000 feet. Also crosscut approximately 2,600 feet additional on the 2005 level and on the 800 level, to explore favorably mineralized areas and for diamond drill and long-hole percussion drill stations. The total of all drifting and crosscutting may not exceed 8,600 feet. The drifts and crosscuts initially shall be approximately 7 feet by 10 feet in rock section, but periodically the bottom two feet may be back filled in connection with construction of a drainage ditch.

Drifts and crosscuts shall be supported as necessary using standard drift sets, steel ring sets, or rock bolts and head plates.

This Amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, nor the amount of any item designated as maximum.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Acting Director, Office of
Minerals Exploration

NEW PARK MINING COMPANY

By _____

Title _____

NEW PARK MINING COMPANY

1958 ANNUAL REPORT

1958
HIGHLIGHTS

Lucky Mc Uranium Corporation has successfully completed its first year of mining and milling operations. Results to date, and future prospects, exceed original expectations. This interest is one of New Park's greatest assets through our program of diversification.

Oil Incorporated, operating a joint venture, has developed a new gas field on the Westwater Structure in eastern Utah, and is producing oil in the Denver-Julesberg Basin in Colorado. New Park is the largest Oil Incorporated stockholder.

The Mayflower Mine was operated in 1958 under a lease agreement with a group of independent contractors. Production, exploration and maintenance are progressing on a very satisfactory basis.

New Park is now exploring the western part of the Mayflower Mine for new ore horizons at great depth under a participating agreement with the Defense Minerals Exploration Administration. We anticipate a new and more productive future for the Park City District through this project.

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Page 1-2	President's Letter	*Page 8*	Income & Retained Earnings
Page 3	A Look at the Future	*Page 9*	Year at a Glance
Page 4-5	New Park Operations	*Page 10-11*	Affiliated Companies
Page 6-7	Balance Sheet	*Page 12*	Auditor's Letter

Directory - Inside Back Cover

Man on the move

President's Letter

W. H. H. Cranmer, President

To the Stockholders of
The New Park Mining Company:

Progress is the beginning and end of every successful mining corporation. In this field, as in all others, there are the pioneers.

Our company is pioneering in diversification — the key to growth in this day of rapidly shifting conditions. As an example, if one metal is depressed, another will be in demand. A broad base of operations is essential. For this reason we have purposely diversified our holdings. Their histories are at once impressive and dramatic, but before going into them I shall give you the names and locations of the properties, in the order of their importance.

Mayflower Mine, Park City District, Utah.

Lucky Mc Uranium Corp., in the Gas Hills, fifty miles east of Riverton, Wyoming.

Oil Incorporated, Westwater Gas Field in Utah, and Busy Bee oil fields in the Denver and Julesburg Basins.

Silver Buckle Mining Co., Coeur d'Alene Field, Idaho; Spokane Indian Reservation, Wash.

East Utah Mining Co., Utah — Nevada: **Yale Gold Mining Co.,** Midas, Nevada.

Mountain Park Quarries, Inc., Park City, Utah.

The Cardiff Mining and Milling Company, Alta, near Salt Lake City, Utah.

A geologist, like a detective, first assembles all his evidence, examines it and finally evolves a theory to fit the situation. Once he gets the right pattern, the evidence falls into place and the problem is solved.

The Mayflower, the **Lucky Mc** and **Oil Incorporated** have already justified my belief in them. From the beginning I was convinced that The Mayflower Mine contained sensational deposits of copper. To begin with, the district in which it lies, Park City, is similar in origin and structure to that of Butte, Montana — site of the famous Anaconda Copper Mine, and Bingham, Utah, the district which supplies the life blood of the Kennecott Copper Company.

Marcus Daly uncovered those vast copper deposits at Butte, more than fifty years ago. Anaconda's output continues unabated today. There is a significant similarity of metal deposition between the Butte, Bingham and Park City Districts — the gold and the copper zone is in the center, then lead and zinc, and on the outside silver.

The Park City District has yielded over four hundred and fifty million dollars worth of ore. Yet, judging from our findings and present indications, even thicker, more productive limestone beds lie below.

We are now launching an exploration and development project at The Mayflower Mine which will cost approximately $800,000.00. It is partially financed by a United States Government DMEA loan of $300,000.00. This loan is to be paid back out of five percent of the profits derived from discoveries — impressive proof that the government geologists believe, as do we, that

there is immense geologic and economic value to this project. Copper, a highly saleable and much needed metal, currently commands a far better price than lead or zinc.

The underlying productive limestone beds at The Mayflower Mine are being tapped by the deepest shaft in the Park City District. This shaft extends as far below the earth's surface as the Empire State Building rises above the ground.

Consistent with our diversification policy is the development of the vast, open pit Lucky Mc Uranium Mine. We have been aided by the Utah Construction Co. through a deal granting it a majority of stock in return for financing and erecting a ten million dollar mill.

Oil Incorporated is proving that oil and gas can be as profitable as copper and uranium. The Company enjoys a substantial participation in the Westwater Oil and Gas venture. Its president, Robert L. Cranmer, tells the story in another section of our report.

Activities of **Silver Buckle Mining Co.** are also described by the vice-president and general manager, Clark L. Wilson, who also gives the detailed account of **Mayflower Mine** operations.

East Utah Mining Co. is controlled by New Park. Its stock, listed on the Salt Lake Exchange, is due for a rise and with reason.. East Utah controls valuable land adjoining Mayflower Mine. It has purchased strategic properties in American Fork Canyon and holds substantial interests in Lucky Mc Uranium Corp. and Oil Incorporated's Westwater Venture.

The golden time for development work is during a depressed market period. This is feasible only when — as in the case of New Park, the company has diversified interests.

The public is feeling the pinch of paper money inflation. Gold will eventually come into its own. Hence, our development work on **Yale Gold Mining Co.** property.

Our quartzite building stone company, **Mountain Park Quarries, Inc.** has established a lively market in Salt Lake City, San Francisco, Portland and Seattle — regions hitherto lacking in high quality building stone.

Several beds of rich silver, lead and zinc ore have been encountered in **Cardiff Mine.** Its workings are drained by the Wasatch Tunnel, recently completed from the Alta vicinity, in Little Cottonwood Canyon.

So much for our holdings. The three essentials vitally important in corporate management are the will to do, the know-how and the courage to pioneer. I feel that we are blessed with all three in hand-picked men who know their jobs.

Our unique leasing system is another valuable asset. This system permits miners to reap the harvest of higher earnings, and still make a reasonable return for the Company. Each individual is an independent contractor. This is his right, guaranteed him by the Constitution of the United States. We believe this right will continue to be upheld by the Federal Courts.

To conclude — the New Park Mining Company faces the greatest growing period of its history. Before long we should be receiving evidence in the form of a substantial income from our uranium, gas and copper holdings. This happy state of affairs has brought about an association with a firm of Eastern investment bankers known throughout the world. They are capable of supplying us with large amounts of capital when — and if, we need it to reach our goal, that of a major mining corporation.

If everything goes as we plan, our stockholders will be handsomely rewarded with dividends and by the increased value of their stock.

Sincerely yours,

W. H. H. Cranmer,
President of New Park Mining Company

Man on the move

A LOOK AT THE FUTURE

We mentioned in our 1957 report, that New Park was considering long range exploration at the Mayflower Mine. This became a reality in 1958. A year ago we applied to the Defense Minerals Exploration Administration for their financial participation with us in an extensive program to explore the western part of the mine property from lower levels of the Mayflower shaft. The project was approved by DMEA and negotiations were completed and a contract signed prior to July 1, 1958. At that time the old DMEA program expired and came under new, less favorable terms to the operator. We feel particularly fortunate in completing arrangements under the old regulations.

To start this program, New Park established the 2005 station as the lowest operating level from the Mayflower shaft. The exploration project provides for 6,000 feet of drifting westerly from the shaft and parallel to the Mayflower fissure system. This drift begins in igneous diorite and should enter the Deseret Limestone approximately 800 feet west of the shaft. This formation is the main ore producing horizon on other levels of the mine. As the work continues westerly the drift should crosscut older formations previously unexplored in Park City. These formations have at least six horizons that produced ore in adjoining mining districts. The project also includes 11,000 feet of diamond drill hole and 20,000 feet of percussion drill hole to be drilled from the drift to explore rock formations and fissure areas. An additional 2,600 feet of crosscutting will be used to develop ore zones. The project provides for pump installations to handle a water flow of 5,000 gallons per minute — five times present experience. We have installed a new 16 inch transite pipe through the Mayflower Tunnel to handle the water, improve ventilation and haulage conditions. Special drilling and mucking equipment has been designed and installed to drive the drift. The preliminary work is now completed and the project is well under way.

The contract with the DMEA provides for an expenditure of $564,880.00. Their share is 50%. New Park will provide some additional supplies and equipment and the total cost of the project is estimated at $800,000.00.

We are very enthusiastic about the future of this work, as it will explore the Mayflower ore shoot at depth and also explore a separate mineralized area in the deeper sedimentary formations. There are a number of potential favorable ore zones and success in this project will open an entirely new and expanding future for New Park Mining Company and the Park City Mining District.

Wayne Simmons and Ross Giles collaring transite pipe.

Transite pipe installed in the main haulage tunnel.

Gale Hansen setting 450 h.p. submersible pumps on the 2005 level.

THE STORY OF THE

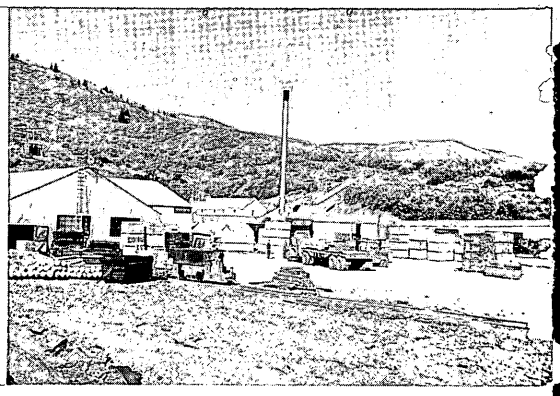
BASE METALS LOOK TO THE FUTURE

The mining industry can report constructive progress for 1958, in developing stronger metal markets for the future. An analysis of consumption during the past 10 years shows some interesting trends. A comparison of world consumption, excepting Russia, for the first 5 years compared to the last 5 years of this period indicates increased copper consumption of 25%, lead 21% and zinc 25%. United States and the rest of the world are well endowed with ore reserves and plant capacity. The third factor — consumption — is the permanent answer to a prosperous base metal industry. The figures quoted above are most encouraging and increased consumption will be based not only on a larger world population but more importantly on new uses and applications for these metals.

The Lead Industries Association and the American Zinc Institute have recently established a research program under the direction of Dr. S. F. Radtke. Dr. Radtke was formerly director of metallurgical research for Reynolds Metals Company, and is well qualified to direct this program. Research projects are already under way in widely divergent fields affecting lead-zinc use. In addition, the study will include methods of improving the physical properties of lead for alloying purposes and means of reducing manufacturing costs together with improvement of product quality. Research has developed new uses for lead in ceramics and a number of new improved paint formulations.

An increased effort is also being made through trade associations to promote existing uses for base metals as well as to develop new ones. Every domestic producer of refined lead and slab zinc is cooperating in this program together with many producers in foreign countries. These activities will soon be reflected in increased world consumption and are the long term guarantee of an expanding industry.

The lead-zinc industry has also made progress during the year in its relationships with many of the governmental agencies. In the spring of 1958, the United States Tariff Commission reported a decision that the domestic mining industry should have additional tariff protection and import quotas to stabilize domestic lead-zinc production and prices. Presidential action on this decision was delayed while Congress considered legislation on lead-zinc matters during the summer months. In September 1958, the President imposed limited quotas and metal prices reacted with a small temporary price rise. The representatives of the National Lead-Zinc Committee participated with State Department Officials in the Geneva, Switzerland, United Nations Conference last fall to discuss world relationships of lead-zinc production and consumption. This has created a much better understanding of our industry both by the United States State Department and the foreign governments. This group is working on means of maintaining the flow of trade dollars to foreign countries through metal sales and also preserving an expanding domestic industry. Another meeting is scheduled for April, 1959. These are short term solutions to the supply and demand situation but will assist the world industry in attaining its goal of increased consumption through research to expand the use of base metals.



Timber yard at Mayflower Mine

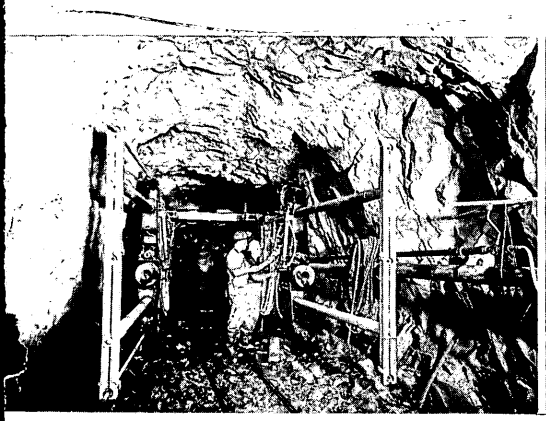
NEW PARK OPERATIONS

NEW PARK MEETS THE CHALLENGE

Again in 1958, the greater part of ore production came from the deposits in sedimentary rocks with diminishing production from fissures in igneous rocks. The mine workings are continually going deeper and farther westerly from the Mayflower shaft. This work develops new sedimentary horizons never before explored in the Park City District. The general lead-zinc content in these new ores seems to be increasing and gold and silver remain constant with areas of high grade concentrations. Some higher grade copper ore was mined during 1958, and we are anticipating further development of these ores as work progresses westerly.

We reported last year that the mine was placed on lease, in October 1957, due to the low metal prices and resulting operating economies. This type of operation has continued for 1½ years with 85 lessees working. The lessees have their own operating organization and manage all phases of exploration, development, production and maintenance. This has proven to be a very efficient arrangement in that each lessee has a share in the operation and is interested in over-all costs as they effect personal income. They have been able to meet the changing conditions of the mine operation and metal markets when most other domestic lead-zinc producers have shown substantial losses. The number of tons mined per man-shift worked have been higher than in previous years. The ore produced is mined cleaner, and development footage per ton of ore mined remains at the usual normal figure for this type of operation in the Park City District. The development program has doubled ore reserves during the past year. In addition to development work, the lessees have drilled several thousand feet of percussion drill hole to test ore bearing structures and develop ore body outlines. The mine is in excellent physical condition. Pearl fissure ore reserves continue to have gold values exceeding one ounce per ton and the total New Park gold production is now 360,000 ounces, worth $12,600,000.00 at $35.00 per oz.

New Park Mining Company and the Mayflower lease received a safety award on October 3, from the Pacific Employers Insurance Company. This company handles the industrial accident insurance and regularly inspects the operations to insure safe working practices. The award recognized outstanding safety achievement during 1957. This is the second consecutive year that New Park has received this honor. We anticipate that a similar award will be made for 1958.



Leo Hatch and Paul O'Leary adjusting multi-drill jumbo on the 2005 level.

Lease managers and directors, from left, Wallace Bates, Dick Turnbow, Bill Larsen, Wayne Simmons, Leo Hatch, Geo. Richardson and Bert Johnson.

Gale Hansen and Leo Hatch receiving Safety Award Certificate from Pacific Employers Insurance representative.

Balance Sheet

ASSETS

CURRENT ASSETS:			
Cash on deposit		$ 10,497.27	
Accounts receivable and smelter settlements		144,618.87	
Notes receivable		36,650.00	
Inventories — materials and supplies — at cost		52,878.57	
Prepaid expenses		11,891.58	
Total current assets			$ 256,536.29
FIXED ASSETS:			
Mine property and claims — at cost		2,042,015.83	
Leasehold advances		23,353.36	
Development costs		365,038.17	
		2,430,407.36	
Mine plant and equipment, at cost	$1,154,711.85		
Less: Accumulated depreciation	956,763.64		
		197,948.21	
Other property		13,930.44	
			2,642,286.01
CAPITAL STOCK OF OTHER CORPORATIONS, AT COST			
(aggregate fair market value, $1,621,695.37)—schedule 1			621,957.90
OTHER MISCELLANEOUS ASSETS AND INVESTMENTS:			
Cash surrender value of life insurance policies		10,317.50	
Oil, gas, and uranium leases		18,267.85	
Premium deposit		2,500.00	
Joint ventures and exploration projects		70,540.21	
Mining lease—Great Western Mining Company		77,996.35	
			179,621.91
			$3,700,402.11

at December 31, 1958

NEW PARK MINING COMPANY

LIABILITIES & CAPITAL

CURRENT LIABILITIES:		
Notes and contracts payable	$ 58,709.47	
Accounts payable — general creditors	80,717.49	
Unclaimed dividends	33,903.13	
Accrued salaries and wages	5,168.91	
Mine occupation tax	8,621.41	
Due lessees on ore settlements	27,744.17	
Federal withholding and social security taxes	1,889.61	
Employees' deductions for United States Savings Bonds	122.00	
Total current liabilities		$ 216,876.19
CAPITAL AND RETAINED EARNINGS:		
Common capital stock — nonassessable:		
Authorized and issued 3,500,000 shares at a par value of $1.00 each	3,500,000.00	
Less: Treasury stock — 434,258 shares (66,000 shares subject to option to executive and key personnel)	434,258.00	
Outstanding 3,065,742 shares	3,065,742.00	
Deduct: Adjustment for discounts, less premiums on capital stock issued or acquired	971,939.74	
	2,093,802.26	
Retained earnings at December 31, 1958	1,389,723.66	
Total capital and retained earnings		3,483,525.92
		$3,700,402.11

NOTE: Due to the application of the carry-back provision of the Federal Internal Revenue Code for 1954, Section 172, wherein the net operating loss computed for tax purposes for the year 1958 is carried back and applied as a reduction of the taxable income for the year 1955, the company has filed a claim for refund for a portion of the federal income tax paid for that year in the amount of $1,694.31. Federal income tax returns have been examined through the year 1952, and the years 1954 through 1957 are presently being examined. Utah franchise tax returns have been examined through the year 1953.

STATEMENT OF INCOME AND RETAINED EARNINGS for the year ended Dec. 31, 1958

INCOME FROM ORE SALES:		
Net smelter settlement	$912,140.11	
Less: Portion allocated to lessees	572,473.99	
NET SMELTER PROCEEDS ALLOCATED TO COMPANY		$ 339,666.12
COST OF MINE MAINTENANCE AND OTHER EXPENSES:		
Mine maintenance	127,095.13	
Development costs incurred	62,154.33	
Provision for depreciation	50,054.88	
General and administrative expense	128,084.41	
Leased and other property expense	956.30	
Taxes — other than federal income tax	10,744.42	
		379,089.47
LOSS FROM OPERATIONS		39,423.35–
MISCELLANEOUS INCOME:		
Dividend income	7,237.60	
Dividend and premium adjustment	12,742.00	
Refund and interest on federal income tax, year 1955	3,215.41	
Farm and grazing rentals	1,567.27	
Sale of supplies to lessees	7,529.88	
Other miscellaneous income	685.70	
		32,977.86
		6,445.49–
INTANGIBLE DRILLING COSTS, WESTWATER JOINT VENTURE		3,780.99
NET LOSS		10,226.48
RETAINED EARNINGS:		
Balance at January 1, 1958		1,399,950.14
Balance at December 31, 1958		$1,389,723.66

NOTE 1: The net income is stated without provision for depletion in accordance with the method of accounting and reporting consistently followed by the company. Inasmuch as there was a net loss from mining operations, no computation of percentage depletion customarily used was necessary for either federal income or Utah franchise tax purposes.

NOTE 2: Mining operations were temporarily discontinued on September 27, 1957, and were resumed on October 3, 1957, under a lease agreement, and since that date the mine has been operated by lessees.

Man on the move

OUR YEAR AT A GLANCE

THE COMPANY TOOK IN — $945,117.97

Mayflower Mine ore production in 1958 was 43,802 tons, somewhat less than previous years. This tonnage provided sufficient income for normal development, adequate mine maintenance and financing the preliminary stages of the DMEA contract without depleting the ore reserve during a year of low lead-zinc metal prices. The production represents 2/3 of normal tonnage during the past few years produced in 1/2 the normal number of man shifts — reflecting increased efficiency. The average lead-zinc assay increased over previous years and the return on gold, silver and copper provided 27% of gross ore sales. Dividends on various investments provided the major portion of miscellaneous income amounting to $32,977.86.

THE COMPANY PAID OUT —

As royalties to the Mayflower lease — $572,473.99. The independent contractors operating as the Mayflower Lease produced all the ore shipped from the Mayflower Mine during 1958. They were responsible for all their own expenses including supplies, repairs, mine maintenance, insurance and taxes. The lease agreement also provides that the expense of normal development work in the leased area is assumed by the contractors. This work in 1958 maintained a normal ore reserve.

For Goods and Services — $212,262.11

This is reduced from 1957 as the independent contractors have assumed a part of these costs. This amount does include charges of approximately $50,000 that New Park has invested in areas outside the Mayflower Lease. The Company has extended drifts and crosscuts to the west of the Mayflower Shaft on the 1880 level and developed new ore reserves in the Deseret Limestone. The balance of this exploration investment provided services and supplies for several phases of the DMEA project on the 2005 level.

For Employment Costs — $109,809.05

These charges are only 12% of 1957 costs, again due to the lease operations. New Park has an efficent operating - accounting - management staff that is expanding the Company's field of diversified investments as well as protecting and developing present interests.

For Cost of Tools Wearing Out — $50,054.88

This amount is the depreciation charged on plant and equipment and is consistent with similar charges for previous years. The lessees use New Park equipment and have provided necessary maintenance to keep the surface facilities at the Mayflower Mine and all the mine machinery at maximum operating efficiency.

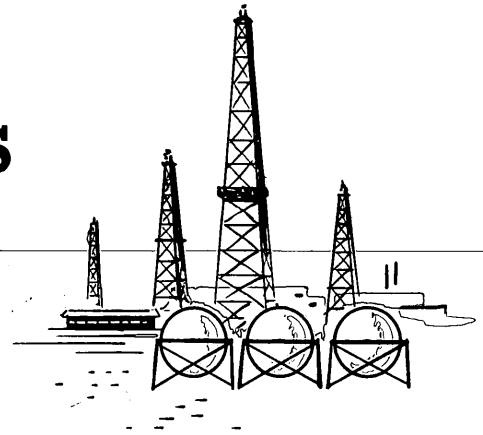
For Cost of Tax Payments — $10,744.42

The Wasatch County tax again accounts for 2/3 of this expense. This is assessed as a levy on property and the valuation of the mine as determined from previous years' production. The balance of this account is for taxes paid the State of Utah as corporation tax based on 1957 income and a 1% occupation tax levied on net smelter returns.

For Cost of Using Tools (Loss) — $10,226.48

The New Park 1958 record is quite remarkable compared to the other domestic underground base metals mines. The statement shows a small loss, but this is after charges for depreciation, investments in ore development on lower levels and investments in other projects. We continue to plan for maximum mine production as base metal usage and markets improve and anticipate returns from other diversified interests.

AFFILIATED AND ASSOCIATED COMPANIES



OIL INCORPORATED

Oil Incorporated had a successful year. It has completed a commercial gas well in the Entrada in excess of 27 million cubic feet absolute open flow on the Westwater Unit in Grand County, Utah. In addition thereto, two Castlegate wells (Mesa Verde) were completed, Wells No. C-3 and C-4. The Corporation contemplates the construction of a pipeline during the coming year to the Pacific Northwest Pipeline, which is approximately 8 to 12 miles away. In addition, another deep test to the Entrada will be drilled, known as Westwater Unit E-3.

Oil Incorporated successfully drilled in two oil wells in Adams County, Colorado, in the so-called Busy Bee Field in the Denver-Julesburg Basin. Production is from the "D" Sand, and Oil Incorporated is a 50% working interest owner, as well as Operator, of the Field on which there now exists three producing oil wells. A similar success was enjoyed in Weston County, Wyoming, where the Corporation participated in a commercial oil well. The Corporation, during the past year, secured new equity money, thus enabling it to view the future with considerable confidence, and it is expected that the current year will be as successful as the year 1958.

LUCKY MC URANIUM CORPORATION

The Lucky Mc Uranium Corporation completed its first year of mill operation and during this period made payments on the Ten Million Dollar loan in excess of $4,000,000. During this period the stockholders' equity increased in excess of $3,000,000.00. During the last six months of 1958 the Corporation removed 3,095,000 cubic yards of overburden and delivered 183,534 dry tons of ore to the mill stockpile. Since operations have begun over 7,000,000 yards of overburden have been removed and in excess of 300,000 tons of ore have been mined. The average grade of stockpiled ore is in excess of .31% U_3O_8. During this period the Corporation experienced a marked increase in plant recovery due to improved milling techniques, and further improvements in these techniques are expected during the present year. At the present moment the Corporation has

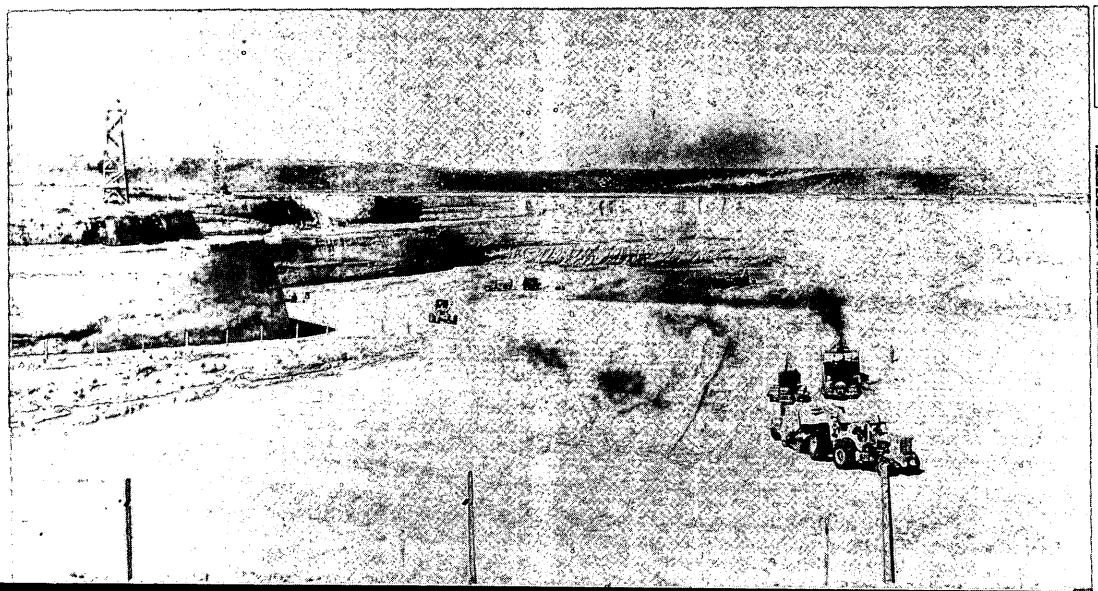
on hand a new contract from the Atomic Energy Commission, which, upon signature, will assure the Corporation a ready market for its "yellow cake" until 1966 on a basis of 1,001 tons per day operation.

The New Park Mining Company as the second largest stockholder of Lucky Mc Uranium Corporation is well pleased with the progress made under the management of Utah Construction Company, which is the Corporation's largest single stockholder. It is to be expected by your Corporation that the long term indebtedness on the mill will be completely retired during the coming year out of earnings.

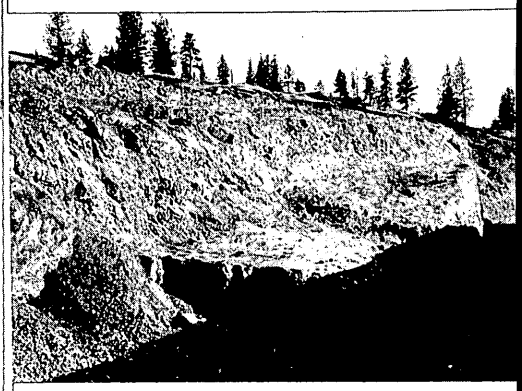
SILVER BUCKLE MINING COMPANY

During 1958, Silver Buckle Mining Company purchased the assets of Northwest Uranium Mines, Incorporated, their principal interest being two uranium leases on the Spokane Indian Reservation, 50 miles northwest of Spokane, Washington. The Peters Lease had been drilled, proving a known uranium ore reserve. This is a near surface deposit and Silver Buckle arranged for stripping of overburden for open pit mining operations. Ore is shipped on a custom basis to the Dawn Mining Company uranium mill at Ford, Washington. Ore sales to date from the first mining cycle exceed $250,000.00, with approximately 10,000 tons of ore stockpiled at the mine. Mechanical upgrading equipment has been installed to increase the commercial ore tonnage. The Company is planning a diamond drill program this summer on some of its property holdings in the vicinity of Wallace, Idaho. Negotiations are continuing to develop the Vindicator Mine at Mullan, Idaho, from deeper levels of adjoining properties.

Open pit mining operation in full swing at the Lucky Mc Gas Hills property.



Silver Buckle's open cut uranium operation.



AUDITOR'S LETTER

Lincoln G. Kelly and Company
Certified Public Accountants
SUITE 603-612 WALKER BANK BUILDING
TELEPHONE EMPIRE 3-4461
Salt Lake City 11, Utah

REPRESENTED IN THE PRINCIPAL CITIES OF THE UNITED STATES, CANADA, CUBA AND BY CORRESPONDENTS ABROAD

April 13, 1959

Board of Directors
New Park Mining Company
Salt Lake City, Utah

Gentlemen:

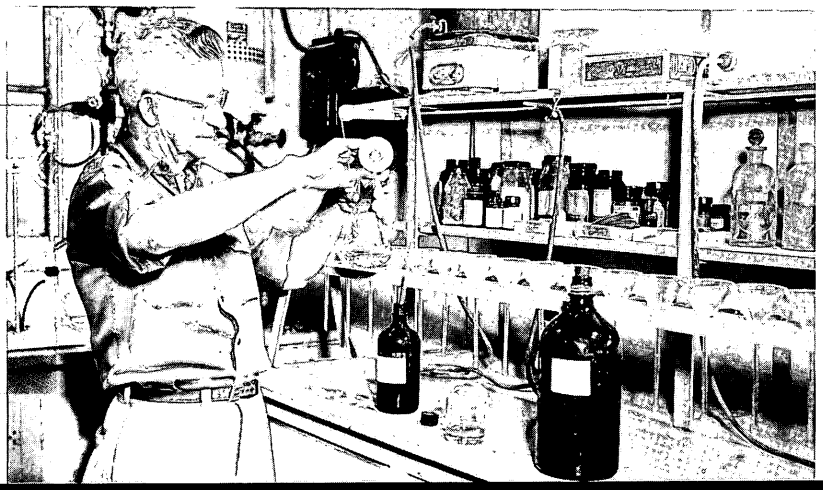
We have examined the balance sheet of the New Park Mining Company at December 31, 1958, and the related statement of income and retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Mine properties and claims are stated at cost without provision for depletion. Since January 1, 1940, at which date the property reached a production status, depletion has been computed for federal income and state franchise tax purposes on a percentage of income basis.

In our opinion, the accompanying balance sheet and related statement of income and retained earnings, with supporting schedule, present fairly the position of the New Park Mining Company at December 31, 1958, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Yours very truly,

Lincoln G. Kelly Co.



Harry Walsh
New Park's
assayer
and chemist

NEW PARK MINING COMPANY

A Nevada Corporation   *Organized May 2, 1932*

DIRECTORY

Directors

FRASER BUCK
ROBERT L. CRANMER
W. H. H. CRANMER
PETER JORALEMON
JOHN S. R. SHAD
CLARK L. WILSON
R. C. WILSON

Officers

W. H. H. CRANMER . . . . *President & General Manager*
CLARK L. WILSON . . . . *Vice President*
ROBERT L. CRANMER . . . . *Secretary*
R. C. WILSON . . . . *Treasurer*
FRASER BUCK . . . . *Secretary to the Board*

Staff

GALE A. HANSEN . . . . *Superintendent*
WALTER E. BAUER . . . . *Chief Geologist*
CARL D. HARPER . . . . *Auditor & Purchasing Agent*

Attorney

ROBERT L. CRANMER . . . 901 Walker Bank Bldg., Salt Lake City, Utah

Transfer Agents and Registrars

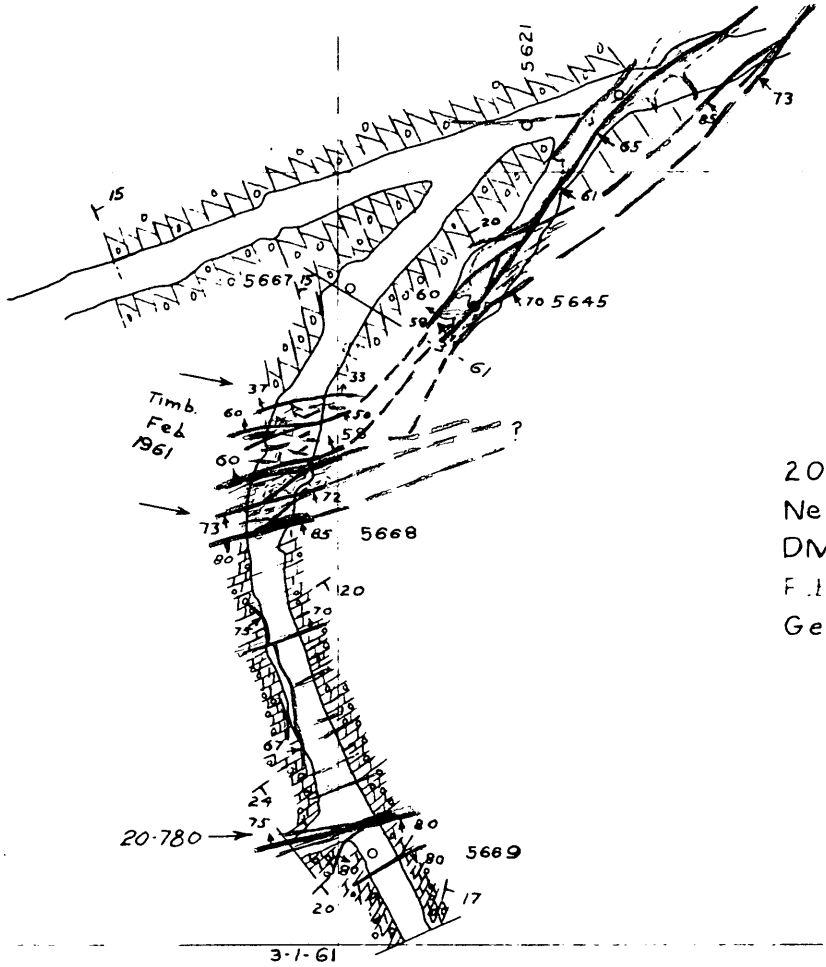
First Security Bank of Utah, Main & Fourth South Branch, Salt Lake City, Utah
Irving Trust Company, One Wall Street, New York 15, New York
American Trust Company, Transfer Agent, San Francisco, California
Wells Fargo Bank, Registrar, San Francisco, California

General Offices

KEETLEY, UTAH
Park City, P. O. Box 929 — Phone: Park City 50
SALT LAKE OFFICE - 901-907 WALKER BANK BUILDING
Phone DAvis 2-5547

Notice of Annual Stockholders' Meeting, Proxy and Proxy Statement will be mailed on or about May 15, 1959. This Annual Report is not a part of the Proxy soliciting material nor is it to be used as such.

NPM
C.O.



8000 N

7800 N

7800 E

8000 E

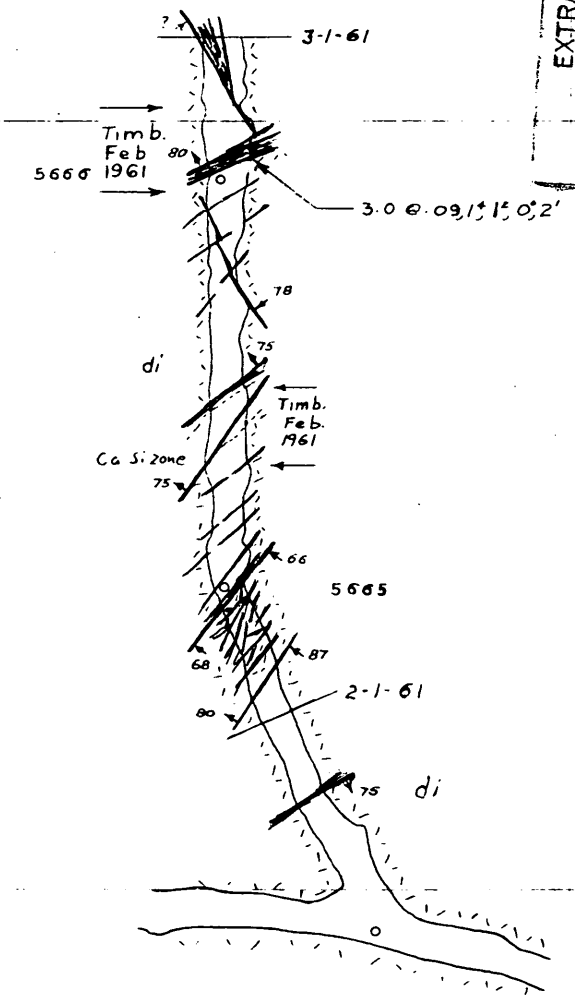
20-784 South X-Cut
New Park Mining Co.
DMEA Docket No. 4981
F.I. 1961 Bob Archer
Geology 1" = 50'

EXTRA COPY
O. M. E
RECEIVED MAY 11 1961
DATE
CODE

RECEIVED

MAY 8 1961

OFFICE OF THE SECRETARY
FISCAL SECTION



EXTRA COPY
O. M. E
RECEIVED MAY 11 1961
DATE
INITIALS
CODE

8600 N

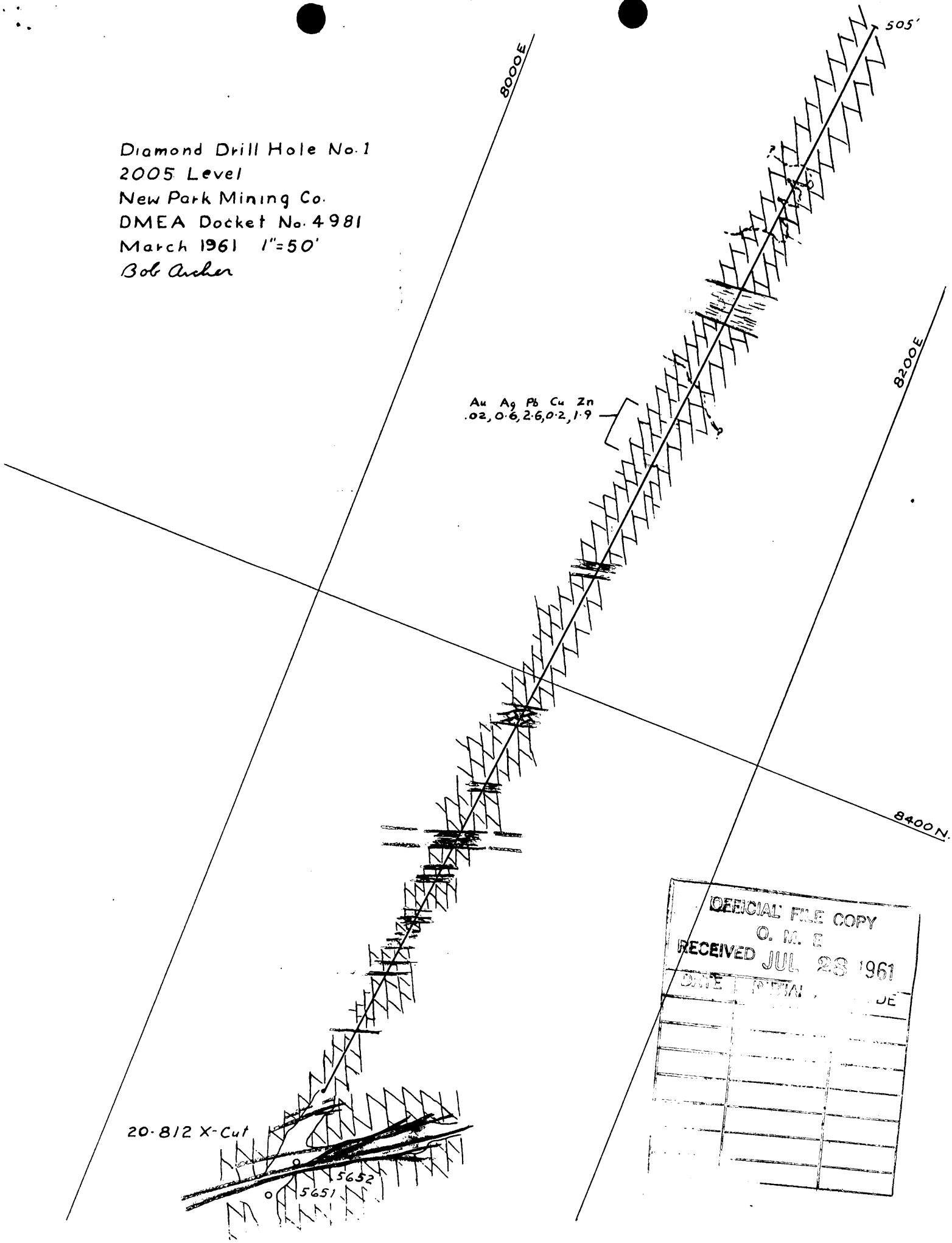
8400 N

8800 E

9000 E

20-895 North X-Cut
New Park Mining Co.
DMEA Docket No. 4981
Feb. 1961 Bob Archer
Geology 1" = 50'

Diamond Drill Hole No. 1
2005 Level
New Park Mining Co.
DMEA Docket No. 4981
March 1961 1"=50'
Bob Archer



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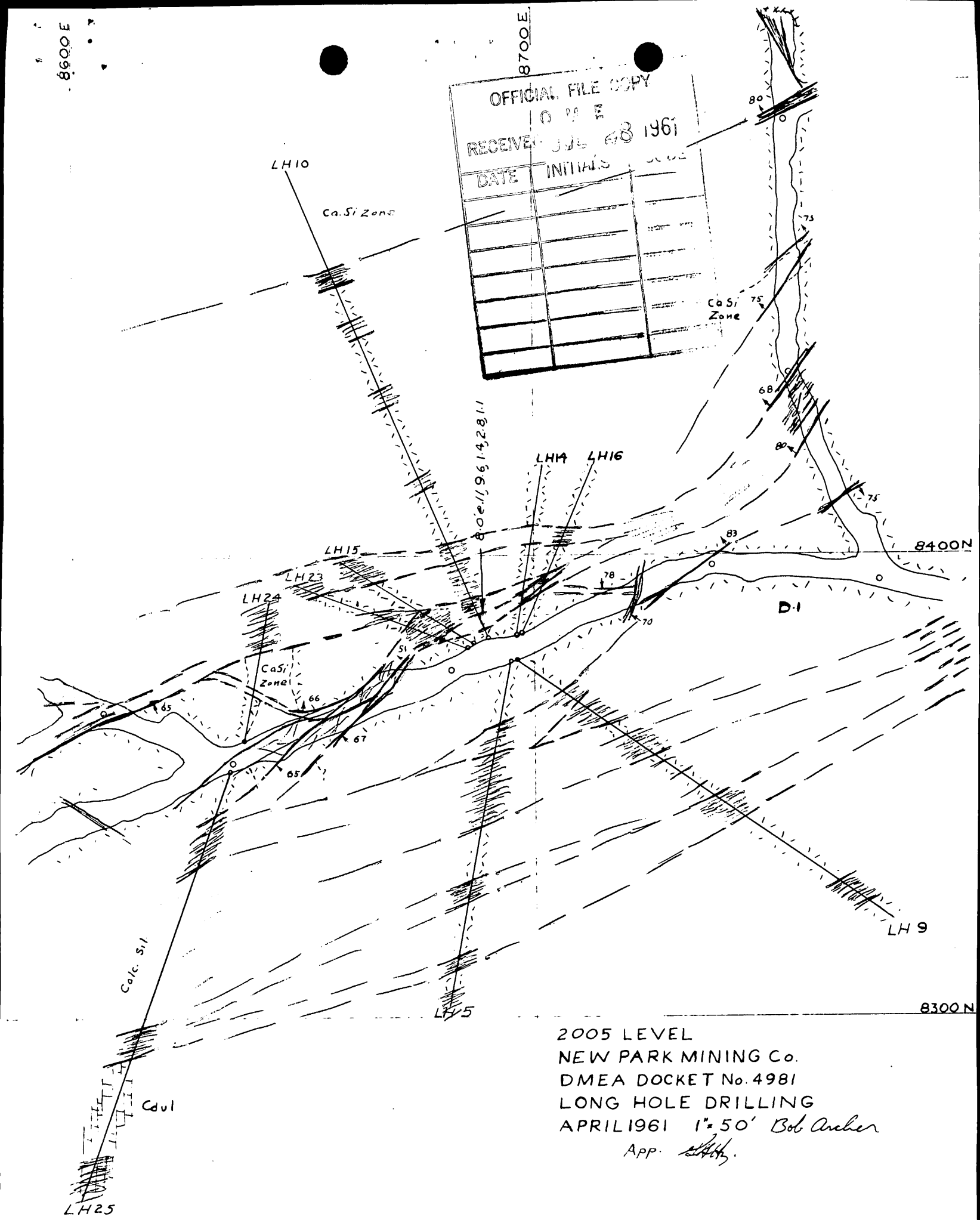

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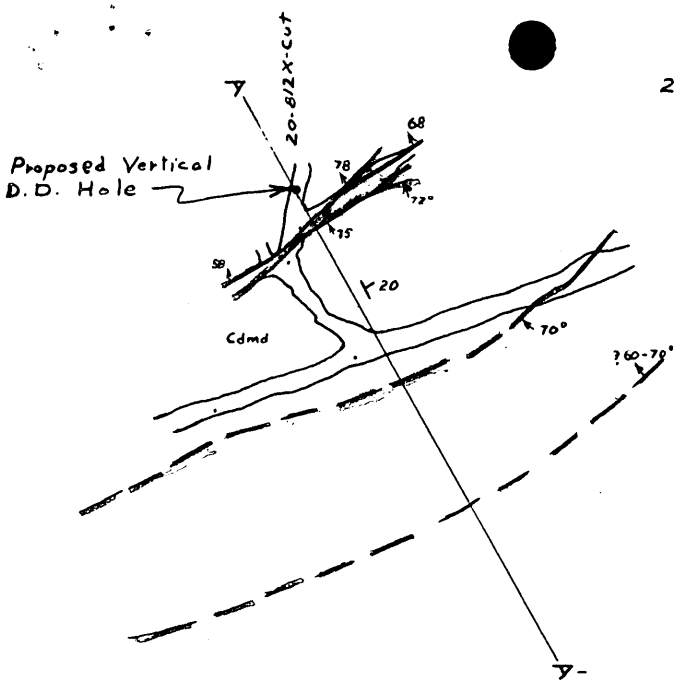
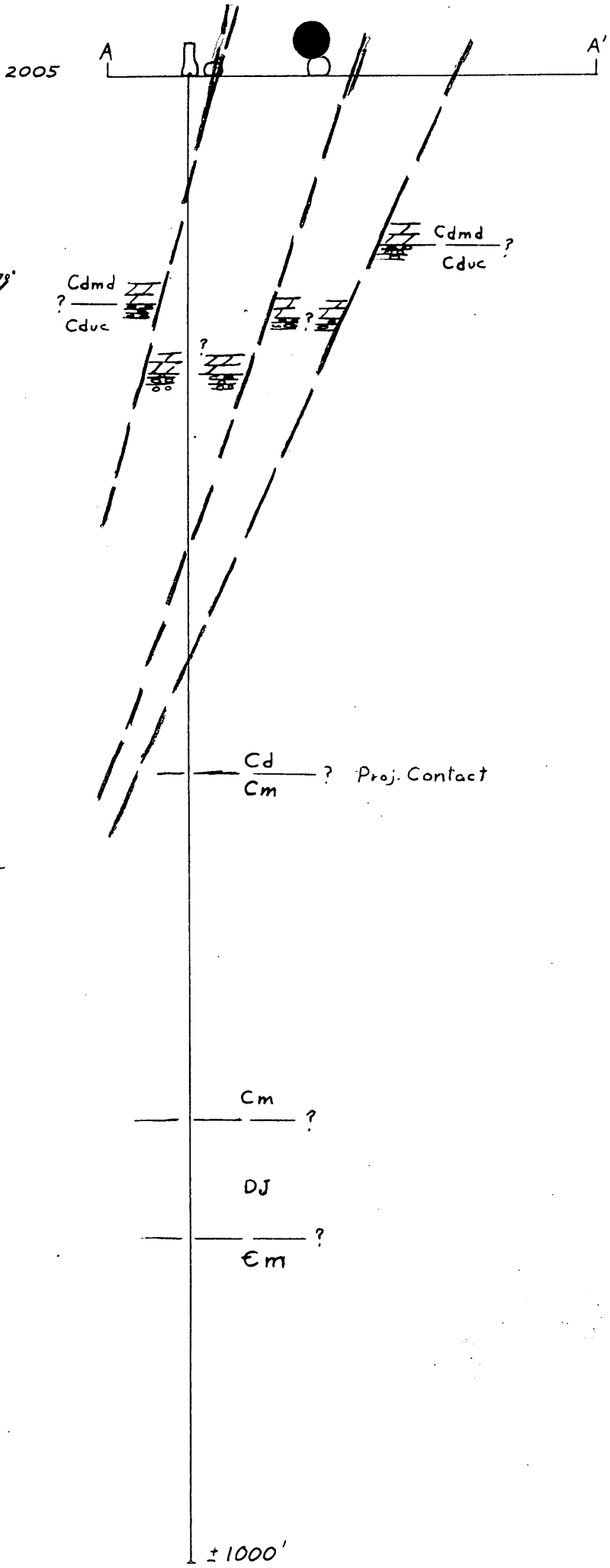
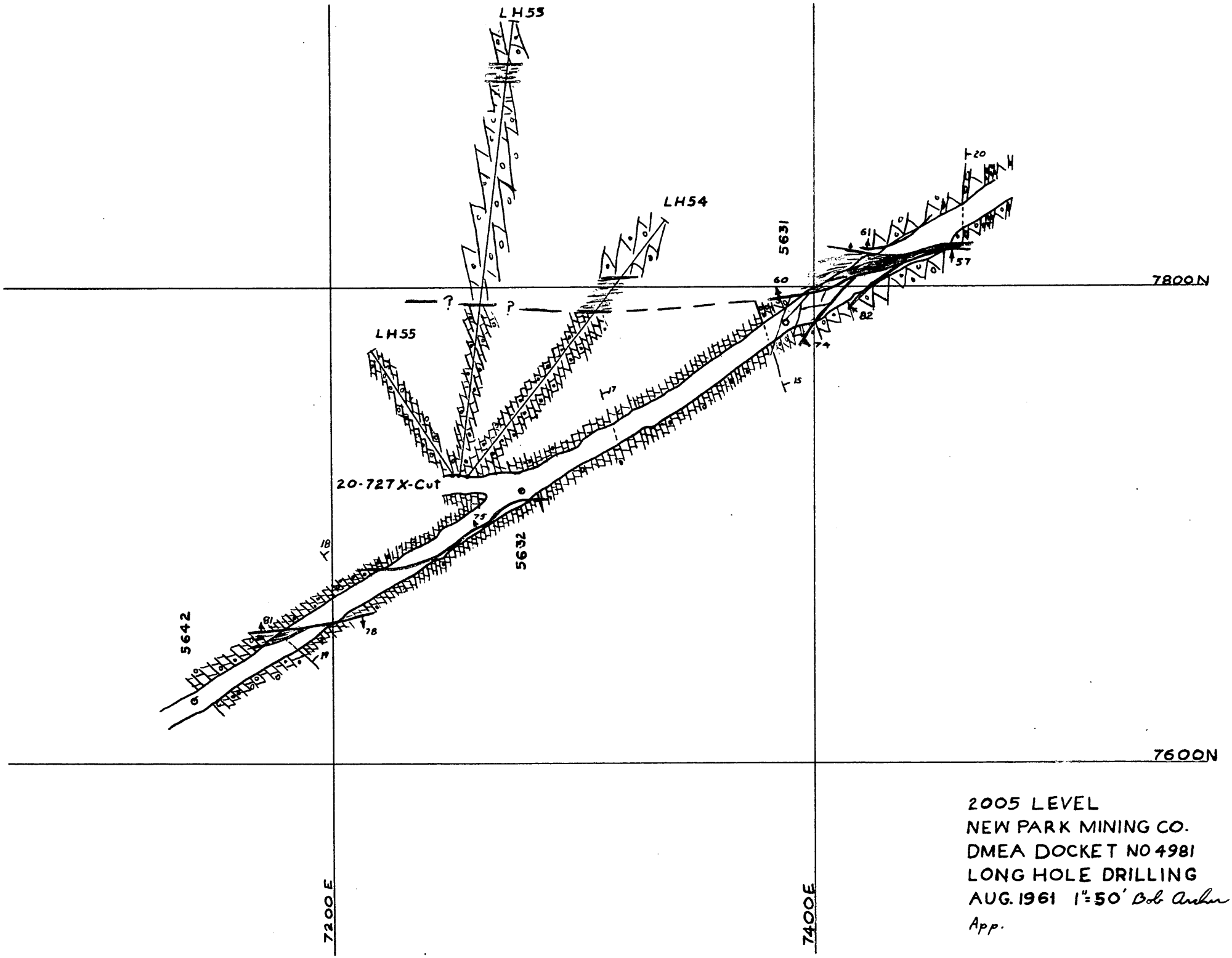
DATE INITIALS

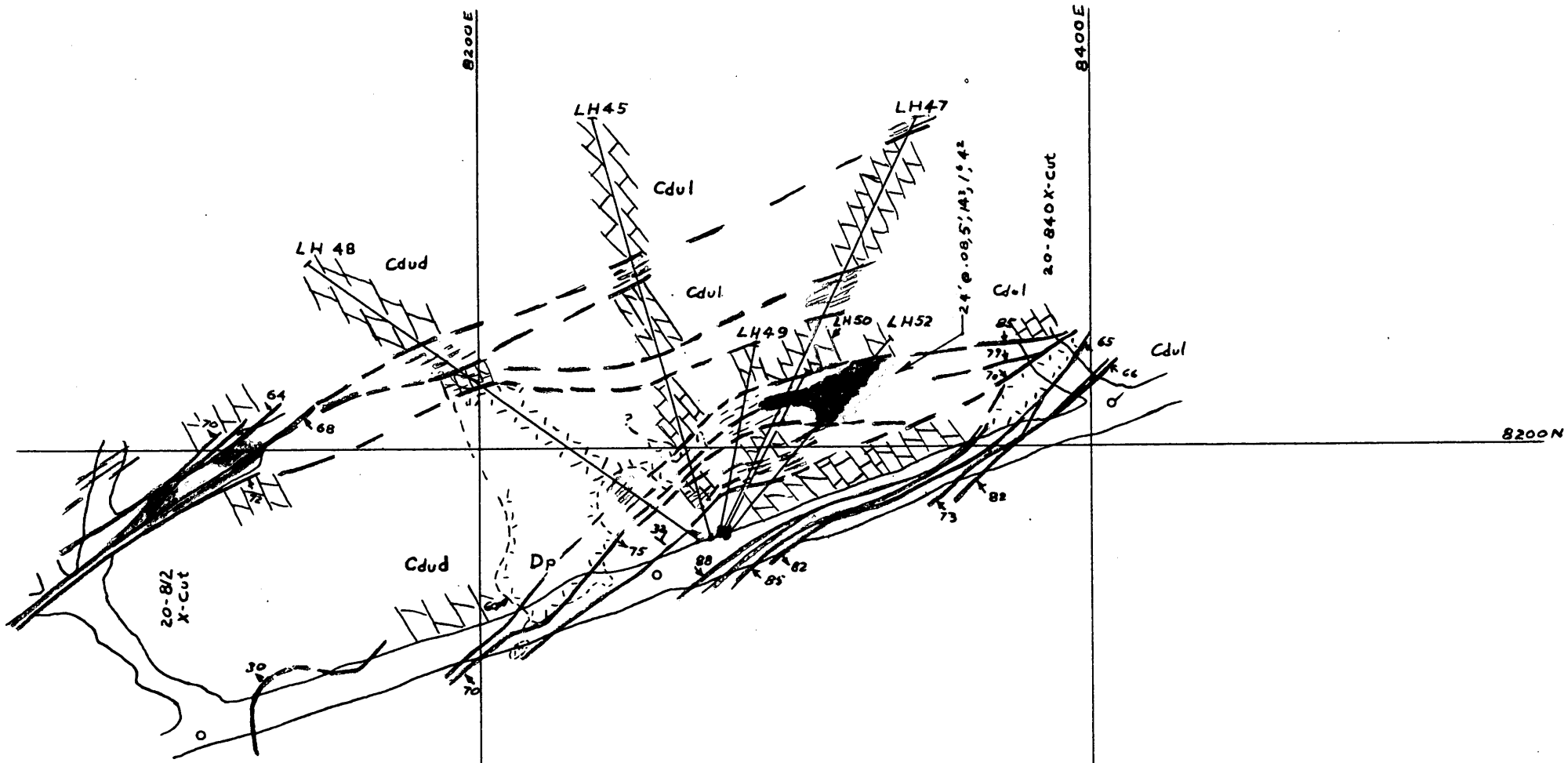
2005 LEVEL
NEW PARK MINING Co.
DMEA DOCKET No. 4981
LONG HOLE DRILLING
APRIL 1961 1" = 50' Bob Archer
App. [illegible]





2005 LEVEL
NEW PARK MINING Co.
DMEA DOCKET No. 4981
PROPOSED DD. HOLE No. 3
Aug. 1961 1" = 100' Bob Archer
App.

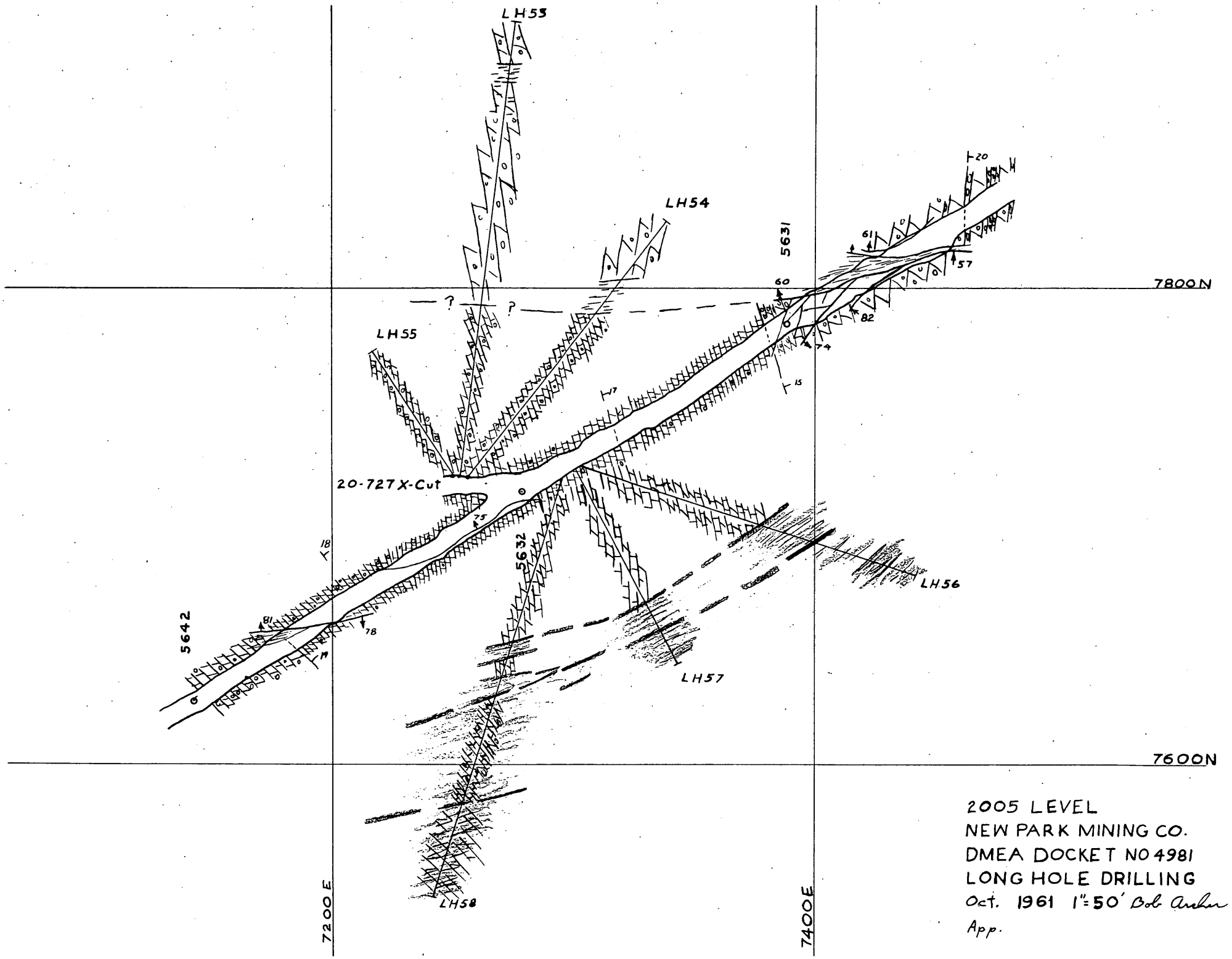

LH55
LH54
LH55
5631
5632
5642
20-727 X-Cut
7800N
7600N
7200E
7400E
2005 LEVEL
NEW PARK MINING CO.
DMEA DOCKET NO 4981
LONG HOLE DRILLING
AUG. 1961 1"=50' Bob Archer
App.



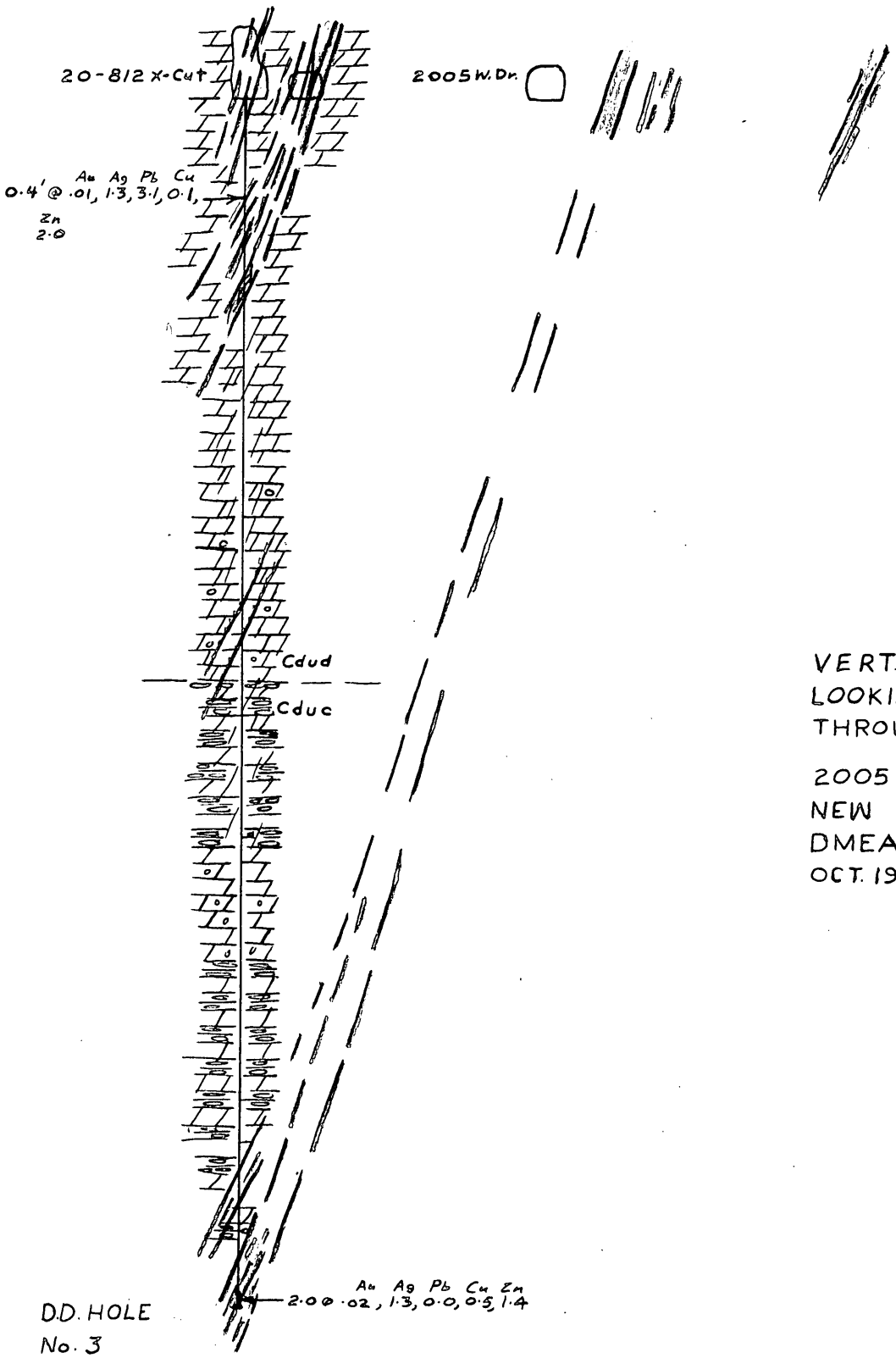
2005 LEVEL
NEW PARK MINING CO.
DMEA DOCKET NO. 4981
LONG HOLE DRILLING
AUG. 1961 1"=50' Bob Archer

App.

RECEIVED
NOV 1 1961
OFFICE OF THE SECRETARY
FISCAL SECTION

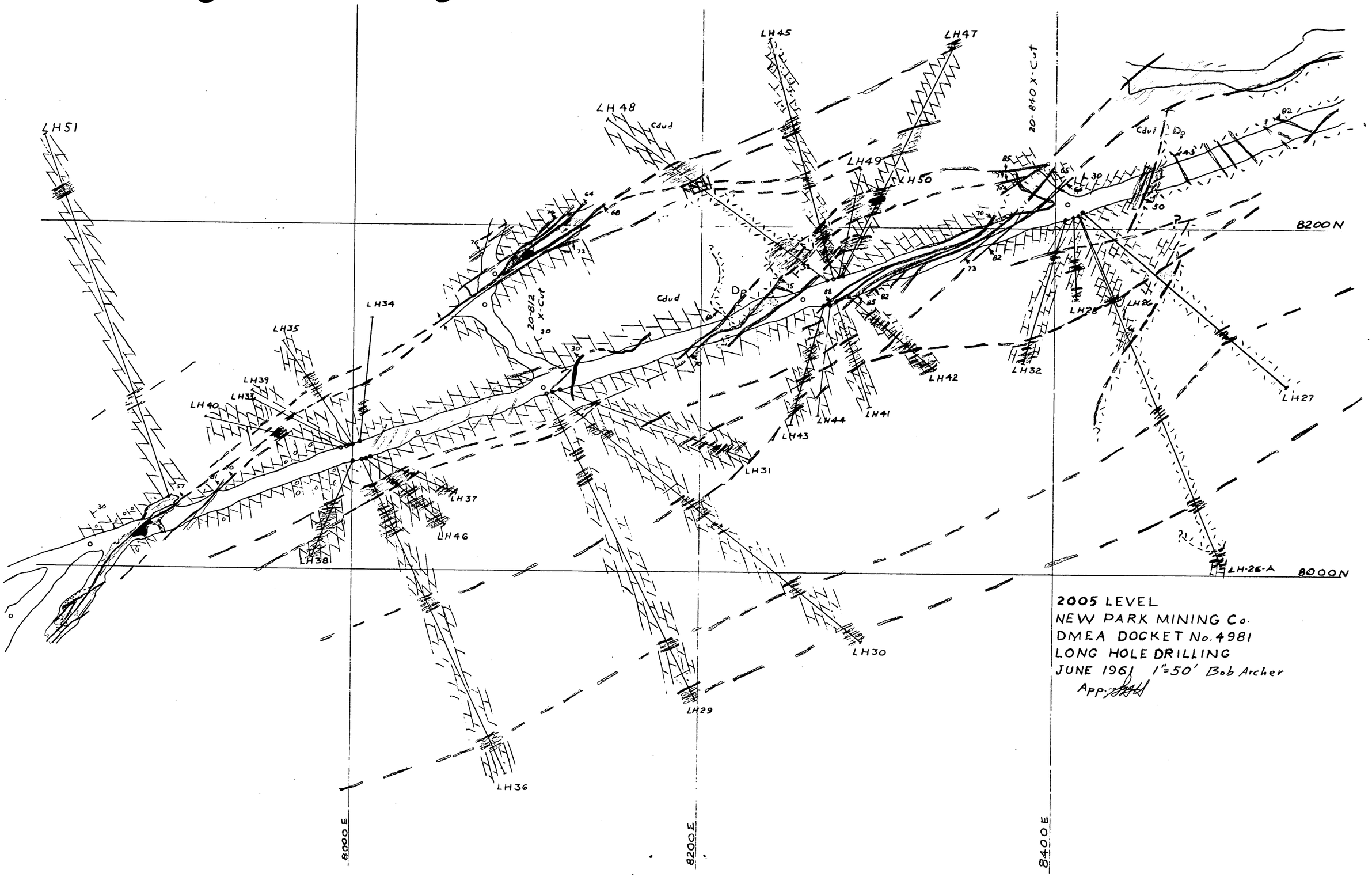


2005 LEVEL
NEW PARK MINING CO.
DMEA DOCKET NO 4981
LONG HOLE DRILLING
Oct. 1961 1"=50' Bob Archer
App.

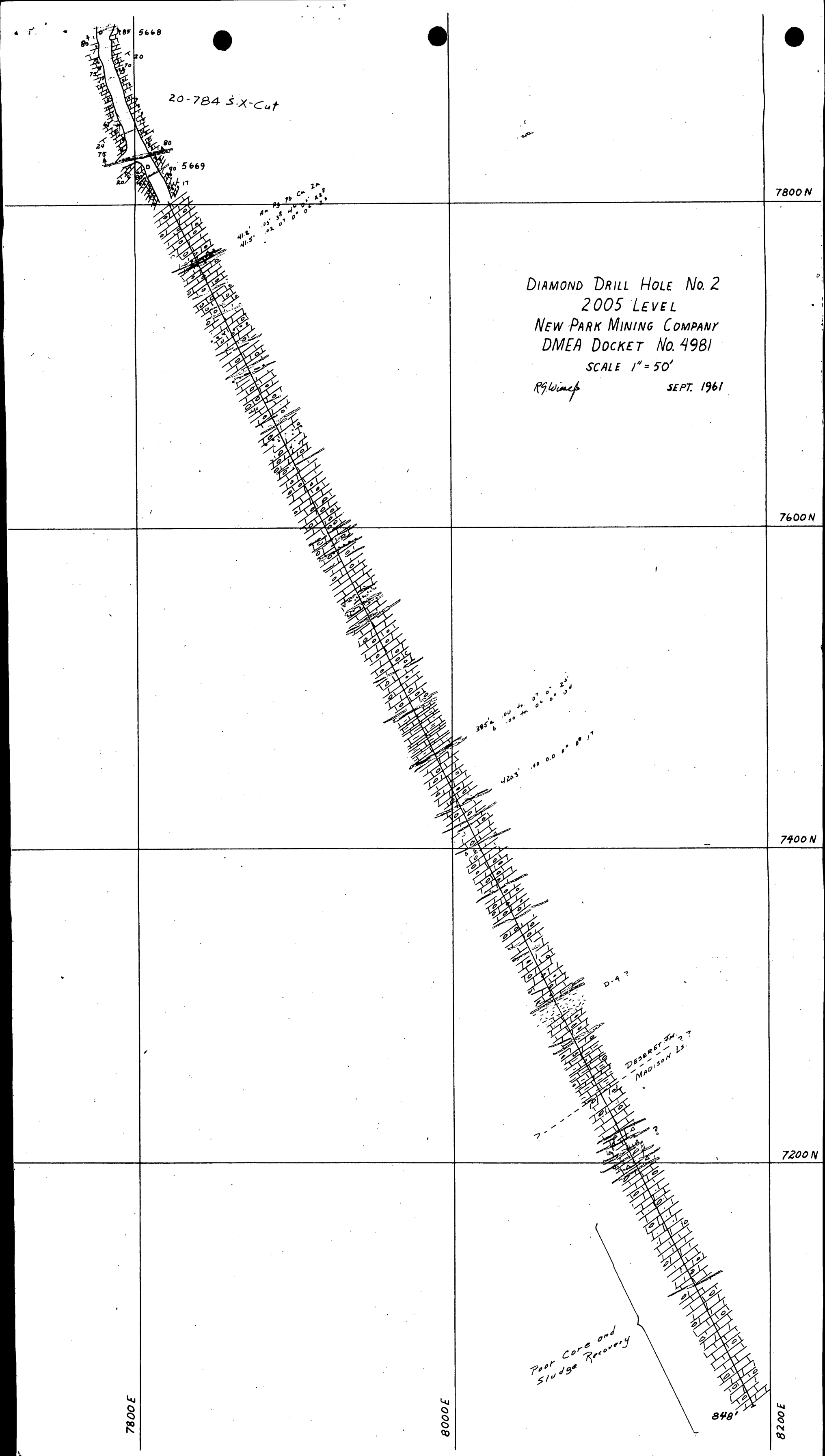


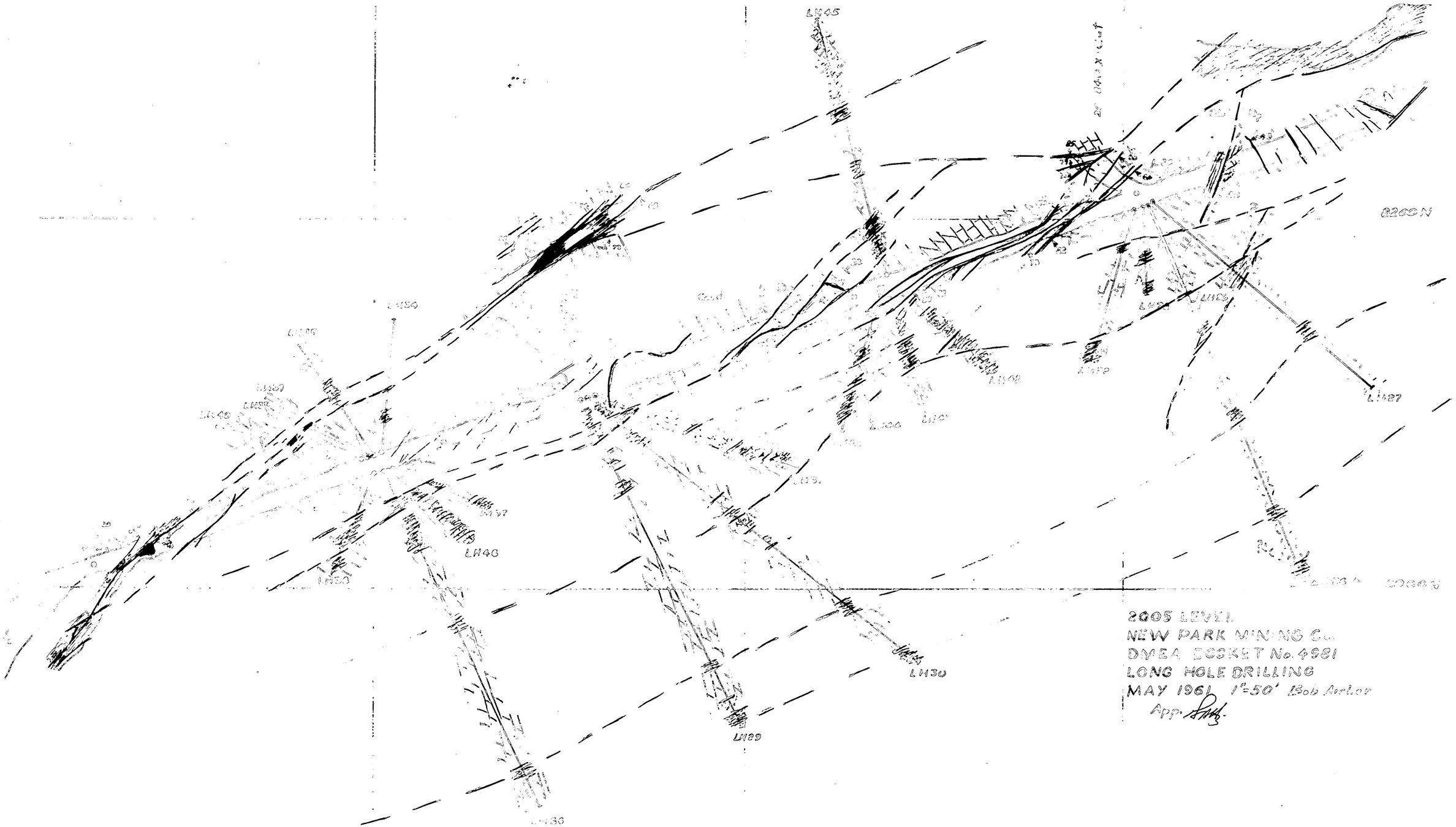
VERT. CROSS SECT.
LOOKING N.60°E
THROUGH D.D. HOLE No. 3

2005 LEVEL
NEW PARK MINING Co.
DMEA DOCKET No. 4981
OCT. 1961 1"=50' Bob Archer



2005 LEVEL
NEW PARK MINING Co.
DMEA DOCKET No. 4981
LONG HOLE DRILLING
JUNE 1961 1"=50' Bob Archer
App.


5668
20-784 S.X-Cut
5669
7800N
DIAMOND DRILL HOLE No. 2
2005 LEVEL
NEW PARK MINING COMPANY
DMEA DOCKET No. 4981
SCALE 1" = 50'
SEPT. 1961
7600N
7400N
D-4 ?
DESERET FM. ??
MADISON LS.
7200N
Poor Core and Sludge Recovery
848'
7800E
8000E
8200E


LH05
8200 N
LH27
LH46
LH30
LH29
LH36
2005 LEVEL
NEW PARK MINING Co.
DMEA DOCKET No. 4981
LONG HOLE DRILLING
MAY 1961 1"=50' Bob Archer
App.

DEPARTMENT OF THE INTERIOR
UNITED STATES GEOLOGICAL SURVEY

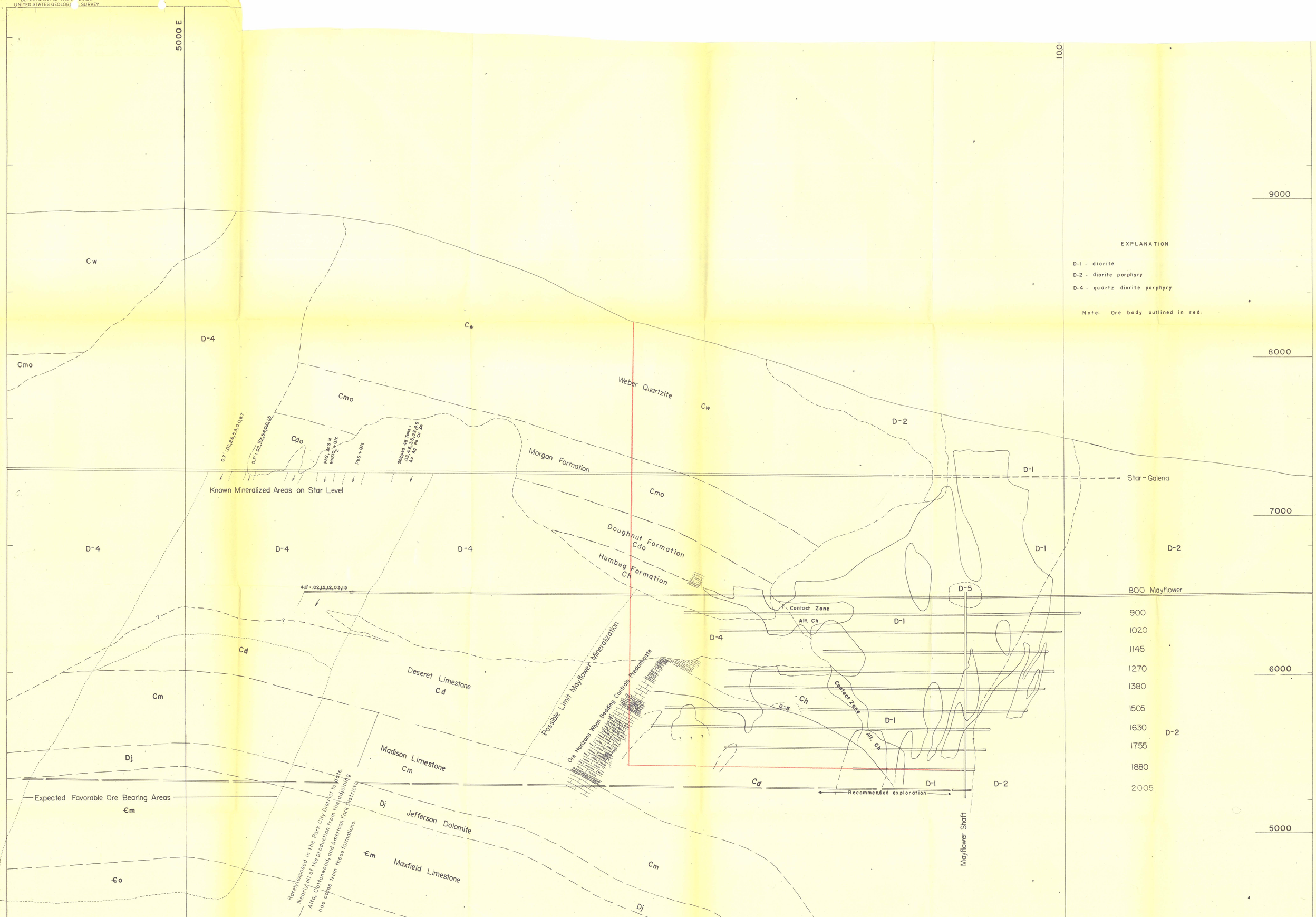


FIGURE 10.--LONGITUDINAL SECTION ALONG THE MAYFLOWER-PEARL FISSURE SYSTEM SHOWING RECOMMENDED EXPLORATION, MAYFLOWER MINE, WASATCH COUNTY, UTAH.

DATE 1958	SECTION Longitudinal Section E (DMEA Report) 4981	PLAN	PLACE NEW PARK MINING COMPANY
BY Bauer	LOOKING N 25 W	SCALE 1" = 200'	KEETLEY, UTAH FILE NO.

"PEMBROKE CO." - #166 PHOENIX

DEPARTMENT OF THE INTERIOR
UNITED STATES GEOLOGICAL SURVEY

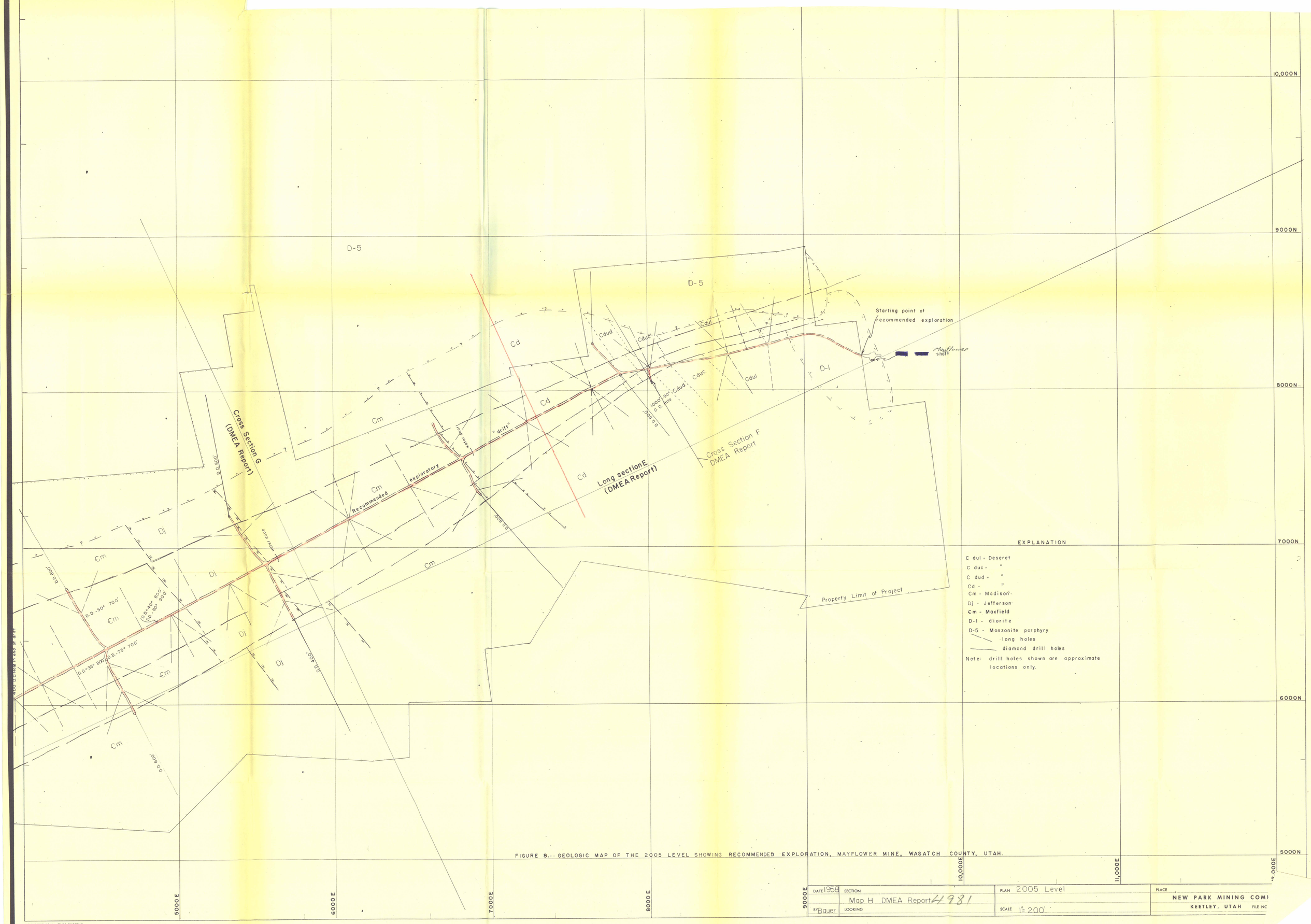
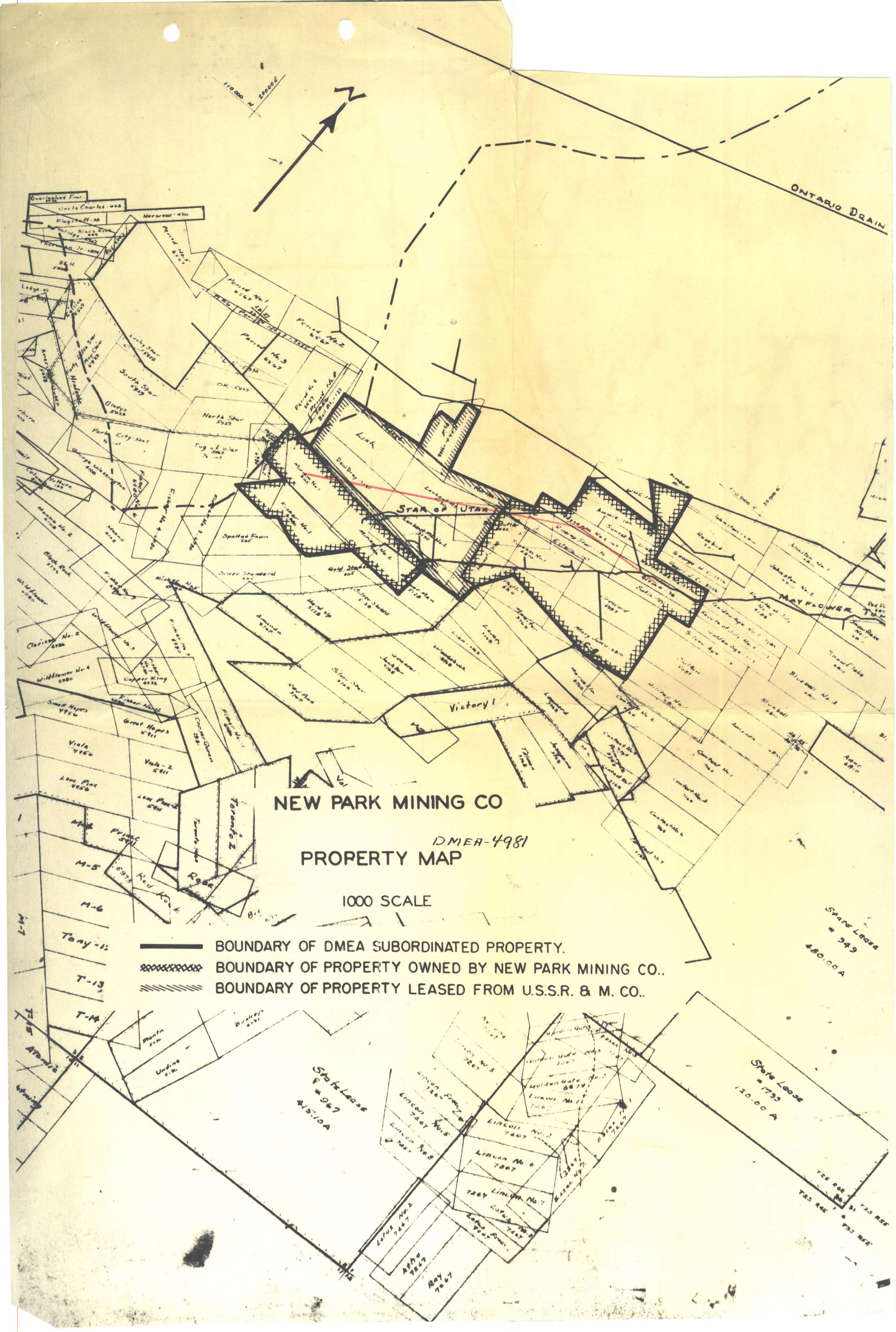


FIGURE 8.--GEOLOGIC MAP OF THE 2005 LEVEL SHOWING RECOMMENDED EXPLORATION, MAYFLOWER MINE, WASATCH COUNTY, UTAH.

DATE 1958	SECTION Map H DMEA Report 41981	PLAN 2005 Level	PLACE NEW PARK MINING COMP
BY Bauer	LOOKING	SCALE 1" = 200'	KEETLEY, UTAH FILE NO

PEMBROKE CO. - Z164 PHOENIX


NEW PARK MINING CO
DMEA-4981
PROPERTY MAP
1000 SCALE
BOUNDARY OF DMEA SUBORDINATED PROPERTY.
BOUNDARY OF PROPERTY OWNED BY NEW PARK MINING CO..
BOUNDARY OF PROPERTY LEASED FROM U.S.S.R. & M. CO..
ONTARIO DRAIN
STAR OF UTAH
MAYFLOWER
Link
Victory I
Silver Standard
Spotted Fawn
Red Rock
Toronto
State Lease
967
415.10A
State Lease
1793
120.00 A
State Lease
949
480.00 A