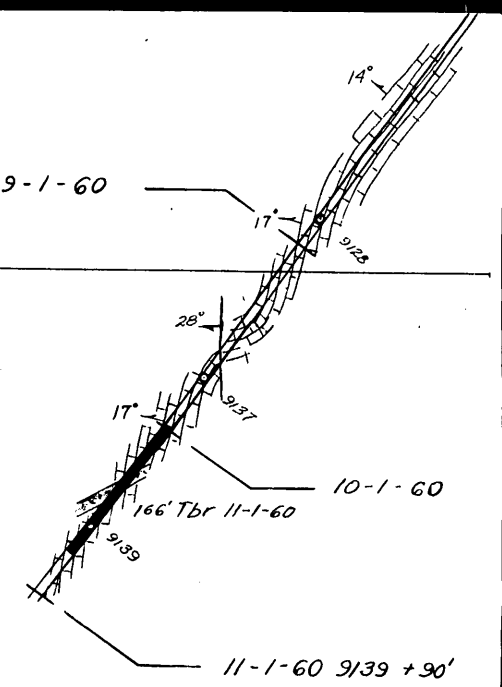
Octo. 1960 MME-60 - E2110 - OME-6074
United Park City Mines Co. (Pb-Zn)

J3000 S

J4000 S

J2000 W

J1000 W




OME DOCKET NO 6074
CONTRACT 2110
UNITED PARK CITY MINES CO.
DALY WEST 2134 S.W.
1"=200'

RECEIVED

DEC 1 1960

OFFICE OF THE SECRETARY
MAIL SECTION

4996

224 New Customhouse
Denver 2, Colorado

May 29, 1958

SPECIAL DELIVERY

Memorandum

To: Secretary to the Operating Committee, DMEA

From: DMEA Field Team, Region III

Subject: Docket No. DMEA 4996 (Lead-Zinc) United Park City Mines Company (Daly West Area) Summit and Wasatch Counties, Utah
Joint Report of Examination

Reviewed by
DMEA OPERATING COMMITTEE
(date)

Enclosed are the original and two copies of a Joint Report of Examination on the subject property by Paul V. Fillo, USBM, and Frank B. Moore, USGS.

The Field Examiners conclude that the probability for making a significant discovery is sufficiently promising to justify Government participation. They recommend that the application, as modified by them, be approved.

Although we concur with the Examiners' belief that exploration targets exist at the intersections of the Middle and Back veins with the formations below the Weber quartzite, particularly the favorable Humbug formation, we view the proposed exploration project unenthusiastically. There is almost no data on the detailed stratigraphy, or structure, on the ore potential of the immediate target area, and it has been necessary for the Examiners to build their case for approval on long projections, which in detail may prove to be incorrect.

If the proposed work is approved, we believe that the first drilling should be used to determine the stratigraphy and structure in the target area in some detail. The difficulty of drilling parallel to veins and intersecting ore bodies at depths of 800 to 1,000 feet, particularly when these ore bodies are expected to extend not more than 75 feet from the veins, is obvious. For this reason we recommend that the contract provide for surveying of all drill holes. If you concur with our opinion that drill hole surveying is necessary, please advise by teletype and we will obtain cost quotations.

The applicant has been niggardly in subordinating ground for the proposed project. We believe the east and north boundaries of the block should be moved at least 100 feet east and north, respectively, and that the west boundary should be moved as much as 2,500 feet west.

JUN 26 1958

Mr. S. K. Droubay, General Manager
United Park City Mines, Company
Heber, Utah

Re: Docket No. DMEA-4996 (Lead-Zinc)
United Park City Mines Company
Daly West Area
Salt Lake, Summit and Wasatch
Counties, Utah

Dear Mr. Droubay:

Your application for aid for an exploration project and other data available to us in Washington concerning your application have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of all our information indicates to us that the probability of disclosing significant ore reserves by your proposed program is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, that your application for exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Program and for bringing your property to our attention.

Sincerely yours,

C. O. Mittendorf

Administrator

WRGriswold/er 6/25/58
Copy to: Docket
Adm'r & File
Op. Committee
Mr. Bishop, USBM
Mr. Aillsgaard, USGS
EMA Region III (2)
Chron.

# STATEMENT

# 1957

# UNITED PARK CITY MINES COMPANY

OFFICE OF THE SECRETARY-TREASURER
1007 Kearns Building
Salt Lake City, Utah

Incorporated under the Laws of the State of Delaware
Par Value $1.00. Non-Assessable. Shares issued 3,886,950
Authorized Capital Stock $6,000,000

## OFFICERS

JOHN M. WALLACE, *President*
FRANK A. WARDLAW, JR., *Vice-President*
J. WM. STONER, *Secretary and Treasurer*
S. K. DROUBAY, *General Manager*

## DIRECTORS

| | |
|---|---|
| S. K. DROUBAY | Heber, Utah |
| J. FRANK FROST | Salt Lake City, Utah |
| W. P. HEWITT | Salt Lake City, Utah |
| JAMES E. HOGLE | Salt Lake City, Utah |
| JAMES IVERS | Salt Lake City, Utah |
| JOHN M. WALLACE | Salt Lake City, Utah |
| FRANK A. WARDLAW, JR. | Salt Lake City, Utah |

## TRANSFER AGENT

CITY BANK FARMERS TRUST CO.
22 William Street
New York City, New York

## REGISTRAR

GUARANTY TRUST COMPANY OF NEW YORK
140 Broadway
New York City, New York

To the Shareholders of

UNITED PARK CITY MINES COMPANY:

World oversupply of most metals continued on through 1957 which resulted in drastic reduction in prices. Many domestic mines have been forced to close down or curtail operations because they cannot compete with low-cost foreign supply which dominates our markets. Lead prices declined from 16c per pound in January to 13c in December. Zinc prices declined from 13½ to 10c per pound in the same period. Wage rates were not increased during the year; however, other costs reflect the general inflationary trend. Because of the decline in metal prices, it was necessary to eliminate most long-range development work and lay off approximately twenty per cent of our employees in order to continue operating.

Approximately one ton of ore was developed for each ton mined, as reserves were slightly greater at the end of the year than they were at the beginning. This was accomplished even though long-range development, which is so vital to future operations, had to be discontinued until metal markets improve. As stated in past reports, there are strong potential areas in the property for development of relatively high grade lead-zinc-silver ore bodies, which if developed, would help compensate for present day unfavorable prices.

Most of the 1957 production came from the Ontario section of the mine where development work resulted in finding additional ore. The Park Utah and Daly West sections maintained a small production which should continue through 1958.

The following data represents operations during the year with comparisons with 1955 and 1956:

| Year | Average No. Employees Per Day | Feet of Development | Feet of Diamond Drill Holes | Feet of Long-hole Percussion Drill Holes | Dry Tons Ore Produced |
|---|---|---|---|---|---|
| 1955 | 236 | 21,160 | 6,683 | 20,139 | 79,363.5 |
| 1956 | 281 | 23,035 | 11,344 | 42,514 | 83,426.95 |
| 1957 | 268 | 17,272 | 4,227 | 58,301 | 96,404.83 |

METALS PRODUCED

| Year | Ounces Au | Ounces Ag | Pounds Pb | Pounds Zn | Pounds Cu |
|---|---|---|---|---|---|
| 1955 | 2900.5 | 344,286.95 | 12,790,969 | 16,815,181 | 193,022 |
| 1956 | 2525.28 | 476,661.11 | 11,841,005 | 16,082,800 | 208,729 |
| 1957 | 2677.29 | 634,997.17 | 12,634,207 | 17,484,547 | 240,806 |

AVERAGE ASSAY

| Year | Ounces Au | Ounces Ag | Per cent Pb | Per cent Zn | Per cent Cu |
|---|---|---|---|---|---|
| 1955 | .037 | 4.34 | 8.17 | 10.59 | .123 |
| 1956 | .030 | 5.71 | 7.10 | 9.64 | .125 |
| 1957 | .027 | 6.60 | 6.59 | 9.08 | .124 |

As approved by the stockholders of both companies, Daly Mining Company was merged with United Park City Mines Company during 1957, resulting in the issuance of 58,541 additional shares of United Park City Mines Company to former stockholders of Daly Mining Company. The merger gives unified ownership to the vital Ontario No. 2 drain tunnel, and has resulted in simplifying many operating problems.

The long-range minerals policy, promised by the government over a year ago, has yet to become a reality. An Emergency Lead-Zinc Committee, established by the industry, is working in Washington with government agencies trying to formulate government policy and legislation that will allow domestic mines to compete with low-cost foreign production. We trust that a solution will be found in the near future.

Respectfully submitted,

S. K. DROUBAY, *General Manager*

JOHN M. WALLACE, *President*

# UNITED PARK CITY

## COMPARATIVE B

### ASSETS

| | Dec. 31, 1957 | Dec. 31, 1956 |
|---|---|---|
| CURRENT ASSETS: | | |
| Cash | $ 184,532.59 | $ 81,614.53 |
| United States Government Securities—at cost (at market quotations, $627,131.25 and $724,810.00, respectively) | 634,284.31 | 748,534.58 |
| Accounts receivable | 137,069.25 | 127,075.63 |
| Supplies — at cost less estimated obsolescence | 196,336.40 | 231,284.79 |
| Prepaid expenses | 6,262.65 | 1,531.85 |
| Total current assets | $ 1,158,485.20 | $ 1,190,041.38 |
| INVESTMENTS — at cost: | | |
| Investment in and advances to affiliated companies | $ 274,707.06 | $ 437,447.02 |
| Other investments | 111,706.29 | 111,706.29 |
| Total investments | $ 386,413.35 | $ 549,153.31 |
| PROPERTY, PLANT AND EQUIPMENT — see note: | | |
| Buildings, equipment and tunnels | $ 2,760,876.82 | $ 2,655,258.51 |
| Less accumulated depreciation | 2,161,155.24 | 2,141,941.34 |
| | 599,721.58 | 513,317.17 |
| Mines, mining claims and lands | 12,685,132.80 | 12,467,328.07 |
| Total property, plant and equipment | 13,284,854.38 | 12,980,645.24 |
| Total assets | $14,829,752.93 | $14,719,839.93 |

NOTE — PROPERTY, PLANT AND EQUIPMENT — BASIS OF VALUATION

Properties acquired in the consolidation of Park Utah Consolidated Mines Company and Silver King Coalition Mines Company on May 8, 1953 and in the merger with Daly Mining Company on June 28, 1957 are carried at the book values as of those dates, such values generally representing cost to the respective companies either in cash or in capital stock at par value. Other property acquired since May 8, 1953, is carried at cash cost.

# Y MINES COMPANY

## BALANCE SHEET

### LIABILITIES, CAPITAL STOCK AND SURPLUS

| | Dec. 31, 1957 | Dec. 31, 1956 |
|---|---|---|
| CURRENT LIABILITIES: | | |
| Accounts and wages payable | $ 162,650.27 | $ 172,121.44 |
| Taxes accrued | 28,534.19 | 30,878.14 |
| Dividends unclaimed | 22,534.55 | 20,786.95 |
| Total current liabilities | 213,719.01 | 223,786.53 |
| RESERVE for Workmen's Compensation | 13,343.28 | 16,551.16 |
| CAPITAL STOCK AND SURPLUS: | | |
| Capital stock: Authorized — 6,000,000 shares of the par value of $1.00 each. | | |

| | Dec. 31, 1957 (shares) | Dec. 31, 1956 (shares) | | |
|---|---|---|---|---|
| Issued | 3,886,941 | 3,828,400 | | |
| Less held in treasury | 1,363.15 | 1,450.95 | | |
| | 3,885,577.85 | 3,826,949.05 | 3,885,577.85 | 3,826,949.05 |
| Surplus (without deduction for depletion) — see note: | | | | |
| Capital surplus | | | 11,046,972.93 | 10,894,293.36 |
| Deficit from operations since May 8, 1953 (deduct) | | | 329,860.14* | 241,740.17* |
| Total capital stock and surplus | | | 14,602,690.64 | 14,479,502.24 |
| Total liabilities, capital stock and surplus | | | $14,829,752.93 | $14,719,839.93 |

The Company and its predecessors have consistently followed the practice of publishing their respective accounts without deduction for depletion of metal mines, and no such deduction is included in these financial statements.

No representation is made that the values at which property, plant and equipment is carried in the Balance Sheet indicate current values.

# UNITED PARK CITY MINES COMPANY

## COMPARATIVE STATEMENT OF PROFIT AND LOSS

| | Year 1957 | Year 1956 |
|---|---|---|
| Sales of ore | $ 2,263,137.82 | $ 2,314,065.87 |
| Royalties and other income from property | 28,024.98 | 43,604.89 |
| Interest income — net | 14,536.74 | 17,499.95 |
| | $ 2,305,699.54 | $ 2,375,170.71 |
| Cost of sales — operating expenses, development, exploration, maintenance, repairs and taxes except income taxes | $ 2,336,736.11 | $ 2,444,246.74 |
| Depreciation | 29,167.80 | 34,343.00 |
| Administrative expense | 27,915.60 | 20,517.16 |
| | 2,393,819.51 | 2,499,106.90 |
| Net Loss, without deduction for depletion | $ 88,119.97 | $ 123,936.19 |

## STATEMENT OF SURPLUS
(without deduction for depletion)

| | Year 1957 | Year 1956 |
|---|---|---|
| CAPITAL SURPLUS: | | |
| Balance at beginning of year | $10,894,293.36 | $10,894,321.76 |
| Surplus arising from merger with Daly Mining Company—June 28, 1957 | 152,660.40 | |
| Profit (loss*) in connection with transactions in treasury stock | 19.17 | 28.40* |
| Balance at end of year | $11,046,972.93 | $10,894,293.36 |
| DEFICIT FROM OPERATIONS SINCE MAY 8, 1953 | | |
| Balance at beginning of year | $ 241,740.17 | $ 117,803.98 |
| Net Loss, without deduction for depletion | 88,119.97 | 123,936.19 |
| Balance at end of year | $ 329,860.14 | $ 241,740.17 |

# AUDITOR'S CERTIFICATE

POGSON, PELOUBET & CO.
CERTIFIED PUBLIC ACCOUNTANTS
25 Broadway
New York 4, New York

To the Board of Directors,
United Park City Mines Company,
Salt Lake City, Utah

We have examined the Balance Sheet of United Park City Mines Company as of December 31, 1957 and the related Statements of Profit and Loss and Surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The practice of the Company in computing net income or net loss without deduction for depletion of metal mines is in accordance with accepted accounting procedures in industries engaged in the mining of copper, zinc, lead, silver and gold and is in agreement with long established and consistently maintained accounting practices and procedures of the Company and its predecessors and others similarly situated.

In our opinion, the accompanying Balance Sheet and Statements of Profit and Loss and Surplus, together with the explanatory notes, present fairly the financial position of United Park City Mines Company at December 31, 1957, 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.

POGSON, PELOUBET & CO.
*Certified Public Accountants*

New York, March 4, 1958

UNITED PARK CITY MINES COMPANY

GENERAL OFFICE HEBER, UTAH

April 24, 1958

Mr. C. O. Mittendorf, Administrator
U. S. Department of the Interior
Defense Minerals Exploration Administration

Dear Mr. Mittendorf:

Enclosed please find four copies of an application for aid in an exploration project filled out on form MF 103, revised.

According to instructions by you and by Mr. Griswald during our conference in Washington on April 22nd, I have streamlined many of the answers as requested on the reverse side of form MF 103 because the Park City District is well-known to all parties concerned and because many publications and reports have been completed over the years and because we have a very complete set of records of the mining property available here at our mine headquarters for use by Governmental agents.

This application is being sent directly to you in order to meet certain dead lines. I will advise Mr. Wilson of the Bureau of Mines in Salt Lake City of this procedure.

I trust this application is complete and that we have given enough information to justify your consideration in granting Governmental assistance. Thanks very much for your patience and consideration.

Sincerely yours,

S. K. Droubay

S. K. Droubay
General Manager

SKD:nen

P.S. In figuring total costs for project, we schedule 50% of the work to be timbered and the diamond drilling costs to be the same as experienced in drilling 50% of the holes in broken quartzite. Notes on the respective schedules point out that only 11% of the work done so far in this type of ground has been timbered and that contract diamond drilling bids should be less because of the absence of most of the quartzite.

Form MF–103
Revised Oct. 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42–R1035.3
Approval expires June 30, 1958

# APPLICATION FOR AID IN AN EXPLORATION PROJECT

PURSUANT TO DMEA ORDER I, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

**NAME OF APPLICANT** (Full legal name and mailing address as it should appear on contract if one is executed)

United Park City Mines Company
Star Route
Heber, Utah

**APPLICANT NOT TO USE THIS BLOCK**

Docket Number
Date Received
Government Participation %
Region
Division Code

**BUSINESS ORGANIZATION** (Check one)

Individual [ ]
Corporation [X]
Partnership [ ]
Other (Specify) [ ]

State in which firm is organized: Delaware

**LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE**

| Name | Address | Title |
|---|---|---|
| John M. Wallace | Salt Lake City, Utah | President |
| Frank A. Wardlaw, Jr. | Salt Lake City, Utah | Vice President |
| J. Wm. Stoner | Salt Lake City, Utah | Secretary-Treasurer |
| S. K. Droubay | Salt Lake City, Utah | General Manager |

Mineral(s) for which you wish to explore: Lead and Zinc

Estimated Cost of Project: $ 351,973.66 (Maximum)

**LOCATION OF PROPERTY**

| Name | County | State |
|---|---|---|
| United Park City Mines Company | Salt Lake<br>Summit<br>Wasatch | Utah |

## GENERAL INSTRUCTIONS

Before filling out this application, please read DMEA Order–I, Revised, "Government Aid in Defense Exploration Projects." To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit four copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 1, existing mine workings and geology in item 2, and the proposed exploration project in item 4. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 2(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals,* of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest DMEA Field Office.*

## CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

April 25, 1958
*Dated*

BY *(Signature)*

General Manager
*Title*

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

## INFORMATION REQUIRED WITH THIS APPLICATION

1. *Applicant's Property Rights:*

*(a)* State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all land adjacent to the proposed project area which you own or control. Describe any part of the project land or workings which should not be subject to Government lien for royalty payments. If the land consists of unpatented claims, state the book and page number for each recorded location notice, including amended locations, and the place where recorded (courthouse, recorder's office, county, and state).

*(b)* State all the names by which you know the property.

*(c)* State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise. If you are not the owner, submit with this application one exact copy of the lease, contract, or other document (with address of owner) under which you control the property.

*(d)* Describe all liens, mortgages, or other encumbrances on the property.

2. *Physical Description:*

*(a)* Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the lands, including existing mine workings. Describe all production facilities.

*(b)* State your interest, if any, in operations stated in 2*(a)*.

*(c)* State, as far as you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

*(d)* Describe known ore reserves on the property giving quantities and grades and sampling methods used, supporting your statement with copies of assay certificates and assay maps if available.

*(e)* Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

*(f)* State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

*(g)* Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you may have, indicating on each whether you require its return to you.

3. *Accessibility of Project:*

*(a)* To aid DMEA representatives who may be required to examine the property, state the name and address of the person who will meet the DMEA representative; give directions for reaching the property; and describe accessibility of the property including the mine workings.

*(b)* Name the shipping and supply points and places where employees reside and state the distances between them and the property.

4. *The Exploration Project:*

*(a)* Describe fully the proposed exploration project giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and longitudinal and cross sections as necessary. Show the location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *property boundaries* or to the closest identifiable corner.

*(b)* If an access road to the project must be built, show the location on the property map and state the length, type, and construction methods proposed.

*(c)* In the event that an exploration contract with DMEA is executed, how soon will the work start and how many months will be required to complete it? State your anticipated average daily or monthly rate of progress for each type of work.

5. *Experience:*

State your operating experience and background with relation to your ability to carry out this exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of Costs:*

Furnish detailed estimates of the costs *for each item of the work proposed in 4(a)* under the headings listed below with a total for each heading and the estimated total cost of the project. Costs for any work to be performed by an independent contractor should be shown separately under category *(a)* below. Costs for any work that is not to be performed by an independent contractor should be given in detail under categories *(b)* through *(g)*.

*(a)* Independent contracts. State the cost of any proposed independent contract for the performance of all or any part of the work, expressed in units of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. *(Note* – If none of the work is to be contracted, write "none" after this item.)

*(b)* Personal services. For necessary supervision, engineering and geological services, and labor, include an itemized schedule of numbers, classes, rates of wages, salaries or fees, and periods of employment. State whether these technicians and employees are available.

*(c)* Operating materials and supplies. List items of material and supplies with their cost. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

*(d)* Operating equipment. List items of operating equipment to be used giving specifications and indicating how each item is to be acquired – i.e., rented, purchased, or provided by the applicant. If it is rented or purchased, state the estimated rental or purchase price. If it is to be furnished by the applicant, give its present fair market value.

*(e)* Initial rehabilitation and repairs. Describe the type and the cost of necessary *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant, which will be used on the exploration project.

*(f)* New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration project stating specifications and cost including labor, materials and supervision.

*(g)* Miscellaneous. For the operating equipment listed in 6*(d)*, describe the type and estimate the cost of repairs and maintenance expected during project operations. Do not repeat initial repairs listed in 6*(e)*. Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories.

*Note* – No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. *(a)* State whether you are prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation stated in Sec. 7 of DMEA Order–I, Revised.

*(b)* Explain to what extent you propose to furnish your share of the costs by providing money, by use of equipment owned by you, or otherwise.

* * * * *

INT.-DUP. SEC., WASH., D.C. 25960

UNITED PARK CITY MINES COMPANY

APPLICATION FOR DMEA AID

1. Applicant's Property Rights:

(a) Applicant owns approximately 8,516 acres of patented mining claims located as a contiguous group in Salt Lake, Wasatch and Summit Counties, Utah. This group includes the majority of mines that have been identified with the Park City, Utah Mining District during the past 75 years. Property outlined on index map. (See 4:a) (See la Government Lein Block)

(b) United Park City Mines Company is comprised of the following divisions: Park Utah, Ontario, Daly, Daly West, Daly Judge and Silver King. These are all former individual mines or groups of mines.

(c) Owner.

(d) None.

2. Physical Description:

(a) Production and workings of the Park City District have been the subject of publications for many years. The property has produced many millions of tons of ore and contains hundreds of miles of underground workings.

(b) Applicant owns and operates the property.

(c) A crew of approximately 250 men produce some nine thousand tons of ore per month from the property, mainly from the Ontario section. The following production from 1875 through 1957 is recorded as:

| | |
|---|---|
| Tons of Ore Mined | 11,712,953 |

UNITED PARK CITY MINES COMPANY

APPLICATION FOR DMEA AID

1. Applicant's Property Rights
1a. Legal Description of Block Subject to Government Lien:

Beginning at Cor. No. 1, from which the corner common to Sections 29, 30, 31 and 32, T. 2 S., R. 4 E., Salt Lake Meridian, a granite stone 6x10 ins., 14 ins. above ground, marked 5 notches on E edge and 1 notch on S edge, bears S. 21° 43' W 2052.0 ft.; running thence South 3937.0 ft. to Cor. No. 2, thence S. 55° 21' E., 1111.8 ft. to Cor. No. 3, thence S. 41° 19' W., 75.3 ft. to Cor. No. 4, thence S. 55° 55' E., 293.8 ft. to Cor. No. 5, thence S. 49° 45' E., 235.4 ft. to Cor. No. 6, thence S. 51° 32' W 586.8 ft. to Cor. No. 7, thence S 36° 47' E., 612.2 ft. to Cor. No. 8, thence N. 51° 10' E., 1493.5 ft. to Cor. No. 9, thence N. 51° 49' E., 812.1 ft. to Cor. No. 10, thence N. 67° 09' E., 451.0 ft. to Cor. No. 11, thence N. 36° 30' W., 605.1 ft. to Cor. No. 12, thence N. 45° 00' W., 1147.8 ft. to Cor. No. 13, thence N. 50° 22' E., 767.5 ft. to Cor. No. 14, thence N. 67° 41' E., 20.2 ft. to Cor. No. 15, thence N. 50° 00' W., 190.1 ft. to Cor. No. 16, thence N. 47° 05' E., 798.5 ft. to Cor. No. 17, thence S. 86° 30' E., 267.4 ft. to Cor. No. 18, thence S. 47° 30' W., 100.0 ft. to Cor. No. 19, thence S. 86° 45' E., 278.0 ft. to Cor. No. 20, thence N. 47° 05' E., 488.7 ft. to Cor. No. 21, thence N. 37° 15' W., 199.0 ft. to Cor. No. 22, thence N. 00° 23' E., 1331.4 ft. to Cor. No. 23, thence West 4007.0 ft. to Cor. No.1, and place of beginning; including an area of 364.739 acres. (Cors. Nos. 2 to 22 inclusive are on the southerly boundary of the United Park City Mines Company property.)

| | |
|---|---|
| Ounces of Gold Produced | 449,937 |
| Ounces of Silver Produced | 194,776,483 |
| Pounds of Lead Produced | 2,274,164,108 |
| Pounds of Zinc Produced | 913,837,201 |
| Pounds of Copper Produced | 60,263,282 |

(d) Ore reserves on January 1, 1958, is recorded as 153,325 tons at 7.8% lead, 10.2% zinc, 7.3 ounces silver and .03 ounces gold. Calculations are based on standard modern mining company procedure and copies of this report, together with the maps used as supporting evidence, are on file at the Company offices.

(e) Ore bodies are found as veins and bedded replacements in a thick series of limestones, quartzites and shales. The District is fully described in many publications, the most noted of which is Boutwell's professional paper #77 published in 1912. Extensive geological work since 1912 has resulted in a comprehensive set of geological and engineering maps on scales from one thousand feet to the inch, to twenty feet to the inch. These are all available for study and inspection at mining headquarters in Park City.

(f) The results of years of mining and the recording of geological data has developed patterns along which ore bodies are generally formed. The plan under consideration is to explore a series of fissures along lower horizons and below large ore bodies that these same fissures made above. This same pattern was followed in the case of the Ontario mine and resulted in locating many thousands of tons of commercial ore.

(g) Geological and engineering reports and maps are available at Company offices in Park City and Keetley, Utah. See maps under 4:a of this application.

3. Accessibility of Project:

(a) Project accessible from geological office in Park City. Phone, Park City 215, Mr. H. V. Stewart or Mr. Marvin Barnes, geologists. Phone Park City 19W for Mr. G. W. DeLaMare, general mine superintendent; phone Park City 19M for Mr. S. K. Droubay, general manager.

(b) Park City, Utah and Keetley, Utah. Both have truck and rail stations.

4. The Exploration Project:

(a) The project includes three thousand feet of crosscutting and twenty-five hundred feet of drifting, together with five thousand feet of diamond drilling from six drilling stations. This work is outlined in the attached report and was explained to Government officials in Washington on April 22, 1958.

(b) None.

(c) Will be able to start immediately after contract is signed. Will take approximately twenty-four months to complete. Advance should average nine feet per day and two hundred twenty-five feet per month.

5. Experience:

S. K. Droubay, general manager. A graduate mining engineer with thirty years practical experience: miner seven years; engineer-geologist five years; chief engineer-geologist three years; mine superintendent three years; mine manager nine years; general manager of mining operations three years.

G. W. DeLaMare, general mine superintendent. A graduate mining engineer with twenty years practical experience: miner five years; mine

engineer two years; underground bossing two years; assistant mine superintendent two and a half years; general mine superintendent two years; self employed at mine leasing six years.

A staff of experienced geologists and engineers will direct and supervise the project.

UNITED PARK CITY MINES COMPANY

GRAND SUMMARY

SCHEDULES I, II, III, and IV

| | |
|---|---|
| 6. (a) Independent contracts | $54,315.00 |
| 6. (b) Personal services | 156,202.53 |
| 6. (c) Operating materials and supplies | 118,413.89 |
| 6. (d) Operating equipment | 3,417.46 |
| 6. (e) No initial rehabilitation or repairs | |
| 6. (f) No new buildings, etc. | |
| 6. (g) Miscellaneous | 19,624.78 |
| | $351,973.66 |

UNITED PARK CITY MINES COMPANY

SCHEDULE I - UNTIMBERED CROSSCUTTING

Exploration Project on Daly West 2100 Level South of the Daly West Shaft

| | |
|---|---|
| Crosscutting 6'x9' with 12" x 24" Ditch | 2,500 Feet (untimbered) |
| Stub Crosscuts | 250 Feet (untimbered) |
| Total | 2,750 Feet per Shift |
| Advance: | 5 Feet per Shift<br>10 Feet per Day |
| Time Needed to Complete Project: | 275 working days<br>11 calendar Months |

Summary

| | | Total Cost | Cost per Foot |
|---|---|---|---|
| 6. (a) | No independent contracts | | |
| 6. (b) | Personal services | 68,290.71 | 24.833 |
| 6. (c) | Operating materials and supplies | 48,488.02 | 17.632 |
| 6. (d) | Operating Equipment | 1,625.80 | .591 |
| 6. (e) | No initial rehabilitations or repairs | | |
| 6. (f) | No new buildings, etc. | | |
| 6. (g) | Miscellaneous | 8,640.23 | 3.142 |
| | Total | $ 127,044.76 | |
| | Cost per foot of advance for 2,500 feet | | $ 46.198 |

UNITED PARK CITY MINES COMPANY

SCHEDULE I



RECAPITULATION OF ESTIMATED EXPENSE

6. (b) Personal Services:

| Labor | No. of Men per Day | Shifts Worked | Wage Rate Including Bonus | | |
|---|---|---|---|---|---|
| Miners | 6 | 1,650 | 24.02 | 39,633.00 | |
| Hoistman (Daly West) | 1 | 275 | 16.02 | 4,405.50 | |
| Station Tender | 1 | 275 | 15.54 | 4,273.50 | |
| Top Carman & Dumpman | 1 | 275 | 15.06 | 4,141.50 | |
| Mechanic & Electrician | 1/4 | 68.75 | 16.50 | 1,134.38 | |
| Timber Framer | 1/8 | 34.375 | 15.54 | 534.19 | |
| Total Basic Labor Cost | | | | 54,122.07 | |
| Time & one-half for 6-day week | | | 8.3-1/3% | 4,510.17 | |
| Vacation | | | 3.6% | 1,948.39 | |
| Holiday Pay | | | 1.8% | 974.20 | |
| Premium Pay | | | 1.7% | 920.08 | |
| Total Labor Cost | | | | | 62,474.91 |

| Supervision: | No. of Men per Day | Shifts Worked | Monthly Wage Rate | | |
|---|---|---|---|---|---|
| Shift Boss | 1/2 | 137.5 | 505.00 | 2,777.50 | |
| Foreman | 1/8 | 34.375 | 570.00 | 783.75 | |
| Mine Superintendent | 1/16 | 17.1875 | 975.00 | 670.31 | |
| Total Supervision Cost | | | | | 4,231.56 |

Geological and Engineering Services:

| | | | | | |
|---|---|---|---|---|---|
| Various | 1/4 | 68.75 | 530.00 | | 1,584.24 |

The following are employed by our Company and will perform services at various times:

| | | |
|---|---|---|
| 1 - Chief Engineer - Geologist | 700.00 | per Mo. |
| 2 - Geologists | 595.00 | " " |
| 1 - Engineer | 595.00 | " " |
| 1 - " | 555.00 | " " |
| 1 - Sampler | 441.00 | " " |
| 1 - Draftswoman | 225.00 | " " |

Total Personal Services 68,290.71

UNITED PARK CITY MINES COMPANY

SCHEDULE I



RECAPITULATION OF ESTIMATED EXPENSE

6. (c) Operating Materials and Supplies:

Lumber and Timber:

None

Explosives:

| | | | | | |
|---|---|---|---|---|---|
| 83 | Loading Sticks | .59 | Each | 48.97 | |
| 39,270 | Ft. Annunciator Wire | 5.10 | M' | 200.28 | |
| 39,270 | Lbs. Gel. Extra 40% Explosive | 22.08 | Cwt. | 8,670.82 | |
| 9,818 | Electric Blasting Caps | .28 | Each | 2,749.04 | |
| | Total Explosives | | | | 11,669.11 |

Track:

| | | | | | |
|---|---|---|---|---|---|
| 2,750 | Ft. Track including 30# Rail, Ties, and Accessories | 2.50 | Ft. | | 6,875.00 |

Pipe:

| | | | | | |
|---|---|---|---|---|---|
| 2,750 | Ft. 3" Pipe | 80.00 | C' | 2,200.00 | |
| 2,750 | Ft. 1" Pipe | 20.60 | C' | 566.50 | |
| 275 | 3" Couplings | 2.06 | Each | 566.50 | |
| 275 | 1" Couplings | .21 | Each | 57.75 | |
| | Misc. Valves & Fittings | | | 550.00 | |
| | Total Pipe | | | | 3,940.75 |

Other Supplies:

| | | | | | |
|---|---|---|---|---|---|
| 264 | Pcs. 7' 10" Coromant Steel | 20.32 | Each | 5,364.48 | |
| 550 | Ft. 3/8" Air Hose (for Water) | .488 | Ft. | 268.40 | |
| 770 | Ft. 1" Air Hose | .833 | Ft. | 641.41 | |
| 41 | Rock Bolts | 1.56 | Each | 63.96 | |
| 28 | Sets Rubber Clothing | 14.58 | Each | 408.24 | |
| 8 | Scaling Bars | 3.05 | Each | 24.40 | |
| 22 | 14" Ridged Wrenches | 3.14 | Each | 69.08 | |
| | Parts & Lubrication for Compressor | | | 38.50 | |
| 28 | Round Point Shovels | 3.98 | Each | 111.44 | |
| 17 | Picks | 3.00 | Each | 51.00 | |
| 17 | Axes | 5.25 | Each | 89.25 | |
| 220 | Gallons Rock Drill Oil | .70 | Gal. | 154.00 | |
| 40 | Gallons Motor Oil | .87 | Gal. | 34.80 | |
| 40 | Lbs Grease | .18 | Lb. | 7.20 | |
| 2,750 | Ft. Double Trolley Line W/Hangers | 1.70 | Ft. | 4,675.00 | |
| | Maintenance for Trolley Line | | Lot | 154.00 | |
| | | | | | 12,155.16 |

Total Carried forward to next page 34,640.02

UNITED PARK CITY MINES COMPANY

SCHEDULE I



RECAPITULATION OF ESTIMATED EXPENSE

| | | | | | |
|---|---|---|---|---|---|
| Total Brought forward from last page | | | | | 34,640.02 |
| | Replacement Parts for Drill | | | 220.00 | |
| | " " " Muckers | | | 550.00 | |
| 2,750 | Ft. 18" Ventilation Pipe | 2.30 | Ft. | 6,325.00 | |
| 3 | Tees 18" | 4.00 | Each | 12.00 | |
| 3 | 90 Ells | 3.00 | Each | 9.00 | |
| | Miscellaneous | | | 550.00 | 7,666.00 |
| Electric Power: | | | | | |
| 11 | Months Compressor | 80.00 | Per Mo. | 880.00 | |
| 11 | Months Lights Etc. | 12.00 | " | 132.00 | |
| 11 | Months Daly West Hoist | 225.00 | " | 2,475.00 | |
| 11 | Months 15-HP Fan | 75.00 | " | 825.00 | |
| 11 | Months 75-HP MG Set | 170.00 | " | 1,870.00 | |
| | Total Electric Power | | | | 6,182.00 |
| | Total Operating Materials and Supplies | | | | 48,488.02 |

6. (d) Operating Equipment:

Equipment to be Rented:

| | | | | | |
|---|---|---|---|---|---|
| 10 | Battery Lamps for 11 Mo. 1.28 per Mo. | | | | 140.80 |

Equipment to be Purchased:

None

Equipment Furnished by Operator:

| | | | | | |
|---|---|---|---|---|---|
| 1 | Eimco 12-B Loader | 11 Mo. 35.00 | per Mo. | 385.00 | |
| 2 | S-58 Airleg Drills | " 25.00 | " | 550.00 | |
| 1 | Grinder for Drill Steel | " 7.00 | " | 77.00 | |
| 1 | Impact Wrench | " 5.50 | " | 60.50 | |
| 1 | 4-Ton Trolley Locomotive | 11 Mo. 25.00 | " | 275.00 | |
| 1 | 15-HP Coppus Fan | 11 Mo. 12.50 | " | 137.50 | |
| | Total Equipment Furnished by Operator | | | | 1,485.00 |
| | Total Operating Equipment | | | | 1,625.80 |

UNITED PARK CITY MINES COMPANY

SCHEDULE I



RECAPITULATION OF ESTIMATED EXPENSE

6. (g) Miscellaneous:

| Accounting | No. of Men Per Day | Shifts Worked | Monthly Wage Rate | | |
|---|---|---|---|---|---|
| Various | 3/8 | 103.125 | 460.00 | | 2,062.50 |
| We have various rated clerks ranging from 600.00 to 360.00 per month. | | | | | |
| Workmans Compensation: | | | | | |
| 3.6% of 70,353.21 | | | | | 2,532.72 |
| Payroll Taxes: | | | | | |
| F.I.C.A. | 2.25% of 70,353.21 | | | 1,582.95 | |
| Unemployment Tax | 1.3 % of " | | | 914.59 | |
| Total Payroll Taxes | | | | | 2,497.54 |
| Welfare Insurance: | | | | | |
| 2.2% of 70,353.21 | | | | | 1,547.47 |
| Total Miscellaneous | | | | | 8,640.23 |

UNITED PARK CITY MINES COMPANY

SCHEDULE II - TIMBERED DRIFTING AND CROSSCUTTING

Exploration Project on Daly West 2100 Level South of Daly West Shaft.

| | |
|---|---|
| Drifting 8' x 9' with 12" x 24" Ditch | 2,500 Feet (Timbered) |
| Stub Crosscuts | 250 " " |
| Total | 2,750 " " |

| | |
|---|---|
| Advance: | 4 Feet per Shift<br>8 Feet per Day |
| Time Needed to complete Project | 343.75 Working days<br>13.75 Calendar Months |

Summary

| | | Total Cost | Cost per Foot |
|---|---|---|---|
| 6. (a) | No independent contracts | | |
| 6. (b) | Personal Service | 82,696.89 | 30.07 |
| 6. (c) | Operating Materials and Supplies | 64,559.93 | 23.48 |
| 6. (d) | Operating Equipment | 1,688.51 | .61 |
| 6. (e) | No initial rehabilitation or repairs | | |
| 6. (f) | No new buildings, etc. | | |
| 6. (g) | Miscellaneous | 10,338.16 | 3.76 |
| | | 159,283.49 | 57.92 |

Note: Out of 2,438 feet of drifting and crosscutting completed south easterly from the Daly West shaft only 270 feet required timber. This work was done in the same formations expected in the project. (see plate 1-4:a) In accordance with past precedent, 50% of the planned drifting and crosscutting has been computed as needing timber.

UNITED PARK CITY MINES COMPANY

SCHEDULE II



RECAPITULATION OF ESTIMATED EXPENSE

6. (b) Personal Services:

| Labor: | No. of Men per Day | Shifts Worked | Wage Rate Including Bonus | Total Basic Cost | |
|---|---|---|---|---|---|
| Miners | 6 | 2,062.5 | 22.90 | $47,231.25 | |
| Hoistman (Daly West) | 1 | 343.75 | 16.02 | 5,506.88 | |
| Station Tender | 1 | 343.75 | 15.54 | 5,341.88 | |
| Top Carman & Dumpman | 1 | 343.75 | 15.06 | 5,176.88 | |
| Mechanic & Electrician | 1/4 | 85.9375 | 16.50 | 1,417.97 | |
| Timber Framer | 1/8 | 42.96875 | 15.54 | 667.73 | |
| Total Basic Labor Cost | | | | 65,342.59 | |
| Time and one-half for 6-day week | | | 8.3-1/3% | 5,445.22 | |
| Vacation | | | 3.6% | 2,352.33 | |
| Holiday Pay | | | 1.8% | 1,176.17 | |
| Premium Pay | | | 1.7% | 1,110.82 | |
| Total Labor Cost | | | | | 75,427.13 |

| Supervision: | No. of Men per Day | Shifts Worked | Monthly Wage Rate | Total Basic Cost | |
|---|---|---|---|---|---|
| Shift Boss | 1/2 | 171.875 | 505.00 | 3,471.88 | |
| Foreman | 1/8 | 42.96875 | 570.00 | 979.69 | |
| Mine Superintendent | 1/16 | 21.484375 | 975.00 | 837.89 | |
| Total Supervision Cost | | | | | 5,289.46 |

Geological and Engineering Services:

| | | | | | |
|---|---|---|---|---|---|
| Various (Same personnel as mentioned in Schedule I) | 1/4 | 85.9375 | 530.00 | | 1,980.30 |
| Total Personal Services | | | | | 82,696.89 |

6. (c) Operating Materials and Supplies:

Lumber & Timber:

| | | | | |
|---|---|---|---|---|
| 204,894 Bd. Ft. Red Pine | 70.00 | M'BM | 14,342.58 | |
| 4,400 Wedges | 3.25 | C | 143.00 | |
| 115 Lbs. 40-d Nails | 12.00 | Cwt. | 13.80 | |
| 230 Lbs. 60-d Nails | 11.75 | Cwt. | 27.03 | |
| Total Lumber & Timber | | | | 14,526.41 |
| Total Operating Materials and Supplies carried forward to Page 2 | | | | 14,526.41 |

UNITED PARK CITY MINES COMPANY

SCHEDULE II



| | | | | |
|---|---|---|---|---|
| Total Operating Materials and Supplies brought forward from Page 1 | | | | 14,526.41 |
| **Explosives:** | | | | |
| Same as Schedule I | | | | 11,669.11 |
| **Track:** | | | | |
| Same as Schedule I | | | | 6,875.00 |
| **Pipe:** | | | | |
| Same as Schedule I | | | | 3,940.75 |
| **Other Supplies:** | | | | |
| Same as Schedule I | | | | 19,821.16 |
| **Electric Power:** | | | | |
| 13.75 Months Compressor | 80.00 | per Mo. | 1,100.00 | |
| 13.75 Months Lights, Etc. | 12.00 | per Mo. | 165.00 | |
| 13.75 Months Daly West Hoist | 225.00 | per Mo. | 3,093.75 | |
| 13.75 Months 15 HP Fan | 75.00 | per Mo. | 1,031.25 | |
| 13.75 Months 75 HP Fan | 170.00 | per Mo. | 2,337.50 | |
| Total Electric Power | | | | 7,727.50 |
| Total Operating Materials and Supplies | | | | 64,559.93 |

6. (d) Operating Equipment:

**Equipment to be rented:**

| | | | | |
|---|---|---|---|---|
| 10 Battery Lamps for 13.75 Mo. @ 1.28 Ea. per Mo. | | | | 176.00 |

**Equipment to be Purchased:**

None

**Equipment to be Furnished by Operator:**

| | | | | |
|---|---|---|---|---|
| 1 Eimco 12-B Loader | 13.75 Mo. @ 35.00 | per Mo. | 481.25 | |
| 1 S-58 Air Leg Drills | 13.75 Mo. @ 25.00 | per Mo. | 343.75 | |
| 1 Grinder for Drill Steel | 13.75 Mo. @ 7.00 | per Mo. | 96.25 | |
| 1 Impact Wrench | 13.75 Mo. @ 5.50 | per Mo. | 75.63 | |
| 1 4 Ton Trolley Locomotive | 13.75 Mo. @ 25.00 | per Mo. | 343.75 | |
| 1 15 HP Coppus Fan | 13.75 Mo. @ 12.50 | per Mo. | 171.88 | |
| Total Equipment Furnished by Operator | | | | 1,512.51 |
| Total Operating Equipment | | | | 1,688.51 |

UNITED PARK CITY MINES COMPANY

SCHEDULE II



6. (g) Miscellaneous:

| | No. of Men per Day | Shifts Worked | Monthly Wage Rate | |
|---|---|---|---|---|
| **Accounting:** | | | | |
| Various (Same personnel as mentioned in Schedule I) | 3/8 | 128.90625 | 460.00 | 2,578.13 |
| **Workman's Compensation:** | | | | |
| 3.6% of $5,275.02 | | | | 3,069.90 |
| **Payroll Taxes:** | | | | |
| F. I. C. A. | 2% of $5,275.02 | | 1,705.50 | |
| Unemployment Tax | 1.3% of $5,275.02 | | 1,108.58 | |
| Total Payroll Taxes | | | | 2,814.08 |
| **Welfare Insurance:** | | | | |
| 2.2% of $5,275.02 | | | | 1,876.05 |
| Total Miscellaneous | | | | 10,338.16 |

UNITED PARK CITY MINES COMPANY

SCHEDULE III - DIAMOND DRILLING

Exploration Project on Daly West 2100 Level South of Daly West Shaft.

5,000 Feet of Diamond Drilling to be placed on bid to an independent contractor

| | | Total Cost | Cost per Foot |
|---|---|---|---|
| 6. (a) | Independent Contract | 54,315.00 | 10.863 |
| 6. (c) | Operating Materials & Supplies: | | |
| | Electric Power for Compressors | 2,575.00 | .515 |
| | Total Cost of Diamond Drilling | 56,890.00 | |
| | Cost per Foot | | 11.378 |

The costs shown are from past experience but we feel we will receive bids for a lower rate.

The above costs were for drilling in broken quartzite and we do not anticipate such difficult drilling conditions.

# SCHEDULE IV - DIAMOND DRILL STATIONS

Six Diamond Drill Stations size 6' x8' - 10' with 25 feet of 6 x 6 Raise

| | |
|---|---|
| Advance: | 1 Station in 7 shifts<br>1 Station in 3½ days |
| Time Needed to Complete Stations | 21 Days<br>.84 Calendar Months |

## Summary

| | | | Total Cost | Cost Per Station |
|---|---|---|---|---|
| 6. | (a) | No Independent Contracts | | |
| 6. | (b) | Personal Services | $5,214.93 | $ 869.16 |
| 6. | (c) | Operating Materials & Supplies | 2,790.94 | 465.16 |
| 6. | (d) | Operating Equipment | 103.15 | 17.18 |
| 6. | (e) | No Initial Rehabilitation | | |
| 6. | (f) | No New Buildings, Etc. | | |
| 6. | (g) | Miscellaneous | 646.39 | 107.73 |
| | | Total | $8,755.41 | |
| | | Cost per Station | | $1,459.23 |

UNITED PINE CITY MINES CO.

SCHEDULE IV

RECAPITULATION OF ESTIMATED EXPENSE

6. (b) Personal Services:

| Labor: | No. of Men Per Day | Shifts Worked | Wage Rate Including Bonus | Total Basic Cost |
|---|---|---|---|---|
| Miners | 6 | 126 | 24.02 | 3,026.52 |
| Hoistman Daly West | 1 | 21 | 16.02 | 336.42 |
| Station Tender | 1 | 21 | 15.54 | 326.34 |
| Top Carman & Dumpman | 1 | 21 | 15.06 | 316.26 |
| Mechanic & Electrician | 1/4 | 5.25 | 16.50 | 86.63 |
| Timber Framer | 1/8 | 2.625 | 15.54 | 40.79 |
| Total Basic Labor Cost | | | | $4,132.96 |
| Time and one-half for 6-day week | | | 8.3-1/3% | 344.41 |
| Vacation | | | 3.6% | 148.79 |
| Holiday Pay | | | 1.8% | 74.39 |
| Premium Pay | | | 1.7% | 70.26 |
| | | | | 637.85 |
| Total Labor Cost | | | | $4,770.81 |
| **Supervision:** | | | No. Wage | |
| Shift Boss | 1/2 | 10.5 | 505.00 | 212.10 |
| Foreman | 1/8 | 2.625 | 570.00 | 59.85 |
| Mine Superintendent | 1/16 | 1.3125 | 975.00 | 51.19 |
| Total Supervision Cost | | | | 323.14 |
| **Geological & Engineering Service:** | | | | |
| Various | 1/4 | 5.25 | 530.00 | 120.98 |
| Same Personal as Mentioned in Schedule I | | | | |
| Total Personal Service | | | | $5,214.93 |

6. (c) Operating Materials and Supplies:

| Timber: | | | |
|---|---|---|---|
| 16,578 Bd. Ft. Red Pine | 70.00 | | $1,160.46 |
| Nails, Etc. | | | 150.00 |
| Total Timber | | | 1,310.46 |

Explosives:

Continued Next Page
Balance Carried Forward 1,310.46

SCHEDULE IV

| | | | | | |
|---|---|---|---|---|---|
| Balance Brought Forward from Last Page | | | | | 1,310.46 |
| **Explosives:** (continued) | | | | | |
| 4 | Loading Sticks | .59 | Each | 2.36 | |
| 330 | Feet Annunciation Wire | 5.10 | M' | 1.68 | |
| 1,971 | Lbs. Gel. Extra 40% Explosive | 22.08 | CWT | 435.20 | |
| 500 | Electric Blasting Caps | .28 | Each | 140.00 | |
| Total Explosives | | | | | 579.24 |
| **Track:** | | | | | |
| 60 | Feet Track including 30# Rail Ties, Accessories | 2.50 | Foot | | 150.00 |
| **Pipe:** | | | | | |
| None | | | | | |
| **Other Supplies:** | | | | | |
| 13 | Pcs. 7'10" Coromant Steel | 20.32 | Each | 264.16 | |
| | Oils and Greases | | | 15.00 | |
| Total Other Supplies | | | | | 279.16 |
| **Electric Power:** | | | | | |
| .84 | Months Compressor | 80.00 | Per Mo. | 67.20 | |
| .84 | " Lights, Etc. | 12.00 | " | 10.08 | |
| .84 | " Daly West Hoist | 225.00 | " | 189.00 | |
| .84 | " 15-HP Fan | 75.00 | " | 63.00 | |
| .84 | " 75-HP MG Set | 170.00 | " | 142.80 | |
| Total Power | | | | | 472.08 |
| Total Operating Materials & Supplies | | | | | $2,790.94 |

6. (d) **Operating Equipment:**

**Equipment to be Rented:**

10 Battery Lamps for .84 Month @ 1.28 each per month 10.75

**Equipment to be Purchased**

None

Balance Carried forward to Next Page 10.75

SCHEDULE IV

| | | | | | |
|---|---|---|---|---|---|
| Balance Brought forward from Last Page | | | | 10.75 | |
| **Equipment to be Furnished by Operator:** | | | | | |
| 1 Eimco 12-B Loader | .84 Mo. | 35.00 | Per Mo. | 29.40 | |
| 1 S-58 Air Leg Drills | " | 25.00 | " | 21.00 | |
| 1 Grinder for Drill Steel | " | 7.00 | " | 5.88 | |
| 1 Impact Wrench | " | 5.50 | " | 4.62 | |
| 1 4-ton Trolley Locomotive | " | 25.00 | " | 21.00 | |
| 1 15-HP Coppus Fan | " | 12.50 | " | 10.50 | |
| Total Equipment Furnished by Operator | | | | | $ 92.40 |
| Total Operating Equipment | | | | | $103.15 |

6. (g) Miscellaneous:

| Accounting: | No. Men Per Day | Shifts Worked | Mo. Wage Rate | |
|---|---|---|---|---|
| Various Same Personal as Mentioned in Schedule I | 3/8 | 7.875 | 460.00 | 157.50 |
| **Workmans Compensation** | | | | |
| 3.6% of $5,372.43 | | | | 193.41 |
| **Payroll Taxes:** | | | | |
| F.I.C.A. 2% of $5,372.43 | | | | 107.45 |
| Unemployment Tax 1.3% of $5,372.43 | | | | 69.84 |
| Total Payroll Taxes | | | | 177.29 |
| **Welfare Insurance:** | | | | |
| 2.2% of $5,372.43 | | | | 118.19 |
| Total Miscellaneous | | | | $646.39 |

7. (a) We are able to furnish our share of the costs as evidenced by the attached financial statement and are well prepared to do so.

7. (b) We will pay all costs of the project pending payment by the Government of their share.

4. (a)

# Memorandum

on

## Geology and Ore Possibilities in Formations Underlying the Weber Quartzite

DALY WEST - JUDGE AREA

UNITED PARK CITY MINES COMPANY

April 11, 1958

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# Memorandum

on

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# M e m o r a n d u m

on

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## INTRODUCTION

The purpose of the proposed Daly West-Judge exploration program is the exploration of the downward extension of the Judge-Daly West fissure systems within the formation underlying the Weber quartzite.

Company records show that approximately 3,400,000 tons of silver-lead-zinc ore have been mined from these fissures and from bedded replacement ore bodies associated with these fissures in the Park City formation, which overlies the Weber quartzite. Thus the area under consideration has been one of the most highly mineralized parts of the Park City district above an elevation of about 7300 feet (see Section I-A). Furthermore, the important ore bodies in the vicinity of the Ontario No. 5 shaft, which have been the source of most of the company's production for the past several years, are localized within the upper Humbug formation, in beds which lie stratigraphically about 800 feet below the base of the Weber quartzite. These ore bodies have now been developed to a depth of about 300 feet vertically below the lowest levels in the Daly West-Judge area (Daly West 2100 level). Also the recent discovery of profitable lead-zinc-silver ore in and along the Back Ledge vein, in the area south of the Daly West shaft on the 2100 level, has shown that such fissures can contain ore shoots of profitable grade at this elevation and within beds at or below the base of the Weber formation.

In view of the above facts, increased attention has recently been focused on the possibility of discovering other new ore shoots in the pre-Weber formations within the block of ground lying to the southwest of the Daly West shaft, for this represents one of the largest areas where the lower limestone formations can be explored from the main drain tunnel level. This area also lies along the downward projection of a strong zone of mineralizing fissures and within this block structural conditions should be similar to those existing in the overlying highly productive parts of the old Judge and Daly West mines.

It is therefore believed that the area under consideration offers a promising target for exploration within the property of the United Park City Mines Company and that the large potential tonnage of new reserves which may exist here justifies the proposed exploration program.

GEOLOGY OF AREA TO BE EXPLORED

Stratigraphy

Recent development work along the Back Ledge vein on the Daly West 2100 level, together with a diamond-drill hole drilled downward from a point near the Daly West shaft on this level, has indicated that the massive Weber quartzite unit in this area may overlie about three hundred feet of limestone which is in turn underlain by another quartzite bed of equal thickness. The limestone unit and the so-called "lower quartzite" unit may represent the lower part of the Weber formation. As shown by the above-mentioned drill hole, these beds are underlain in turn by about eight hundred feet of limestone, sandy limestone and shale which are believed to represent the Morgan and Doughnut formations. The drill hole bottomed in a dark shale unit which probably represents the shale unit at the base of the Doughnut,

immediately overlying the Humbug formation. It thus seems certain that the great thickness of calcareous beds underlying the massive Weber quartzite will be present on or below the 2100 level in the area under consideration. These pre-Weber formations include several horizons known to be favorable for replacement by ore in the Ontario and New Park mines.

Structure

In the vicinity of the Daly West shaft the various bedded formations, on both the upper and lower levels, have a general northeasterly strike, with a general dip of about 30 degrees to the northwest (see Plates 1 and 5). As shown by the extensive workings of the Judge mine, the beds gradually swing to a more easterly-westerly direction as they are followed southwesterly and westerly, so that in the area south of the Judge shaft, the general strike is about south 70 degrees west. This results in the development of a broad synclinal fold, plunging gently in a northwesterly direction toward the Daly fault. The great bedded replacement ore bodies of the Judge and Daly West mine, localized in the lower Park formations, were formed along the east flank of this fold, where the favorable beds were cut by the major fissure zones (Roll stope, etc.) and also extended westerly along the fissures to the trough of the syncline where the strike of the beds is parallel to that of the feeding fissures. The extent of the stoping on the Jenney horizon (lower Park City formation) along the Judge-Daly West fissure zone is shown on Plate 6.

The same synclinal structure should be present in the limestone horizons below the Weber quartzite on the Daly West 2100 level, as shown by the projection made on Plate 1.

As shown by Plates 2, 3, and 4, the sediments in the block between

the Daly fault to the north and the large diorite intrusive to the south are cut by a series of easterly-westerly fissures and faults, with most of the mineralized structures dipping to the south. The series of fissures and faults which is known on the Middle Vein system is also associated with several steeply-dipping dikes of diorite-porphyry. Most of the south-dipping faults have lateral or normal fault-type displacements successively dropping the beds to the south. The major productive fissures within this block are (1) the Back Ledge vein, productive through the Weber formation in the area east and southeast of the Daly West shaft, (2) the Roll vein, productive above the Weber in the area between the Daly West and Judge shafts, (3) the Middle Vein system, productive above the Weber over a total length of about 5000 feet, and (4) the Back Vein, productive for a total length of about 2000 feet.

With the exception of the Back Ledge vein, all of these structures must be projected to the 2100 level from their known locations on the upper levels near the top of the Weber quartzite (as shown on Plate 1). The Back Vein of the Judge mine is a strong, well-defined mineralized fault which can be projected with a fair degree of certainty to the 2100 level elevation. The Middle Vein system, considered as a zone of fissuring in combination with porphyry dikes, can also be assumed to extend downward through the Weber quartzite. The Roll vein is a weaker structure and may not extend through the Weber: the Back Ledge vein appears to weaken west of the Daly West shaft. However, it is believed that sufficient fissuring associated with the Middle and Back vein zones will be found below the Weber quartzite to allow extensive mineralization in the pre-Weber formations.

PROBABLE CHARACTER OF MINERALIZATION

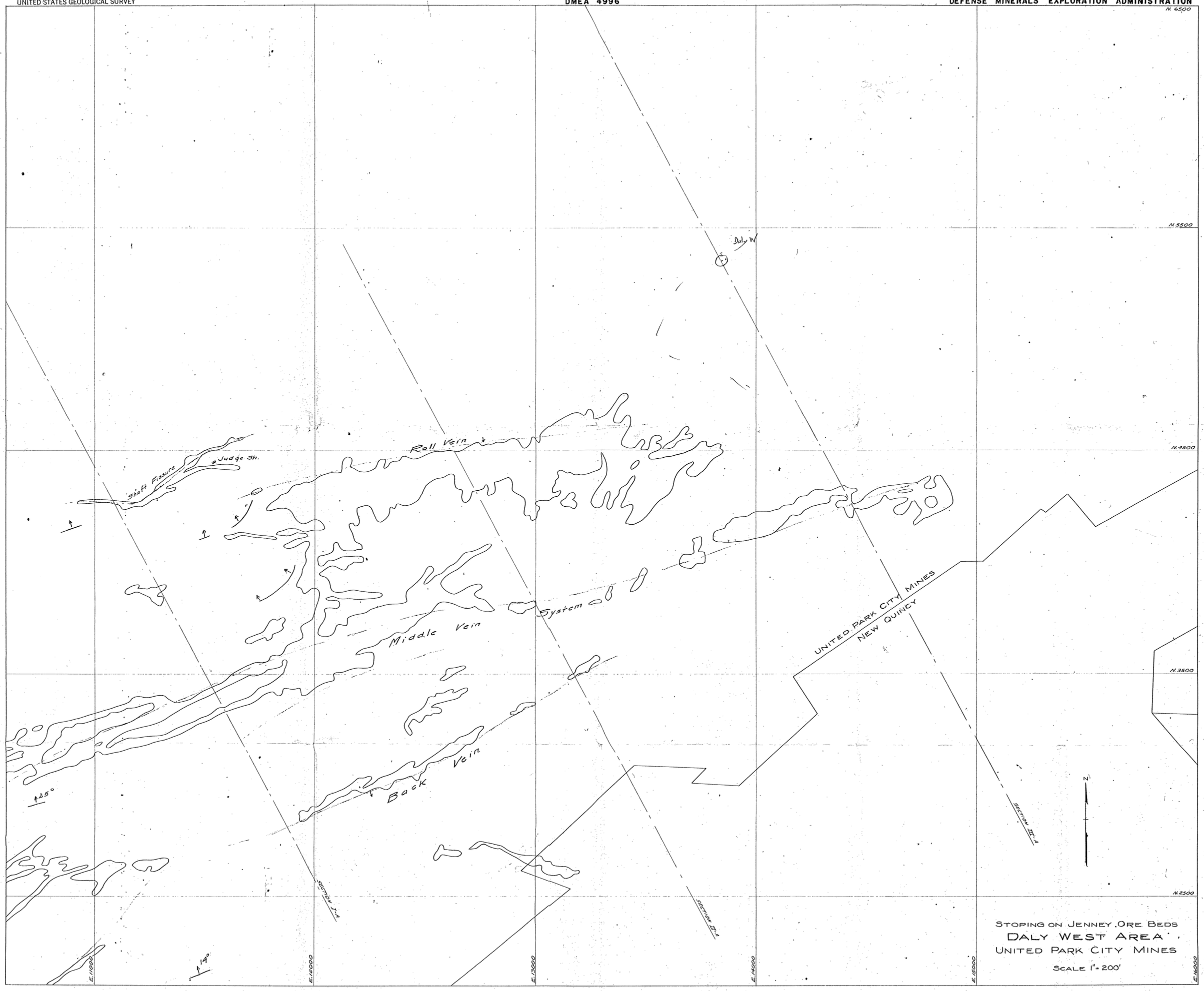
The probable character of the mineralization at this depth and in this sector of the Park City district may, to some degree, be a matter of speculation, but in this respect the most recent developments on the Daly West 2100 level have been reassuring. During the past several years lead-zinc-silver ore of good grade has been developed along the Crescent fault zone on this level: like mineralization of good grade has been exposed along the Daly fault and in associated fissures. Even more pertinent to this question is the grade of the new ore shoot now being developed and mined on the Back Ledge vein where production to date has had an average content of approximately .03 oz. gold, 7 oz. silver, 7.5% lead and nearly 9% zinc. This can be compared with the overall average grade of over 4 million tons produced from the Daly West and Judge mines as follows: gold = 0.02 oz., silver = 12.0 oz., lead = 8.7% and zinc = 4.7%. Thus there is good evidence for believing that lead-zinc-silver ore of profitable grade can be found in this area on or below the elevation of the present lowermost workings.

METHOD OF EXPLORATION AND AMOUNT OF WORK REQUIRED

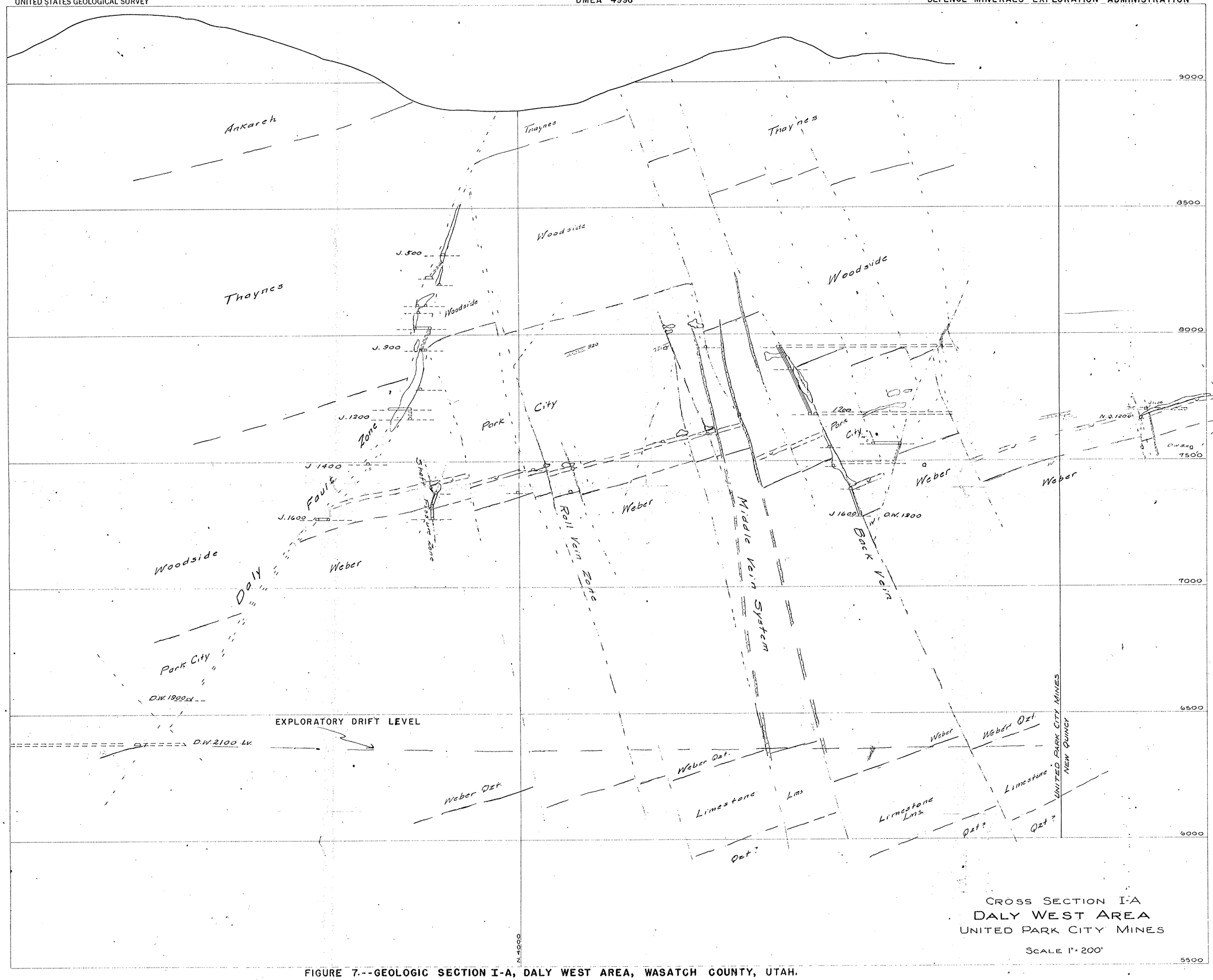
Based upon the geological projections shown on the accompanying maps, it appears that the preliminary exploration of this area could best be done by driving southwesterly from the present Back Ledge workings on the 2100 level to crosscut the Middle and Back Vein fissure zones in the area west of the New Quincy property line, followed by drifting westerly along these fissure zones, provided that favorable structures be cut by the crosscut heading. Should ore or encouraging mineralization be found in these drifts, vertical exploration by raising, sinking or diamond drilling might also be required.

A lay-out for the proposed main crosscut and drifts is shown on Plate 1. As here shown, the proposed main crosscut would have a total length of approximately 2500 feet. Assuming that favorable geological conditions for ore formation are indicated by this penetration, 1500 feet of drifting along the Middle Vein zone and 1000 feet of drifting along the Back Vein are included as part of this project, making a total footage of 5000 feet for the main exploration headings. Furthermore, in connection with the proposed drifting, an additional 500 feet of headings, in the form of short crosscuts to locate, penetrate or sample the mineralized structures, will probably be necessary. Also, vertical exploration along the fissure zones to test favorable bedded horizons, either above or below the 2100 level, will doubtless be required if mineralized fissures are exposed in the 2100 level headings and a total of 5000 feet of diamond drilling, from six diamond drill stations, is estimated for this phase of exploration. The exact locations of the diamond drill stations, as well as the short crosscuts mentioned above, are not shown on Plate 1 as the positions of these workings will be determined by geological data to be obtained as the work progresses in the main drifts or crosscuts.

The total estimated footage thus includes (1) 2500 feet for the main penetration crosscut, (2) 2500 feet of drifting, (3) 500 feet for short crosscuts from the main drifts, (4) six diamond drill stations, and (5) 5000 feet of diamond drilling.




FIGUR 3.--MAP SHOWING ORE BODIES AND VEINS IN THE DALY WEST AREA, WASATCH COUNTY, UTAH.




CROSS SECTION I-A
DALY WEST AREA
UNITED PARK CITY MINES
SCALE 1" = 200'

FIGURE 7.--GEOLOGIC SECTION I-A, DALY WEST AREA, WASATCH COUNTY, UTAH.

DEPARTMENT OF THE INTERIOR
UNITED STATES GEOLOGICAL SURVEY

EXAMINATION REPORT
DMEA 4996

PREPARED FOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

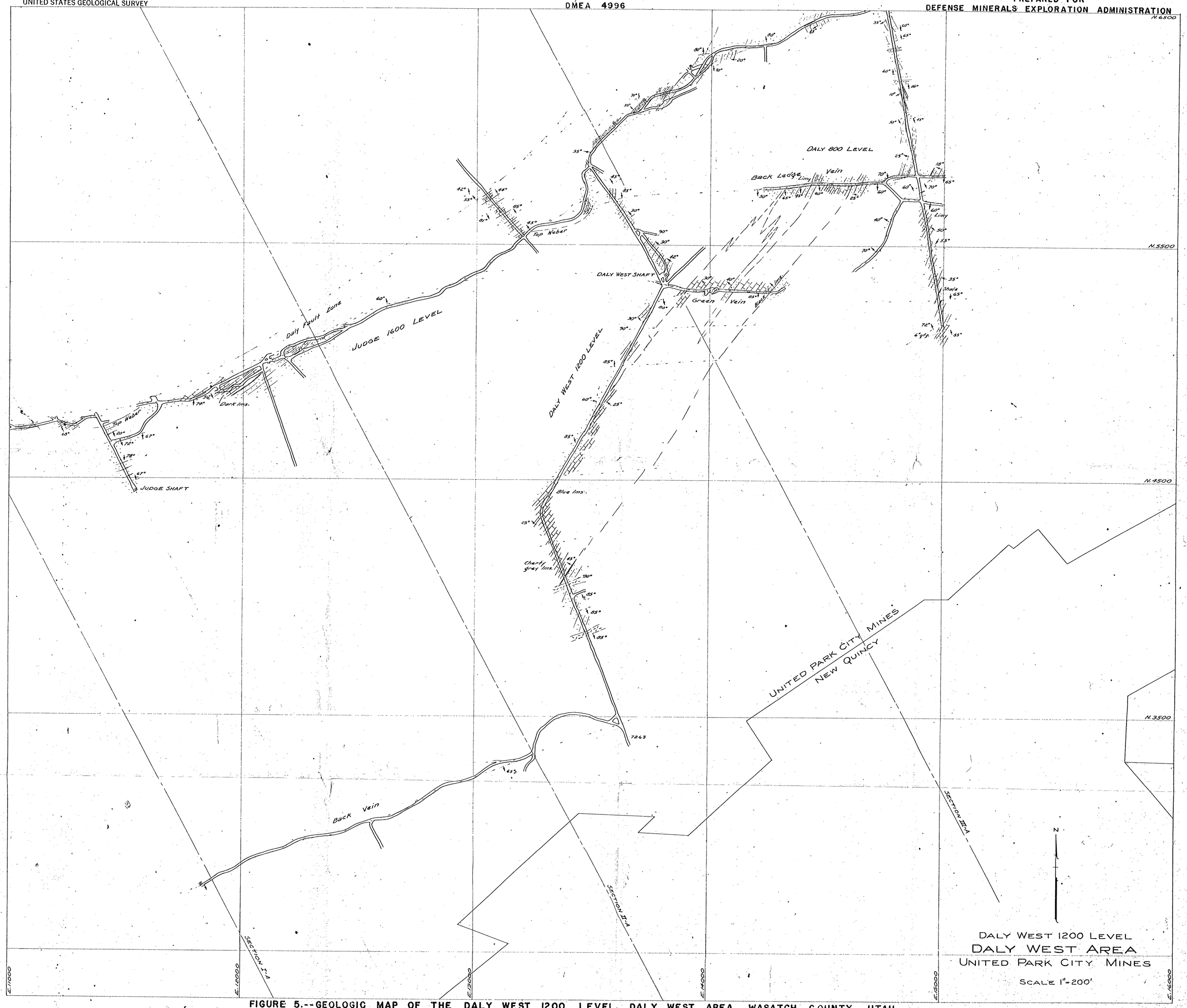
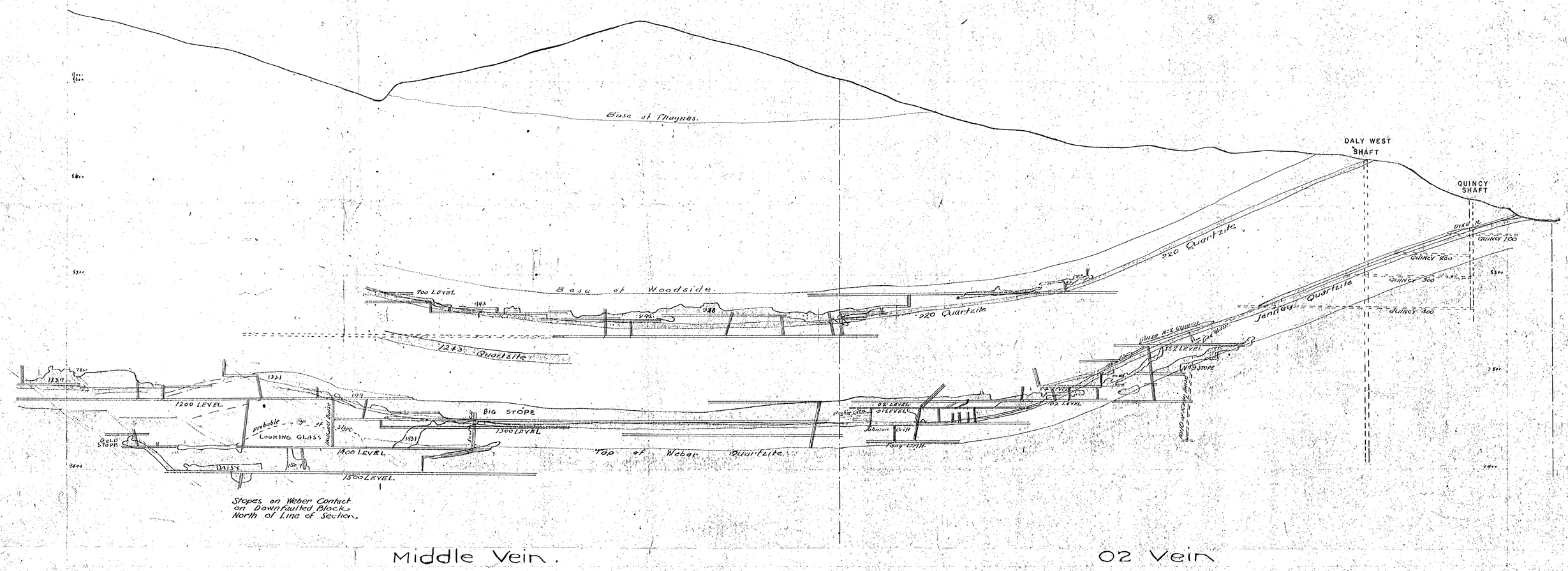



FIGURE 5.--GEOLOGIC MAP OF THE DALY WEST 1200 LEVEL, DALY WEST AREA, WASATCH COUNTY, UTAH.

# LONGITUDINAL SECTION
OF THE
# MIDDLE & O2 VEINS
## JUDGE & DALY WEST MINES.

LOOKING NORTH SCALE 1 IN = 200 FT.




By Billingsley
Poc. 4.
Fold 1.

FIGURE 4.--LONGITUDINAL SECTION SHOWING ORE BODIES ALONG THE MIDDLE VEIN, DALY WEST-JUDGE AREA, WASATCH COUNTY, UTAH.

I.S.&R.
2-3

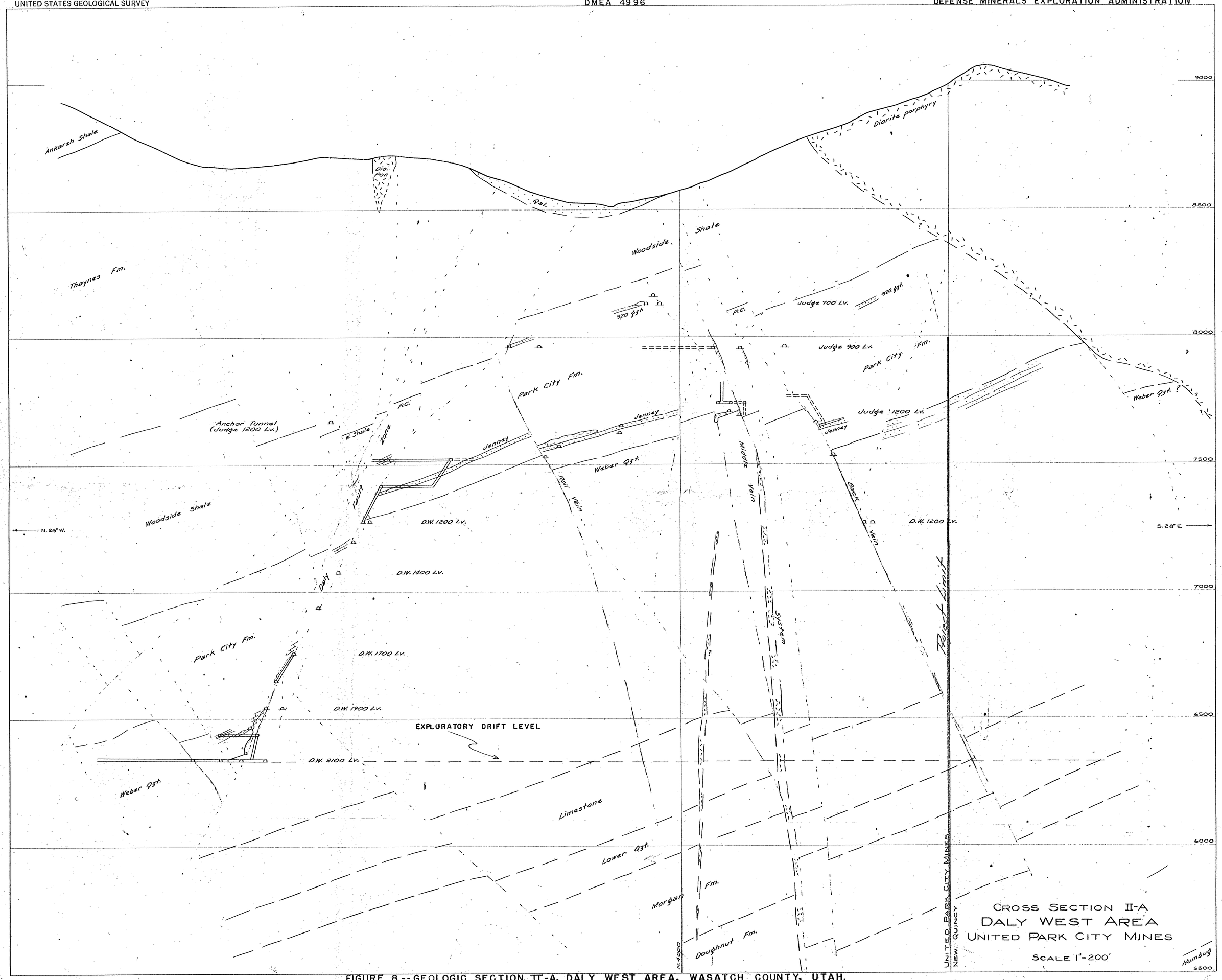



FIGURE 8.--GEOLOGIC SECTION II-A, DALY WEST AREA, WASATCH COUNTY, UTAH.

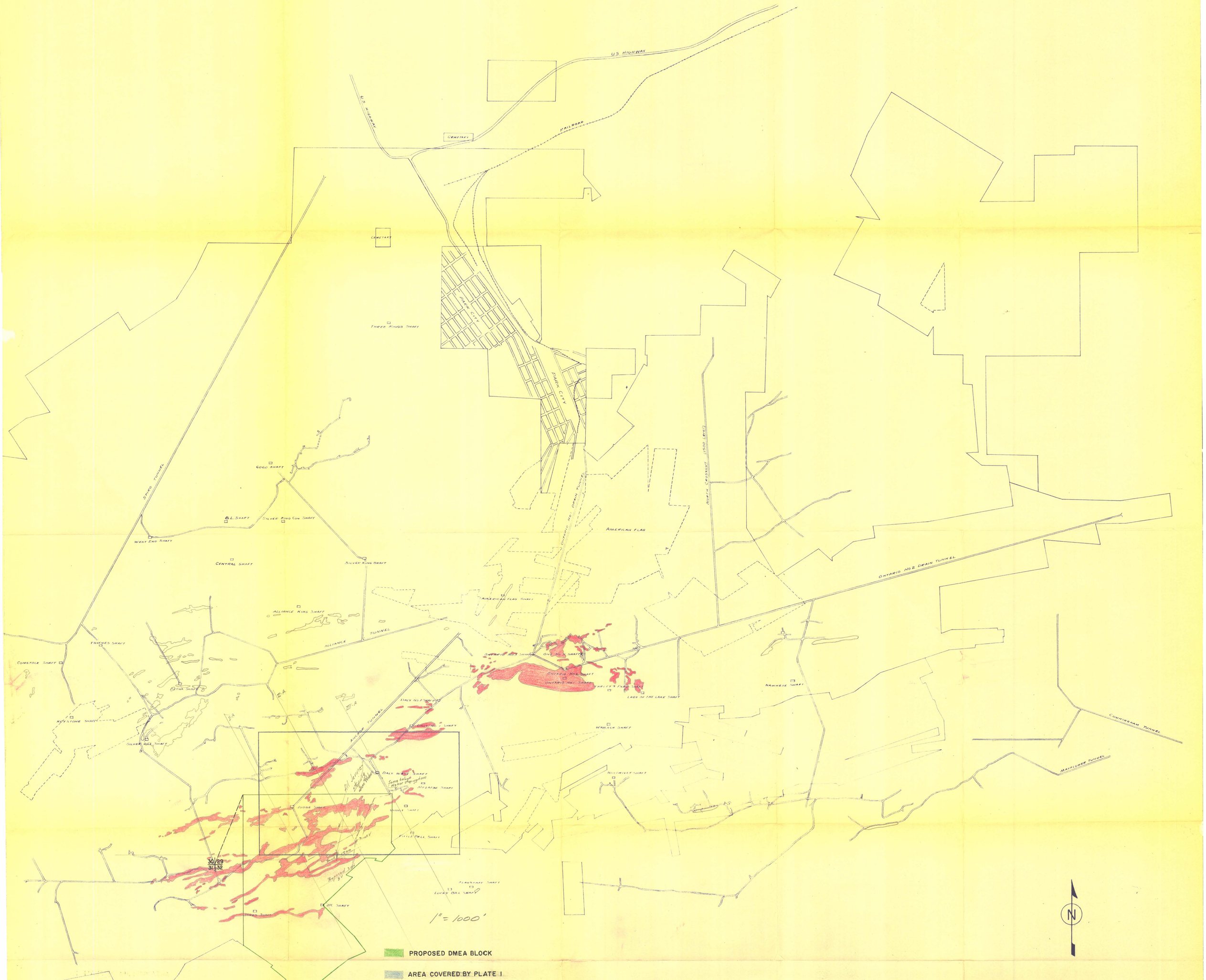


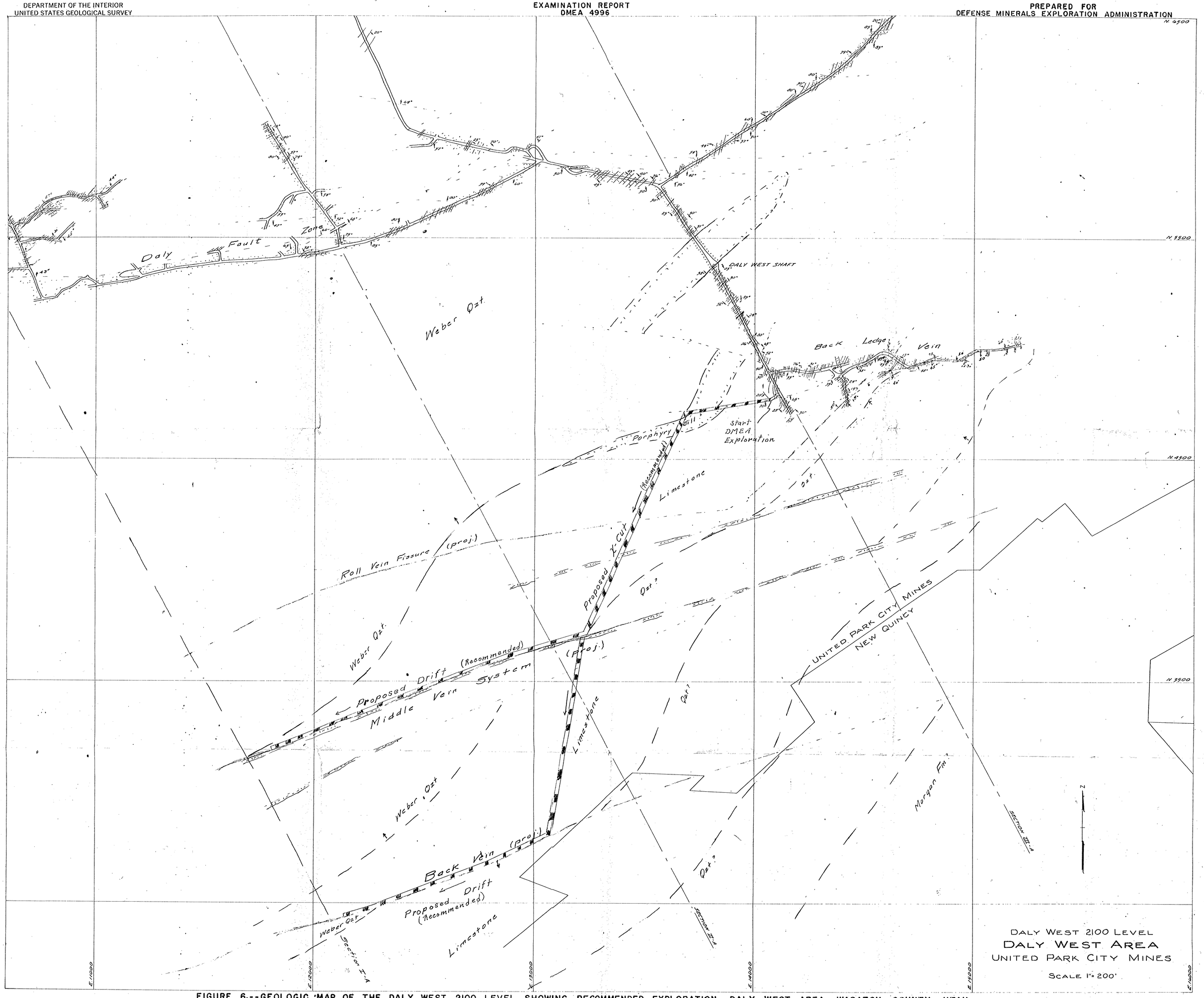

Fig. 2

UNITED PARK CITY MINES

PARK CITY DISTRICT, UTAH

SCALE 1" = 1000'

1500-1232-A




DALY WEST 2100 LEVEL
DALY WEST AREA
UNITED PARK CITY MINES
SCALE 1" = 200'

FIGURE 6.--GEOLOGIC MAP OF THE DALY WEST 2100 LEVEL SHOWING RECOMMENDED EXPLORATION, DALY WEST AREA, WASATCH COUNTY, UTAH.

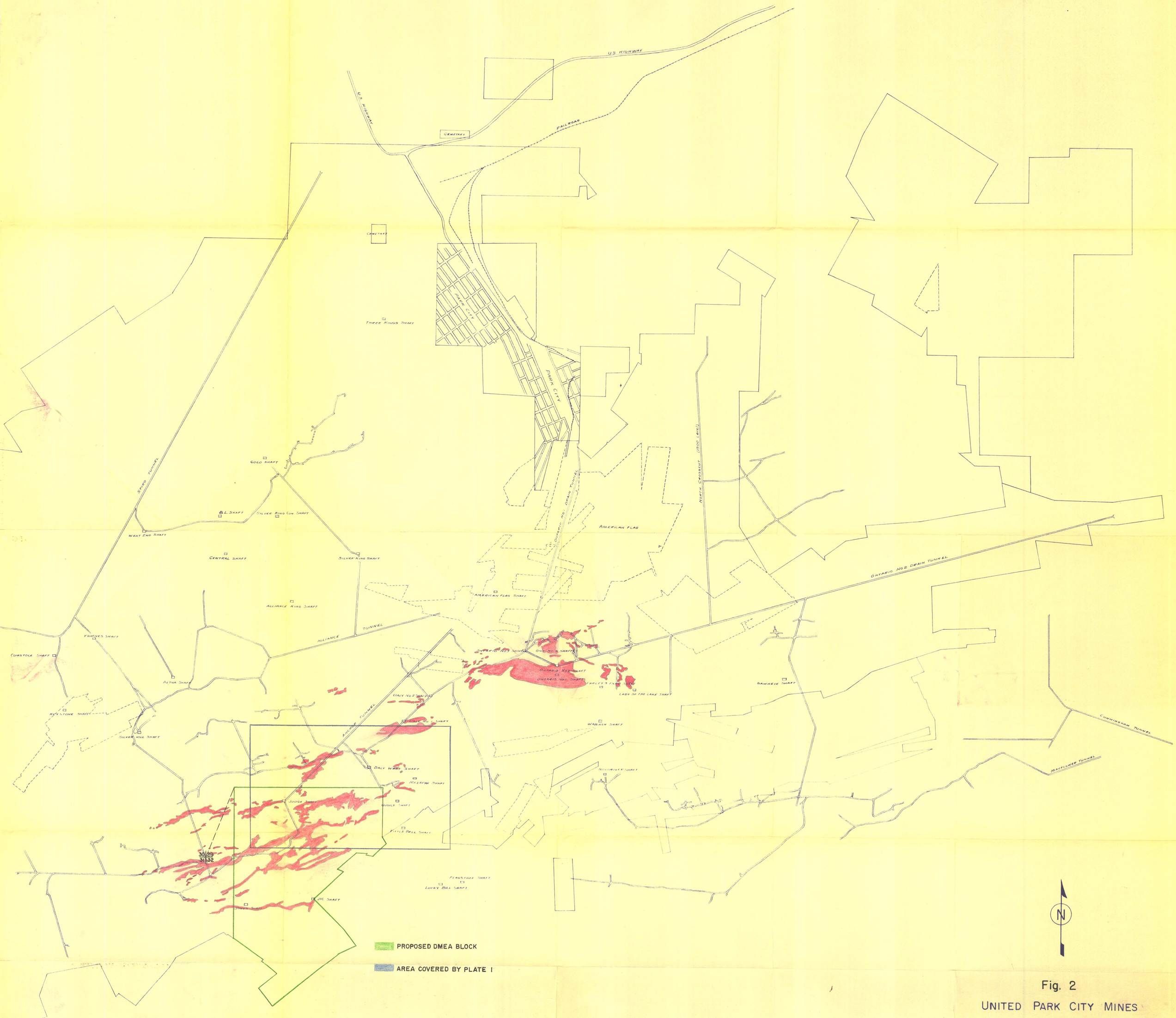


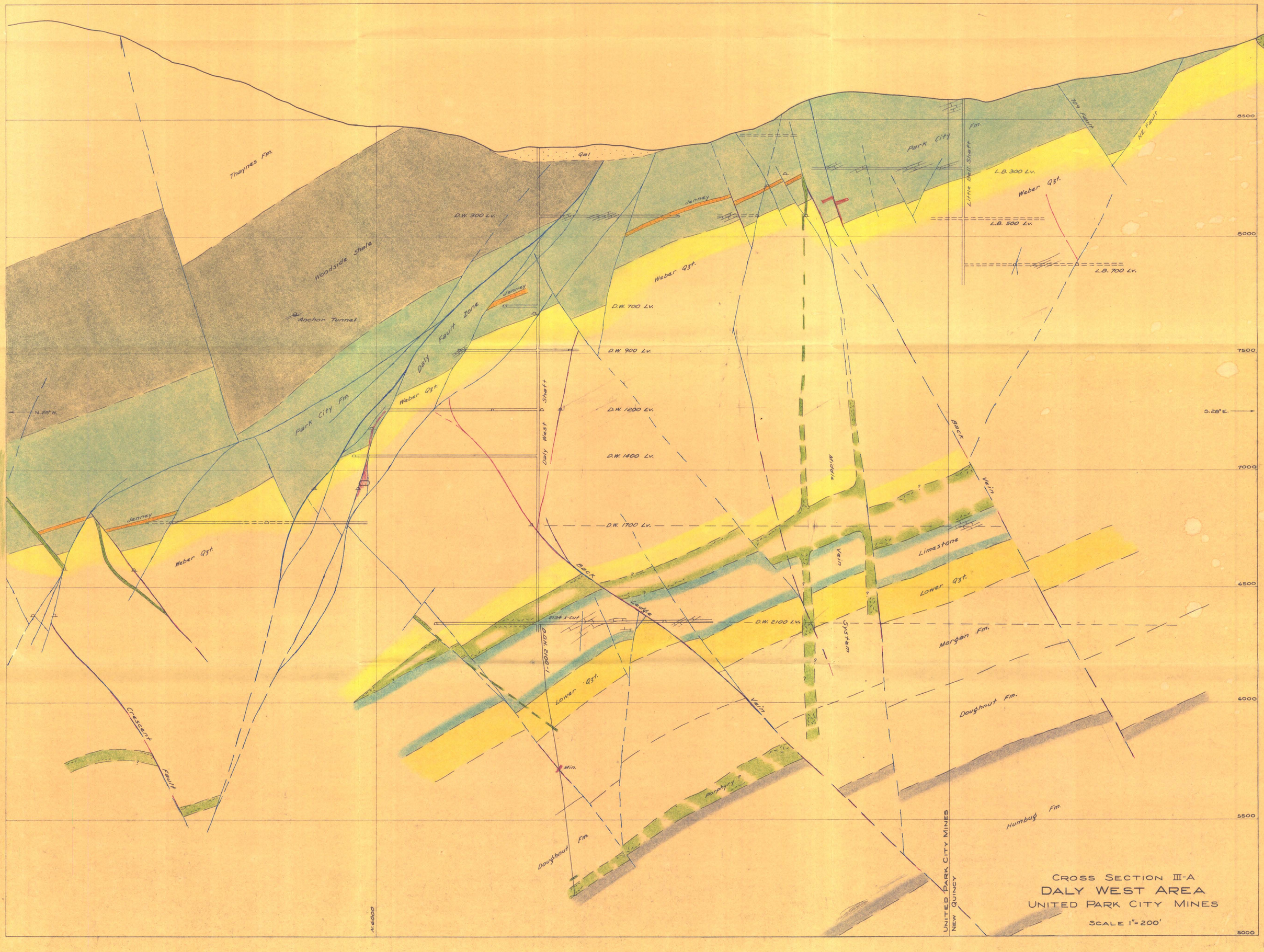

Fig. 2

UNITED PARK CITY MINES

PARK CITY DISTRICT, UTAH

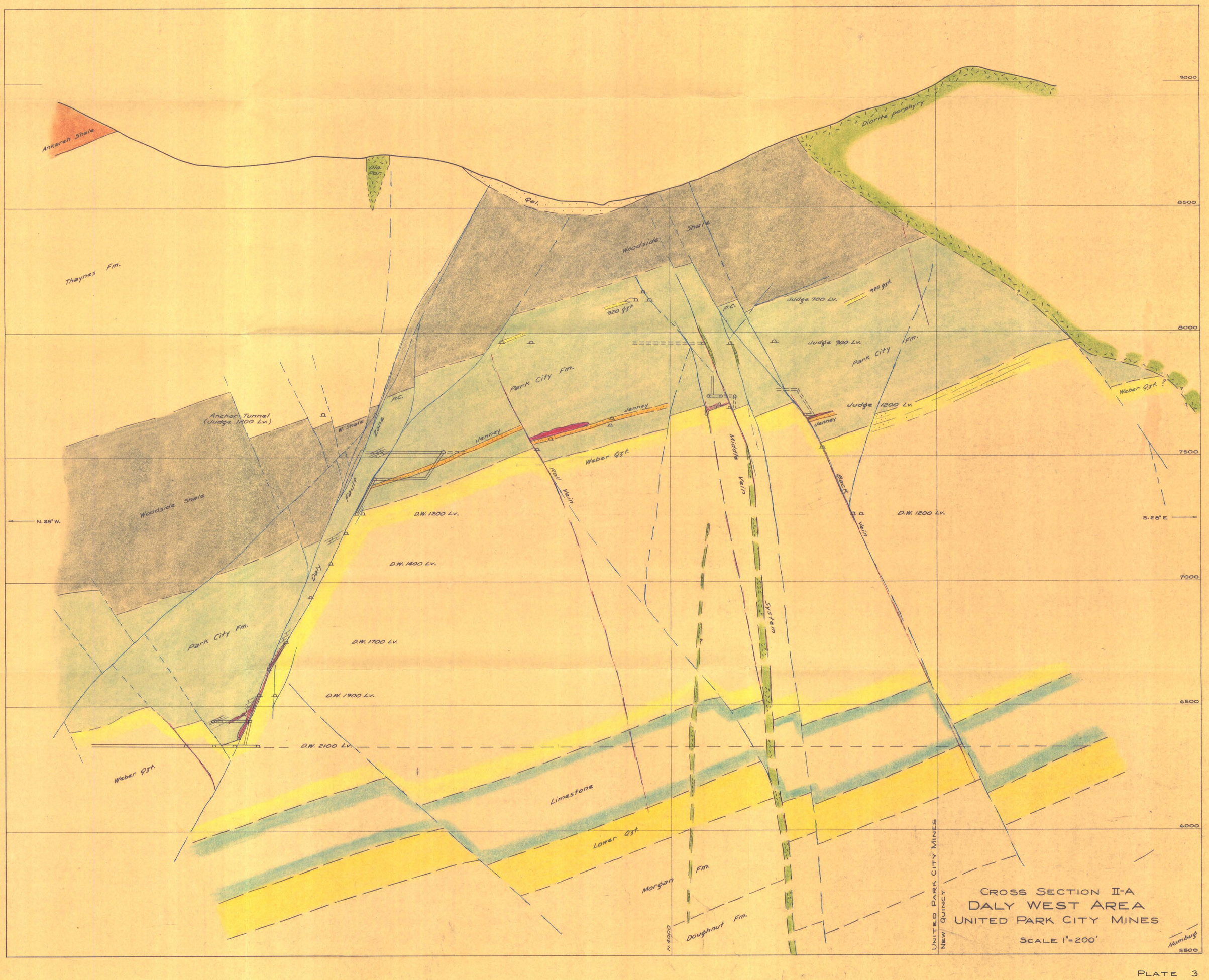
SCALE 1" = 1000'

1500 - 1232 - A

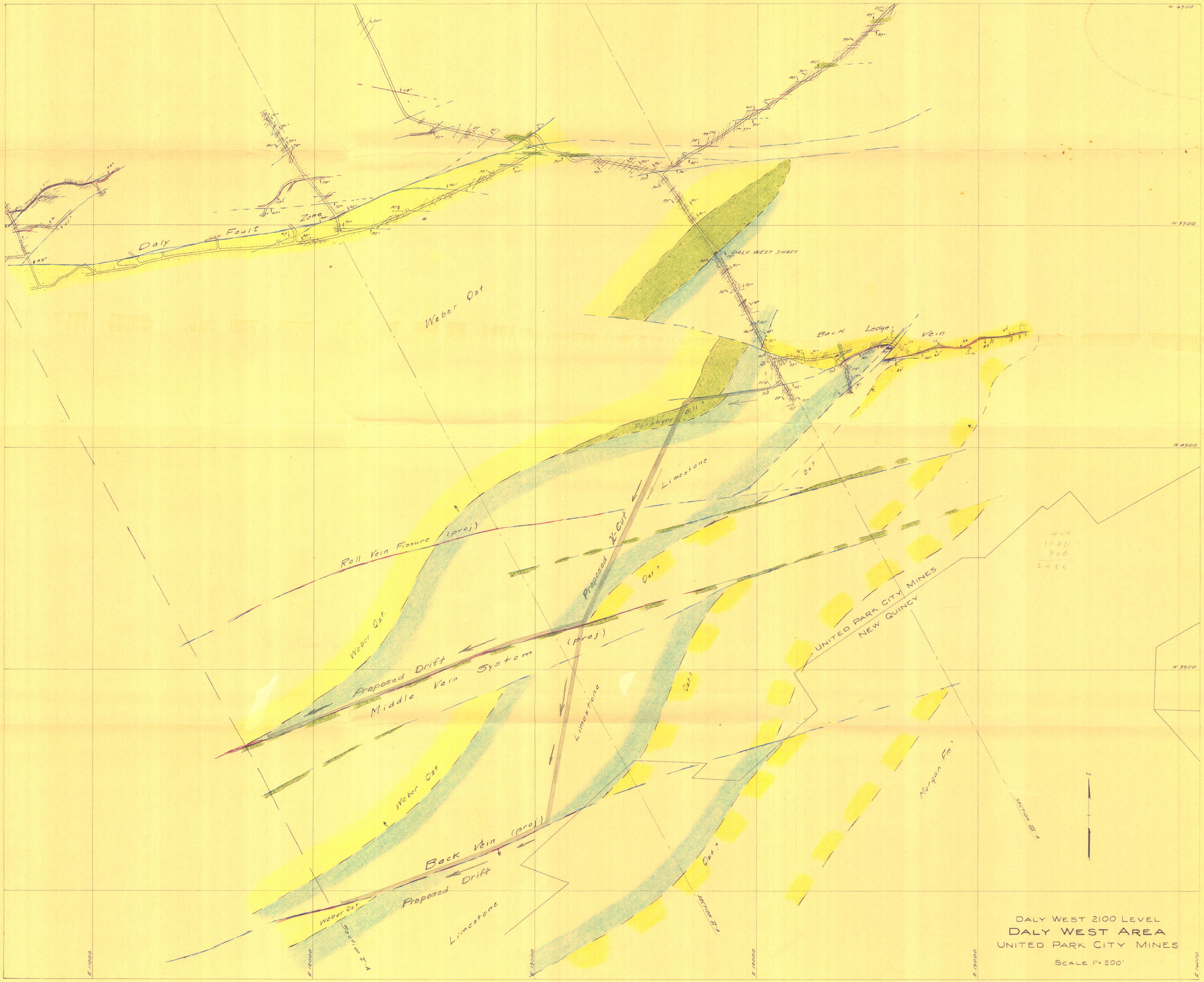



CROSS SECTION III-A
DALY WEST AREA
UNITED PARK CITY MINES
SCALE 1" = 200'

PLATE 4




CROSS SECTION II-A
DALY WEST AREA
UNITED PARK CITY MINES
SCALE 1" = 200'




DALY WEST 2100 LEVEL
DALY WEST AREA
UNITED PARK CITY MINES
SCALE 1" = 200'

PLATE I

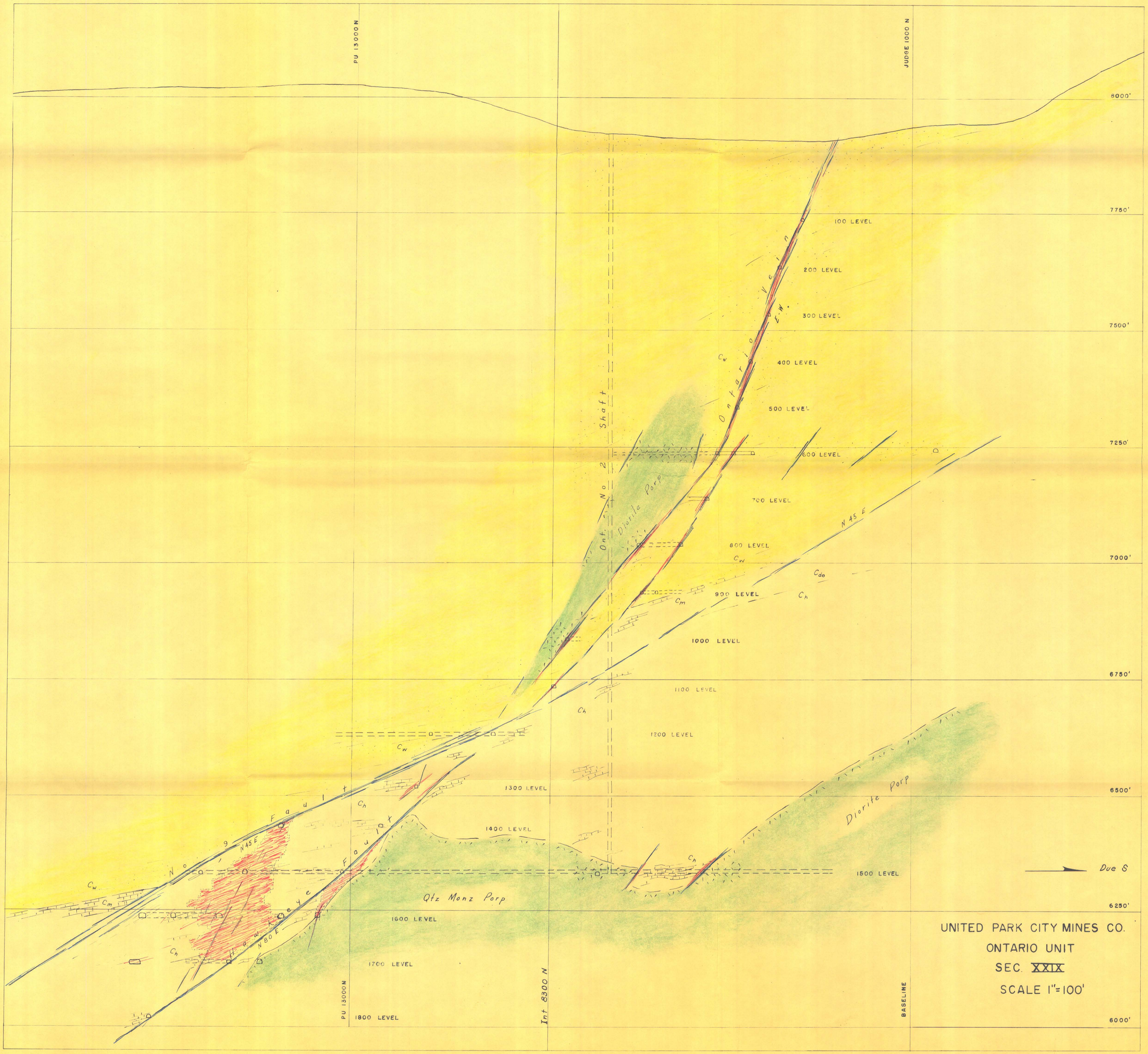

PU 13000 N
JUDGE 1000 N
8000'
7750'
7500'
7250'
7000'
6750'
6500'
6250'
6000'
100 LEVEL
200 LEVEL
300 LEVEL
400 LEVEL
500 LEVEL
600 LEVEL
700 LEVEL
800 LEVEL
900 LEVEL
1000 LEVEL
1100 LEVEL
1200 LEVEL
1300 LEVEL
1400 LEVEL
1500 LEVEL
1600 LEVEL
1700 LEVEL
1800 LEVEL
Ontario Vein
E-W.
Ont. No 2 Shaft
Diorite Porp
N 45 E
Cw
Cdo
Cm
Ch
No 9 Fault
N45E
Hawkeye Fault
N80E
Qtz Monz Porp
Diorite Porp
Due S
PU 13000N
Int 8300 N
BASELINE
UNITED PARK CITY MINES CO.
ONTARIO UNIT
SEC. XXIX
SCALE 1"=100'

PLATE 7

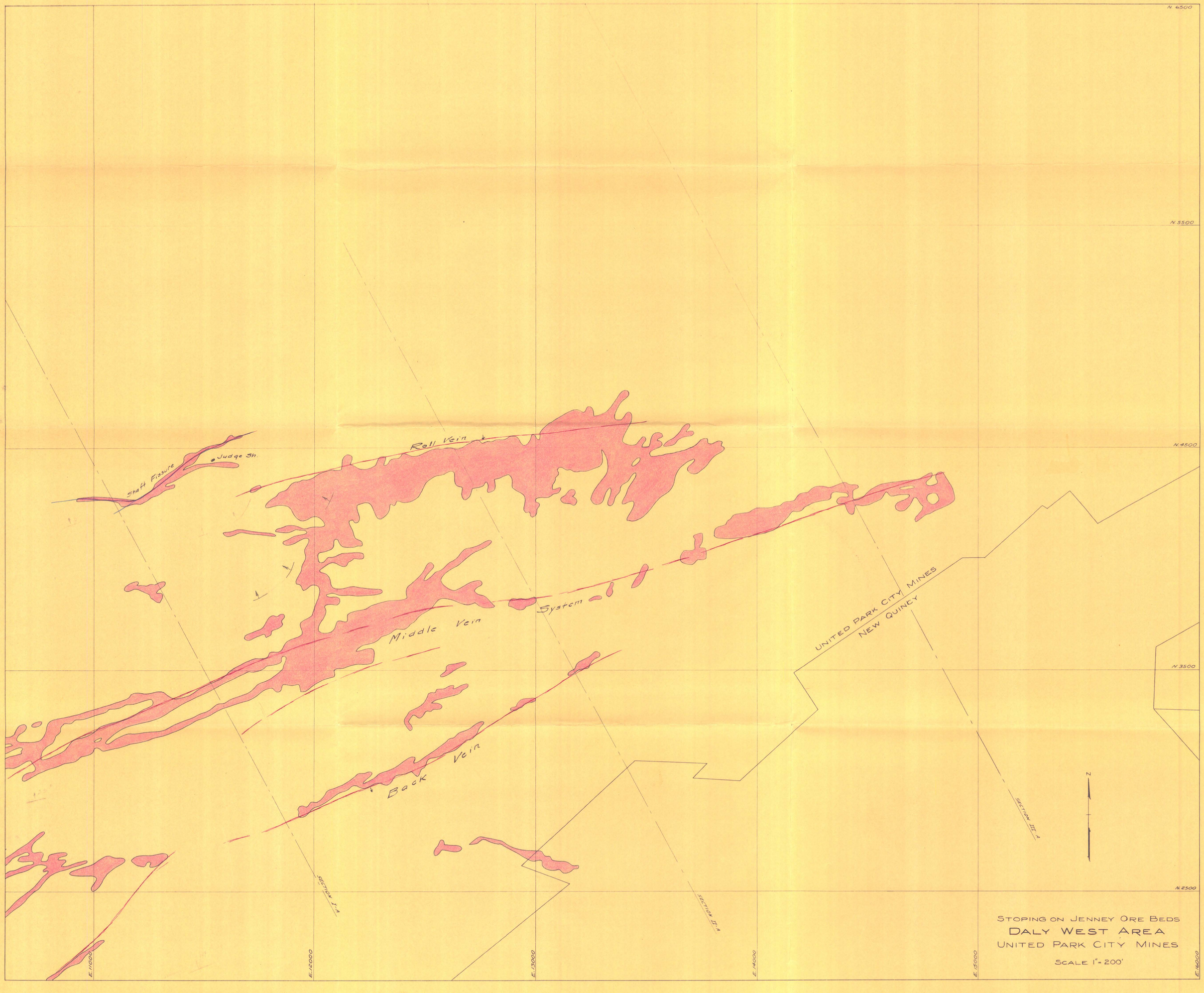
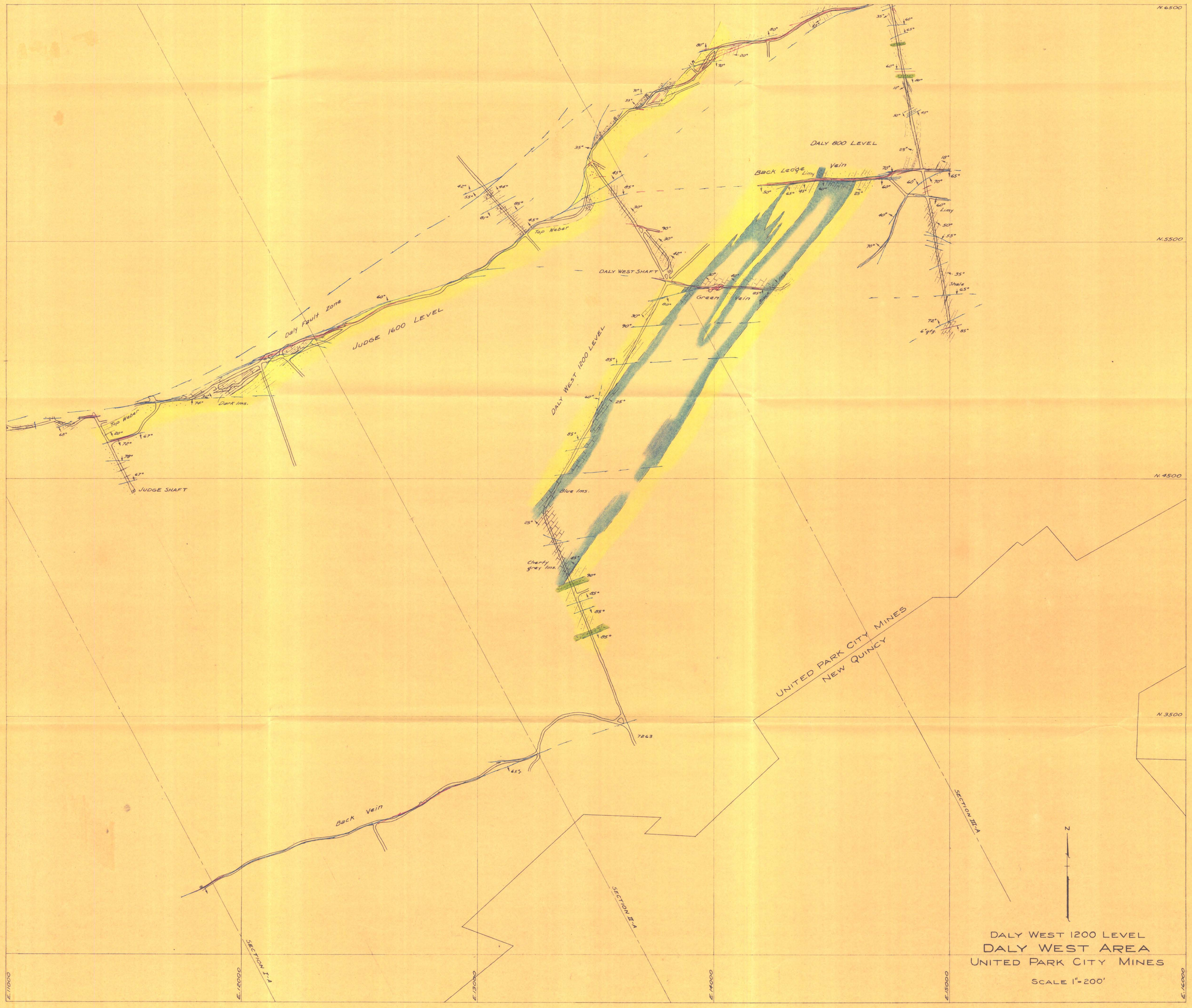

N. 6500
N. 5500
N. 4500
N. 3500
N. 2500
Roll Vein
Shaft Fissure
Judge Sh.
Middle Vein
System
Back Vein
UNITED PARK CITY MINES
NEW QUINCY
SECTION I-A
SECTION II-A
SECTION III-A
N
E. 11000
E. 12000
E. 13000
E. 14000
E. 15000
E. 16000
STOPING ON JENNEY ORE BEDS
DALY WEST AREA
UNITED PARK CITY MINES
SCALE 1" = 200'

PLATE 6




DALY WEST 1200 LEVEL
DALY WEST AREA
UNITED PARK CITY MINES
SCALE 1"=200'

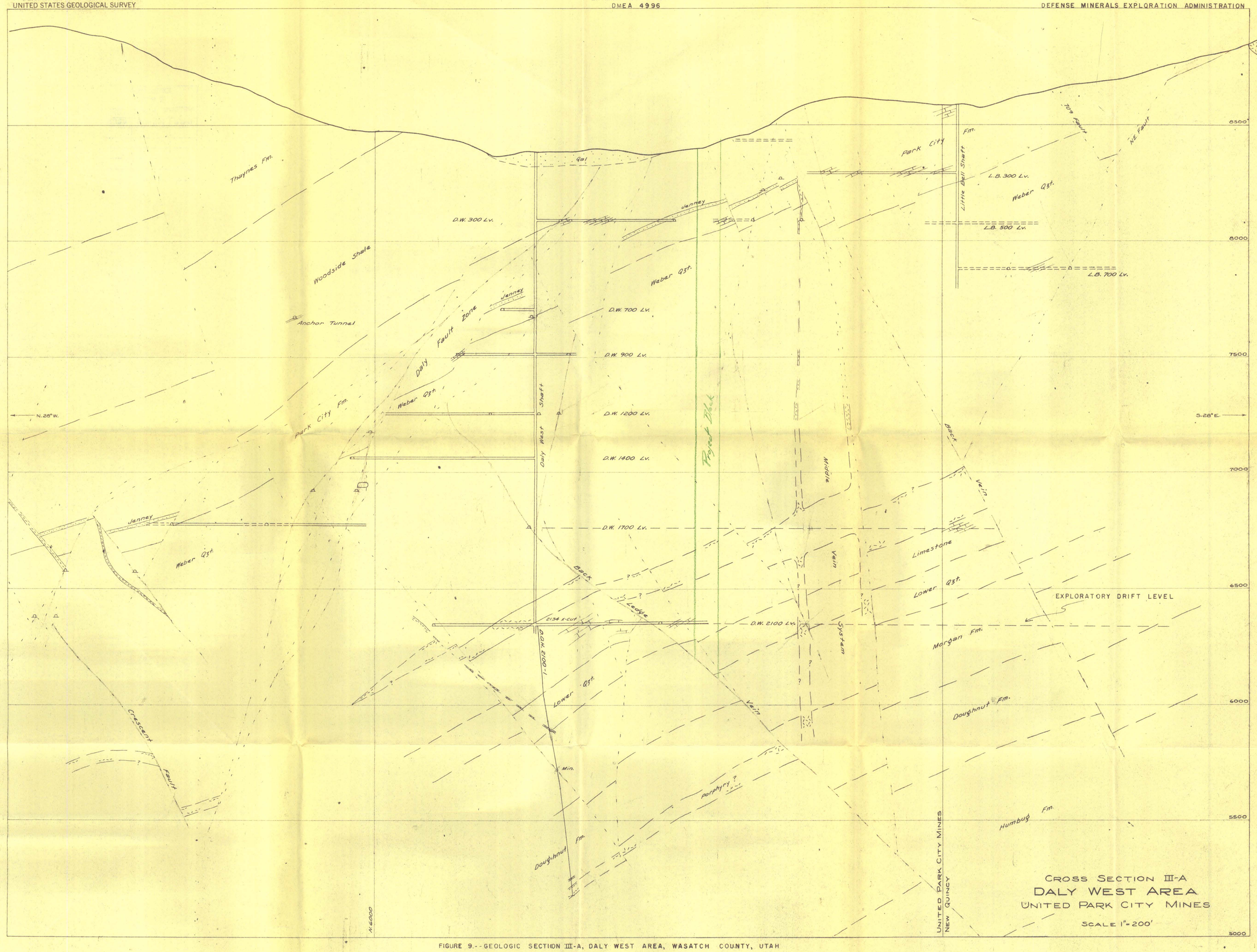
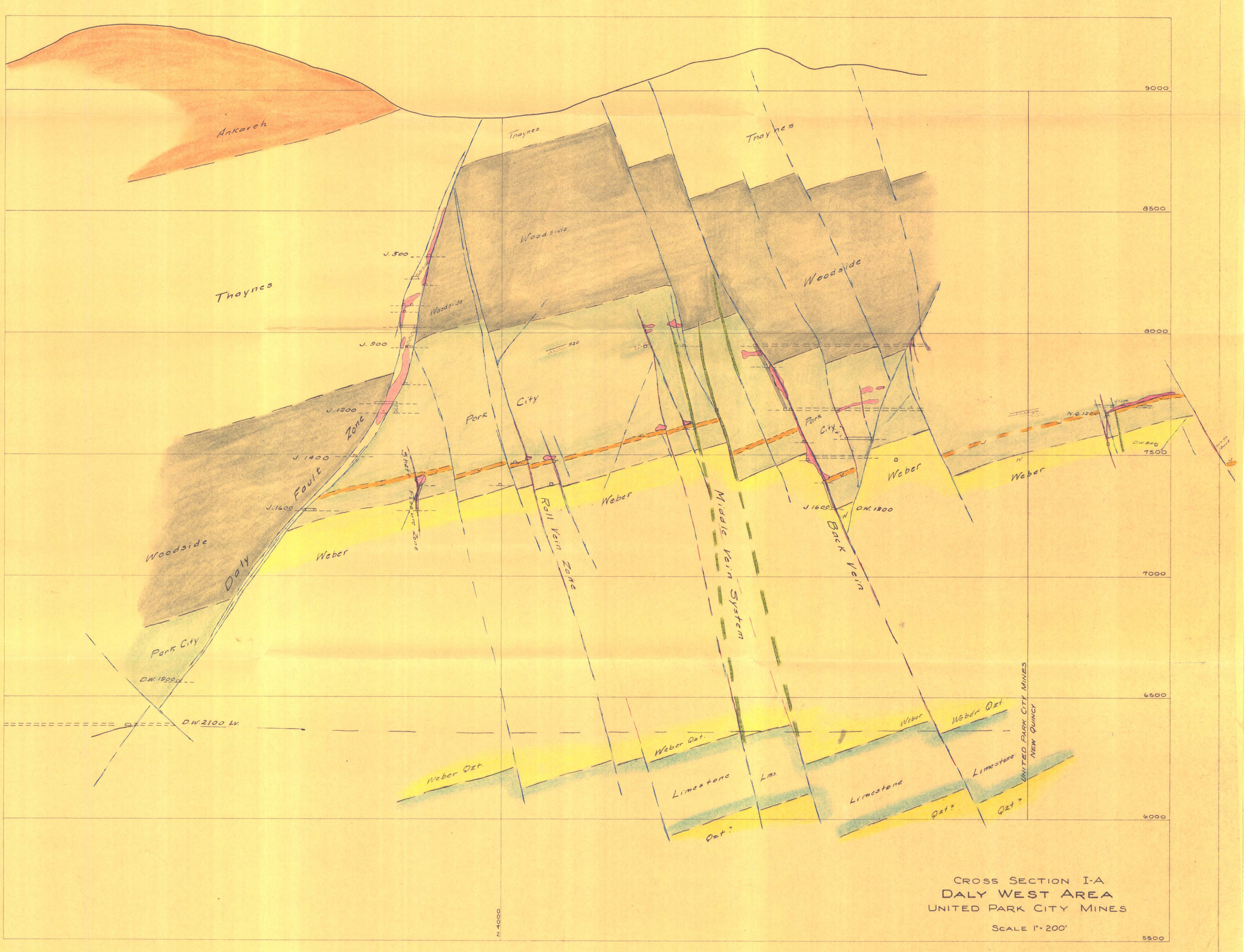



FIGURE 9.--GEOLOGIC SECTION III-A, DALY WEST AREA, WASATCH COUNTY, UTAH




CROSS SECTION I-A
DALY WEST AREA
UNITED PARK CITY MINES
SCALE 1" = 200'

PLATE 2

UNITED PARK CITY MINES

PARK CITY DISTRICT, UTAH

SCALE 1" = 1000'