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

500

August 4, 1958

MEMORANDUM:

To: Mr. Wingfield N. Chamberlain
Division of Operation Control & Statistics

From: Director, Division of Base Metals

Subject: Semi-Annual Reports of Certified Projects for the period January 1, 1958 thru June 30, 1958.

The following projects were inactive during the cited period.

| Docket No. | Contract No. | Name |
|---|---|---|
| DMEA-3112 | Idm-E651 | Centrida Mines, Inc. |
| DMEA-432 | Idm-E1 | Mines Management, Inc. |
| DMEA-81 | Idm-E18 | United Minerals Corporation |
| DMEA-1166 | Idm-E76 | American Zinc, Lead & Smelting Co. |
| DMEA-390 | Idm-E63 | Highland-Surprise Cons. Mining Co. |
| DMEA-125 | Idm-E81 | Bennett Mining Company |
| DMEA-981 | Idm-E88 | Idaho Mining Company |
| DMEA-525 | Idm-E137 | Spokane Mining Syndicate |
| DMEA-1877 | Idm-E155 | William Mulcahy |
| DMEA-652 | Idm-E177 | South Mt. Mining & Concentrating Co. |
| DMEA-1596 | Idm-E184 | Nabob Silver-Lead Company |

| | | |
|---|---|---|
| DMEA-2166 | Idm-E208 | Farmer Mine Enterprises |
| DMEA-1959 | Idm-E223 | Wylie M. Gardner and L. R. Vance |
| DMEA-2123 | Idm-E228 | Pacific Northwest Mining Company |
| DMEA-1831 | Idm-E242 | William Soren |
| DMEA-1175 | Idm-E251 | Amador Mining Company (assignee of Kootenay Copper Mines) |
| DMEA-1894 | Idm-E266 | Buchman, Breckon and Nerden |
| DMEA-2213 | Idm-E294 | Elmer Enderlin |
| DMEA-2388 | Idm-E301 | American Zinc, Lead & Smelting Co. |
| DMEA-2269 | Idm-E308 | Mines Management, Inc. |
| DMEA-2420 | Idm-E380 | Hypotheek Mining and Milling Co. |
| DMEA-2237 | Idm-E421 | Signal Mining Company |
| DMEA-2637 | Idm-E475 | Golconda Lead Mines |
| DMEA-2862 | Idm-E482 | Spokane-Idaho Mining Co. |
| DMEA-2612 | Idm-E489 | Granore Company (assignee of Index Mining Company) |
| DMEA-2929 | Idm-E587 | Grandview Mines |
| DMEA-3142 | Idm-E644 | Howe Sound Company |
| DMEA-3288 | Idm-E667 | Alaska Copper Mines, Inc. |
| DMEA-3664 | Idm-E819 | Highland-Surprise Cons. Mining Co. |

W. R. Griswold

WRG/dl 8-4-58
ec to: Dockets (28)
Admr. R. File
Chron.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

| Date | Surname | Code |
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| | | |
| | | |

January 30, 1958

Memorandum

To: Wingfield N. Chamberlain, Statistics Branch
Division of Operation Control & Statistics

From: Director, Division of Base Metals

Subject: Semi-annual Reports on certified projects
Period - July 1 thru December 13, 1957

The following projects were inactive during the reporting period:

| DMEA No. | Contract No. | Name of Operator |
|---|---|---|
| 49 | E150 | Commonwealth Lead Mining Co. |
| 81 | E18 | United Minerals Corporation |
| ~~525~~ | ~~E137~~ | ~~Spokane Mining Syndicate, Inc.~~ |
| 1166 | E76 | American Zinc, Lead & Smelting Co. |
| 1831 | E242 | William Soren (assignee of C. O. Davis) |
| 2862 | E482 | Spokane-Idaho Mining Company |

W. R. Griswold

WRGriswold:ms 1/30/58
Copies: Dockets as above
chron

DEFENSE MINERALS EXPLORATION ADMINISTRATION
For the Period January 1 - June 30, 1957

Base Metals Division Date February 13, 1958

Semi-Annual Report - Certified Project Date

DMEA No. 525 Operator Spokane Mining Syndicate, Inc. Contract No. Idm-E137

## Ore Reserves

| Ore Estimates | Tons | Analysis |
|---|---|---|
| Original (DMEA) | 2,400 | Zn. 4.5 , Cu. 1.5 |
| Increase (Operator) | | |
| Total | | |
| Decrease (Production) | 700 | |
| Net Available | 1,700 | |

## Investment

| Shafts | | | Winzes | | | Drifts & Crosscuts | | |
|---|---|---|---|---|---|---|---|---|
| Size | Feet | Cost | Size | Feet | Cost | Size | Feet | Cost |

| Raises | | | Drilling | | | Rehabilitation | |
|---|---|---|---|---|---|---|---|
| Size | Feet | Cost | Type & Size | Feet | Cost | Description | Cost |

## Facilities

| Mine Plant | | Mill | | Roads | |
|---|---|---|---|---|---|
| Description | Cost | Description | Cost | Description | Cost |

## Remarks

W. R. Griswold/er

100338

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DMEA
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| DATE | | CODE |
|---|---|---|
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| | | 500 |

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: July 1 to December 31, 1957

Date of report: December 26, 1957

Operator: Spokane Mining Syndicate, Inc.
730 Peyton Building
Spokane, Washington

Mine name: Talisman

County and State: Ferry County, Washington

Docket number and commodity: DMEA-525 (copper-zinc) RU

Contract number: Idm-E137

Property inactive. No change in royalty status since report of January 1 to June 30, 1956.

In a telephone conversation with Mr. Don Gillis, part-owner in equipment on the property, he stated that the assessment work consisted of working on the Terry Creek road making it possible to drive all the way to the mine. A watchman for the mill equipment has been retained.

Signed: Galen G. Waddell (Engineer)

Distribution:
DMEA (4)
USGS (2)
USBM (2)
USBM (AD)

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT

Date 1/11 525

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. Docket Control Mails and Files
5. _____ Division
6. Docket Control Mails and Files

Note comments in report regarding:

1. Closed down

2.

3.

4.

and take appropriate action.

- - - - - - - - -

Action taken by Division:

Robert P. Adams

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: January 1 to June 30, 1957 Date of exam: May 24, 1957

Operator: Spokane Mining Syndicate, Inc., 730 Peyton Bldg., Spokane, Wash.

Mine name: Talisman

County and State: Ferry County, Washington

Docket number and commodity: DMEA-525 (copper-zinc)

Contract number: Idm-E137

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DMEA
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| DATE | INITIALS | CODE |
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| 7/11 | P. | 220 |
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| | | |
| | | |

Project inactive. No change in status since report of January 1 to June 30, 1956.

Mr. Glen L. Brink, one of the property owners, entered an ad in the Spokesman-Review on May 5, 1957, advertising the property for lease.

Signed: Galen G. Waddell (Engineer)

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
USBM (2)

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D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: July 1 to December 31, 1956 Date of exam: Dec. 21, 1956

Operator: Spokane Mining Syndicate, Inc., 730 Peyton Bldg., Spokane, Wash.

Mine name: Talisman

County and State: Ferry County, Washington

Docket number and commodity: DMEA-525 (copper-zinc)

Contract number: Idm-E137

Mr. Don Gillis, secretary of Spokane Mining Syndicate, stated that the only work done at the Talisman mine since the date of the last inspection has been an attempt to build a road to the property. This was done to satisfy assessment requirements.

There is no change in the status of the project as reported for the period of January 1 to June 30, 1956.

Signed: M. R. Lickes (Engineer)

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
USBM (2)

137

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting period: January 1 to June 30, 1956 Date of exam: June 26, 1956

Operator: Spokane Mining Syndicate, Inc., 730 Peyton Bldg., Spokane, Wash.

Mine name: Talisman

County and State: Ferry County, Washington

Docket number and commodity: DMEA-525 (copper-zinc)

Contract number: Idm-E137

Date of contract: September 7, 1951

Date of certification: October 4, 1954

Expiration date of royalty payments: September 7, 1963

Total amount of contract: $44,000.00

Total expenditures under contract: $31,903.53

Amount of Government participation at 50%: $15,951.76

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Royalty payments this period: $126.94

Previous royalty payments: $ 6.95

Total royalty payments to date: $133.89

Percent Government participation repaid: 0.84%

Royalty due on production to date: none

Royalty remarks: Delinquent royalty as of the last report has been paid in full.

| | |
|---|---|
| Original estimate of reserves (from final Engr.-Geol. report): | The Field Team final report uses the Operator's estimate of 2,413 tons of 1.5% Cu and 4.5% Zn |
| Increase (or decrease) of reserves by work performed subsequent to original and last Field Team estimates: | none |
| Revised estimate of reserves: | none |
| Production this period: | none |
| Amount of previous production (since date of contract): | 57.62 tons concentrates |
| Total DMEA production to date: | 57.62 " " |
| Percent of revised reserves mined: | none |

Production remarks:

There has been no production since the completion of the contract.

Other remarks:

none

Signed: M. R. Lickes (Engineer)

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
USBM (2)

ADDENDUM TO
SEMI-ANNUAL REPORT OF CERTIFIED PROJECT
March 15, 1956

Reporting period: July 1, 1955 to December 31, 1955

Operator: Spokane Mining Syndicate, Inc.

Mine name: Talisman mine

County and State: Ferry County, Washington

Docket No. and Commodity: DMEA-525 (copper-zinc)

Contract No.: Idm-E137

Other Remarks: (Page 2)

Ore reserves at the Talisman remain as estimated in the final report.

Production potential for the immediate future is probably nil and for the next 10 years is problematical. Spokane Mining Syndicate no longer has a lease on the property and future production potential will depend on control of the property by some company interested in doing further exploration.

The discovery has encouraged no additional expenditures since the completion of the DMEA contract.

Signed: M. R. Lickes (Engr.)

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
USBM (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Period: July 1, 1955 to December 31, 1955

Docket No.: DMEA-525
Contract No.: Idm-E137

Operator: Spokane Mining Syndicate, Inc., 730 Peyton Bldg., Spokane, Washington

Commodity: Copper-zinc

Mine name: Talisman

County: Ferry
State: Washington

Date of contract: September 7, 1951

Date of certification: October 4, 1954

Expiration date of royalty payments: September 7, 1963

Date of examination for this report: December 22, 1955

Total amount of contract: $44,000.00

Total expenditures under contract: $31,903.53

Amount of Government participation at 50%: $15,951.76

Royalty payments this period: none

Previous royalty payments: $6.95

Total royalty payments to date: $6.95

% Loan repayment completed: Less than 1.0%

Amount of royalty due: $126.94

Royalty remarks: The delinquent royalty is on production between the date of the contract and date of certification. This is an old type contract.

Original estimate of reserves
(from final Engr.-Geol. Report): Operator estimated 2,413 tons
1.5% Cu and 4.5% Zn

Increase (or decrease) of reserves
by work performed subsequent to
expiration or termination of
contract: none

Revised estimate of reserves:

Production this period (ore or concentrates): none

Amount of previous production (since date of
contract): 1326 tons

Total DMEA production to date: 1326 tons during term of contract

% of revised reserves mined:

Production remarks:

There has been no production since the completion of the contract. The mine has been stripped of all rail and pipe.

Other remarks: (Investments, etc.)

Signed: M. R. Lickes (Engr.)

Distribution:
DMEA (4)
USGS (2)
USBM (AD)
USBM (2)

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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

# SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Period: January 1, 1955 to June 30, 1955

Docket No. DMEA 525 (copper-zinc) Contract No. Idm-E137

Operator: Spokane Mining Syndicate, Inc.
730 Peyton Building
Spokane, Washington

Name of mine: Talisman mine

County: Ferry State: Washington

Date certified: October 4, 1954 Date of last inspection: June 21, 1955

Inspection engineer: M. R. Lickes

Contract amount: $44,000.00

Amount spent: $31,903.53 Government participation: $15,951.76

Amount repaid to date: $ 6.95

Reserves: Operator estimates 2,419 tons, averaging 1.5% copper and 4.5% zinc.

Remarks: Inspection of the mill and an interview with Mrs. Wm. Martin, wife of the caretaker, evidenced the fact that no production has been made from the Talisman mine since the date of the last inspection.

Production summary: None. The royalty of $6.95 paid to date represents a valuation set by the Field Team and the Operator on 14.62 tons of concentrates at the mine.

Distribution:
DMEA (4)
USGS (2)
USBM (2)
USBM (AD)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

# SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

| | |
|---|---|
| Period: | July 1, 1954 to December 31, 1954 |
| Docket No. | DMEA-525 (copper-zinc) Contract Idm-E137 |
| Operator: | Spokane Mining Syndicate, Inc.<br>730 Peyton Building<br>Spokane, Washington |
| Name of mine: | Talisman mine |
| County: | Ferry State: Washington |
| Date certified: | Oct. 4, 1954 Date of last inspection: Oct. 13, 1954<br>See "Remarks". |
| Contract amount: | $44,000.00 |
| Amount spent: | $31,903.53 Government participation: $15,951.76 |
| | Amount repaid to date: $ 6.95 |
| Reserves: | Have not been calculated as yet. |
| Remarks: | The last inspection of the property was made on October 13, 1954, by W. S. Anderson, Bureau of Mines, and Willard Puffett, Geological Survey. The purpose of the trip was to complete the mapping for preparation of the Field Team final report. No memorandum report was written on this inspection.<br><br>By the terms of Amendments No. 8 and 9 of the contract, all minerals mined or produced after February 10, 1954 (date of Amendment No. 8) are subject to percentage royalty. A valuation on the 14.62 tons of concentrates at the mine was set at a conferance between the Field team and the Operator. The net value was accepted as $138.93 with royalty of $6.95, which has been paid by the Operator. |

Distribution:
DMEA, Wash. (4)
USGS (2)
USBM (2)
Certifying Officer

Standard Form No. 1034a—Revised
Form prescribed by
Comptroller General, U. S.
September 7, 1950
(Gen. Reg. No. 51, Supp. No. 11)

# PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

D. O. Vou. No. .....

Bu. Vou. No. 1403

U. S. .....
(Department, bureau, or establishment)

Voucher prepared at Spokane 1/13/55
(Give place and date)

THE UNITED STATES, Dr., Payee's Account No. Idm-R137

DWEA-535

To Spokane Mining Syndicate, Inc.
(Payee)

730 Peyton Building Spokane, Washington
(Address) (City) (State)

PAID BY

alb
setty

(For use of Paying Office)

| No. and Date of Order | Date of Delivery or Service | ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary) Discount Terms | QUANTITY | UNIT PRICE Cost | UNIT PRICE Per | AMOUNT Dollars | AMOUNT Cts. |
|---|---|---|---|---|---|---|---|
| Feb.1954 - As per attached certified form MF-104 dated 3/6/54 | | | | | | 142.98 | |
| July-Aug.1954- As per attached certified form MF-104 dated 9/6/54 | | | | | | (182.50) | |
| July-Aug.1954 - As per attached certified form MF-104 dated 11/1/54 | | | | | | 60.43 | |
| Supplement | | | | | | | |
| | | Salvage checks received | | | | 425.00 | |
| | | | | | | 445.91 | |
| PAYMENT: | | Audit adjustment | | | | - .02 | |
| Complete ☐ | | Balance due operator per audit report | | | | 445.89 | |
| Partial ☐ | | Less royalty payment due Government from operator | | | | 6.95 | |
| Final ☑ | | Use continuation sheet(s) if necessary | | | | | |
| Shipped from | to | Weight | Government B/L No. | | Total | 438.94 | |

(Payee must NOT use this space)

Differences .....

Account verified; correct for ..... 438.94

(Signature or initials) .....

Contract No. Date Req. No. Date Invoice Rec'd.

# MEMORANDUM

Note royalty deduction

ACCOUNTING CLASSIFICATION (For completion by Administrative Office)

| Appropriation, limitation, or project symbol | Appropriation title | Limit'n. or Proj't. Amount | Appropriation Amount |
|---|---|---|---|
| | | | |

| Allotment symbol | Amount | Obligations liquidated | COST ACCOUNT Symbol | COST ACCOUNT Amount | OBJECTIVE CLASSIFICATION Symbol | OBJECTIVE CLASSIFICATION Amount |
|---|---|---|---|---|---|---|
| | | | | | | |

Paid by { Check No. ..... dated ....., 19....., for $..... } on Treasurer of the United States in favor of payee named above.
{ Cash, $....., on ....., 19.....

16—22900a-2

# METHOD OF OR ABSENCE OF ADVERTISING

## METHOD OF ADVERTISING

1. Advertising in newspapers Yes ☐ No ☐
2. (*a*) Advertising by circular letters sent to ..... dealers.
   (*b*) And by notices posted in public places Yes ☐ No ☐.

   (If notices were not posted in addition to advertising by circular letters sent to dealers, explanation of such omission must be made below.)

## ABSENCE OF ADVERTISING

3. Without advertising, under an exigency of the service which existed prior to the order and would not admit of the delay incident to advertising.
4. Without advertising in accordance with .....
5. Without advertising, it being impracticable to secure competition because of .....

.....

.....

.....

.....

(Here state in detail the nature of the exigency or circumstances under which the securing of competition was impracticable under 3 and 4)

---

NOTE.—The above form "Method of or Absence of Advertising" is to be used when purchases are made or services secured under proper authority without written agreement in any form. In case of a written agreement (formal contract, proposal, and acceptance, or less formal agreement) Standard Form No. 1036—Revised should be used for abstracting the method of or absence of advertising and award of contract. (See General Regulations No. 51, as amended.)

☆ U. S. GOVERNMENT PRINTING OFFICE : 1950 O—75805

16—22000a-2

Minerals Administration
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OCT 12 1955

To be treated as a regular narrative report. Operator's final engineering report has been received. Instructions

Z.W. Zoldok.

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BUREAU OF MINES
SEP 27 1954
SPOKANE, WASH.

September 22, 1954

Board of Directors
Spokane Mining Syndicate, Inc.
730 Peyton Building
Spokane 1, Washington

SUPPLEMENTAL FINAL REPORT, JULY AND AUGUST, 1954

The following is a summary of the dismantling work conducted at the Talisman property in Ferry County, Washington, during the months of July and August, 1954. This is under the D.M.E.A. Contract No. IDM-E 137, Docket No. 525X.

Under request of this corporation on June 21, 1954, for termination of the subject contract, by mutual agreement the same was granted, and immediate action was instituted in compliance with Article 7 of the Contract, which is quoted here for your convenience:

> 7 — "Title to and Disposition of Property: All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the operator and the government, shall belong to the operator and the government jointly, in proportion to their respective contributions and upon the termination of the Contract, if they have any salvage value, shall be disposed of for their joint account unless the government, in writing, waives its interest in any such items. The government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and the disposal of the items shall be for the joint account of the parties in proportion to their respective interests."

Following is a list which was used as a guidance in the removal of equipment, materials and supplies which were at the mine in which the government retains an equity: also effective date and other pertinent obligations are disclosed within the " Termination Agreement" an exact copy is attached to this report on page "3".

Items of salvageable Equipment, Materials and Supplies at Talisman Mine, Contract Idm-E137
(as of July 2, 1954)

| | | |
|---|---|---|
| 1 | BH-656-2W Atlas Rock Drill, Serial #433190, with pneumatic pusher leg and hose (complete) | $ 513.00 |
| 1 | Rotary grinder, Serial #422458 | 196.01 |
| 1 | Raising Feed | 216.30 |
| 2. | Duo-Therm oil heaters and tank | 116.42 |
| 397' | 1" pipe | 53.60 |
| 481' | 1½" pipe | 96.41 |
| 73' | 1/2" pipe | 5.00 |
| | Miscellaneous pipe fittings | 30.19 |
| 1 ton | 12# Rail | 50.00 |
| 5 | Rail Switches | 108.70 |
| 30 Pr. | Splice Bars | 13.29 |
| 2 | Guide sheaves w/bases and shafts | 63.00 |
| 1050# | Dynamite | 250.95 |
| 6400' | 9/16" 6 x 7 Improved Plow Steel Transmission Rope with sheave clips and thimbles | 1,371.96 |
| 1 | Tramway bucket | 294.50 |
| 2 | Trunnion rope sheave assemblies | 46.75 |
| 4000' | Fuse | 53.60 |
| 5 | 5'-3" Sandvik Coromant Steel | 90.50 |
| | Total | $ 3,570.18 |
| | Value of Government Equity | 1,785.09 |

## TERMINATION AGREEMENT

It is agreed this 29th day of July, 1954, between the United States of America, acting through the Department of the Interior Defense Minerals Exploration Administration, hereinafter called the "Government," and Spokane Mining Syndicate, Inc., hereinafter called The "Operator," parties to that certain Exploration Project Contract Idm-2137 (Docket No. DMA-525X), dated September 7, 1951, as amended, hereinafter called the "Contract," that:

1. Effective August 17, 1954, 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 to allowable costs incurred prior to said effective date; and shall contribute to allowable costs incurred or to be incurred beginning with said effective date in performing winding-up and settlement actions provided for in the Contract, including (a) the preservation and disposal of property to the cost of which the Government has contributed; and (b) the making and rendering of reports and accounts.

3. Any work or operations prosecuted or costs incurred by the Operator beginning with said effective date, except as otherwise provided in this termination agreement, shall be for the sole account of the Operator without contribution by the Government.

4. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including (a) the disposal of any facilities, buildings, fixtures, equipment, or other items to the cost of which the Government has contributed; and (b) the rendering of the final report and final account.

5. All rights of the Government provided for in the Contract with respect to a certification of discovery or development and a percentage royalty and lien for its payment are preserved.

6. 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

(Signed) By C. O. Wittendorf
Executive Officer, Defense Minerals Exploration Administration Field Team, Region II

SPOKANE MINING SYNDICATE, INC.

(Signed) Henry T. Born
President

Your company has fulfilled its obligations as set forth under Article "7" receiving $966.50 from bonafide bids and acceptance of such bids has been received from the government.

Permission was granted to us by Talisman Mining and Leasing Company through their President, Henry T. Born, to remove further equipment and/or material as specified in the following copy of said letter:

"Upon the advice of our attorney, you hereby have our permission to remove your equipment from the premises of the Talisman Mine at Laurier, Washington. You also have our permission to remove the following items covered by a mortgage held by one Henry Wynstra, of St. John, Washington:

1 -210 Cu.Ft. Chicago Pneumatic Compressor (with power)
1 -105 Cu.Ft. Ingersoll Rand Compressor (with power)
2 -Drifters — 2 Stopers — 1 Jack Hammer —
1 -Slusher — 1 Kohler Light Plant — 2 Mine cars and track — miscellaneous steel, bits, tools, etc. Beds and mattresses.

(Signed) Henry T. Born, President"

From July 21 through August 21, 1954, 984 man-hours were needed to completely strip the mine property, and total labor cost amounted to $1968.00. Due to the fact that men are reluctant to accept employment on such a hazardous and isolated mining property, we were forced to furnish transportation, living quarters and meals as a further incentive in order to perform this job. Further cost to your company was near $450.00, for an approximate total of $2418.00. As of this date, tabulation of miscellaneous expenses has not been done, nor have all the invoices been received.

We were fortunate to obtain a tram operator familiar to our operation in the person of Loron Hisk, and he would have to be retained until all equipment and/or materials were so removed. Also, the water system being the last unit torn down, to obtain the pipe listed in the inventory and the government having an equity, required the employment of both tram operator and mechanic for a period of at least one month. Not every tram bucket could be loaded with material and/or equipment belonging to the government and your company, but were utilized with the other materials and equipment owned by Talisman Mining and Leasing Company as unit by unit were dismantled. By time check we arrived at 360 hours necessary to remove the property of the government and the operator. Considerable amount of hours were consumed in breaking down rail switches, pipe, etc. Under Washington Mining Safety Laws and Regulations, no less than two and at least three men must be on the hilltop property during the entire working time. Thereby we have submitted the entire time of the tram operator and mechanic and pro-rated the tram loads to balance with the 360 hours. Essence of time is also important, for foreclosure proceedings have been instituted by the holder of

the mortgage involving the personal property owned by the Talisman Mining and Leasing Company.

Royalty on concentrates due the government will be paid through the final voucher adjustments.

Respectfully submitted,

Don A. Gillis

Don A. Gillis, D.M.S.
Secretary

DAG:bm

Form MF-204 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

**FINAL**

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

**Stage 2**

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July & August, 1954 Docket No. DMEA 525 X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu Zn
Address 730 Peyton Building, Spokane, Wash.
Contract Amount, $44,000 Government Participation: 50 % Amount, $22,000

| 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 Long Hole | | 60.40 | 60.40 | | 60.40 | 60.40 |
| Bulldozing | | | | | | |
| Crosscutting | | 2,009.00 | 2,009.00 | | 2009.00 | 2009.00 |
| Drifting | | 7,449.00 | 7,449.00 | | 7449.00 | 7449.00 |
| Raising | | 2,295.00 | 2,295.00 | | 2295.00 | 2295.00 |
| (2) Labor and Supervision: | | | | | | |
| Labor | 720.00 | 750.00 | 1,470.00 | -0- | 1470.00 | 1470.00 |
| Supervision | | 1,312.00 | 1,312.00 | | 1312.00 | 1312.00 |
| Technical Services | 119.28 | | 119.28 | 119.28 | -0- | 119.28 |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | 108.61 | 108.61 | 108.61 | 108.61 | -0- |
| Explosives | | 3,058.96 | 3,058.96 | | 3058.96 | 3058.96 |
| Pipe | | 225.48 | 225.48 | 21.58 | 225.48 | 247.06 |
| Track | | 224.83 | 224.83 | 57.65 | 224.83 | 282.48 |
| Gasoline-oil-Carbide | (98.51) | 1,533.21 | 1,434.70 | 35.99 | 1434.70 | 1398.71 |
| Steel-~~Misc. Supplies~~ | | 3,111.00 | 3,111.00 | 1609.42 1286.92 | 3114.27 | 2106.49 1286.92 |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | 1,107.21 | 1,107.21 | | 1103.94 | 1103.94 |
| Depreciation | | 1,878.56 | 1,878.56 | .68 | 1878.56 | 1879.24 |
| (5) Initial Rehabilitation and Repairs | | 4,150.00 | 4,150.00 | 2163.17 | 4150.00 | 1981.83 |
| (6) New Bldgs., Improvements, etc. | | 63.69 | 63.69 | | 63.69 | 63.69 |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | 1,810.66 | 1,810.66 | 2839.30 | 1810.66 | 4649.96 |
| Sampling and Analysis | | 96.63 | 96.63 | | 96.63 | 96.63 |
| Payroll Taxes | 19.44 | | 19.44 | 19.44 | -0- | 19.44 |
| Liability Insurance | | | | | | |
| Tools | | 123.40 | 123.40 | 123.40 | 123.40 | -0- |
| Safety Supplies | | 22.26 | 22.26 | 22.26 | 22.26 | -0- |
| (8) Contingencies (specify): | | | | | | |
| Tramway Maintenance | | 757.78 | 757.78 | 757.78 | 757.78 | -0- |
| Sale salvageable material and/or equipment | (986.50) | | (986.50) | -0- | 986.50 | 986.50 |
| TOTALS | (226.29) | 32,147.68 | 31,921.39 | 120.86 | 31782.67 | 31903.53 |

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

Date Nov. 1, 1954 *Payee Spokane Mining Syndicate, Inc.

Per Wm. G. Gillis 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.

→ 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:
60 43

$ 60 43

Signature M. E. P.
(Authorized Certifying Officer)

Date 1-13-55 Vou. No. 1403

(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. E137 in accordance with the terms of the contract.

Signature /S/ Webster S Anderson Title Mining Engr Date 11-15-54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Engr Date 11-15-54

## 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 MT-104A
(April 1952)

Budget Bureau No. 42-R1151.2

FINAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Stage 2

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 21 1955

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July & Aug 1954 Docket No. DMEA 525 X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu Zn
Address 730 Peyton Bldg., Spokane, Wash.

| 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 | Ft. | | | 15,997.72 | 445 | 35.95 | 500 | 30.00 |
| Crosscutting | Ft. | | | 3,990.44 | 111 | 35.95 | 175 | 30.00 |
| Raising | Ft. | | | 6,650.74 | 185 | 35.95 | 150 | 30.00 |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: ~~Cut~~ Longhole | Ft. | | | 187.88 | 181 | 1.038 | | 1.00 |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| Dismantling | | 858.72 | | 858.72 | | | | |
| TOTAL DISTRIBUTED COSTS | | | | 27,685.50 | 741<br>181 | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | 1,107.21 | | | | |
| Initial Rehabilitation and Repairs | | | | 4,150.00 | | | | |
| New Buildings, Improvements, etc. | | | | 83.69 | | | | |
| Gas refund-sale salvageable material and/or equipment | | (1085.01) | | (1,085.01) | | | | |
| TOTAL COSTS | | ( 226.29) | | 31,921.39 | | | | |

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 Nov. 1, 1954 Operator Spokane Mining Syndicate, Inc.

Per Wm. A. Ellis Title Secretary

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)

## 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

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

Stage 2

RECEIVED

Month of July & August, 1954 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu - Zn
Address 730 Peyton Building, Spokane, Wash.
Contract Amount, $ 44,000 Government Participation: 50 % Amount, $ 22,000

| 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 Long Hole | | 60.40 | 60.40 | | | |
| Bulldozing | | | | | | |
| Crosscutting | | 2,009.00 | 2,009.00 | | | |
| Drifting | | 7,449.00 | 7,449.00 | | | |
| Raising | | 2,295.00 | 2,295.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | 720.00 | 750.00 | 1,470.00 | | | |
| Supervision | | 1,312.00 | 1,312.00 | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | 108.61 | 108.61 | | | |
| Explosives | | 3,058.96 | 3,058.96 | | | |
| Pipe | | 225.48 | 225.48 | | | |
| Track | | 224.83 | 224.83 | | | |
| Gasoline-oil-Carbide | (98.51) | 1,533.21 | 1,434.70 | | | |
| Steel-Misc.-Supplies | | 3,111.00 | 3,111.00 | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | 1,107.21 | 1,107.21 | | | |
| Depreciation | | 1,878.56 | 1,878.56 | | | |
| (5) Initial Rehabilitation and Repairs | | 4,150.00 | 4,150.00 | | | |
| (6) New Bldgs., Improvements, etc. | | 63.69 | 63.69 | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | 1,810.66 | 1,810.66 | | | |
| Sampling and Analysis | | 96.63 | 96.63 | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Tools | | 123.40 | 123.40 | | | |
| Safety Supplies | | 22.26 | 22.26 | | | |
| (8) Contingencies (specify): | | | | | | |
| Tramway Maintenance | | 757.78 | 757.78 | | | |
| Sale Salvageable material and/or Equipment | (986.50) | | (986.50) | | | |
| TOTALS | (365.01) | 32,147.68 | 31,782.67 | 365.01 | 32147.68 | 31782.67 |

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Sept. 4, 1954 Payee Spokane Mining Syndicate, Inc.
Per Wm A. Gellos 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.

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:
182.50
$ 182.50
Signature M.P.
(Authorized Certifying Officer)
Date 1-13-55 Vou. No. 1403
(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/137 in accordance with the terms of the contract.

Signature 1st Webster S Anderson Title Mining Engr Date 9/28/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature 1st Stephen H Zoldok Title Mining Engr Date 9/28/54

## 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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 21 1955

# FINAL OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July-Aug. 1954 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name SPOKANE MINING SYNDICATE, INC. Minerals Cu - Zn
Address 730 Peyton Building, Spokane, Wash.

| 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 | Ft. | | | 15,997.72 | 445 | 35.95 | 500 | 30.00 |
| Crosscutting | Ft. | | | 3,990.44 | 111 | 35.95 | 175 | 30.00 |
| Raising | Ft. | | | 6,650 74 | 185 | 35.95 | 150 | 30.00 |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Long Hole | Ft. | | | 187.88 | 181 | 1.038 | | 1.00 |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| Dismantling | | 720.00 | | 720.00 | | | | |
| TOTAL DISTRIBUTED COSTS | | 720.00 | | 27,546.78 | 741<br>181 | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | 1,107 21 | | | | |
| Initial Rehabilitation and Repairs | | | | 4,150.00 | | | | |
| New Buildings, Improvements, etc. | | | | 63.69 | | | | |
| Gas refund-sale salvage | | (1085.01) | | (1, 085.01) | | | | |
| able material and/or | | | | | | | | |
| equipment | | (365.01) | | 31,782.67 | | | | |

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. 4-1954 Operator SPOKANE MINING SYNDICATE, INC.

Per Wm G Gillis Title Secretary

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)

## 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

April 12, 1954

Board of Directors
Spokane Mining Syndicate, Inc.
Spokane 1, Washington

PROGRESS REPORT - MARCH, 1954

Following is a summary of the exploration work conducted at the Talisman property, in Ferry County, Washington, during the month of March, 1954. This is under the D.M.E.A. Contract No. IDM-137 Docket, No. 525X:

Exploration: During the month, no footage or diamond drilling was accomplished, as there was no crew at the mine. Inability to secure diamond drill contractors for a job with a minimum of 450 to 600 feet presented an obstacle. Forms MF 104 and MF 104A will not be submitted.

Milling Operations: The mill operated between the 5th and the 13th for a total of 53.5 hours, consuming 121.99 tons of fine ore, and produced 17.41 tons of concentrates. Approximately 15 tons of zinc and 2 tons of copper concentrates are now in the separate bins. Estimated broken tonnage of at least 375 tons of crude ore still remain in the mine.

General: Your company now has a lease from Trabella Uranium Mines, Inc., of Colorado Springs, Colorado, on eleven lode claims of approximately 220 acres, more or less, in the Coal Bed Mining District, County of San Juan, State of Utah. Six additional claims of 20 acres each are now being located to cover an outcrop of importance next to the Northeast area of the claims. The first diamond drill hole projected to penetrate the Morrison formation (favorable beds and host rock for uranium ore), will be started soon by Mineral Engineering Company, of Grand Junction, Colorado.

Conclusion: Share buying public seems to be more interested in companies operating uranium properties, and so your company is protecting its future by entering this field - also of prices guaranteed until 1962.

Respectfully submitted,

Don A. Gillis

Don A. Gillis, D. M. S.
Secretary

DAG:bm

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 21 1955

# OPERATOR'S MONTHLY REPORT AND VOUCHER Stage 2

Month of February, 1954 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu - Zn
Address 730 Peyton Bldg., Spokane, Wash.
Contract Amount, $44,000.00 Government Participation: 50 % Amount, $22,000.00

| 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 Long Hole | | 60.40 | 60.40 | | | |
| Bulldozing | | ~~2,009.00~~ | ~~2,009.00~~ | | | |
| Crosscutting | | 2,009.00 | 2,009.00 | | | |
| Drifting | | 7,449.00 | 7,449.00 | | | |
| Raising | | 2,295.00 | 2,295.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | 110.00 | 640.00 | 750.00 | | | |
| Supervision | 16.00 | 1,296.00 | 1,312.00 | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | 108.61 | 108.61 | | | |
| Explosives | | 3,058.96 | 3,058.96 | | | |
| Pipe | | 225.48 | 225.48 | | | |
| Track | | 224.83 | 224.83 | | | |
| Gasoline-oil-Carbide | 116.87 | 1,416.34 | 1,533.21 | | | |
| Steel-Misc.-Supplies | | 3,111.00 | 3,111.00 | | 3114.27 | 3114.27 |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | 1,107.21 | 1,107.21 | | | |
| Depreciation | 22.90 | 1,855.66 | 1,878.56 | 22.90 | 1103.94 | 1810.66 |
| (5) Initial Rehabilitation and Repairs | | 4,150.00 | 4,150.00 | | | |
| (6) New Bldgs., Improvements, etc. | | 63.69 | 63.69 | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 20.19 | 1,790.47 | 1,810.66 | | | |
| Sampling and Analysis | | 96.63 | 96.63 | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Tools | | 123.40 | 123.40 | | | |
| Safety supplies | | 22.26 | 22.26 | | | |
| (8) Contingencies (specify): | | | | | | |
| Tramway Maintenance | | 757.78 | 757.78 | | | |
| TOTALS | 285.96 | 31,861.72 | 32,147.68 | 285.96 | 31861.72 | 32147.68 |

I certify that the above bill is correct and just and that payment therefor has not been received.
Date March 6, 1954 Payee SPOKANE MINING SYNDICATE, INC.
Per Wm A Ellis 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.

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)

one copy 1049 & progress report sent to Washington 4/16/54

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

$ 142 98

Signature M 2P
(Authorized Certifying Officer)

Date 1-13-55 Vou. No. 1403
(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. E137 in accordance with the terms of the contract.

Signature /S/ Webster S. Anderson Title Mining Engr Date 3/12/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Engr Date 11/15/54

## 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).

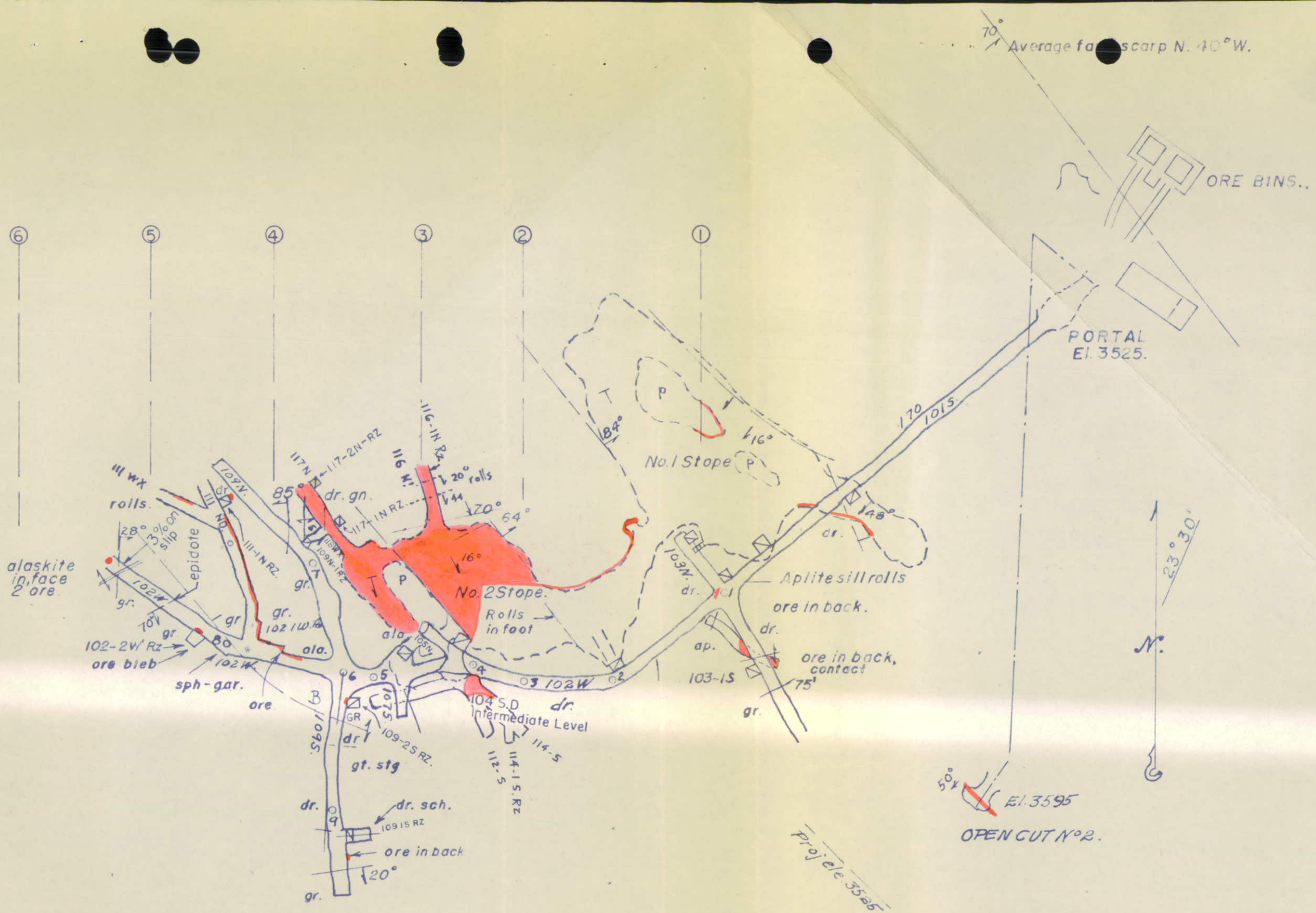
Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

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.




PLAN OF
TUNNEL No 1
TALISMAN PROPERTY
FERRY COUNTY, WASHINGTON
Scale 1" = 40'  July 9, 1952.
By W. A. Richelsen  Drawing No T-1
Traced By Lee Eller
To Date MAR 1 1954

Spokane Mining Syndicate, Inc. Idm-E137

Payment on the Feb. 1954 MF-104 is being held up until work is resumed.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

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# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

Stage 2

## OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1954 Docket No. DMEA 525X Contract No. IDM-P-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Zn - Cu
Address 730 Peyton Bldg., Spokane, Wash.

| 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 | Ft. | | | 15,997.72 | 445 | 35.70 | 500 | 30.00 |
| Crosscutting | Ft. | | | 3,990.44 | 111 | 35.70 | 175 | 30.00 |
| Raising | Ft. | 285.96 | 10 | 6,650.74 | 185 | 35.70 | 150 | 30.00 |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: ~~Core~~ Long Hole | Ft. | | | 187.00 | 181 | 1.038 | | 1.00 |
| Churn | | | | | | | | |
| Auger | | | | | | | | 4/21/54 JWG |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | 285.96 | 10 | 26,826.78 | 741<br>181 | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | 1,107.21 | | | | |
| Initial Rehabilitation and Repairs | | | | 4,150.00 | | | | |
| New Buildings, Improvements, etc. | | | | 63.69 | | | | |
| TOTAL COSTS | | 285.96 | | 32,147.68 | | | | |

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 3/6/54 Operator SPOKANE MINING SYNDICATE, INC.

Per Wm G Gillis Title Secretary

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)

## 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

March 8, 1954

Board of Directors
Spokane Mining Syndicate, Inc.
730 Peyton Building
Spokane 1, Washington

Progress Report, February, 1954

The following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of February, 1954. This is under the DMEA Contract No. IDM-E 137, Docket No. 525I.

Exploration: During the month the total footage amounted to 10 feet, which was distributed among the various workings as follows: This compares to the total footage of 15 feet driven during January, 1954. There was no long-hole drilling in February.

| Working | Footage: Drifts | X-Cuts | Raises | Long Holes | Month | To date | Remarks |
|---|---|---|---|---|---|---|---|
| 102 W. L-cut | | | | | | 89 | |
| 102 W.S. Swipe | | | | | | 5 | |
| 102-1 W. Raise | | | | | | 15 | |
| 102-2 W. Raise | | | | | | 6 | |
| 109 N. Drift | | | | | | 70 | Stopped at 70' |
| 109 S. Drift | | | | | | 86 | Stopped at 86' |
| 109-1 S. Raise | | | | | | 17 | |
| 109-2 S. Raise | | | | | | 26 | |
| 109-1 N. Raise | | | ~~12~~ | | ~~12~~ | 12 | |
| 103 S. Drift | | | | | | 57 | |
| 103 S. S. Swipe | | | | | | 2 | |
| 103-1 S. Raise | | | | | | 16 | |
| 103-1 S. S. Swipe | | | | | | 6 | |
| 103-1 S. North Finger Raise | | | | | | 26 | |
| East stub | | | | | | 4 | |
| 111 W. Drift | | | | | | 61 | |
| 111 N. S. Swipe | | | | | | 3 | |
| 111-1 N. Raise | | | | | | 12 | |
| 111-1 N. S. Swipe | | | | | | 5 | |
| 111 W. L-cut | | | | | | 12 | |
| 111 S. Int. Dr. | | | | | | 29 | |
| 112 S. S. Swipe | | | | | | 6 | |
| 114 S. Int. Dr. | | | | | | 22 | |
| 114 S. S. Swipe | | | | | | 5 | |
| 114-1 S. Int. Raise | | | | | | 12 | |
| | | | | | | 604 | |

| | Footage | | | | |
|---|---|---|---|---|---|
| | Drifts | X-cuts | Raises | Long-hole | Month | To Date |
| | | | Footage Forward | | | 604 |
| 115 W. Int. X-cut | | | | | | 33 |
| 115 W. Int. S. Swipe | | | | | | 4 |
| 116 N. Int. Dr. | | | | | | 17 |
| 116-1 N. Int. Raise | | | | | | 8 |
| 117 N. Int. Dr. | | | | | | 33 |
| 117 N. S. Swipe-E | | | | | | 12 |
| 117 N. S. Swipe-W | | | | | | 5 |
| 117-1 N. Raise | | | | | | 10 |
| 117-2 N. Raise | | | | | 10 | 10 |
| 118 W. Int. X-cut | | | | | | 5 |
| | | | | | | 741 |
| Long Hole No. 1 | | | | | | 22 |
| Long Hole No. 3 | | | | | | 22 |
| Long Hole No. 4 | | | | | | 25 |
| Long Hole No. 7 | | | | | | 12 |
| Long Hole No. 2 | | | | | | 40 |
| Long Hole No. 15 | | | | | | 30 |
| Long Hole No. 16 | | | | | | 30 |
| | | | | | | 181 |

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Mine exploration pay roll was on the basis of 10 feet. This included 10 feet of raising.

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Details of the February workings are shown on the attached map No. T-1, which is to date of March 1, 1954. February footage is shown in the 117-2 N. raise. The relation of the various fault blocks is shown.

117-2 N. Raise: The raise is located on the east wall of 117 N. drift, directly within the face. It was driven up on a 20° slope for a distance of 10 feet at the end of the month. Face of the raise had 3 feet of good copper ore and zinc. However, at the distance of 10 feet the ore pinched down.

Mine Exploration: The 117-2 N raise was the only exploration work accomplished during the month. Over-all, approximately 62 hours were required to complete the 2-round raise.

Mine Production: With the exception of February 10th to the 21st, inclusive, mining was carried on rather persistently. Roughly 500 tons of ore were broken and 135 tons of this amount has already been crushed and conveyed to the fine ore bin at the mill. Following tabulation shows the break-down of hours: Mucking 68; breaking boulders 14; drilling 45; hoisting supplies 8; building shute 42; shoveling snow 16; slushing 40; installing pipe line 4; prospecting for ore 4; repairing track 24; tramming from mine and to mill bins 86; blasting mine bunkers 4; repair water pump 3; mechanical work 4; blacksmith 4; repair shute 4 -- for a total of 372 man hours.

Mill: Mr. Vernon Hoar, for the past few months, has been acting as a watchman, and Mr. Beaty, the company supervisor, made minor repairs to the river pumps and prepared the crusher and mill for operation.

General: Weather moderated considerably, and working conditions were satisfactory. After a consultation between members of the D.M.E.A. and Mr. W. A. Richelsen, E. M., the company's Consulting Mining Engineer, and A. B. Hall, the mine foreman, it was deemed advisable to do at least 450 feet of diamond drilling.

Mr. A. B. Hall, on February 9, 1954, had a minor accident to his right eye, from falling rock while working on a shute in 109 N drift. Being without a foreman, the three men working under him took time out until Mr. Hall could return to the job, which was on February 22, 1954.

Conclusions: Due to such a close margin of return from any shipment of crude ore, it was decided to mill the ore now in the fine bin and endeavor to ship a car of concentrates to help defray expenses.

Respectfully submitted,

Don A. Gillis

Don A. Gillis, D. M. S.
Secretary

Form MF-101 (Rev.) (April 1952)

Budget Bureau No. 42-R1036.3. Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

# OPERATOR'S MONTHLY REPORT AND VOUCHER — Stage 2

Month of January, 1954 Docket No. DMEA 525X Contract No. IDM-S-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu-Zn
Address 730 Peyton Bldg., Spokane, Washington
Contract Amount, $ 44,000 Government Participation: 50 % Amount, $ 22,000

| 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: | | | | | | Bobby 3/11/54 J.W. Allo |
| Drilling Long Hole | | 60.40 | 60.40 | | | |
| Bulldozing | | | | | | |
| Crosscutting | | 2,009.00 | 2,009.00 | | | |
| Drifting | | 7,449.00 | 7,449.00 | | | |
| Raising | | 2,295.00 | 2,295.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | 789.20 | 744.40 | 1,533.60 | 300.00 | | |
| Supervision | | 1,296.00 | 1,296.00 | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | 108.61 | 108.61 | | | |
| Explosives | 41.41 | 3,017.55 | 3,058.96 | 41.41 | | |
| Pipe | | 225.48 | 225.48 | | | |
| Track | | 224.83 | 224.83 | | | |
| Gasoline-oil-carbide | 88.22 | 1,328.12 | 1,416.34 | 88.22 | | |
| Steel-Misc.-Supplies | 94.77 | 2,979.25 | 3,074.02 | 131.75 | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | 1,107.21 | 1,107.21 | | | |
| Depreciation | 114.50 | 1,741.16 | 1,855.66 | 114.50 | | |
| (5) Initial Rehabilitation and Repairs | | 4,150.00 | 4,150.00 | | | |
| (6) New Bldgs., Improvements, etc. | | 63.69 | 63.69 | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 51.20 | 1,739.27 | 1,790.47 | 51.20 | | |
| Sampling and Analysis | | 96.63 | 96.63 | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Tools | | 123.40 | 123.40 | | | |
| Safety Supplies | 36.98 | 22.26 | 59.24 | — | | |
| (8) Contingencies (specify): | | | | | | |
| Tramway Maintenance | | 757.78 | 757.78 | | | |
| TOTALS | 1216.28 | 31,539.04 | 32,755.32 | 727.08 | 31134.64 | 31861.72 |

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

Date 2/8/54 *Payee Spokane Mining Syndicate, Inc.

Per Wm. Ellis 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.

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:

$ 363.54

Signature (Authorized Certifying Officer)

Date 3/3/54 Vou. No. 1100

(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. E137 in accordance with the terms of the contract.

Signature /S/ Webster S Anderson Title Mining Eng Date 2/25/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W Zoldok Title Mining Eng Date 2/25/54

# 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:

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(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.

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*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.

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

## OPERATOR'S UNIT COST AND PROGRESS REPORT

Stage II

Month of January 1954 Docket No. DMEA 525X Contract No. IDM-E 137

Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu-Zn

Address 730 Peyton Bldg., Spokane, Washington

| 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 | Ft. | 395.05 | 5 | 16,644.49 | 449 | 37.07 | 500 | 30.00 |
| Crosscutting | Ft. | | | 4,114.78 | 111 | 37.07 | 175 | 30.00 |
| Raising | Ft. | 790.09 | 10 | 6,487.27 | 175 | 37.07 | 150 | 30.00 |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Core Long Hole | Ft. | 31.14 | 30 | 187.88 | | 1.038 | | 1.00 |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | ~~1216.28~~ 727.08 | 15 30 | 27,434.42 | 735 181 | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | 1,107.21 | | | | |
| Initial Rehabilitation and Repairs | | | | 4,150.00 | | | | |
| New Buildings, Improvements, etc. | | | | 63.69 | | | | |
| TOTAL COSTS | | ~~1216.28~~ 727.08 | | ~~32,755.32~~ 31,861.72 | | | | |

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 2/8/54 Operator Spokane Mining Syndicate, Inc.

Per Von G. Gellis Title Secretary

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)

## 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

February 8, 1954

Board of Directors
Spokane Mining Syndicate, Inc.
730 Peyton Building
Spokane 1, Washington

## Progress Report, January, 1954

The following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of January, 1954. This is under the DMEA Contract No. IDM-E 137, Docket No. 525X.

**Explorations:** During the month the total footage amounted to 15 feet, which was distributed among the various workings as follows: This compares to the total footage of 17 feet driven during December, 1953. There was 30 feet of long-hole drilling done in January.

| Working | Footage: Drifts | X-Cuts | Raises | Long Holes | Month | To date | Remarks |
|---|---|---|---|---|---|---|---|
| 102 W. X-Cut | | | | | | 89 | |
| 102 W.S. Swipe | | | | | | 5 | |
| 102-1 W. Raise | | | | | | 15 | |
| 102-2 W. Raise | | | | | | 6 | |
| 109 N. Drift | | | | | | 70 | Stopped at 70' |
| 109 S. Drift | | | | | | 86 | Stopped at 86' |
| 109-1 S. Raise | | | | | | 17 | |
| 109-2 S. Raise | | | | | | 26 | |
| 109-1 N. Raise | | | 12 | | 12 | 12 | |
| 103 S. Drift | | | | | | 57 | |
| 103 S. S. Swipe | | | | | | 2 | |
| 103-1 S. Raise | | | | | | 16 | |
| 103-1 S. S. Swipe | | | | | | 6 | |
| 103-1 S. North Finger Ra. East Stub | | | | | | 26 | |
| 111 N. Drift | | | | | | 4 | |
| 111 N. S. Swipe | | | | | | 61 | |
| 111-1 N. Raise | | | | | | 3 | |
| 111-1 N. S. Swipe | | | | | | 12 | |
| 111 W. X-cut | | | | | | 5 | |
| 111 S. Int. Dr. | | | | | | 12 | |
| 112 S. S. Swipe | | | | | | 29 | |
| 114 S. Int. Dr. | | | | | | 6 | |
| 114 S. S. Swipe | | | | | | 22 | |
| 114-1 S. Int. Rs. | | | | | | 5 | |
| | | | | | | 12 | |
| | | | | | | 604 | |

| | Footage | | | | | |
|---|---|---|---|---|---|---|
| | Drifts | X-Cuts | Raises | Long-Hole | Month | To Date |
| | | | Footage Forward | | | 604 |
| 115 W. Int. X-Cut | | | | | | 33 |
| 115 W. Int. S. Swipe | | | | | | 4 |
| 116 N. Int. Dr. | | | | | | 17 |
| 116-1 N. Int. Rs. | | | | | | 8 |
| 117 N. Int. Dr. | | | | | | 33 |
| 117 N. S. Swipe-E | | | (5' at 1/3) | | 1 | 12 |
| 117 N. S. Swipe-W | | | | | | 5 |
| 117-1 N. Raise | | | | | 10 | 10 |
| 118 W. Int. X-Cut | | | | | 10 | 5 |
| 119 N. S. Swipe E. | | | (12' at 1/3) | | 4 | 4 |
| | | | | | | 735 |
| Long Hole No. 1 | | | | | | 22 |
| Long Hole No. 3 | | | | | | 22 |
| Long Hole No. 4 | | | | | | 25 |
| Long Hole No. 7 | | | | | | 12 |
| Long Hole No. 2 | | | | | | 40 |
| Long Hole No. 15 | | | | | | 30 |
| Long Hole No. 16 | | | | | | 30 |
| | | | | | | 161 |

Pay roll was on the basis of 15 feet. This included 10 feet of raising and 5 feet of side-swipe.

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Details of the January workings are shown on the attached map No. T-1, which is to date of Jan. 31, 1954. January footage is shown in the 117-1 N. raise and 119-N. side swipe-E. The relation of the various fault blocks is shown.

<u>117-1 N. Raise:</u> The raise is located on the East wall of 117 N. drift, 15 feet southeast of the face and directly opposite of the 118W Crosscut, which has a through passway to the 109-1 N. Raise. It was driven up on a 20° slope for a distance of 10 feet at the end of the month. Face of the raise had 3 feet of good copper ore and zinc. However, at the distance of 10 feet the ore pinched down to only 3 inches.

<u>117-N S. Swipe-E.</u> A 5-foot side swipe was made before starting the 117-1 N. raise, in order to square over to get into the ore.

<u>119 N. S. Swipe-E:</u> Two 6-foot side swipes were made on the high point 65 feet southeast of the face of 116 N. Drift. This was done to test out the footwall with the possibilities of starting a drift to be numbered 119 N. and to be driven in the general direction of 116 N. Drift. Ore exposed revealed a downward dip and therefore drift temporarily abandoned.

<u>Long Hole #16:</u> This hole is located 13 feet east of U.S.G.S. Station Number 196 and Station number 6, established by W. A. Richelsen, E.M.,

Consulting Mining Engineer for the Company. It is on the north side of 102 W Crosscut and within a short stub drift 105 N, and was carried in on a bearing of approximately N. 12° W and a plus slope of 5°. From collar of hole o' the chalcopyrite showings were 2'-5'-7' and 12', but from this point to 30 feet the showings nil.

General: During the period of operation, from January 3 to 18 inclusive, 1954, 452 man-hours were consumed. Quoting directly from the foreman's report - "84 hours were necessary to drill 117-1 N Raise, 117 N. S. Swipe-E, 119 N.S. Swipe-E and Long Hole #16; 76 hours were required to muck out. Slushing operation needed 63 hours of work. Breaking up large blocks from blasting hand sledge and dynamite took 27 hours; tramming ore to bunkers, from mine and then down to coarse ore bin at the mill, needed 48 hours. Hoisting supplies, gas, oil via the tram required 16 hours. Much needed track, air and water line repairs used up 64 hours. Trip to Spokane and return to replace parts burned out in Kohler Lighting Plant used 10 hours. Mechanical repair to the lighting plant and other equipment required 44 hours. Timber work in closing off air shaft used up 12 hours. Time necessary to pump water was 8 hours.

Weather was severe, with 20° below zero and an approximately 45-mile an hour chill wind. Men could not work every day underground so returned to their respective homes until weather moderated.

There were no accidents during the month.

Conclusions: It is recommended in the interest of an exploration program and in line with the financial income of this Corporation to do the following work as suggested by A. B. Hall, your foreman:

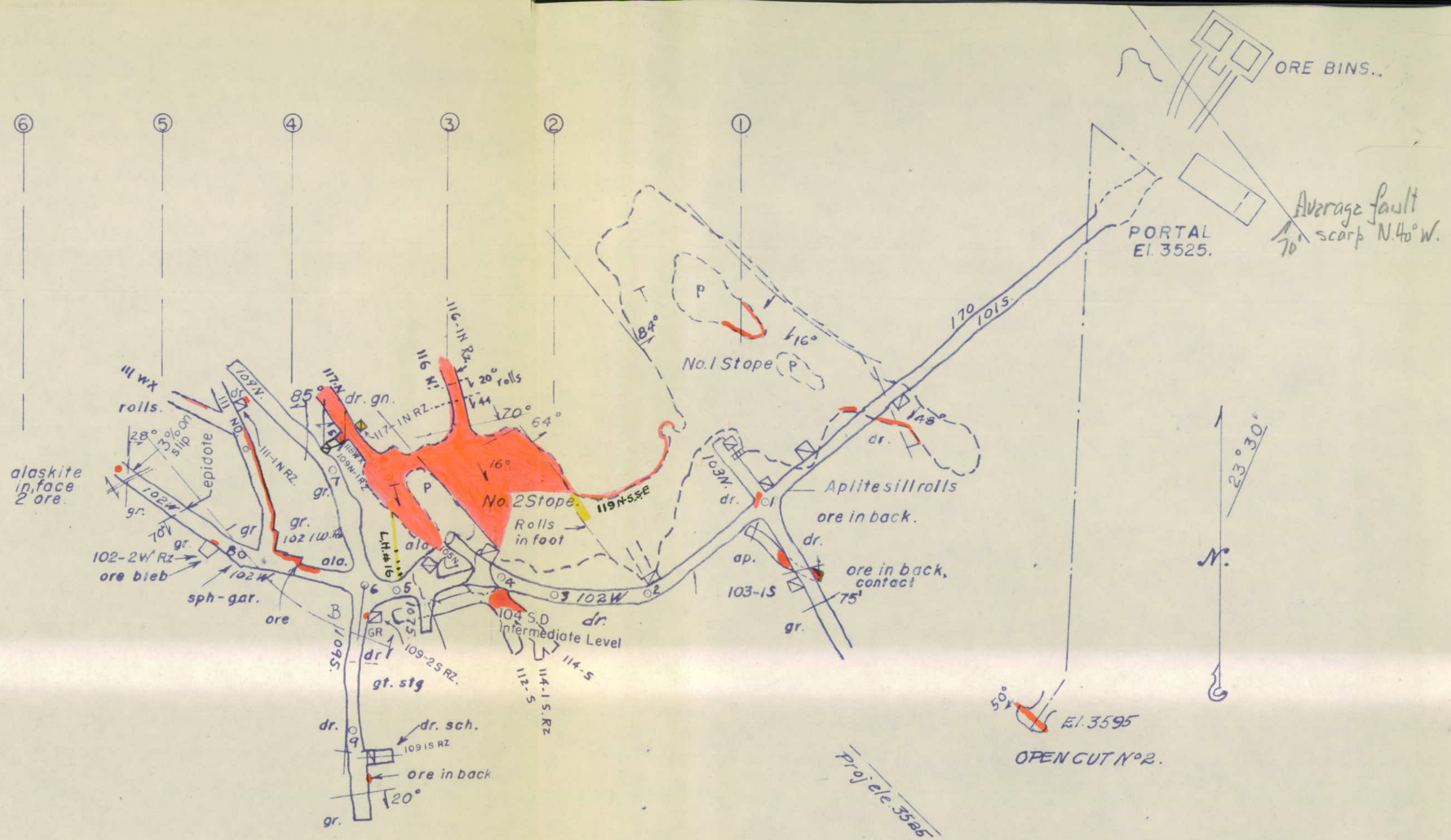
1. Beginning at the 119 N. S. Swipe-E as shown on Map 1-1 to date of January 31, 1954, and in keeping with the footwall contour in the north between Stope #2 and Stope #1 and following an approximate N 60 E direction, side swipe the entire distance of at least 60 feet, thereby exposing the fringing ore. This area lies between a slip with a dip of 64° northeast and a major fault with a dip of 84° to the northeast. Apparently the ore dips towards the northeast.

2. At an exposure of sufficient width and a reasonable distance from the major fault, which strikes through 103 N and 103 S drifts, drive a 5' x 7' drift to follow the ore.

Respectfully submitted

Don A. Gillis

Don A. Gillis
Secretary for the Company
and Mineral Surveyor




PLAN OF
TUNNEL No 1
TALISMAN PROPERTY
FERRY COUNTY, WASHINGTON
Scale 1"=40' July 9, 1952.
By W. A. Richelsen Drawing No T-1
Traced By Lee Eller

To Date JAN 31 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 1 1954

January 15, 1954

Memorandum

To: DMEA Field Team, Region II

From: Willard P. Puffett, Geologist, U. S. Geological Survey, and Webster S. Anderson, Mining Engineer, U. S. Bureau of Mines.

Subject: Docket No. DMEA-525 (copper-zinc), Routine inspection of Talisman Mine, Ferry County, Washington, Contract No. Idm-E137.

A routine inspection of the Talisman mine was made on Wednesday, January 6, 1954. Four men were at the mine. Mr. A. L. Hall was directing operations.

Since the last inspection on July 15, 1953, the tramway had been repaired and two slab rounds in drift #117 NW had been made. A short raise had been driven from drift 109N to drift #117 NW. Two long holes have been drilled from the main level.

The work in #117 NW drift has exposed ore along a strike length of 23 feet. This ore is quite flat-dipping to the southwest and consists of fair to good grade copper and zinc. Puffett's memorandum of July 30, 1953, gives assay data from samples taken in the area which indicates about 10 percent copper and 10 percent zinc.

It was proposed to Mr. Hall that he attempt to explore this ore up dip and along strike to the northwest. Experience at the mine has shown that the ore apparently occurs in lenses and the best way to test for ore extensions is to stay with the ore rather than attempt to intersect it at distant projections. Should it be found that the ore zone does not persist, the next justifiable method of continued exploration is by vertical diamond drill holes from the western portion of the main level.

It is quite apparent that close supervision of the exploration will be necessary as those men employed at the mine, even though being good miners, do not have sufficient knowledge or understanding to carry out extensive exploration without a capable supervisor who is able to map the geology. In the past, the Operators have retained Mr. Richelsen as consulting engineer, but

it is doubtful that he is being retained now. Consequently, insofar as is known, there is no one associated with the operations who is competent to do the supervision. Due to the location of the mine and the quantity of snow in the region during the winter months, it would not be feasible for DMEA personnel to visit the mine more than once a month.

Distribution:
DMEA (Orig. & 3)
USBM (2)
Docket
Puffett

Form MF-1[illegible] (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

# UNITED STATES
# DEPARTMENT OF THE INTERIOR
## DEFENSE MINERALS EXPLORATION ADMINISTRATION
## OPERATOR'S MONTHLY REPORT AND VOUCHER

STAGE 2

Month of December 195 3 Docket No. DMEA 525X Contract No. IDM-E 137

Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu - Zn.

Address 730 Peyton Bldg., Spokane, Washington

Contract Amount, $ 44,000.00 Government Participation: 50 % Amount, $ 22,000.00

| 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: | | | | | | 3/11/54. J.W.W. |
| Drilling Long Hole | | 60.40 | 60.40 | | 60.40 | 60.40 |
| Bulldozing | | | | | | |
| Crosscutting | | 2009.00 | 2009.00 | | 2009.00 | 2009.00 |
| Drifting | | 7449.00 | 7449.00 | | 7449.00 | 7449.00 |
| Raising | | 2295.00 | 2295.00 | | 2295.00 | 2295.00 |
| (2) Labor and Supervision: | | | | | | |
| Labor | 744.40 | | 744.40 | 340.00 | — | 340.00 |
| Supervision | 64.00 | 1232.00 | 1296.00 | 64.00 | 1232.00 | 1296.00 |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | 108.61 | 108.61 | | 108.61 | 108.61 |
| Explosives | | 3017.55 | 3017.55 | | 3017.55 | 3017.55 |
| Pipe | | 225.48 | 225.48 | | 225.48 | 225.48 |
| Track | | 224.83 | 224.83 | | 224.83 | 224.83 |
| Gasoline-Oil-Carbide | 8.91 | 1319.21 | 1328.12 | 8.91 | 1319.21 | 1328.12 |
| Steel-Misc.-Supplies | | 2979.25 | 2979.25 | | 2979.25 | 2979.25 |
| (4) Operating Equipment: | | | | | | |
| Rental | | ~~1107.21~~ | ~~1107.21~~ | | | |
| Purchase | | 1107.21 | 1107.21 | | 1107.21 | 1107.21 |
| Depreciation | 114.50 | 1626.66 | 1741.16 | 114.50 | 1626.66 | 1741.16 |
| (5) Initial Rehabilitation and Repairs | | 4150.00 | 4150.00 | | 4150.00 | 4150.00 |
| (6) New Bldgs., Improvements, etc. | | 63.69 | 63.69 | | 63.69 | 63.69 |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 52.77 | 1686.50 | 1739.27 | 52.77 | 1686.50 | 1739.27 |
| Sampling and Analysis | 4.00 | 92.63 | 96.63 | 4.00 | 92.63 | 96.63 |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Tools | | 123.40 | 123.40 | | 123.40 | 123.40 |
| Safety Supplies | | 22.26 | 22.26 | | 22.26 | 22.26 |
| (8) Contingencies (specify): | | | | | | |
| Tramway Maintenance | .96 | 756.82 | 757.78 | .96 | 756.82 | 757.78 |
| | | | | | | |
| | | | | | | |
| TOTALS | 989.54 | 30549.50 | 31539.04 | 585.14 | 30549.50 | 31134.64 |

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

Date Jan. 12, 1954 *Payee Spokane Mining Syndicate, Inc.

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.

**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:

$ 292.57

Signature [signature] (Authorized Certifying Officer)

Date 3/11/54 Vou. No. 1100 (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. E137 in accordance with the terms of the contract.

Signature /S/ Webster S. Anderson Title Mining Engr Date 2/16/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Stephen W. Zoldok Title Mining Engr Date 2/18/54

## 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.

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STAGE 2

## OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1953 Docket No. DMEA 525X Contract No. IDM-E 137

Operator's Name Spokane Mining Syndicate, Inc. Minerals Zn - Cu

Address 730 Peyton Bldg., Spokane, Wash.

| 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 | Ft. | 291.00 | 5 | 16,071.20 | 444 | 36.20 | 500 | 30.00 |
| Crosscutting | Ft | | | 4,017.80 | 111 | 36.20 | 175 | 30.00 |
| Raising | Ft. | 698.40 | 12 | 5,972.40 | 165 | 36.20 | 150 | 30.00 |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling ~~Core~~ Long Hole | Ft. | | | 156.74 | 151 | 1.038 | | 1.00 |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | 989.40 | 17 | 26,218.14 | 720<br>151 | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | 1,107.21 | | | | |
| Initial Rehabilitation and Repairs | | | | 4,150.00 | | | | |
| New Buildings, Improvements, etc | | | | 63.69 | | | | |
| TOTAL COSTS | | 989.40 | | 31,539.04 | | | | |

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 Jan. 12, 1954 Operator Spokane Mining Syndicate, Inc.

Per Norman Ellis Title Secretary

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)

## 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

January 12, 1954

Board of Directors
Spokane Mining Syndicate, Inc.
730 Peyton Building
Spokane 1, Washington

Progress Report, December, 1953

The following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of December, 1953. This is under the DMEA Contract No. IDM-E 137, Docket No. 525X.

Exploration: During the month the total footage amounted to 17 feet, which was distributed among the various workings as follows: This compares to the total footage of 14 feet driven during July, 1953. There was no long-hole drilling done in December.

| | Footage | | | | | | |
|---|---|---|---|---|---|---|---|
| Working | Drifts | X-Cuts | Raises | Long Holes | Month | To Date | Remarks |
| 102 W. X-Cut | | | | | | 89 | |
| 102 W.S. Swipe | | | | | | 5 | |
| 102-1 W. Raise | | | | | | 15 | |
| 102-2 W. Raise | | | | | | 6 | |
| 109 N. Drift | | | | | | 70 | Stopped at 70' |
| 109 S. Drift | | | | | | 86 | Stopped at 86' |
| 109-1 S. Raise | | | | | | 17 | |
| 109-2 S. Raise | | | | | | 26 | |
| 109-1 N. Raise | | | 12 | | 12 | 12 | |
| 103 S. Drift | | | | | | 57 | |
| 103 S. S. Swipe | | | | | | 2 | |
| 103-1 S. Raise | | | | | | 16 | |
| 103-1 S. S. Swipe | | | | | | 6 | |
| 103-1 S. North Finger Rz. | | | | | | 26 | |
| East Stub | | | | | | 4 | |
| 111 N. Drift | | | | | | 61 | |
| 111 N. S. Swipe | | | | | | 3 | |
| 111-1 N. Raise | | | | | | 12 | |
| 111-1 N. S. Swipe | | | | | | 5 | |
| 111 W. X-cut | | | | | | 12 | |
| 111 S. Int. Dr. | | | | | | 29 | |
| 112 S.S. Swipe | | | | | | 6 | |
| 114 S. Int. Dr. | | | | | | 22 | |
| 114 S. S. Swipe | | | | | | 5 | |
| 114-1 S. Int. Rz. | | | | | | 12 | |
| | | | | | | 604 | |

| | |
|---|---|
| Long Hole No. 1 | 22 |
| Long Hole No. 3 | 22 |
| Long Hole No. 4 | 25 |
| Long Hole No. 7 | 12 |
| Long Hole No. 2 | 40 |
| Long Hole No. 15 | 30 |
| | 151 |

| | Footage | | | | | |
|---|---|---|---|---|---|---|
| | Drifts | X-Cuts | Raises | Long-Hole | Month | To Date |
| | | | To Footage Forward | | 12 | 604 |
| 115 W. Int. X-cut | | | | | | 33 |
| 115 W. Int. S. Swipe | | | | | | 4 |
| 116 N. Int. Dr. | | | | | | 17 |
| 116-1 N. Int. Rz. | | | | | | 8 |
| 117 N. Int. Dr. | | | | | | 33 |
| 117 N. S. Swipe-E | | | (10' at 1/3) | | 3 | 11 |
| 117 N. S. Swipe-W | | | ( 5' at 1/3) | | 2 | 5 |
| 118 W. Int. X-Cut | | | | | | 5 |
| | | | | | 17 | 720 |

Pay roll was on the basis of 17 feet. This included 12 feet of raising and 5 feet of side-swipe.

Details of the December workings are shown on the attached map No. T-1, which is to date of Dec. 31, 1953. December footage is shown in the 109-1 N. raise and 117 N. side swipes. The relation of the various fault blocks is shown.

The 117 N. Side Swipes: Fifteen feet southeast from the face of the 117 N. Int. Drift two 5-foot side-swipes were made on the east wall of the drift. A grab sample containing about 12 pounds was taken along the two side swipes. Results of the assay by Wm. H. Stowell and Company, assayers, at Spokane, Washington, were: Zinc 2-1/10%; copper 8-9/10%; silver 1-4/10 oz.; and totaled $58.86 per ton. Opposite these two side-swipes or west wall, another 5-foot side-swipe was made. Select sample of distinct chalcopyrite-bearing ore from the swipe assayed: Copper, 17-7/10% and 2-2/10 ounces of silver, for a total of $108.18 per ton.

The 109-1 N. Raise: Slope is approximately 75° and was driven up for two rounds, in which the foreman, A. B. Hall, said was 12 feet. Good ore of mill-feed character was observed from the muck from the raise. Location of this raise as shown on attached map is 47 feet Southeast of the face of drift 109Nand driven up from the east side.

General: During the period of operation, from December 10 to 31, 1953, 424 man-hours were consumed. Quoting directly from the foreman's report, 72 hours were necessary to winterize equipment previously drained from shut-down. Ninety-six hours required to drill side swipes in 117-N. Drift and remove muck; 48 hours used in drilling and mucking out 109-1 N. raise; slushing operation needed 54 hours of work, which included pumping water. Breaking up large blocks from blasting by sledge took 30 hours; tramming ore to bunkers and them down to mill bins needed 32 hours. Mechanical repair to equipment used up 18 hours. Hoisting supplies, gas, oil via the tram required 52 hours. Taking out the back of 117-North drift in preparation to raise used twelve hours; and ten hours were necessary in the

long-hole sludge drilling not completed in this month.

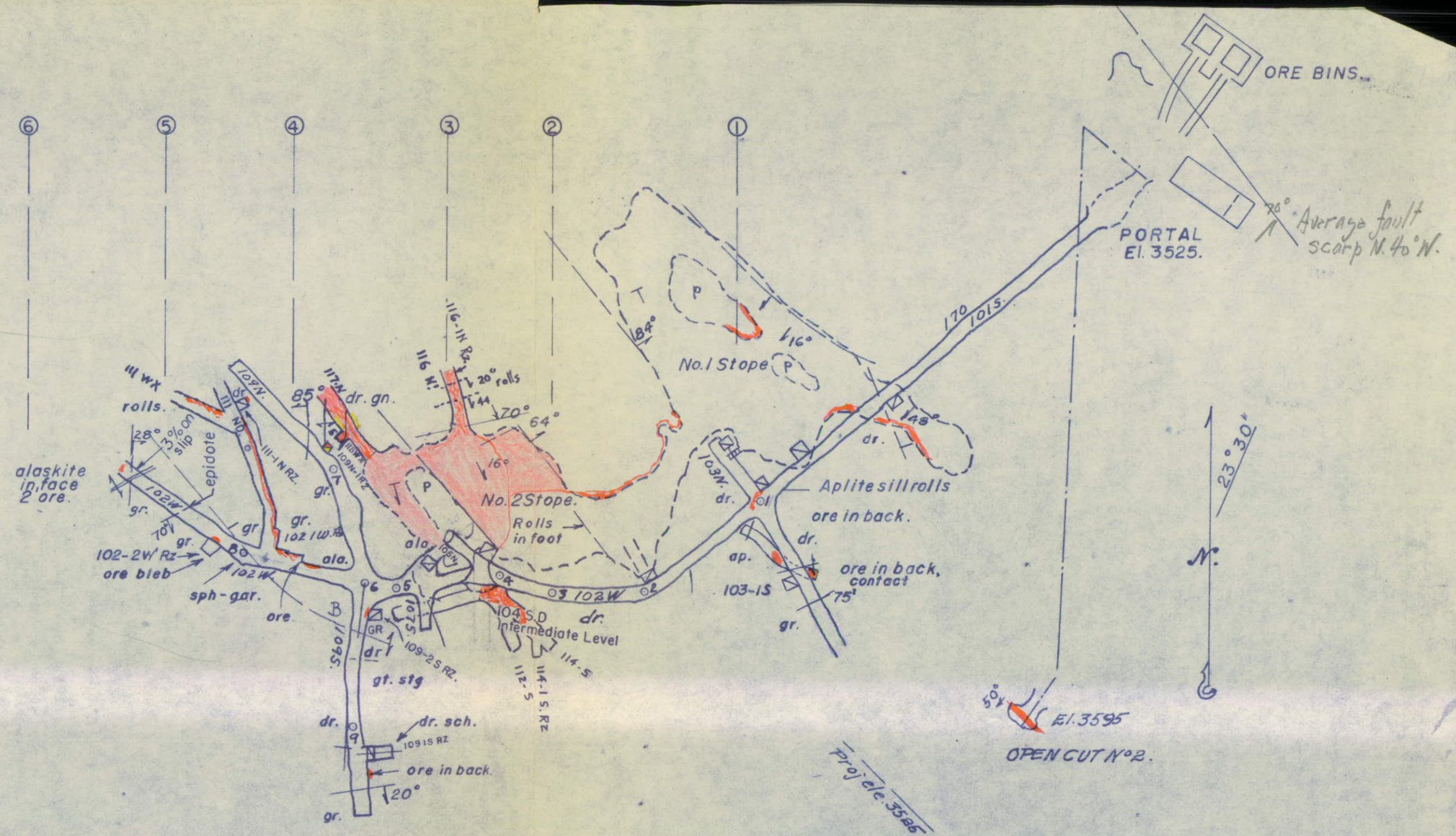
Mr. H. E. Besly, your company's supervisor, was at the mine December 9, 10, 11, 12 to see to it that operation would start without unnedessary delays.

Conclusion: Management deemed it advisable to ship a car or two of crude copper ore, to help defray expenses.

Respectfully submitted

Don A. Gillis

Don A. Gillis
Secretary for the Company and
Mineral surveyor.




Ore
Advance

PLAN OF
TUNNEL No 1
TALISMAN PROPERTY
FERRY COUNTY, WASHINGTON
Scale 1" = 40'  July 9, 1952.
By W. A. Richelsen  Drawing No T-1
Traced By Lee Eller
To Date JAN 12 1954

SPOKANE MINING SYNDICATE, INC.

730 Peyton Building
Spokane 1, Washington

1/4/54 - Rec'd

Betty

December 8, 1953

Board of Directors
Spokane Mining Syndicate, Inc.
Spokane 1, Washington

PROGRESS REPORT - NOVEMBER, 1953

Following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of November, 1953. This is under the D.M.E.A. contract No. IDM-137 Docket, No. 525X.

Exploration: During the month, no footage was accomplished, as there was no crew at the mine. Forms MF 104 and 104A will not be submitted, due to the trivial amount expended, but will be entered in the December voucher, because exploration at the mine is being resumed.

Milling Operations: The mill did not operate during the month. All milling equipment required to be drained has been done. Pipeline to pumps in Kettle River has also been drained.

General: On November 20th to the 25th, inclusive, the writer in company of Mr. Besly, the general manager, visited the property, and in so doing made minor repairs and carried on a thorough study of the problems confronting our mine exploration program. As of this date, the former contractor, A.B. Hall, has returned to the mine in company of two miners, to complete our D.M.E.A. Contract under a pay roll system.

Conclusions: The entire staff seems to have confidence that the exploration program will go forward and the financial situation will be relieved as metal prices improve.

Respectfully submitted

Don A. Gillis

Don A. Gillis
Secretary for the Company
and Mineral Surveyor

SPOKANE MINING SYNDICATE, INC.

730 Peyton Building
Spokane 8, Washington

Idm-E137 W

November 10, 1953

Board of Directors
Spokane Mining Syndicate, Inc.
730 Peyton Building
Spokane 1, Washington

Betty

PROGRESS REPORT - OCTOBER, 1953

Following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of October, 1953. This is under the D.M.E.A. Contract No. IDM-137 Docket, No. 525X.

EXPLORATION: During the month no footage was accomplished. Forms MF 104 and 104A will not be submitted, due to the trivial amount expended, but will be entered in the November report, if and when the exploration at the mine is resumed.

MILLING OPERATIONS: The mill operated during the month on the 15th only and the performance was satisfactory. Mr. H. E. Besly and the writer assisted Mr. Vernon Hoar, the mill superintendent, in making the eight-hour run.

On the 16th we also set up the conveyor and loaded the gondola with the copper concentrates for shipment to the American Smelting and Refining Co., at Tacoma, Washington. Results of the car shipment will be available in the November report.

GENERAL: October 17th Mr. Besly and Mr. Gillis made the trip to the mine, over the steep winding trail, because the tram is locked and there is no crew at the property. Due to the depressed metal market, sale of shares has been extremely slow. This being the source of financial aid to keep the mine in operation, a united effort of the management to try and keep going is our paramount aim. Contractor A. B. Hall has professed a willingness to return to the mine and help complete our objective in producing concentrates to sell and produce revenue.

CONCLUSIONS: Our staff has contributed considerable time and effort without remuneration. Therefore, when metal prices improve, the mine and mill should be on a paying basis.

Respectfully submitted,

Don A. Gillis

Don A. Gillis
Secretary for the Company
and Mineral Surveyor

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Wash

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Stage 2

Department of the Interior
Defense Minerals Administration
RECEIVED
SEP 25 1953

Month of August, 1953 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu Zn
Address 730 Peyton Bldg., Spokane, Washington
Contract Amount, $ 44,000.00 Government Participation % 50 Amount, $ 22,000.00

| 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 Long Hole | | 60.40 | 60.40 | | | |
| Bulldozing | | | | | | |
| Crosscutting | | 2,009.00 | 2,009.00 | | | |
| Drifting | | 7,449.00 | 7,449.00 | | | |
| Raising | | 2,295.00 | 2,295.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | | | | | | |
| Supervision * | 352.00 | 1,232.00 | 1,584.00 | -0- | 1232.00 | 1232.00 |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | 108.61 | 108.61 | | | |
| Explosives | | 3,017.55 | 3,017.55 | | | |
| Pipe | .24 | 225.24 | 225.48 | .24 | | |
| Track | | 224.83 | 224.83 | | | |
| Gasoline-Oil-Carbide | 11.49 | 1,307.72 | 1,319.21 | 11.49 | | |
| Steel-Misc.-Supplies | | 2,979.25 | 2,979.25 | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | 1,107.21 | 1,107.21 | | | |
| Depreciation * | 114.50 | 1,626.66 | 1,741.16 | -0- | 1626.66 | 1626.66 |
| (5) Initial Rehabilitation and Repairs | 1476.47 | 2,673.18 | 4,149.65 | 1476.82 | 2673.18 | 4150.00 |
| (6) New Bldgs., Improvements, etc. | | 63.69 | 63.69 | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | 1,686.50 | 1,686.50 | | | |
| Sampling and Analysis | | 92.63 | 92.63 | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Tools | 49.09 | 74.31 | 123.40 | 49.09 | | |
| Safety Supplies | | 22.26 | 22.26 | | | |
| (8) Contingencies (specify): | | | | | | |
| Tramway Maintenance | | 756.82 | 756.82 | | | |
| | | | | | | |
| TOTALS | 2003.79 | 29,011.86 | 31,015.65 | 1537.64 | 29,011.86 | 30,549.50 |

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

Date Sept. 24-53 *Payee SPOKANE MINING SYNDICATE, INC.

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.

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:

$ 768.82

Signature [signature]
(Authorized Certifying Officer)

Date 9/18/53 Vou. No. 910
(See other side)

* These costs should have been charged to repair of tram field team holding operation to max of $1900.00 on last req

(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. 137 in accordance with the terms of the contract.

Signature S/ W. S. Anderson Title M. Eng. Date 9/14/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature S/ P. E. Howard Title M. Eng Date 9/14/53

## 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.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

# OPERATOR'S UNIT COST AND PROGRESS REPORT Stage 2

Month of August 1953 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu Zn
Address 730 Peyton Bldg., Spokane, Wash.

| 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 | Ft. | | | 15,947.85 | 439 | 36.33 | 500 | 30.00 |
| Crosscutting | Ft. | | | 4,032.37 | 111 | 36.33 | 175 | 30.00 |
| Raising | Ft. | | | 5,558 14 | 153 | 36.33 | 150 | 30.00 |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Cor Lng. Hole | Ft. | | | 156.74 | 151 | 1.038 | | 1.00 |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| Total Distributed Costs | | 527.32 | | 25,695.10 | 703<br>151 | | | Total Costs Authorized by Contract |
| Operating Equipment Purchased | | | | 1,107.21 | | | | |
| Initial Rehabilitation and Repairs | | 1476.47 | | 4,149.65 | | | | |
| New Buildings, Improvements, etc. | | | | 63.69 | | | | |
| Total Costs | | 2003.79 | | 31,015.65 | | | | |

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.

Date Sept. 4, 1953 Operator Spokane Mining Syndicate, Inc.

Per [signature] Title Secretary

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)

## 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

September 8, 1953

Board of Directors
Spokane Mining Syndicate, Inc.
730 Peyton Building
Spokane 1, Washington

PROGRESS REPORT - AUGUST, 1953

The following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of August, 1953. This is under the D.M.E.A. Contract No. IDM-E-137, Docket No. 525X.

EXPLORATION: During the month no footage was accomplished.

MILLING OPERATIONS: The mill operated during the month on the 15th, 17th, 18th and 19th, consuming 75.36 tons of ore. Assays made at Wm. H. Stowell and Co., at Spokane, Washington, show the mill heads running close to 5% or better combined metals of copper and zinc. Tests are to be made by Mr. S. P. Meyer, capable metallurgist who has had a wide experience in the field of lead-zinc concentration. Certain reagents will be used to determine their suitability as silica depressants. Also, we intend to acquaint our mill superintendent with the latest and newest in proven reagents.

TRAMWAY: The entire month was required to complete the task of installing 6400 feet of new 9/16" 6 x 7 improved plow steel cable. Four coils of 3/8" pilot cable, weighing 200 lbs. each, were flown in by Roy Shreck, of Shreck Air Transport, from the Colville Airport, in four trips requiring five flying hours. One by one the drop was made successfully at a designated spot near upper tower.

Unavoidable delay was experienced, as pilot cable was not free near edge of shear cliff. Mr. Beely, a member of the corporation staff, crawled close to the cliff, releasing the cable to descend to the bottom. Here cable was required to reach lower tower, and 5/8" cable was used to complete the distance. Entire distance was drug by hand.

New 38" C.I. Sheave was transported to upper terminal by horse pack.

Operation of drawing new haulage cable to the upper tower was slow process, due to slusher being underpowered with air. Both ore buckets have been completely repaired and installed.

Two new sheave bearings were installed. All split timbers were reinforced or replaced by new ones. Fifteen times or more during this repair operation, men had to ascend the steep winding trail, which takes at least two hours or more.

GENERAL: Five hundred ninety (590) man-hours were required during August to practically complete the tramway repair job.

Weather was very warm.

On August 4th, Loron Fisk slipped backwards into a surface cut, which resulted in a fracture of the tibia and fibula bones joining the right ankle.

John Sims passed away August 28, 1953, in a hospital at Grandforks, British Columbia, Canada. Coronary condition of the heart resulted in his untimely death. With his passing, your company has lost a devoted vice president and general manager. He had most admirable ability in the field of mining. He and his association with us will not be forgotten.

CONCLUSION: The exploration program should be pushed without delay and the small-scale mining operation continued while present copper prices hold and weather is pleasant.

Don A. Gillis

Don A. Gillis
Secretary for the Company
and
Mineral Surveyor

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

Wash

# UNITED STATES
# DEPARTMENT OF THE INTERIOR
## DEFENSE MINERALS EXPLORATION ADMINISTRATION
## OPERATOR'S MONTHLY REPORT AND VOUCHER

Stage 1

Month of July 1953 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name SPOKANE MINING SYNDICATE, INC. Minerals Cu-Zn
Address 730 Peyton Bldg., Spokane, Wash.
Contract Amount, $ 44,000.00 Government Participation: 50 % Amount, $ 22,000.00

| 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: | | | | | | 9/15/53 |
| Long Hole Drilling | | 60.40 | 60.40 | | | |
| Bulldozing | | | | | | |
| Crosscutting | 75.00 | 1,934.00 | 2,009.00 | | | |
| Drifting | 135.00 | 7,314.00 | 7,449.00 | | | |
| Raising | | 2,295.00 | 2,295.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | | | | | | |
| Supervision | 176.00 | 1,056.00 | 1,232.00 | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | 108.61 | 108.61 | | | |
| Explosives | | 3,017.55 | 3,017.55 | | | |
| Pipe | | 225.24 | 225.24 | | | |
| Track | | 224.83 | 224.83 | | | |
| Gasoline-Oil-Carbide | | 1,307.72 | 1,307.72 | | | |
| Steel-Misc.-Supplies | 171.26 | 2,807.99 | 2,979.25 | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | 1,107.21 | 1,107.21 | | | |
| Depreciation | 114.50 | 1,512.16 | 1,626.66 | | | |
| (5) Initial Rehabilitation and Repairs | 423.18 | 2,250.00 | 2,673.18 | | | |
| (6) New Bldgs., Improvements, etc. | | 63.69 | 63.69 | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 19.80 | 1,666.70 | 1,686.50 | | | |
| Sampling and Analysis | | 92.63 | 92.63 | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Tools | 3.66 | 70.65 | 74.31 | | | |
| Safety Supplies | | 22.26 | 22.26 | | | |
| (8) Contingencies (specify): | | | | | | |
| Tramway Maint. | | 756.82 | 756.82 | | | |
| TOTALS | 1118.40 | 27,893.46 | 29,011.86 | 1118.40 | 27,893.46 | 29,011.86 |

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Aug. 12, 1953 *Payee SPOKANE MINING SYNDICATE, INC.
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.

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:

$ 559.20

Signature [signature]
(Authorized Certifying Officer)

Date 8/24/53 Vou. No. 892
(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. E137 in accordance with the terms of the contract.

Signature /S/ Webster S Anderson Title Mining Engr. Date 8/17/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Engr. Date 8/17/53

## 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.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Stage 1

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1953 Docket No. DMEA 525X Contract No. IDM-E-137

Operator's Name SPOKANE MINING SYNDICATE, INC. Minerals Cu - Zn

Address 730 Peyton Bldg., Spokane, Wash.

| 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 | Ft. | 446.93 | 9 | 15,618.56 | 439 | 35.58 | 500 | 30.00 |
| Crosscutting | Ft. | 248.29 | 5 | 3,949.11 | 111 | 35.58 | 175 | 30.00 |
| Raising | Ft. | | | 5,443.37 | 153 | 35.58 | 150 | 30.00 |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Core Long Hole | Ft. | | | 156.74 | 151 | 1.038 | | 1.00 |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | 695.22 | 14 | 25,167.78 | 703<br>151 | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | 1,107.21 | | | | |
| Initial Rehabilitation and Repairs | | 423.18 | | 2,673.18 | | | | |
| New Buildings, Improvements, etc. | | | | 63.69 | | | | |
| TOTAL COSTS | | 1118.40 | | 29,011.86 | | | | |

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 Aug. 12, 1953 Operator SPOKANE MINING SYNDICATE, INC.

Per Wm. G. Dillis Title Secretary

→ 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)

## 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

August 12, 1953

Board of Directors
Spokane Mining Syndicate, Inc.
730 Peyton Building
Spokane 1, Washington

Progress Report, July, 1953

The following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of July, 1953. This is under the DMEA Contract No. IDM-E 137, Docket No. 525X.

Exploration: During the month the total footage amounted to 14 feet which was distributed among the various workings as follows: This compares to the total footage of 28 feet driven during June, 1953. There was no long-hole drilling done in July.

| Working | Footage: Drifts | X-Cuts | Raises | Long Holes | Month | To Date | Remarks |
|---|---|---|---|---|---|---|---|
| 102 W. X-Cut | | | | | | 89 | |
| 102 W. S. Swipe | | | | | | 5 | |
| 102-1 W. Raise | | | | | | 15 | |
| 102-2 W. Raise | | | | | | 6 | |
| 109 N. Drift | | | | | | 70 | Stopped at 70' |
| 109 S. Drift | | | | | | 86 | Stopped at 86' |
| 109-1 S. Raise | | | | | | 17 | |
| 109-2 S. Raise | | | | | | 26 | |
| 103 S. Drift | | | | | | 57 | |
| 103 S. S. Swipe | | | | | | 2 | |
| 103-1 S. Raise | | | | | | 16 | |
| 103-1 S. S. Swipe | | | | | | 6 | |
| 103-1 S. North Finger Rs. | | | | | | 26 | |
| East Stub | | | | | | 4 | |
| 111 N. Drift | | | | | | 61 | |
| 111 N. S. Swipe | | | | | | 3 | |
| 111-1 N. Raise | | | | | | 12 | |
| 111-1 N. S. Swipe | | | | | | 5 | |
| 111 W. X-Cut | | | | | | 12 | |
| 111 S. Int. Dr. | | | | | | 29 | |
| 112 S. S. Swipe | | | | | | 6 | |
| 114 S. Int. Dr. | | | | | | 22 | |
| 114 S. S. Swipe | | | | | | 5 | |
| 114-1 S. Int. Rs. | | | | | | 12 | |
| | | | | | | 392 | |

| | Footage | | | | | |
|---|---|---|---|---|---|---|
| | Drifts | X-Cuts | Raises | Long Holes | Month | To Date |
| | | | To Footage Forward | | | 592 |
| 115 W. Int. X-Cut | | | | | | 33 |
| 115 W. Int. S.Swipe | | | | | | 4 |
| 116 N. Int. Dr. | | | | | | 17 |
| 116-1 N. Int. Rs. | | | | | | 8 |
| 117 N. Int. Dr. | 6 | | | | 6 | 33 |
| 117 N. S.Swipe | 3 | | (9' at 1/3) | | 3 | 8 |
| 117 N. S.Swipe | | | | | 5 | 3 |
| 118 W. Int. X-Cut | | 5 | | | | 5 |
| | 9 | 5 | | | 14 | 703 |

| | |
|---|---|
| Long Hole No. 1 | 22 |
| Long Hole No. 3 | 22 |
| Long Hole No. 4 | 25 |
| Long Hole No. 7 | 12 |
| Long Hole No. 2 | 40 |
| Long Hole No.15 | 30 |
| | 151 |

Contract footage was paid on the basis of 14 feet. This included 11 feet advance and 3 feet of side-swipe.

Details of the workings are shown on the attached Map No. T-1, which is to date of July 31, 1953. July footage is shown in the 117 N. Int. Drift and 118 W. Int. X-Cut. The relation of the various fault blocks is shown.

The 117 N. Int. Drift was advanced for a distance of 6 feet or a total of 33 feet. Within and along the floor of the drift good chalcopyrite ore exists. Interbedded sphalerite is freely observed, together with a noticeable strong fracture zone. A 9 foot side-swipe was made on the west wall of this intermediate drift approximately 15 feet south of the face. An intermediate crosscut was started and advanced 5 feet, with a face heading west and shall be known as 118 W. Intermediate X-Cut.

The 118 W. Int. X-Cut, being in only 5 feet, had 5 feet of ore showing in the lower face of the crosscut. Sphalerite was seemingly strong by observation, but good chalcopyrite is evident throughout the ore.

Recommendations: Under date of July 28, 1953, D.M.E.A. Field Team Region II wrote a letter, and I quote: "As a result of the encouraging results obtained by drifting from No. 2 stope at the Talisman Mine, permission is hereby granted for the current exploration

project to be extended to Stage II, wherein 100 feet of crosscutting is specified. It is believed that this work will achieve the best results by continuing the drift on the presently exposed ore in drift 117 N.W." (End of this quotation in part).

Milling Operations: The mill did not operate during the month of July. Crusher rolls were built up by welding and should result in a saving of ball mill balls. Repairs were made on the river pumps, due to failure of the pump impellers. They were machined at the Washington Machinery and Supply Co., because parts could not be obtained from the factory for several weeks.

Tramway: On July 15, 1953, the writer was informed the 5/8" plow steel haulage (traveling) cable parted near the upper terminal, causing the entire 6400 feet to catapult and become a twisted mass within the area of the lower terminal, Great North main line and spur to mill. No one was injured! One bunker at lower terminal was damaged, but has been repaired as of this date.

General: During the period of operation, 60 hours were used hoisting supplies, 12 hours overhauling slusher motor, 150 hours in repairing ore bunker and tramway, due to failure of cable. Weather conditions were satisfactory.

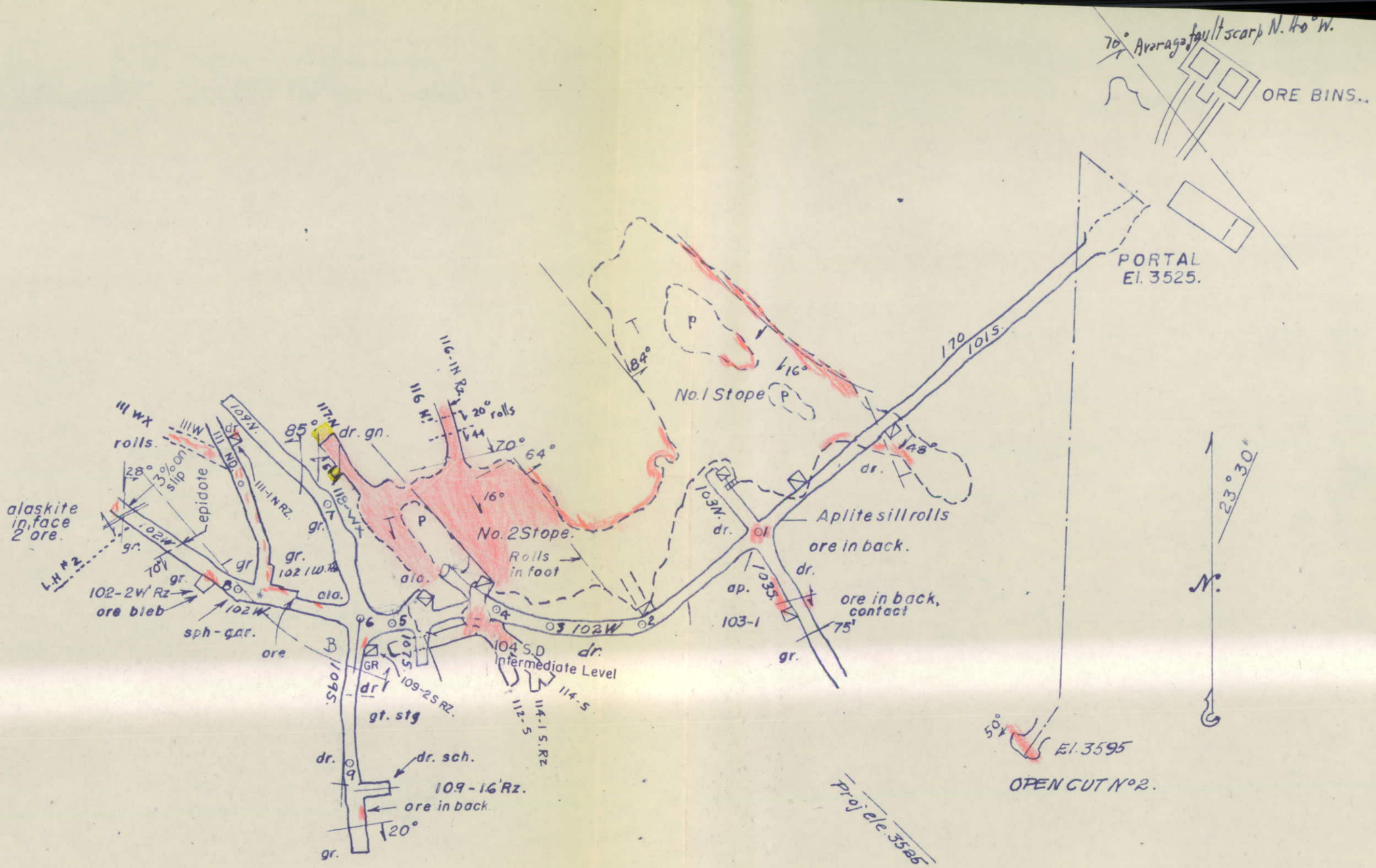
Mr. John Sims visited the property for 11 days during the month of July, in a supervisory capacity.

Mr. H. E. Beaty, your company's Assistant Secretary and mining authority, made a check of the July footage and verified measurements. He was quite encouraged by the showings observed in 117 N. Int. Drift and 118 W. Int. I-Cut.

Conclusion: Every effort should be made to speed up repairs and the outlined exploration program, plus the small-scale mining operation under contract to A. D. Hall. Advantage of present copper prices and weather cannot be over emphasized.

Don A. Gillis

Don A. Gillis
Secretary for the Company and
Mineral Surveyor




PLAN OF
TUNNEL No 1
TALISMAN PROPERTY
FERRY COUNTY, WASHINGTON

Scale 1" = 40'  July 9, 1952.

By W. A. Richelsen  Drawing No T-1

Traced By Lee Eller

To Date JUL 31 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

July 16, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: W. P. Puffett, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-525X (Copper-Zinc), Routine Inspection of Talisman Mine, Ferry County, Washington, Contract Idm-E137

A routine inspection of the Talisman mine was made on Wednesday, July 15, 1953. Mr. Al Hall, Mr. Lauren Fisk, and one other fellow employed as a trammer, were at the mine.

Drifts nos. 117 NW and 116 NW were mapped, and the ore zone in drift no. 117 NW was sampled. These two drifts are exploring the walls of the stopes and are approximately 20 to 25 feet above the main adit level. Drift no. 117 NW is 28 feet long, and drift no. 116 NW is 17 feet long. Near the face of the 116 NW, a raise has been driven for 11 feet at plus 64° on a bearing of N. 15° W.

A well-mineralized ore zone has been completely intersected in drift 117 NW. This zone has an apparent bearing of N. 75° W. and dips 25° to the south. In the west wall of the drift, only the upper portions of the zone are exposed, whereas the ore zone extends nearly to the back on the east wall and the footwall of the ore zone is obscured in the broken rock along the bottom. On the west wall, sample no. 214 was cut at right angles to the ore zone for a length of 70 inches. On the east wall, sample 213 was cut at right angles to the ore zone for a length of 60 inches. It is emphasized that neither sample cut reached the footwall of the ore zone. On the west wall near the sill, the ore zone consists of a high concentration of reddish sphalerite, whereas the rest of the exposed ore in either wall is disseminated sphalerite, chalcopyrite, fine-grained iron sulphides, and an occasional grain of galena. This zone is contained in a gray-green epidote rock above which occurs what the miners call leopard rock, a rock containing very coarse-grained pink feldspars around which is a fine-grained matrix of mafic minerals. It was interesting to note that on the west wall of the drift, and in the central part of the mineralized zone, a 10-by 6-inch xenolith(?) of light gray granite occurs. Around this inclusion is a thin border of quartz, but little other alteration is apparent. The singular

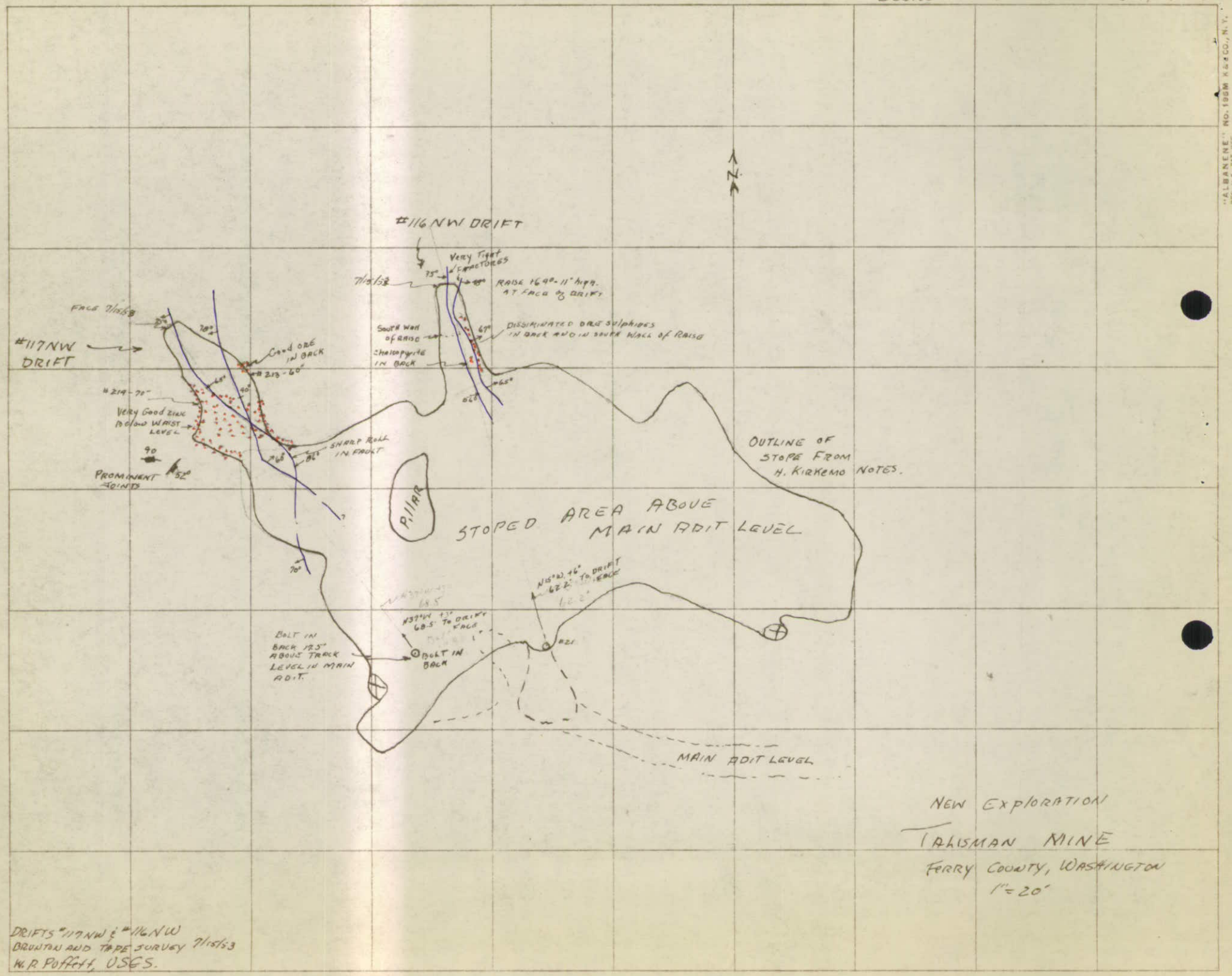
feature is that although occurring in the central part of the ore zone, not a trace of ore sulphide minerals were seen in the exposed portions of the inclusion. The upper part of the face of the drift is in white aplite, a coarse-grained rock composed predominately of white feldspars around which is much gray quartz that has the appearance of being introduced later than the feldspars. Some epidote occurs sporadically in the aplite. The lower portion of the face is composed of green fine-grained epidote rock in which some very fine-grained iron sulphide minerals occur. Two narrow faults parallel the central part of the drift, but these are apparently very tight fractures with little offset along them in the drift area.

Drift no. 116 NW has been driven in leopard rock with green epidote being exposed near the back. From what could be observed in the drift and the raise, the epidote rock has an apparent dip to the south and is underlain in the raise by a band of aplite rock. Scattered chalcopyrite is found in the back of the drift in the leopard rock, whereas in the epidote rock, much fine-grained sulphides (ore?) is exposed. Although the upper part of the raise was not accessible for inspection, Mr. Hall stated that no ore was found there.

The accompanying map shows the location and main geologic features of the two drifts. A map with more complete details plus assay results of samples taken will be submitted at a later date.

Stage I of the project is nearly completed, and it is believed that the next stage will be delayed for considerable time. Just before I planned to leave the mine, the traction cable on the tram line from the mill to the mine broke, and considerable damage was created both at the mill ore bunker and at the upper end of the tram line at the ore bunker at the mine. As a result of preliminary inspection, it is doubtful that the repairs can be completed for at least two weeks, providing the company is able to obtain the financing for such repairs.

Enclosure
Distribution:
DMEA(Orig.&3)
USBM(2)
Docket
Puffett




NEW EXPLORATION

TALISMAN MINE

FERRY COUNTY, WASHINGTON

1" = 20'

DRIFTS #117NW & #116NW
DRUNTON AND TAPE SURVEY 7/15/53
W. R. POFFETT, USGS.

"ALBANENE" No. 190M K&E CO., N.Y. REG. U.S. PAT. OFF.

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

1201 N. Division St.
Spokane 2, Washington
July 15, 1953

MEMORANDUM

To: DMEA Field Team, Region II

From: W. S. Anderson, Mining Engineer, Bureau of Mines

Subject: Routine inspection, Spokane Mining Syndicate, Talisman Mine, Ferry County, Washington, Docket No. DMEA 525X (copper-zinc), Contract Idm-E137

An examination was made of the subject property on June 25, 1953. Mr. Hall, labor contractor, was at the property during the examination.

Two drifts which have been driven from the No. 2 stope were mapped and are shown on the attached sketch.

Drift 117N was advanced 27 feet in an ore zone containing disseminated sphalerite, pyrite and chalcopyrite. A 3 ft. chip sample (WSA #40) was cut in the east wall of the drift. The ore apparently is cut off by a slip which strikes northeast and dips 20° to the southeast. The face of the drift is not in ore but there is some disseminated sphalerite, chalcopyrite and pyrite in the back.

Mr. Hall was anticipating raising from the face of the 117 DW but it was recommended to him that perhaps slabbing of the east wall at a point approximately 12 ft. back from the present face would probably give a better picture of the trend of the ore zone exposed in the drift.

The 116 DN was driven 21 feet to the northeast and exposed some disseminated sulfides for part of the advance but the mineralization did not persist to the face so work in this drift was discontinued.

The ore from the 117 DW is being stored in the ore bins at the mill. The mill is operated only when there is sufficient ore at the mill for a two or three day run.

Work completed to date under the exploration project contract is as follows:

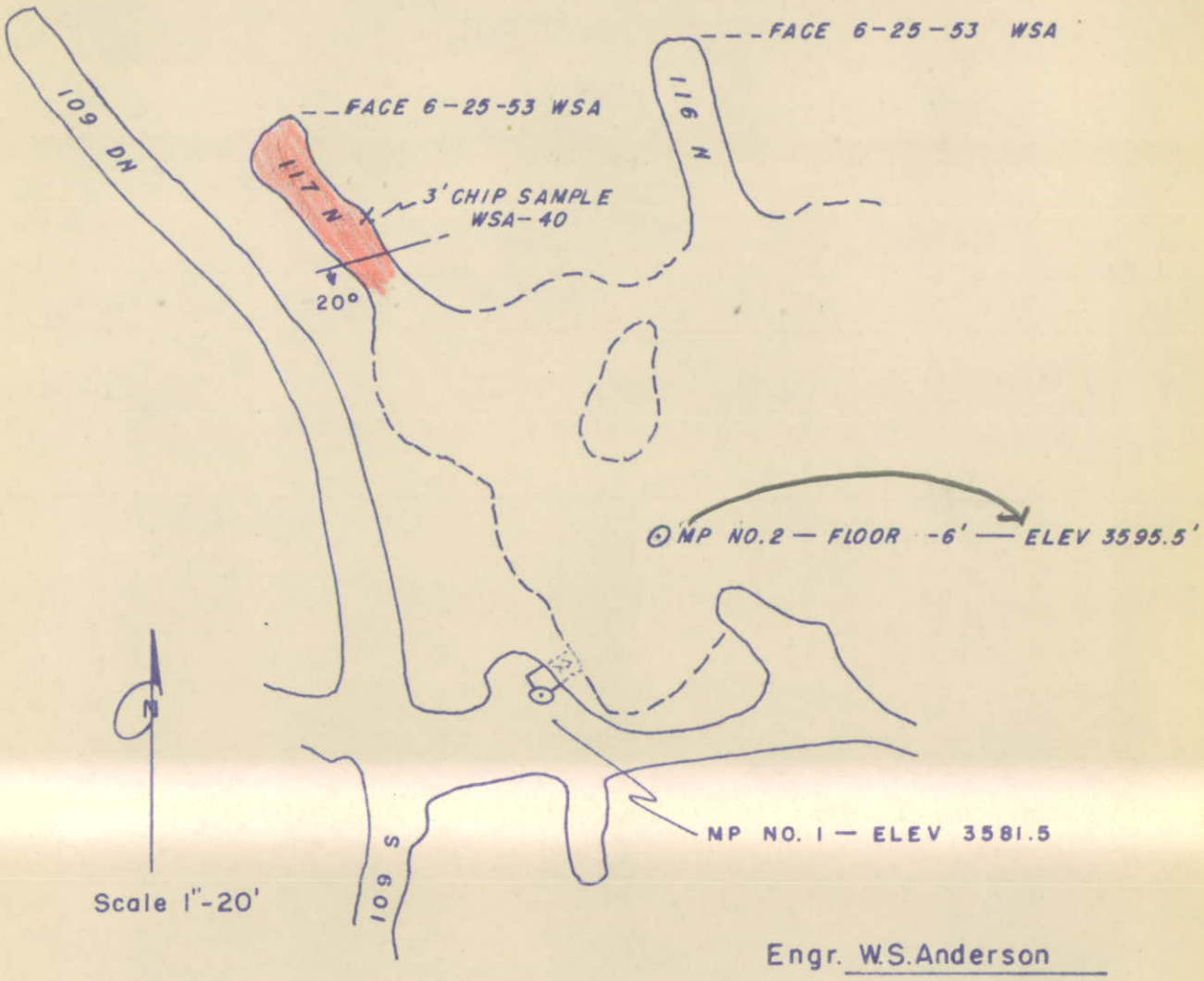
| | |
|---|---|
| Drifting | 450 feet |
| Crosscutting | 106 feet |
| Raising | 153 feet |
| Long hole drilling | 151 feet |

From the results of work in the 117 DN to date, and if further exploration in this drift under Stage I of the contract indicates that the ore body persists, Stage II of the contract should be initiated.

W. S. Anderson

W. S. Anderson

Orig. & 3 cys - Wash.
USGS (2)
DMEA
M/D
WSA/he




Disseminated $CuFeS_2 - ZnFeS_2$

Talisman mine, Ferry County, Washington — 6-25-'53,
(Pb, Cu, Zn) DMEA Docket No 525,- Contract-Idm. E-137

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Wash

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Stage 1

Month of June, 1953 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu-Zn
Address 730 Peyton Bldg., Spokane, Washington
Contract Amount, $ 44,000 Government Participation: 50 % Amount, $ 22,000

| 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 Long Hole | | 60.40 | 60.40 | | | |
| Bulldozing | | | | | | |
| Crosscutting | | 1,934.00 | 1,934.00 | | | |
| Drifting | 420.00 | 6,894.00 | 7,314.00 | | | |
| Raising | | 2,295.00 | 2,295.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | | | | | | |
| Supervision | 64.00 | 992.00 | 1,056.00 | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | 108.61 | 108.61 | | | |
| Explosives | 570.52 | 2,447.03 | 3,017.55 | | | |
| Pipe | | 225.24 | 225.24 | | | |
| Track | | 224.83 | 224.83 | | | |
| Gasoline-Oil-Carbide | 188.26 | 1,119.46 | 1,307.72 | | | |
| Steel-Misc.Supplies | 296.64 | 2,511.35 | 2,807.99 | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | 1,107.21 | 1,107.21 | | | |
| Depreciation | 114.50 | 1,397.66 | 1,512.16 | | | |
| (5) Initial Rehabilitation and Repairs | | 2,250.00 | 2,250.00 | | | |
| (6) New Bldgs., Improvements, etc. | | 63.69 | 63.69 | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 37.63 | 1,629.07 | 1,666.70 | | | |
| Sampling and Analysis | | 92.63 | 92.63 | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Tools | | 70.65 | 70.65 | | | |
| Safety Supplies | | 22.26 | 22.26 | | | |
| (8) Contingencies (specify): Tramway Maint. | 33.00 | 723.82 | 756.82 | | | |
| TOTALS | 1724.55 | 26,168.91 | 27,893.46 | 1724.55 | 26168.91 | 27893.46 |

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 8, 1953 *Payee Spokane Mining Syndicate, Inc.
Per Wm. A. Gellis 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.

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:
$ 862.28
Signature (Authorized Certifying Officer)
Date 7/15/53 Vou. No. 839
(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. E1 37 in accordance with the terms of the contract.

Signature /S/ Webster S. Anderson Title Mining Eng. Date 7/15/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E. Howard Title Mining Eng. Date 7/15/53

## 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.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Stage 1

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1953 Docket No. DMEA 525X Contract No. IDM-E-137

Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu-Zn

Address 730 Peyton Bldg., Spokane, Wash.

| 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 | Ft. | 1724.55 | 28 | 15,175.33 | 430 | 35.29 | 500 | 30.00 |
| Crosscutting | Ft. | | | 3,740.90 | 106 | 35.29 | 175 | 30.00 |
| Raising | Ft. | | | 5,399.59 | 153 | 35.29 | 150 | 30.00 |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Long Hole | Ft. | | | 156.74 | 151 | 1.038 | | 1.00 |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | 1724.55 | 28 | 24,472.56 | 689<br>151 | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | 1,107.21 | | | | |
| Initial Rehabilitation and Repairs | | | | 2,250.00 | | | | |
| New Buildings, Improvements, etc. | | | | 63.69 | | | | |
| TOTAL COSTS | | 1724.55 | | 27,893.46 | | | | |

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.

REMARKS:

Date July 8, 1953 Operator Spokane Mining Syndicate, Inc.

Per Wm. C. Gillis Title Secretary

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)

## 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

Walter A. Richelsen
709 Central Building
Seattle 4, Washington

RECEIVED
BUREAU OF MINES
JUL 14 1953
SPOKANE, WASH.

July 7, 1953

Mr. Henry T. Born
Spokane Mining Syndicate, Inc.,
730 Peyton Building
Spokane 8, Washington

Progress Report- June, 1953

Dear Sir:

The following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of June, 1953. This is under the DMEA Contract No. IDM-S 137, Docket No. 525X.

Exploration: During the month the total footage amounted to 28 feet which was distributed among the various workings as follows: This compares to the total footage of 52 feet driven during May, 1953. There was no long-hole drilling done in June.

| Working | Footage: Drifts | X-Cuts | Raises | Long Holes | Month | To Date | Remarks |
|---|---|---|---|---|---|---|---|
| 102 N. X-Cut | | | | | | 89 | |
| 102 N. S.Swipe | | | | | | 5 | |
| 102-1 N. Raise | | | | | | 15 | |
| 102-2 N. Raise | | | | | | 6 | |
| 109 N. Drift | | | | | | 70 | Stopped at 70' |
| 109 S. Drift | | | | | | 86 | Stopped at 86' |
| 109-1 S. Raise | | | | | | 17 | |
| 109-2 S. Raise | | | | | | 26 | |
| 103 S. Drift | | | | | | 57 | |
| 103 S. S.Swipe | | | | | | 2 | |
| 103-1 S. Raise | | | | | | 16 | |
| 103-1 S. S.Swipe | | | | | | 6 | |
| 103-1 S. North Finger Rz | | | | | | 26 | |
| East Stub | | | | | | 4 | |
| 111 N. Drift | | | | | | 61 | |
| 111 N. S.Swipe | | | | | | 3 | |
| 111-1 N. Raise | | | | | | 12 | |
| 111-1 N. S.Swipe | | | | | | 5 | |
| 111 N. X-Cut | | | | | | 12 | |
| 112 S. Int. Dr. | | | | | | 29 | |
| 112 S. S.Swipe | | | | | | 6 | |
| 114 S. Int. Dr. | | | | | | 22 | |
| 114 S. S.Swipe | | | | | | 5 | |
| 114-1 S. Int. Rz | | | | | | 12 | |
| | | | | | | 592 | |

Mr. Henry T. Born July 7, 1953

| Working | Footage Drifts | X-Cuts | Raises | Long Holes | Month | To Date | Remarks |
|---|---|---|---|---|---|---|---|
| | | | To Footage Forward | | | 592 | |
| 115 W. Int. X-Cut | | 7 | | | 7 | 33 | |
| 115 W. Int. S.Swipe | | 4 | (7' at 1/2) | | 4 | 4 | |
| 116 N. Int. Dr. | | | | | | 17 | |
| 116-1 N. Int. Ra | | | | | | 8 | |
| 117 N. Int. Dr. | 9 | | | | 9 | 27 | |
| 117 N. S.Swipe | 5 | | (15' at 1/3) | | 5 | 5 | |
| 117 N. S.Swipe | 3 | | (20' bottom at 1/6) | | 3 | 3 | |
| | 17 | 11 | | | 28 | 639 | |
| Long Hole No. 1 | | | | | | 22 | |
| Long Hole No. 3 | | | | | | 22 | |
| Long Hole No. 4 | | | | | | 25 | |
| Long Hole No. 7 | | | | | | 12 | |
| Long Hole No. 2 | | | | | | 40 | |
| Long Hole No. 15 | | | | | | 30 | |
| | | | | | | 151 | |

Contract footage was paid on the basis of 23 feet. This included 16 feet advance and 12 feet of side-swipe.

Details of the workings are shown on the attached Map No. T-1 which is to date of June 30, 1953. June footage is shown in the 115 W. Int. X-Cut and the 117 N. Int.Drift. The relation of the various fault blocks is shown.

The 115 W. Int. X-Cut was advanced for a distance of 7 feet on a corrected bearing of S.73°W. or a total of 33 feet. It was in an oxidized, fractured sand granite for the entire distance and followed a slip along the right wall, but there was no important mineralization. A side-swipe was made back from the face and holed into the 109-2 S. Raise. A faulted diorite contact was exposed about 3 feet back from the face and had a dip of 20° toward the south.

The 117 N. Int. Drift was advanced for a distance of 9 feet or a total of 27 feet. A 15 foot side-swipe was made near the face and 20 feet of bottom taken up. It is in good chalcopyrite ore with interbedded sphalerite for the entire distance. The ore is about 7 feet thick and associated with a strong fracture zone having a strike of N.16°W. with a dip of 27° toward the east. Indications are that the ore will roll toward the intermediate shear in Block No. 3 and also roll upward toward the northwest shear forming Block No. 4. It may continue up and over the 109 S. Drift. Some of the chalcopyrite ore is very good and may run as high as 10% copper. The estimated average is about 5.5% combined metal content with 3% zinc and 2.5% copper.

The 116 N. and 117 N. Int. drifts have opened up about 930 tons of ore in Block A, located in Fault Block No. 3.

Mr. Henry T. Born July 7, 1953

Foot wall mining was continued in No. 2 Stope in Block No. 3 and about 125 tons were mined. This came from the area in front of the 116 N. and 117 N. Int. drifts. There is about 110 tons of broken ore with an estimated combined metal content of 5% with 3% zinc and 2% copper.

Recommendations: The 117 N. Int. Drift should be continued following the ore and also feeling toward the east and upward toward the west. A raise from the west wall may be necessary to follow up the ore and test the relation to Block No. 4. A long-hole going in from the face with a plus slope of 25° may be advisable.

The 111 N. Drift should be extended for another 30 feet as recommended in the May Report. A 40 foot long-hole should first be drilled from the face on a bearing of N.36°W. with a plus slope of 25°.

The 102 W. X-Cut should be extended another 30 feet as recommended in the May Report. A 40 foot long-hole should first be drilled from the face on a bearing of N.26°W. with a plus slope of 25°.

The 109-1 N. Raise should be driven up about 4 rounds as recommended in the May Report.

Milling Operations: The mill operated intermittently on a single shift basis throughout the month for a total of 5 days or 31.5 operating hours. A total of 85 tons was milled at the rate of 17.0 tons per shift or 2.7 tons per hour. This compares to 12.5 tons per shift during the month of May. The low tonnage milled was due to a lack of ore.

Mill heads were estimated at 4.5% combined metal content with 3% zinc and 1.5% copper. There were days when the copper content was around 2%. Mill recovery is still estimated at 87% and the concentration ratio at 15 to 1. Reagents used amounted to 5.1 lbs. per ton of ore milled as compared to 5.1 lbs. used in May. Grinding balls used amounted to 4.7 lbs. per ton of ore milled.

No concentrates were shipped during the month. Zinc concentrates on hand in the mill bins are estimated at 2 tons averaging 49% zinc, with 2% copper and 1.0 ounces of silver per ton. Copper concentrates are estimated at 25 wet tons averaging about 22.5% copper and 25 ounces of silver per ton. There was a slight drop in the silver content during the month.

During the operating period there was a delay of 9 hours due to the river pump failure and power shortage. The failure on the pump impellers has been partially repaired and repairs were made on the fine crusher feed belt. Repairs were made on the ball mill diesel and the generator radiators.

General: There was considerable rain during the month but weather conditions were generally satisfactory.

A total of 11 days were lost including 8 days involving machine repairs and other matters in Spokane, 2 days handling supplies at the mine

Mr. Henry T. Born July 7, 1953

and 1 day due to an accident.

Mr. Lee Eller visited the property on June 10th, and Mr. J. Sims and Mr. Symons were at the property on June 24th.

Mr. W. Anderson of the U.S. Bureau of Mines inspected the property on June 25th, and Mr. Sydney S. Alderman and associate of the American Metals Company also visited the property on the same day.

W. A. Richelsen was at the property from June 4th to the 8th and again from June 29th to the 30th.

There was one minor accident on June 16th when Mr. Ralph Hall broke a small bone in the instep resulting from dropping a chute board on his foot.

Yours very truly,

W. A. Richelsen
Consulting Engineer

WARtr

# LARGE FORMAT DOCUMENTS AT END OF FILE

Form NPF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

Wash.
Stage 1

# OPERATOR'S MONTHLY REPORT AND VOUCHER

7/7/53 Received by DMEA

Month of May, 1953 Docket No. DMEA 525 Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu-Zn
Address 730 Peyton Bldg., Spokane, Washington
Contract Amount, $44,000.00 Government Participation: 50% Amount, $22,000.00

| 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 Long Hole | | 60.40 | 60.40 | | | |
| Bulldozing | | | | | | |
| Crosscutting | | 1,934.00 | 1,934.00 | | | |
| Drifting | 660.00 | 6,234.00 | 6,894.00 | | | |
| Raising | 120.00 | 2,175.00 | 2,295.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | | | | | | |
| Supervision | 96.00 | 896.00 | 992.00 | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | 108.61 | 108.61 | | | |
| Explosives | | 2,447.03 | 2,447.03 | | | |
| Pipe | 4.47 | 220.77 | 225.24 | | | |
| Track | | 224.83 | 224.83 | | | |
| Gasoline-Oil-Carbide | 130.79 | 988.67 | 1,119.46 | | | |
| Steel-Misc.-Supplies | 149.31 | 2,362.04 | 2,511.35 | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | 1,107.21 | 1,107.21 | | | |
| Depreciation | 114.50 | 1,283.16 | 1,397.66 | | | |
| (5) Initial Rehabilitation and Repairs | | 2,250.00 | 2,250.00 | | | |
| (6) New Bldgs., Improvements, etc. | | 63.69 | 63.69 | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 60.08 | 1,568.99 | 1,629.07 | | | |
| Sampling and Analysis | | 92.63 | 92.63 | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Tools | | 70.65 | 70.65 | | | |
| Safety Supplies | | 22.26 | 22.26 | | | |
| (8) Contingencies (specify): | | | | | | |
| Tram way Maint. | 118.80 | 605.02 | 723.82 | | | |
| TOTALS | 1453.95 | 24,714.96 | 26,168.91 | 1453.95 | 24,714.96 | 26,168.91 |

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

Date June 10, '53 Payee SPOKANE MINING SYNDICATE, INC.

Per W. E. Beely Title Assistant 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.

→ 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:

$ 726.98

Signature
(Authorized Certifying Officer)

Date 6/25/53 Vou. No. 806
(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. E137 in accordance with the terms of the contract.

Signature /S/ Webster S Anderson Title Mining Engr Date 6/19/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /S/ Thomas E Howard Title Mining Engr Date 6/19/53

## MONTHLY REPORT OF OPERATOR

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(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;

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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.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Stage 1

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 195 3 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name SPOKANE MINING SYNDICATE, INC. Minerals Cu-Zn
Address 730 Peyton Bldg., Spokane, Washington

| 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 | Ft. | 1230.27 | 44 | 13,739.32 | 402 | 34.18 | 500 | 30.00 |
| Crosscutting | Ft. | | | 3,622.81 | 106 | 34.18 | 175 | 30.00 |
| Raising | Ft. | 223.68 | 8 | 5,229.14 | 153 | 34.18 | 150 | 30.00 |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Core Sludge | | | | | | | | |
| Churn Long Hole | Ft. | | | 156.74 | 151 | 1.038 | | 1.00 |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | 1453.95 | 52 | 22,748.01 | 661<br>151 | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | 1,107.21 | | | | |
| Initial Rehabilitation and Repairs | | | | 2,250.00 | | | | |
| New Buildings, Improvements, etc. | | | | 63.69 | | | | |
| TOTAL COSTS | | 1453.95 | | 26,168.91 | | | | |

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 June 10-'53 Operator SPOKANE MINING SYNDICATE, INC.

Per W. E. Beasly Title Assistant Secretary

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)

## 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

Walter A. Richelsen
709 Central Building
Seattle 4, Washington

June 13, 1953

Mr. Henry T. Born
Spokane Mining Syndicate, Inc.,
730 Peyton Building
Spokane 8, Washington

Progress Report- May, 1953

Dear Sir:

The following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of May, 1953. This is under the DMEA Contract No. DMA-E 137, Docket No. 525X.

Exploration: During the month the total advance amounted to 52 feet which was distributed among the various workings as follows: This compares to the total footage of 39 feet driven during April, 1953.

| Working | Footage: Drifts | X-Cuts | Raises | Long Holes | Month | To Date | Remarks |
|---|---|---|---|---|---|---|---|
| 102 W. X-Cut | | | | | | 89 | |
| 102 W. S.Swipe | | | | | | 5 | |
| 102-1 W. Raise | | | | | | 15 | |
| 102-2 W. Raise | | | | | | 6 | |
| 109 N. Drift | | | | | | 70 | Stopped at 70' |
| 109 S. Drift | | | | | | 86 | Stopped at 86' |
| 109-1 S. Raise | | | | | | 17 | |
| 109-2 S. Raise | | | | | | 26 | |
| 103 S. Drift | | | | | | 57 | |
| 103 S. S.Swipe | | | | | | 2 | |
| 103-1 S. Raise | | | | | | 16 | |
| 103-1 S. S.Swipe | | | | | | 6 | |
| 103-1 S. North Finger Rz | | | | | | 26 | |
| East Stub | | | | | | 4 | |
| 111 N. Drift | | | | | | 61 | |
| 111 N. S.Swipe | | | | | | 3 | |
| 111-1 N. Raise | | | | | | 12 | |
| 111-1 N. S.Swipe | | | | | | 5 | |
| 111 W. X-Cut | | | | | | 12 | |
| 112 S. Int. Dr. | | | | | | 29 | |
| 112 S. S.Swipe | | | | | | 6 | |
| 114 S. Int. Dr. | | | | | | 22 | |
| 114 S. S.Swipe | | | | | | 5 | |
| 114-1 S. Int. Rz | | | | | | 12 | |
| 115 W. Int. X-Cut | | 13 | | | 13 | 26 | |
| 116 N. Int. Dr. | 13 | | | | 13 | 17 | |
| 116-1 N. Int. Rz | | | 8 | | 8 | 8 | |
| 117 N. Int. Dr. | 18 | | | | 18 | 18 | |
| | 31 | 13 | 8 | | 52 | 661 | |

Mr. Henry T. Born June 13, 1953

| Working | Footage: Drifts | X-Cuts | Raises | Long Holes | Month | To Date | Remarks |
|---|---|---|---|---|---|---|---|
| Long Hole No. 1 | | | | | | 22 | |
| Long Hole No. 3 | | | | | | 22 | |
| Long Hole No. 4 | | | | | | 25 | |
| Long Hole No. 7 | | | | | | 12 | |
| Long Hole No. 2 | | | | | | 40 | |
| Long Hole No. 15 | | | | | | 30 | |
| | | | | | | 151 | |

Contract footage was paid on the basis of 52 feet.

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Details of the workings are shown on the attached Map No. T-1 which is to date of June 6, 1953. May footage is shown in the 115 W. Int. X-Cut, the 116 N. Int. Drift, the 116-1 N. Int. Raise and the 117 N. Int. Drift. The relation of the various fault blocks have been shown. These are designated as Blocks Nos. 1 to 6.

The 115 W. Int. X-Cut was advanced for an additional 13 feet or a total of 26 feet. It is on a bearing of S.75°W. and follows an oxidized shear zone in a semi granite with slight mineralization. This may connect up with the showing at the collar of the 109-2 S. Raise. It will be holed into the raise about 16 feet above the floor of the 109 S. Drift.

The 116 N. Int. Drift was advanced for a distance of 13 feet or a total of 17 feet. Chalcopyrite ore averaging about 5% copper was exposed for a distance of 8 feet up to an east-west fracture. This had a dip of 44° and rolled toward the north and eased off to a dip of 20° near the face. The ore continued along the roll and was followed up by the 116-1 N. Int. Raise. The floor of the Intermediate is about 27 feet above the floor of the 102 W. X-Cut.

The 116-1 N. Int. Raise was driven from the face of the 116 N. Int. Drift on a bearing of N.18°W. and a slope of 53°. It was advanced for a distance of 8 feet and cut through about 18 inches of chalcopyrite ore. The face still has some ore and is in a semi granite as compared to the mixture of granite and diorite in the 116 N. Int. Drift. It is 33 feet above the floor of the 102 W. X-Cut.

The 117 N. Int. Drift was started from the west end of No. 2 Stope and carried in on a bearing of N.42°W. for a total distance of 18 feet. It shows 2 1/2 feet of chalcopyrite ore for the entire length with an estimated copper content of about 6%. Above this lies 2 feet of sphalerite ore which should average around 4% zinc. The face showed 4 1/2 feet of combined ores and this should increase as the working is advanced. It is in diorite and semi granite and is about 19 feet above the floor of the 102 W. X-Cut.

Mr. Henry T. Born June 13, 1953

Foot wall mining was continued in No. 2 Stope in Block No. 3. This was on both sides of the pillar and in front of the 116 N. and 117 N. Int. drifts. There is probably 150 tons of broken ore which should run about 4 1/2% combined metal content with 1 1/2% copper and 3% zinc. A total of 125 tons was mined from the stope during the month. Most of this came from the 116 N. and the 112 S. Int. areas. Work during the month has been encouraging and the stopes are in good condition from a mining standpoint.

The horizon of Block No. 3 has been considered in a broad way. There has been a slight displacement northwest of the pillar as the contacts in the 116 N. and 117 N. Int. drifts do not check very closely. It has a downward displacement in relation to Block No. 4. Similarly, Block No. 5 lies below Block No. 4 and also Block No. 3. Indications are that the diorite schist- granite contact lies further toward the north in Block No. 5. A strong northwest shear at the face of the 102 W. X-Cut indicates the possibility of another fault block designated as Block No. 6.

Recommendations: Work in the 115 N. Int. X-Cut should be continued and the working holed to the 109-2 S. Raise.

The 117 N. Int. Drift should be continued following the ore until the contact is reached and the trend determined. It should then be connected with the 111-1 N. Raise.

The 111 N. Drift should be extended another 30 feet to test out the contact and ore horizon in Block No. 5. It should be swung about 10° toward the west.

The 102 W. X-Cut should be extended another 30 feet to explore Block No. 6. It should be swung about 10° toward the west.

The 109-1 N. Raise should be driven up about 4 rounds to explore the ore in the foot-wall of the No. 2 Stope.

Milling Operations: The mill operated intermittently on a single shift basis throughout the month for a total of 10 days or 73 operating hours. A total of 125 tons was milled at the rate of 12.5 tons per shift or 1.7 tons per hour. This compares with the rate of 15.4 tons per shift in April. The decrease was due to a lack of ore.

Mill heads were estimated at 4.5% combined metal content with 3% zinc and 1.5% copper. Milling operations have been improved and recovery is estimated at 87%. The concentration ratio is about 15 to 1. Reagents used amounted to 5.1 lbs. per ton of ore milled.

A carload of zinc concentrates was shipped to the smelter at Kellogg, Idaho, on May 25th. Copper concentrates on hand in the mill bins are estimated at 24 wet tons, averaging 22.0% copper, 5.5% lead, 5.4% zinc and 26.74 ounces of silver per ton.

Mr. Henry T. Born June 13, 1953

General: Weather conditions were satisfactory throughout the month. A total of 6 days were lost which included 2 days on the tramway for repairing the tower at the Upper Terminal and taking additional slack out of the stationary and traction cables. 4 days were lost in miscellaneous hoisting of supplies and material.

Mr. J. Sims and H. Beeley visited the property several times during the month. W. A. Richelsen was at the property on May 5th and 6th.

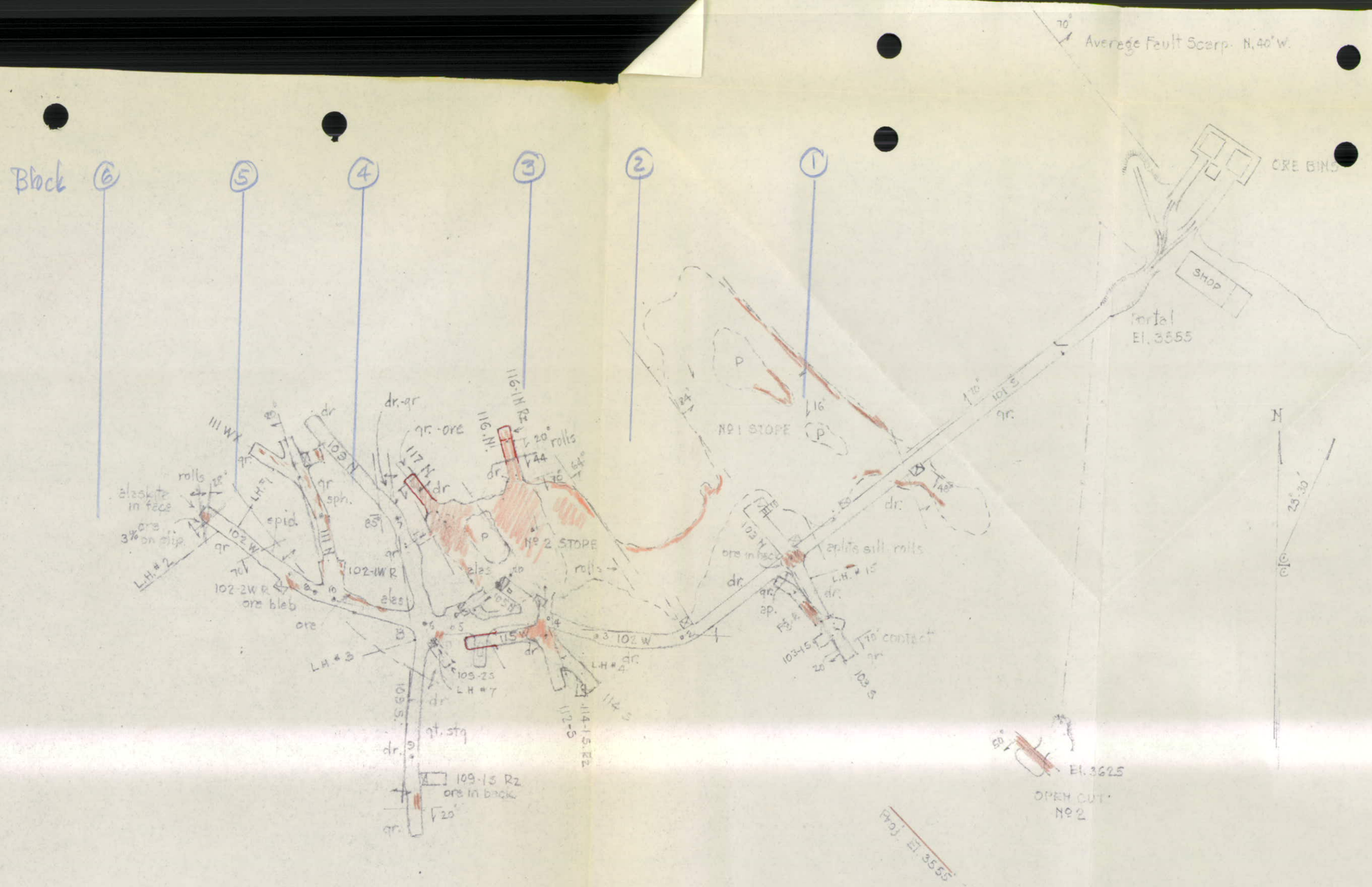
There were no accidents during the month.

Yours very truly,

W. A. Richelsen

W. A. Richelsen
Consulting Engineer

WAR:r




Ore
Advance

PLAN OF
TUNNEL No 1
TALISMAN PROPERTY
FERRY COUNTY- WASHINGTON

Scale - 1" = 40'
Date - July 9 1952
To Date - JUN 6 1953

By: W.A. Richelsen
Drg. No T-1

WALTER A. RICHELSEN
STATE OF WASHINGTON
REGISTERED
PROFESSIONAL ENGINEER

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

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

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Stage 1

Month of April 1953 Docket No. DMEA 525X Contract No. IDM-E-137

Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu - Zn

Address 730 Peyton Bldg., Spokane, Washington

Contract Amount, $ 44,000.00 Government Participation: 50 % Amount, $ 22,000.00

| 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: Long Hole | | 60.40 | 60.40 | | | |
| Drilling | | | | | | |
| Bulldozing | | 1,934.00 | 1,934.00 | | | |
| Crosscutting | 255.00 | 5,979.00 | 6,234.00 | | | |
| Drifting | 330.00 | 1,845.00 | 2,175.00 | | | |
| Raising | | | | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | | | | | | |
| Supervision | 112.00 | 784.00 | 896.00 | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | 108.61 | 108.61 | | | |
| Explosives | 518.30 | 1,928.73 | 2,447.03 | | | |
| Pipe | | 220.77 | 220.77 | | | |
| Track | | 224.83 | 224.83 | | | |
| Gasoline-oil-Carbide | 93.87 | 894.80 | 988.67 | | | |
| Steel-Misc.-Supplies | 49.97 | 2,312.07 | 2,362.04 | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | 1,107.21 | 1,107.21 | | | |
| Purchase | 114.50 | 1,168.66 | 1,283.16 | | | |
| Depreciation | | 2,250.00 | 2,250.00 | | | |
| (5) Initial Rehabilitation and Repairs | | 63.69 | 63.69 | | | |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 46.20 | 1,522.79 | 1,568.99 | | | |
| Sampling and Analysis | | 92.63 | 92.63 | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Tools | | 70.65 | 70.65 | | | |
| Safety Supplies | | 22.26 | 22.26 | | | |
| (8) Contingencies (specify): Tramway Maint. | 469.23 | 135.79 | 605.02 | | | |
| TOTALS | 1989.07 | 22,725.89 | 24,714.96 | 1989.07 | 22,725.89 | 24,714.96 |

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

Date April 11-'53 Payee Spokane Mining Syndicate, Inc.

Per H. E. Beesley Title Assistant 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.

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:

$ 994.54

Signature (Authorized Certifying Officer)

Date 2/20/53 Vou. No. 769
(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. 137 in accordance with the terms of the contract.

Signature Webster S Anderson Title Mining Engr Date 5/19/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Thomas E Howard Title Mining Engr Date 5/19/53

# 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.

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

Stage 1

## OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 195 3 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu - Zn
Address 730 Peyton Bldg., Spokane, Wash.

| 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 | Ft | 867.03 | 17 | 12,425.55 | 358 | 34.71 | | 30.00 |
| Crosscutting | Ft | | | 3,679.07 | 106 | 34.71 | | 30.00 |
| Raising | Ft | 1122.04 | 22 | 5,032.70 | 145 | 34.71 | | 30.00 |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Core Sludge | | | | | | | | |
| Churn Long Hole | Ft | | | 156.74 | 151 | 1.038 | | 1.00 |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | 1989.07 | 39 | 22,294.06 | 609<br>151 | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | 1,107.21 | | | | |
| Initial Rehabilitation and Repairs | | | | 2,250.00 | | | | |
| New Buildings, Improvements, etc. | | | | 63.69 | | | | |
| TOTAL COSTS | | 1989.07 | | 24,714.96 | | | | |

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 Apr. 11, 1953 Operator Spokane Mining Syndicate, Inc.

Per H. E. Beely Title Asst. Secretary

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)

## 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

Walter A. Richelsen
709 Central Building
Seattle 4, Washington

May 11, 1953

Mr. Henry T. Born
Spokane Mining Syndicate, Inc.,
730 Peyton Building
Spokane 8, Washington

Progress Report- April, 1953

Dear Sir:

The following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of April, 1953. This is under the DMEA Contract No. IDM-E 137, Docket No. 525X.

Exploration: During the month the total advance amounted to 39 feet which was distributed among the various workings as follows: This compares to the total footage of 61 feet driven in March, 1953. There was no long-hole drilling done in April.

| Working | Footage: Drifts | X-Cuts | Raises | Long Holes | Month | To Date | Remarks |
|---|---|---|---|---|---|---|---|
| 102 W. X-Cut | | | | | | 89 | |
| 102 W. S.Swipe | | | | | | 5 | |
| 102-1 W. Raise | | | | | | 15 | |
| 102-2 W. Raise | | | | | | 6 | |
| 109 N. Drift | | | | | | 70 | Stopped at 70' |
| 109 S. Drift | | | | | | 86 | Stopped at 86' |
| 109-1 S. Raise | | | | | | 17 | |
| 109-2 S. Raise | | | | | | 26 | |
| 103 S. Drift | | | | | | 57 | |
| 103 S. S.Swipe | | | | | | 2 | |
| 103-1 S. Raise | | | | | | 16 | |
| 103-1 S. S.Swipe | | | | | | 6 | |
| 103-1 S. North Finger Rz | | | 10 | | 10 | 26 | |
| East Stub | | | | | | 4 | |
| 111 W. Drift | | | | | | 61 | |
| 111 N. S.Swipe | | | | | | 3 | |
| 111-1 N. Raise | | | | | | 12 | |
| 111-1 N. S.Swipe | | | | | | 5 | |
| 111 W. X-Cut | | | | | | 12 | |
| 112 S. Int. Dr. | | | | | | 29 | |
| 112 S. S.Swipe | | | | | | 6 | |
| 114 S. Int. Dr. | | | | | | 22 | |
| 114 S. S.Swipe | | | | | | 5 | |
| 114-1 S. Int. Rz | | | 12 | | 12 | 12 | |
| 115 W. Int. X-Cut | | 13 | | | 13 | 13 | |
| 116 N. Int. Dr. | 4 | | | | 4 | 4 | |
| | 4 | 13 | 22 | | 39 | 609 | |

Mr. Henry T. Born May 11, 1953

| Working | Footage: Drifts | X-Cuts | Raises | Long Holes | Month | To Date | Remarks |
|---|---|---|---|---|---|---|---|
| Long Hole No. 1 | | | | | | 22 | |
| Long Hole No. 3 | | | | | | 22 | |
| Long Hole No. 4 | | | | | | 25 | |
| Long Hole No. 7 | | | | | | 12 | |
| Long Hole No. 2 | | | | | | 40 | |
| Long Hole No. 15 | | | | | | 30 | |
| | | | | | | 151 | |

Contract footage was paid on the basis of 39 feet. There was no side-swipe allowed.

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Details of the workings are shown on the attached Map No. T-1 which is to date of May 6, 1953. April footage is shown in the 103-1 S. North Finger Raise, the 114-1 S. Int. Raise, the 115 W. Int. X-Cut and the 116 N. Int. Drift. 10 feet of side-swipe was made along the west side of the 111 N. Drift in mining operations.

The 103-1 S. North Finger Raise was advanced for a distance of 10 feet. The face was in granite and about 26 feet above the floor of the 103 S. Drift. It showed little evidence of mineralization.

The 114-1 S. Int. Raise was started 7 feet back from the face of the 114 S. Int. Drift and was driven up on a course of S.07°E. with a slope of 59° for a total distance of 12 feet. The face was in granite and showed very little mineralization. It is 20 feet above the floor of the Intermediate and about 35 feet above the floor of the 102 W. X-Cut.

The 115 W. Int. X-Cut was started from the 112 S. Int. Drift about 16 feet in from the brow of the No. 2 Stope. It was carried on a bearing of S.75°W. for a distance of 13 feet and is in granite. There was a little mineralization near the shoulder and the ground is oxidized and fractured at the face. The working should be advanced.

The 116 N. Int. Drift was started on the north wall of the No. 2 Stope just east of the pillar. It was driven in on a bearing of N.18°W. for a distance of 4 feet and is 27 feet above the floor of the 102 W. X-Cut. The working is in a mixed granite and showed a little chalcopyrite back from the shoulder. This is an extension of the ore in the foot-wall of the No. 2 Stope.

Foot-wall sniping was started in the floor of the No. 2 Stope. About 5 feet of waste was encountered just south of the pillar and good chalcopyrite came it. This was about 15 feet wide with a thickness of 3 to 4 feet and extended back toward the north for about 20 feet as shown on Map No. T-1. The estimated copper content ran from 5 to 12% and about 100 tons were taken from this area. Additional tonnage came from the 111 N. Drift and the 112 and 114 Intermediate south drifts.

Mr. Henry T. Born May 11, 1953

Recommendations: Work in the 111-1 N. Raise should be continued another 4 rounds as recommended in the March report.

The 115 W. Int. X-Cut should be continued another 3 or 4 rounds to test out the ore showings over the 107 S. Drift. "

The 116 N. Int. Drift should be continued into the north stope wall for another 5 rounds and follow the ore exposed in the stope. "

The 117 S. Int. Drift should start from point J and go in for 6 or 7 rounds as recommended in the March report.

Stoping operations should continue in the No. 2 Stope as discussed with Mr. Hall. Some stoping should be done along the west wall to test out the extension of the ore. "

Repairs should be made on the tower at the Upper Tram Terminal.

Milling Operations: During the month the mill operated on a single shift basis for a total of 13 days. During this time 200 tons of ore were milled with an average of 15.4 tons per shift. The heads were estimated at 4.5% combined metal content with 1.5% copper and 3% zinc. Total concentrates on hand amount to 59 tons. This includes 37 tons of zinc concentrates averaging 48% zinc and 3.2 ounces of silver per ton, based on pipe sampling, and 22 tons of copper concentrates averaging 22.0% copper, 5.5% lead, 5.4% zinc and 26.76 ounces of silver per ton, based on smelter assays.

The gross value of concentrates based on copper at 29.7¢ and zinc at 11¢ per pound and silver at 90¢ per ounce, and excluding loading, freight and smelter charges amounts to $7,410. This includes $4,010 on zinc and $3,400 on copper concentrates. Net profit is estimated at 65% or about $4,817.

General: Weather conditions were satisfactory throughout the month. A total of 8 days were lost including a shutdown of 1 day on the 9th to take out the slack in the stationary and traction cables, 5 days from the 17th to the 23rd, to replace the head sheave at the Upper Tram Terminal, and 2 days on the 27th and 28th due to a trip to Colville.

Mr. Sims visited the property several times during the month and supervised taking the slack out of the cables and installing the head sheave.

There were no accidents during the month.

Yours very truly,

W. A. Richelsen

W. A. Richelsen
Consulting Engineer

WAR:r

LARGE FORMAT DOCUMENTS AT END OF FILE

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

Stage 1

# OPERATOR'S MONTHLY REPORT AND VOUCHER

APR 20 1953

Month of March 1953 Docket No. DMEA 525X Contract No. IDM-E137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu - Zn
Address 730 Peyton Bldg., Spokane, Washington
Contract Amount, $44,000 Government Participation: 50 % Amount, $22,000

| 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: | | | | | J.W.A. 5/4/53 | ~~Alt~~ Griswold ~~Betty~~ |
| Drilling Long Hole | | 60.40 | 60.40 | | | |
| Bulldozing | | | | | | |
| Crosscutting | $ -o- | $ 1,934.00 | $ 1,934.00 | | | |
| Drifting | 495.00 | 5,484.00 | 5,979.00 | | | |
| Raising | 420.00 | 1,425.00 | 1,845.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | | | | | | |
| Supervision | 32.00 | 752.00 | 784.00 | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | 108.61 | 108.61 | | | |
| Explosives | | 1,928.73 | 1,928.73 | | | |
| Pipe | 12.74 | 208.03 | 220.77 | | | |
| Track | | 224.83 | 224.83 | | | |
| Gasoline-oil-carbide | 7.62 | 887.18 | 894.80 | | | |
| Steel-Misc.-Supplies | 141.26 | 2,170.81 | 2,312.07 | 141.26 | 2170.81 | 2312.07 |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | 1,107.21 | 1,107.21 | | 1107.21 | 1107.21 |
| Depreciation | 114.50 | 1,054.16 | 1,168.66 | | | |
| (5) Initial Rehabilitation and Repairs | | 2,250.00 | 2,250.00 | | | |
| (6) New Bldgs., Improvements, etc. | | 63.69 | 63.69 | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 271.75 | 1,251.04 | 1,522.79 | | | |
| Sampling and Analysis | | 92.63 | 92.63 | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Tools | 1.44 | 69.21 | 70.65 | | | |
| Safety Supplies | | 22.26 | 22.26 | | | |
| (8) Contingencies (specify): | | | | | | |
| Tramway Maint. | 94.28 | 41.51 | 135.79 | | | |
| TOTALS | $ 1590.59 | 21,135.30 | 22,725.89 | 1590.59 | 21135.30 | 22725.89 |

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

Date Apr. 9-53 *Payee SPOKANE MINING SYNDICATE, INC.

Per Noel C. Ellis 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.

→ 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:

$795.30

Signature (Authorized Certifying Officer)

Date 4/15/53 Vou. No. 725

(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 137 in accordance with the terms of the contract.

Signature Webster S Anderson Title Mining Engr Date 4/13/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Thomas E Howard Title Mining Engr Date 4/13/53

## 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.

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Stage 1 Information
RECEIVED
APR 20 1953

## OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1953 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu - Zn
Address 730 Peyton Bldg., Spokane, Washington

| 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 | Ft. | 860.48 | 33 | 11,455.36 | 341 | 33.59 | | 30.00 |
| Crosscutting | Ft. | | | 3,560.90 | 106 | 33.59 | | 30.00 |
| Raising | Ft. | 730.11 | 28 | 4,131.99 | 123 | 33.59 | | 30.00 |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Core Sludge Churn Long Auger Hole | Ft. | | | 156.74 | 151 | 1.038 | | 1.00 |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | $1590.59 | 61 | 19,304.99 | 570<br>151 | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | 1,107.21 | | | | |
| Initial Rehabilitation and Repairs | | | | 2,250.00 | | | | |
| New Buildings, Improvements, etc. | | | | 63.69 | | | | |
| TOTAL COSTS | | 1590.59 | | 22,725.89 | | | | |

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 Apr. 9, 1953 Operator SPOKANE MINING SYNDICATE, INC.

Per Wm. L. Gillis Title Secretary

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)

## 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

Walter A. Nicholson
709 Central Building
Seattle 4, Washington

April 7, 1953

Mr. Henry T. Born
Spokane Mining Syndicate, Inc.
730 Peyton Building
Spokane 8, Washington

Progress Report - March, 1953

Dear Sir:

The following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of March, 1953. This is under the DMEA Contract No. DMS-E 137, Docket No. 525X.

Exploration: During the month the total footage amounted to 61 feet which was distributed among the various workings as follows: This compares to the total footage of 60 feet driven in February, 1953. There was no long-hole drilling done in March.

| Working | Footage: Drifts | X-Cuts | Raises | Long Holes | Month | To Date | Remarks |
|---|---|---|---|---|---|---|---|
| 102 N. X-Cut | | | | | | 89 | |
| 102 N. S.Swipe | | | | | | 5 | |
| 102-1 N. Raise | | | | | | 15 | |
| 102-2 N. Raise | | | | | | 6 | |
| 109 N. Drift | | | | | | 70 | Stopped at 70' |
| 109 S. Drift | | | | | | 86 | Stopped at 86' |
| 109-1 S. Raise | | | | | | 17 | |
| 109-2 S. Raise | | | | | | 26 | |
| 103 S. Drift | | | | | | 57 | |
| 103 S. S.Swipe | | | | | | 2 | |
| 103-1 S. Raise | | | | | | 26 | |
| 103-1 S. S.Swipe | | | | | | 6 | |
| 103-1 S. North Finger Pz. | | | 16 | | 16 | 16 | |
| East Stub | | 4 | | | 4 | 4 | |
| 111 N. Drift | | | | | | 61 | |
| 111 N. S.Swipe | | | | | | 3 | |
| 111-1 N. Raise | | | 3 | | 3 | 12 | |
| 111-1 N. S.Swipe | | | 5 (14' at 1/3) | | 5 | 5 | |
| 111 N. X-Cut | | | | | | 12 | |
| 112 S. Dr. Int. | (Old 104 Int. L.) | | | | | 29 | |
| 112 S. S.Swipe | 6 | (11' at 1/2) | | | 6 | 6 | |
| 114 S. Dr. Int. | 22 | | | | 22 | 22 | |
| 114 S. S.Swipe | 5 | (15' at 1/3) | | | 5 | 5 | |
| | 33 | 4 | 24 | | 61 | 570 | |

Mr. Henry T. Horn April 7, 1953

| Working | Footage Drifts | X-Cuts | Raises | Long Holes | Month | To Date | Remarks |
|---|---|---|---|---|---|---|---|
| Long Hole No. 1 | | | | | | 22 | |
| Long Hole No. 3 | | | | | | 22 | |
| Long Hole No. 4 | | | | | | 25 | |
| Long Hole No. 7 | | | | | | 12 | |
| Long Hole No. 2 | | | | | | 40 | |
| Long Hole No. 15 | | | | | | 30 | |
| | | | | | | 151 | |

Contract footage was paid on the basis of 61 feet. This included 45 feet advance and 16 feet of side-swipe.

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Details of the workings are shown on the attached Map No. R-1 which is to date of March 31, 1953. March footage is shown in the 103-1S. Raise, 111-1 N. Raise, 112 S. Int. Drift and the 114 S. Int. Drift.

The 103-1S. North Finger Raise started at the head block and was on a bearing of N.42°W., with a slope of 35° and a slope distance of 21.4 feet. The face is about 18 feet above the top of rail in the 103 S. Drift. Diorite occurred at 16 feet back from the face carrying some chalcopyrite. Copper content is estimated at 2%. The face was in granite and had a little mineralization.

The East Stub came off the raise on a bearing of S.72°E. and was in for a distance of 4 feet. The face carried a little sphalerite. It is about 11 feet above the top of rail in the 103 S. Drift.

The 111-1N. Raise was started in the 111 N. Drift about 55 feet in-by from Sta. 10 in the 102 W. X-Cut. It was driven up on a bearing of N.73°E., on a slope of 31°20' with a slope distance of 12 feet. The advance in March amounted to 3 feet with an additional side-swipe of 7 feet on the side and also in the foot. The allowed footage was 5 feet. The face is about 12 feet above the floor of the 111 N. Drift and is in granite with a little sphalerite.

The 112 S. Inter. Drift is the old 104 11 S. Drift. It is in for a total distance of 27 feet and mostly in diorite. Chalcopyrite occurred in the foot and walls but this cut out in the last round. The working started on a bearing of S.3°E. and then swung to S.20°E. 11 feet of side-swipe was made in taking up bottom with an allowed footage of 6 feet.

The 114 S. Inter. Drift was started from the 112 S. Inter. about 20 feet in from the brow of the stope. It was carried in on a bearing of S.47°E. for an advance of 22 feet. 9 feet of side-swipe was made in starting with an additional 6 feet at the face. The allowed footage was 5 feet. The working is about 13 feet above the floor of the 102 W. X-Cut and in diorite. There was scattered chalcopyrite that cut out and came in again at the face.

Mr. Henry T. Horn April 7, 1953

Recommendations: Work in the 111-W. Raise should be continued, doubling back over the 109 W. Drift and levelling off on an intermediate if necessary. To improve ventilation a raise could be driven up from the 109 W. Drift holing into the foot of the 111-W. Raise.

Work should be continued in the North Finger Raise of the 103-W. Raise. Eventually this may hole into the No. 2 Stope towards the northwest.

Ore in the face of the 114 S. Inter. Drift should be followed by side-sniping or a short raise.

A short intermediate stub drift should be run in from No. 1 Stope about 25 feet southeast from the 103 W. Raiway. This should start from point J and run about S.30°W. for about 25 feet. It would cut the small zinc showing exposed in Long Hole No. 15 and may open up a piece of good ground.

The 111 W. Drift is in a down faulted block of ground and it may be advisable to extend the drift toward the northwest until the diorite contact is reached.

Slack should be taken up on both the stationary and traction cables on the tramway.

Milling Operations: The mill operated on a reduced tonnage and milled about 130 tons. Mill feed was mine run muck which came from the exploration headings and was lower than expected. The average heads ran 0.7 copper and 2.1% zinc. Mill concentrates are computed at 9 tons of copper-lead concentrate averaging 15.6% copper, 4.5% lead with 30.2 ounces of silver per ton, and 25 tons of zinc concentrate averaging 48.0% zinc with 3.2 ounces of silver per ton. The grade was determined by pipe sampling.

General: Weather conditions were satisfactory throughout the month and there were no serious delays. 3 days were required for hoisting supplies and 2 days were lost around March 15th.

Mr. John Sims visited the property several times and government engineers made an inspection on March 19th. W. A. Nicholson was at the property on March 30 and 31.

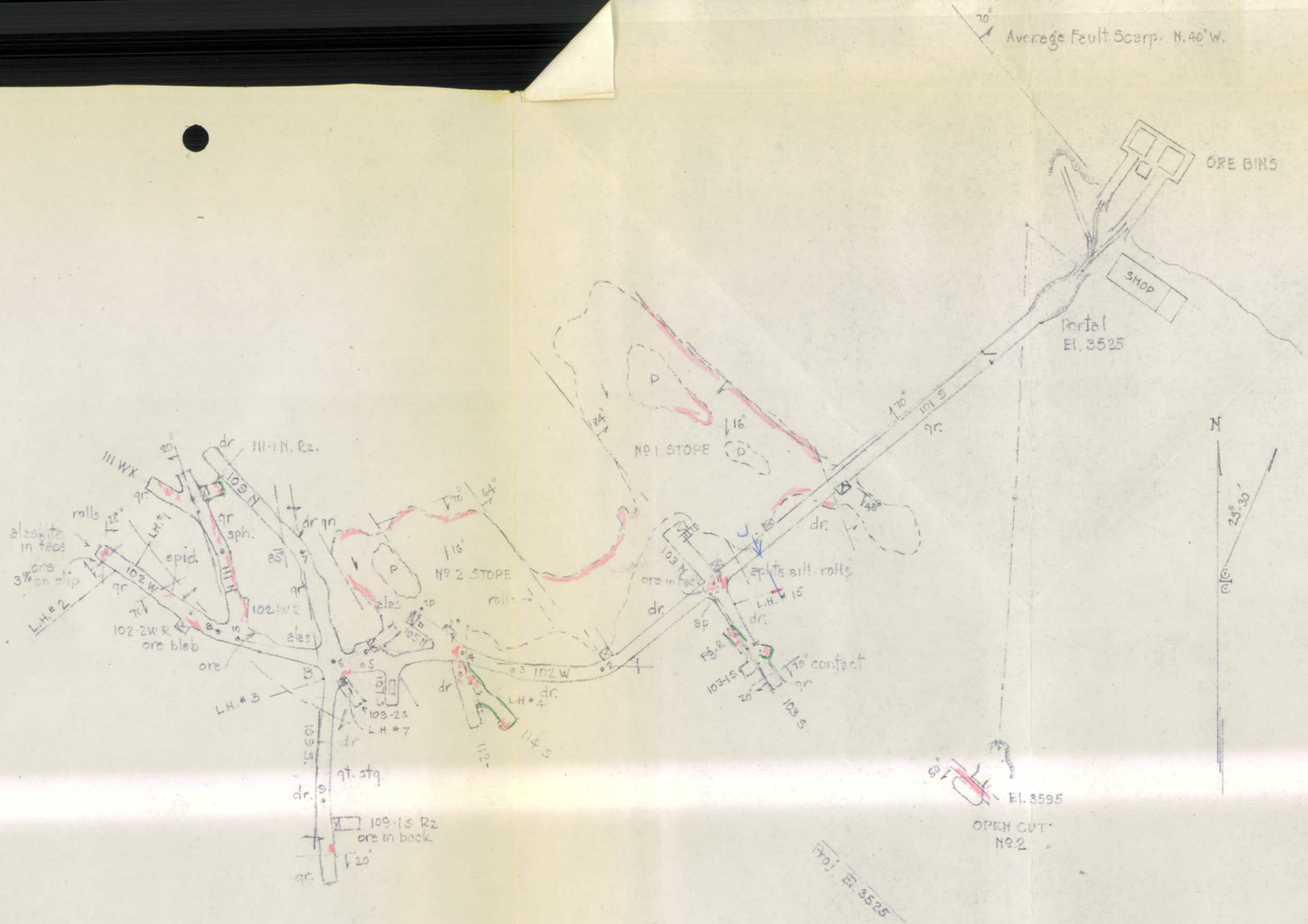
The only accident was an eye injury received by Loron Fick which resulted in a loss of about 2 days.

Yours very truly,

W. A. Nicholson

W. A. Nicholson
Consulting Engineer

WAN:r




Ore
Advance

PLAN OF
TUNNEL No 1
TALISMAN PROPERTY
FERRY COUNTY- WASHINGTON

Scale - 1" = 40'
By: W.A. Richelsen
Date- July 9, 1952
Drg. No T-1
To Date- MAR 31 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 3 1953

Memorandum March 20, 1953

To: DMEA Field Team, Region II

From: Harold Kirkemo, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-525X (copper-zinc), routine inspection report, Talisman Mine, Ferry County, Washington, Contract Idm-E137.

The Talisman mine was visited by the writer on March 5 and again on March 19 to map geology and sample the recent work on the DMEA exploration project. The writer was accompanied by W. S. Anderson, engineer, U. S. Bureau of Mines, on the visit of March 19. A. B. Hall, contractor, and two miners have continued working at the mine since the writer's last visit on January 15. Vernon Hoar, mill superintendent, and one employee have been operating the mill intermittently on ore obtained from exploration drifts in the mine. No concentrates have been shipped. In line with suggestions and instructions by the writer to the Operator and Mr. Hall, since January 15 most of the exploration work has been restricted to long hole test drilling and drifting. The exploration program now being followed is designed to locate with long holes, crosscuts, or raises the ore horizon in the fault blocks between the northwest-striking faults. If the ore horizon is located within a block, the ore is followed with drifts on or above the adit level. Advance in the various headings and drill holes to March 19, 1953, is listed as follows:

Drifts and Raises

| Location | Advance 1/16/53 - 3/19/53 | Total length |
|---|---|---|
| 111 DNW | 5 | 65 |
| 112 I-DS | 36 | 40 (0' - 6' includes old drift previously driven from No. 2 stope. Recent advance may have necessitated blasting bottom of old drift.) |
| 113 DNW | 17 | 17 |
| 103-1S Raise | 18 | 18 (Enlarging raise into HW from 3½' to 7' width between 14' and 19' above back of 103 DS.) |
| 109-2S Raise | 25.6 | 25.6' |
| 111-1N. Raise | 9 | 9 (Enlarging raise into F.W one round between 8' and 13' above track 111 DNW.) |

Long Hole Drilling

| Hole No. | From | Advance 1/16 - 3/19/53 | Total length |
|---|---|---|---|
| 2 | 102 W | * 40 feet | * 40 feet |
| 4 | Main XC at S.T. 4 | 25 feet | 25 feet |
| 7 | Main XC at S.T. 6 | * 15 feet | * 15 feet |
| 15 | 103 S | 30 feet | 30 feet |

* Approximate length.

Detailed discussion of recent advance

One round of advance in 111 DNW failed to disclose additional ore and the drift was stopped in waste. The ore horizon is above the back of the drift at this point and is exposed in 111-1N. raise. Low grade zinc ore ranging in width from 2 to 6½ feet is exposed for 60 feet in 111 DNW. At 45 feet northwest of 102 west drift, 113 DNW was started on low-grade, zinc-copper mineralization exposed west of the fault on the west wall of 111 DNW. The drift was advanced 17 feet with the last 8 feet in waste. Two parallel faults terminated the ore at 8 feet west of 111 DNW and drifting to the north on the ore proved unsuccessful because the ore structure dips north into the floor of the drift. The ore minerals observed in this drift occur in the dark hornblende schist and are absent or very sparse in the feldspathic gneiss which appears to have replaced the hornblende schist. Raise 111-1N from 111 DNW at 55 feet north 102 W penetrated 4 feet of sparse zinc mineralization assaying 5.3 percent zinc, 1.1 ounces silver, 0.3 percent copper. An inclined raise following the ore horizon in a northeasterly direction from 111-1N raise has been advanced one round.

An intermediate drift, 112-IDS, was started from No. 2 stope to follow ore exposed in the old workings above the main crosscut at this point and intersected with Long Hole No. 4. This drift has been driven 36 feet and exposes a zone of disseminated chalcopyrite and sphalerite 1 to 2 feet wide the total length of the drift. The lower half of the ore streak is predominantly chalcopyrite and the upper half is predominantly dark sphalerite with lesser amounts of chalcopyrite. The ore streak dips slightly to the east and it was necessary to turn the drift to the east to remain ~~in order~~ on the mineralized streak. It will be noted on Map 2 that this drift is now 35 feet south of No. 2 stope.

Some enlarging has been done in 103-1S raise to test the extension of sparse mineralization exposed in the hanging wall and in the north end of the raise at 14 to 19 feet above the back of 103 DS.

A raise from the main crosscut at 109S has been driven 25.6 feet along previously drilled long hole No. 7. Some copper mineralization is exposed at the bottom of the raise.

Long Hole No. 2 from 102 W failed to disclose mineralization and the hole was stopped at 40 feet. Long Hole No. 4 from the main crosscut at Survey tag No. 4 was drilled 25 feet. It cut mineralization that is the extension of the ore body in No. 2 stope. Long Hole 7 already mentioned failed to disclose mineralization of interest. Long Hole No. 15 from 103S was drilled 30 feet. Sludge from this hole contained sparse amounts of sphalerite between 20 and 30 feet in the hole and further work may be required in this area. However, the enlarging program in 103-1S raise will be completed before further work is planned in the vicinity of Long Hole 15.

Sludges from each interval drilled (5-foot or 10-foot intervals) on the long hole drilling program were brought to the U. S. Geological Survey in Spokane for examination with a binocular microscope. Sludge samples containing sulfides were sent for assay and those not containing sulfides were returned to the Operator. Assays of sludges are listed as follows:

Assays of sludge samples from Long Hole drilling

| Long hole No. | Inclusion (feet) From | To | Sample No. | % Pb | % Zn | Oz. Ag per ton | % Cu |
|---|---|---|---|---|---|---|---|
| 1 | 0 | 5 | 315 | 0.45 | 0.8 | -- | 0.03 |
| | 5 | 10 | 105 | Nil | 1.9 | Nil | Nil |
| | 10 | 15 | 104 | Nil | 0.9 | 0.2 | Nil |
| | 15 | 22 | No sulfides -- sample not assayed. | | | | |
| 2 | 0 | 20 | No sulfides -- samples not assayed. | | | | |
| | 20 | 25 | 110 | Nil | 0.1 | Nil | Nil |
| | 25 | 30 | 107 | Nil | Nil | Trace | Nil |
| | 30 | 35 | 108 | Nil | Nil | Nil | Nil |
| | 35 | 40 | 111 | Nil | 0.4 | Nil | Nil |
| 3 | 0 | 20 | No sulfides -- samples not assayed. | | | | |
| 4 | 0 | 10 | 101 | Trace | 0.5 | Nil | Nil |
| | 10 | 15 | 103 | Nil | 0.4 | 0.2 | Nil |
| | 15 | 20 | 100 | 0.5 | 1.4 | 6.2 | 0.4 |
| | 20 | 25 | 102 | 1.2 | 0.8 | 8.2 | 1.1 |
| 7 | 0 | 15 | No sulfides -- samples not assayed. | | | | |
| 15 | 0 | 12 | 106 | Nil | Nil | Trace | Nil |
| | 12 | 20 | No sulfides -- sample not assayed. | | | | |
| | 20 | 25 | 112 | Nil | 2.1 | 0.2 | Nil |
| | 25 | 30 | 109 | Trace | 2.6 | Nil | Nil |

Samples 100-112 assayed by Wm. H. Stowell & Co., Spokane.
Sample 315 assayed by Washington Technical Laboratories, Spokane.

Additional long hole drilling has been proposed, but owing to the slow rate of drilling in the extremely hard rock with the light equipment on hand, the contractor has discontinued the drilling program for the present and resumed drifting on the more attractive zones of mineralization. From the contractor's viewpoint, this was necessary as the slow rate of progress on the drilling project did not make full utilization of the miners employed. Because of the isolated location of the mine, it is difficult to retain labor and the contractor has concentrated work recently on drift advance to use the men he has at the mine to best advantage.

The contract (dated September 7, 1951), as amended, expires July 7, 1953, and it is possible all of the work outlined in the original contract cannot be completed by that date. Drifting, crosscutting, and raising completed to date totals 529 feet which is about 64 percent of the 825 feet allowable in Stage 1 of the contract. The original diamond drilling program has been modified to allow long hole drilling. Long hole drilling completed amounts to 152 feet. The complicated geologic structure disclosed with exploration work to date has reduced the rate of progress believed possible when the contract was written. The present exploration plan has met with some degree of success as a better understanding of the structural control of the ore body has been obtained and some exploration work extending the limits of the ore body has been possible but the ore disclosed to date has been low grade. It may be necessary to test for the extension of the ore body below the Adit level west of 109S and south of 102W by means of diamond drilling.

Enclosure

Distribution:
DMEA (Orig. & 3)
USBM (2)
Docket
Kirkemo

# LARGE FORMAT DOCUMENTS AT END OF FILE

Form DMEA 104 (Rev.)
(April 1952)

Defense Minerals Administration
RECEIVED
MAR 16 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Stage 1

Month of February, 1953 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu - Zn
Address 730 Peyton Bldg., Spokane, Wash.
Contract Amount, $44,000 Government Participation: ____% Amount, $22,000

| 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 Long Hole | 28.00 | 32.40 | 60.40 | | | |
| Bulldozing | | | | | | |
| Crosscutting | 180.00 | 1,754.00 | 1,934.00 | | | |
| Drifting | 480.00 | 5,004.00 | 5,484.00 | | | |
| Raising | 240.00 | 1,185.00 | 1,425.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | | | | | | |
| Supervision | 64.00 | 688.00 | 752.00 | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | 108.61 | 108.61 | | | |
| Explosives | | 1,928.73 | 1,928.73 | | | |
| Pipe | 43.82 | 164.21 | 208.03 | | | |
| Track | 13.29 | 211.54 | 224.83 | | | |
| Gasoline-oil-carbide | 149.72 | 785.30 | 935.02 | 101.88 | 785.30 | 887.18 |
| Steel-Misc.-Supplies | 182.27 | 1,988.54 | 2,170.81 | 182.27 | 1991.81 | 2174.08 |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | 1,107.21 | 1,107.21 | | 1103.94 | 1103.94 |
| Depreciation | 114.50 | 939.66 | 1,054.16 | | | |
| (5) Initial Rehabilitation and Repairs | | 2,250.00 | 2,250.00 | | | |
| (6) New Bldgs., Improvements, etc. | | 63.69 | 63.69 | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 158.56 | 1,092.48 | 1,251.04 | | | |
| Sampling and Analysis | 37.00 | 55.63 | 92.63 | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Tools | 7.42 | 61.79 | 69.21 | | | |
| Safety Supplies | 12.88 | 9.38 | 22.26 | | | |
| (8) Contingencies (specify): | | | | | | |
| Tramway Maint. | 38.27 | 3.24 | 41.51 | | | |
| Cr.Memo -Fuel Tax Refund | (-47.84) | | (- 47.84 | -0- | | -0- |
| TOTALS | 1701.89 | 19,433.41 | 21,135.30 | 1701.89 | 19433.41 | 21135.30 |

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

Date Mar. 6-53 *Payee SPOKANE MINING SYNDICATE, INC

Per Don C. Bellis 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.

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:

$850.94

Signature _____ (Authorized Certifying Officer)

Date 3/11/53 Vou. No. 690 (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. E137 in accordance with the terms of the contract.

Signature /s/ Elwin A Magill Title Mining Engr Date 3/10/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E Howard Title Mining Engr Date 3/10/53

## 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)

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration
RECEIVED
MAR 16 1953

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

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

Stage 1

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 1953 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name SPOKANE MINING SYNDICATE, INC. Minerals Cu - Zn
Address 730 Peyton Bldg., Spokane, Wash.

| 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 | Ft. | 868.92 | 32 | 10,624.28 | 308 | 34.49 | 500 | 30.00 |
| Crosscutting | Ft. | 325.85 | 12 | 3,656.40 | 106 | 34.49 | 175 | 30.00 |
| Raising | Ft. | 434.46 | 16 | 3,276.98 | 95 | 34.49 | 150 | 30.00 |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Core Sludge | | | | | | | | |
| Churn Long Hole | Ft. | 72.66 | 70 | 156.74 | 151 | 1.038 | | 1.00 |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| | | | 60 | | 509 | | | |
| TOTAL DISTRIBUTED COSTS | | 1701.89 | 70 | 17,714.40 | 151 | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | 1,107.21 | | | | |
| Initial Rehabilitation and Repairs | | | | 2,250.00 | | | | |
| New Buildings, Improvements, etc. | | | | 63.69 | | | | |
| TOTAL COSTS | | 1701.89 | | 21,135.30 | | | | |

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.

REMARKS:

Date Mar. 6, 1953 Operator SPOKANE MINING SYNDICATE, INC.

Per Wm. C. Gillis Title Secretary

→ 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)

## 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

SPOKANE MINING SYNDICATE, INC.

730 Peyton Building
Spokane 1, Washington

Board of Directors
Spokane Mining Syndicate, Inc.
730 Peyton Building
Spokane 1, Washington

Progress Report - February, 1953

Gentlemen:

The following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of February, 1953. This is under the D.M.E.A. Contract No. IDM-E 137, Docket No. 525X.

Exploration: During the month, the total advance amounted to 60 feet of raising, drifting, and side-swiping, plus additional 70 feet of long hole sludge drilling.

Sixty feet of raising, drifting and side-swiping, together with 70 feet of long hole sludge drilling, was distributed among the various workings as follows -- this compares to an advance of 50 feet driven during January, 1953; together with 81 feet of long hole sludge drilling completed during this same month.

| Workings | Drifts | X-Cuts | Raises | Long Hole | Month | To Date | Remarks |
|---|---|---|---|---|---|---|---|
| 102-W.X-Cut | | | | | | 89 Ft. | |
| 102-W.S.Swipe | | | | | | 5 | |
| 102-1 W. Raise | | | | | | 15 | |
| 102-2 W. Raise | | | | | | 6 | |
| 109- N. Drift | | | | | | 70 | Stopped at 70' |
| 109- S. Drift | | | | | | 86 | Stopped at 86' |
| 109-1 S. Raise | | | | | | 17 | |
| 103- S. Drift | | | | | | 57 | |
| 103- S. S.Swipe | | | | | | 2 | |
| 103-1 S. Raise | | | | | | 16 | |
| 103-1 S. S.Swipe | | | 6(18' at 1/3) | | 6 | 6 | |
| 111- N. Drift | | | | | | 61 | |
| 111- N. S.Swipe | 3(9' at 1/3) | | | | 3 | 3 | |
| 111-1 N. Raise | | | | | | 9 | |
| 111- W. X-Cut | | 12 | | | 12 | 12 | |
| 109-2 S. Raise | | | 10 | | 10 | 26 | |
| 104-I.L. S.Drift | 29 | | | | 29 | 29 | |
| | 29 Ft. | 12 Ft. | 16 Ft. | | 60 Ft. | 509 Ft. | |
| Long Hole #1 | | | | | | 22 | |
| Long Hole #3 | | | | | | 22 | |
| Long Hole #4 | | | | | | 25 | |
| Long Hole #7 | | | | | | 12 | |
| Long Hole #2 | | | | 40 | 40 | 40 | |
| Long Hole #15 | | | | 30 | 30 | 30 | |
| | | | | 70 Ft. | 70 Ft. | 151 Ft. | |

Contract footage was paid on the basis of 60 feet advance, together with 70 feet of long-hole (sludge) drilling.

Details of the workings are shown on the attached map No. T-1, which is to date March 1, 1953. February footage is shown in the 103-1 S. S. Swipe, 111-N. S. Swipe, 111- W. X-cut, 109-2 S. Raise, 104-IL S. Drift, together with long-holes #2, 15, which are projected in the horizontal plane with drilling angles, plus or minus, affixed to the same map.

103-1 S. S. Swipe — First side swipe was approximately 4 feet above floor of raise for a width of 6 feet on west wall. Second side swipe was close to top of 16 foot raise for a width of 6 feet on west wall. Third side swipe was opposite of number two or east wall, for a width of 6 feet. Observation of the rock taken from these three blasts showed ore that could be classified as mill feed character.

111-N. S. Swipe — Previous report for January, 1953, under subject "111 N. Drift" explains this side swipe in factual detail. It is entered only for payment of footage and was not mucked out until February 2, 1953.

111-W X-Cut — is located 12 feet from U.S.G.S. last established station by Harold Kirkemo in the north end of 111 N. Drift. This tunnel hereto referred to as a crosscut is almost parallel to 102 W. X-Cut tunnel. Identical to 111 N. S. Swipe, the crosscut was carried in on an approximate bearing of N 60° W. for a distance of 12 feet. Close to the floor of the tunnel a bedding layer of ore containing noticeable amounts of chalcopyrite were exposed on the first round, and another round the face was against a slip. However, the third round revealed mineralized material.

104-IL S. Drift — This 5' x 7' drift started with the lip of the steel chute, which is N 20° W and a distance of 7 feet from Station #4 in the 102 W Cx tunnel and carried up and over the 102 W Cx tunnel sufficient vertical distance in order not to weaken roof of the tunnel. Approximate bearing was S 5° E for a distance of 23 feet and last round turned a few minutes to the east for 6 feet, for a total of 29 feet ending the month. Within the bedding floor of the drift, approximately 3 feet of promising looking chalcopyrite was revealed in the face. Physical examination of the upper portion of the face shows vein material of mill feed character. Further drifting will determine if the ore body is of major importance. Several samples were taken, but it is too early to calculate the value of the metalic contents.

NOTATION: I.L. means Intermediate Level.

109-2 S. Raise is located at #7 Long Hole and was carried up on a slope of approximately 64° for a distance of 16 feet and showed indications of mineralization in the face during January. This

raise was advanced another 10 feet for a total distance of 26 feet with a slight weak mineralization evident in the face.

Long Hole #2 — This hole is located 11 feet west from last station U.S.G.S., established by Harold Kirkemo, on the south side of 102 W. CX tunnel and was carried in on a bearing of approximately S 50° W, and a plus slope of 5° from collar of hole 0' to 20' sludge samples rejected for assay by Kirkemo; 20' to 25' sludge assayed 1/10 sn., no copper, no pb., no ag; 25' to 30', sn nq, cu nq, pb nq, ag trace; 30' to 35', sn nq, cu nq, pb nq; 35' to 40', sn 4/10, cu nq, pb nq, ag nq.
Ag Trace

Long Hole #15 — This hole is located 12 feet south from Station #1 in 102 W Cx tunnel on the east side of 103 S. Drift and was carried in on a bearing of approximately N 80° E, and a plus slope of 60°. From collar of hole 0' to 12' sludge assayed: sn nq, cu nq, pb nq, ag trace; 12' to 20' sludge sample rejected by Kirkemo; 20' to 25' sludge assayed: sn 2 1/10, cu nq, pb nq, ag .2; 25' to 30' sn 2 6/10, cu nq, pb trace, ag nq.

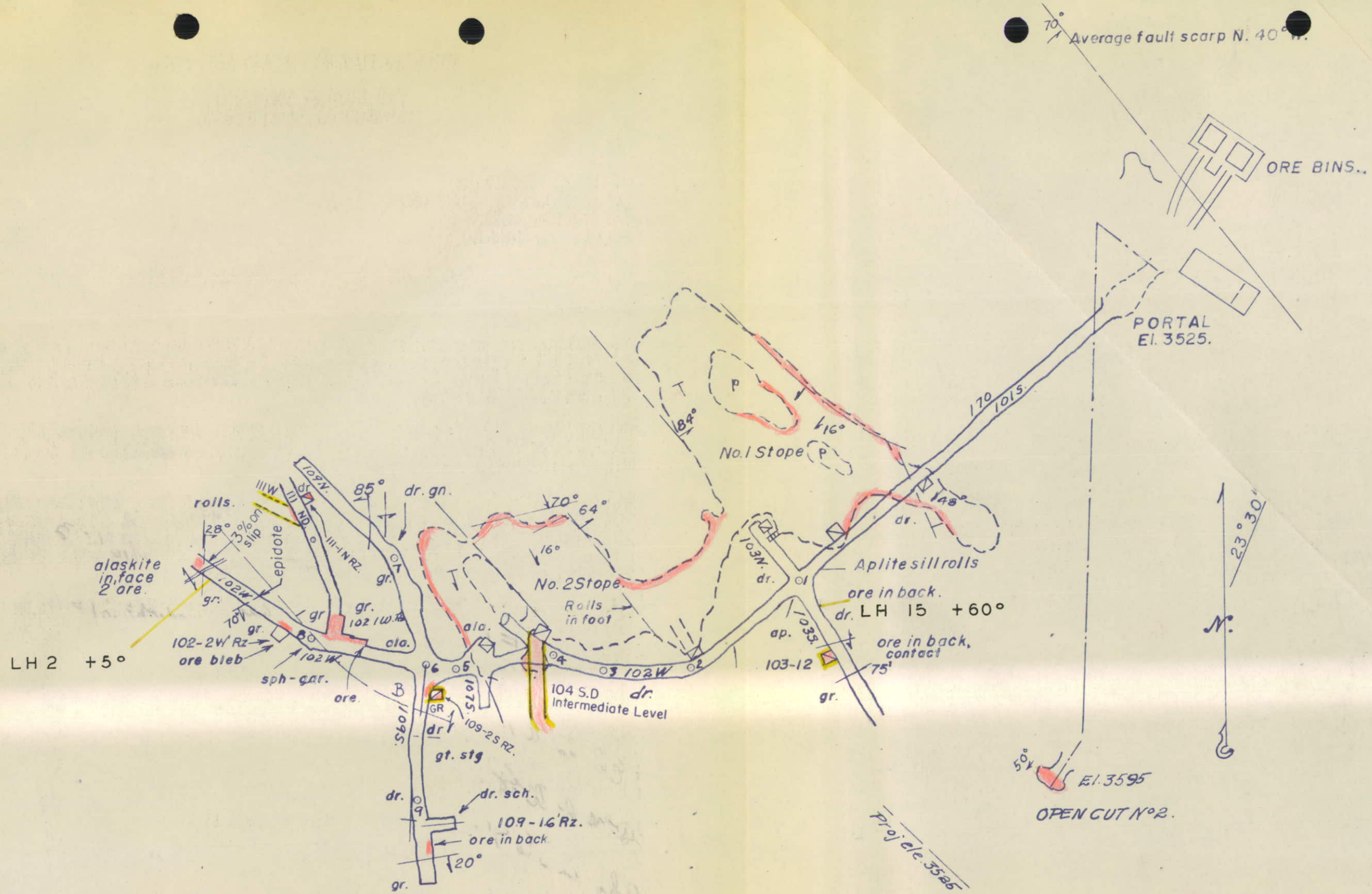
General — Weather and operating conditions were satisfactory. Bearing on south, traveling cable brake sheave for the tramway had to be repaired, causing a loss of 16 hours. Mine water pumps, lighting plant, 210 C.F.M. compressor engine, and Swede machine required mechanical attention, entailing further loss of 56 hours operating time. Supplies hoisted via the tram required an additional 44 hours.

Your 75-ton flotation plant has successfully operated during the last part of February, milling about 15 tons on one-shift basis. An exceptional copper concentrate is slowly filling the bins. However, it must be pointed out and stressed further that the milling operation is a strenuous financial burden; in fact, is top-heavy without aid of at least a $20,000 loan to weather the period before returns from the smelters.

The mine was visited February 26, 1953, to make a preliminary examination and footage check. Present were John Sims, manager, and H. E. Deely, assistant secretary.

There were no accidents during the month.

Don A. Gillis
Secretary for the Company and
Mineral Surveyor




Ore
Advance

PLAN OF
TUNNEL No 1
TALISMAN PROPERTY
FERRY COUNTY, WASHINGTON

Scale 1" = 40'  July 9, 1952.

By W. A. Richelsen  Drawing No T-1

Traced By Lee Eller

To Date MAR 1 1953

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

# UNITED STATES
# DEPARTMENT OF THE INTERIOR
## DEFENSE MINERALS EXPLORATION ADMINISTRATION
## OPERATOR'S MONTHLY REPORT AND VOUCHER

**Stage 1**

Month of January 1953 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals cu - zn
Address 730 Peyton Bldg., Spokane, Wash.
Contract Amount, $ 44,000 Government Participation: 50 % Amount, $ 22,000

| 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 Long Hole | 32.40 | | 32.40 | | | |
| Bulldozing | | | | | | |
| Crosscutting | | 1,754.00 | 1,754.00 | | | |
| Drifting | 375.00 | 4,629.00 | 5,004.00 | | | |
| Raising | 375.00 | 810.00 | 1,185.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | | | | | | |
| Supervision | 48.00 | 640.00 | 688.00 | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | 108.61 | 108.61 | | | |
| Explosives | 96.72 | 1,832.01 | 1,928.73 | | | |
| Pipe | 43.33 | 120.88 | 164.21 | | | |
| Track | | 211.54 | 211.54 | | | |
| Gasoline-oil-carbide | 94.64 | 690.46 | 785.30 | | | |
| Steel-Misc. Supplies | 585.14 | 1,403.40 | 1,988.54 | 588.41 | 1008.40 | 1991.81 |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | 3.27 | 1,103.94 | 1,107.21 | — | 1103.94 | 1103.94 |
| Depreciation | 114.50 | 825.16 | 939.66 | | | |
| (5) Initial Rehabilitation and Repairs | | 2,250.00 | 2,250.00 | | | |
| (6) New Bldgs., Improvements, etc. | | 63.69 | 63.69 | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 100.89 | 991.59 | 1,092.48 | | | |
| Sampling and Analysis | 48.63 | 7.00 | 55.63 | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Tools | 7.67 | 54.12 | 61.79 | | | |
| Safety Supplies | | 9.38 | 9.38 | | | |
| (8) Contingencies (specify): | | | | | | |
| Tramway Maint. | | 3.24 | 3.24 | | | |
| | 1925.39 | 17,508.02 | 19,433.41 | | | |
| TOTALS | | | | 1925.39 | 17508.02 | 19433.41 |

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

Date Feb. 5, 1953 Payee Spokane Mining Syndicate, Inc.

Per Don C. Gillis 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.

→ 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:

$ 962.70

Signature [signature] (Authorized Certifying Officer)

Date 2/18/53 Vou. No. 671

(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 137 in accordance with the terms of the contract.

Signature /s/ Webster S. Anderson Title Mining Engr Date 7/16/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Thomas E. Howard Title Mining Engr Date 7/16/53

## 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-[illegible]4A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Stage 1

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 1953 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu -- Zn
Address 730 Peyton Bldg., Spokane, Wash.

| 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 | Ft | 919.02 | 25 | 9,791.20 | 276 | $35.48 | 500 | $ 30.00 |
| Crosscutting | Ft. | | | 3,334.68 | 94 | 35.48 | 175 | 30.00 |
| Raising | Ft. | 919.02 | 25 | 2,802.55 | 79 | 35.48 | 150 | 30.00 |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: ~~Core~~ Sludge Long Hole | Ft. | 84.08 | 81 | 84.08 | 81 | 1.038 | | 1.00 |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | 1922.12 | 50 81 | 16,012.51 | 449 81 | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | 3.27 | | 1,107.21 | | | | |
| Initial Rehabilitation and Repairs | | | | 2,250.00 | | | | |
| New Buildings, Improvements, etc. | | | | 63.69 | | | | |
| TOTAL COSTS | | 1925.39 | | 19,433.41 | | | | |

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 Feb. 5, 1953 Operator Spokane Mining Syndicate, Inc.

Per Wm. C. Gillis Title Secretary

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)

## 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

SPOKANE MINING SYNDICATE, INC.
730 Peyton Building
Spokane 1, Washington

Board of Directors
Spokane Mining Syndicate, Inc.
730 Peyton Building
Spokane 1, Washington

PROGRESS REPORT -- JANUARY, 1953

Gentlemen:

The following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of January, 1953. This is under the D.M.E.A. Contract No. IDM-E 137, Docket No. 525X.

Exploration: During the month the total advance amounted to 50 feet of raising and drifting, plus additional 81 feet of long-hole sludge drilling, performed under a mining contract effective January 1, 1953, with the independent contractor, Alfred Bertrum Hall. The mining contract, signed and so executed by proper authorities, is attached to original copy handed to the Defense Mineral Exploration Administration. Amendment No. 5 to your D.M.E.A. Contract IDM-E 137 states the effective date for this program of long-hole drilling shall be December 1, 1952.

Fifty feet of raising and drifting, together with 81 feet of long-hole sludge drilling, was distributed among the various workings as follows -- this compares to an advance of 54 feet driven during December, 1952:

| Workings | Drifts | X-Cuts | Raises | Long Hole | Month to Date | Remarks |
|---|---|---|---|---|---|---|
| 102-W. X-Cut | | | | | 89 Ft. | |
| 102-W. S. Swipe | | | | | 5 | |
| 102-1 W. Raise | | | | | 15 | |
| 102-2 W. Raise | | | | | 6 | |
| 109- N Drift | | | | | 70 | Stopped at 70' |
| 109- S Drift | | | | | 86 | Stopped at 86' |
| 109-1 S. Raise | | | | | 17 | |
| 103- S. Drift | | | | | 57 | |
| 103- S. S.Swipe | | | | | 2 | |
| 103-1 S. Raise | | | | | 16 | |
| 111- N. Drift | 25 | | | 25 | 61 | |
| 111-1 N. Raise | | | 9 | 9 | 9 | |
| 109-2 S. Raise | | | 16 | 16 | 16 | |
| | | | 25 Ft. | 50 Ft. | 449 Ft. | |
| Long Hole #1 | | | 22 | 22 | 22 Ft. | |
| Long Hole #3 | | | 22 | 22 | 22 | |
| Long Hole #4 | | | 25 | 25 | 25 | |
| Long Hole #7 | | | 12 | 12 | 12 | |
| | | | 81 | 81 | 81 Ft. | |

Contract footage was paid on the basis of 50 feet advance, together with 81 feet of long-hole (sludge) drilling.

Details of the workings are shown on the attached map, No. 1-T, which is to date February 1, 1953. January footage is shown in the 111 N. drift, 111-1 N. Raise, 109-2 S. Raise, together with long-holes #1, #3, #4, and #7, which are projected in the horizontal plane with drilling angles, plus or minus, affixed to the same map.

111 N. Drift was advanced 25 feet on a bearing of approximately N. 22° W. At a point on west side of drift, approximately 30 feet N.W. of 102-1 W. Raise, Contractor Hall drilled a flat 7 foot hole, with the line on an approximate bearing N. 27° W. Results of this charge were at least 18 mine cars of ore. Grab sample on west, where sidecut was made, gave assay return for Pb., Zn, and Ag only, showed 3-2/10 Pb., 18-8/10 Zn., 10.4 oz. Ag. Another grab sample from the footwall on the east side of drift run only for Cu and Ag gave returns of 4 6/10 Cu. and 2.8 oz. ag.

111-1 N. Raise is 10 feet south of the 111 N. drift face and was carried two rounds on an approximate slope of 60°, and showed mineralization in each round.

109-2 S. Raise is located at #7 Long Hole and was carried up on a slope of approximately 70° for a distance of 16 feet and showed indications of mineralization in the face.

Long Hole #1

This hole is located 80 feet from Station #6 by Walter A. Richelsen, on the northeast side of 102 W. CX tunnel and was carried in on a bearing of approximately N 33° E., and a plus slope of 67°. From collar of hole o' to 5' sludge assayed o.8 Zn, 0.03 Cu, 0.45 Pb.; 5 ft. to 10 ft., 1-9/16 Zn, No Cu., no Pb., no Ag; 10 to 15 feet, Zn. 9/16%, Cu, no, pb. no; 15' to 22 feet, rejected for assay by Kirkemo.

Long Hole #3

This hole is located 9 feet from U.S.B.M. #196 on west wall of 109 S drift and was carried in on a bearing of approximately S 71° W. and a plus slope of 5°. Hole stopped at 22 feet. Assay samples from 0' to 22' were observed by Kirkemo and rejected for assay.

Long Hole #4

This hole is located identical to Station #4 by W. A. Richelsen, E.M., on south side of 102 W. addit level and was carried in on a bearing of approximately S 22° E and a plus slope of 40°. From collar of hole 0' to 10', sludge assayed 5/10% zn., Cu, no; pb, trace; Ag, no. From 10' to 15', 9/10 Zn., Cu no, Pb no, Ag 2/10 oz.; 15' to 20', 1-4/10% Zn., 4/10% Cu., Pb. 5/10%, Ag 6-2/10 oz.; 20' to 25', 8/10% Zn., Cu, 1-1/10%, Pb. 1-2/10%, Ag 8-2/10 oz.

Long Hole #7

This hole is located identical to N.S. B.M. #196, on southeast wall of 102 W. adit tunnel level and was carried in on a bearing of approximately S. 33° E. and a plus slope of 60°. Hole was stopped at 12 feet and indications of the metalic content warranted a raise at this point, referred to in this report as 109-2S Raise.

General

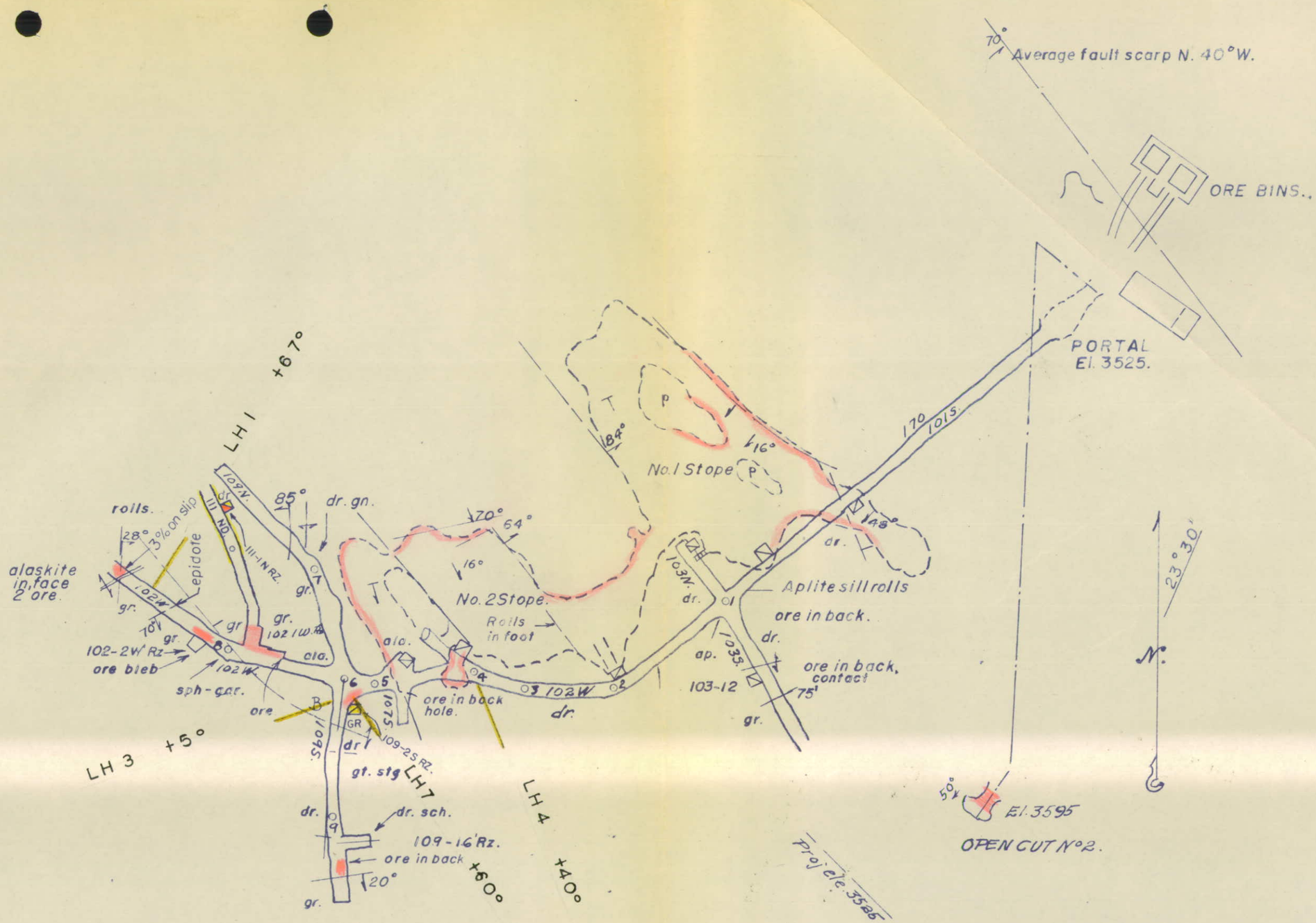
Weather and operating conditions were satisfactory. Three days were lost due to needed repairs on 210 Cfm. compressor engine brought in to the Washington Machinery at Spokane, January 3, 4, 5, 11, 12, 15, 19, 20, 23, 26, 28, and 29. Several hours of these days were required to hoist supplies and materials.

In order to progress profitably, a small scale mining of ore should and Must be pushed. Your concentrating plant has two experienced millmen and mill in working condition.

Don A. Gillis, in company with your new assistant secretary, H. E. Besly, visited the property February 1, 1953, and made a preliminary examination and footage check at the mine. Mr. Besly has been associated in mining operations for 15 years.

There were no accidents during the month.

Don A. Gillis
Secretary for the Company and
Mineral surveyor




Ore
Advance

PLAN OF
TUNNEL No 1
TALISMAN PROPERTY
FERRY COUNTY, WASHINGTON
Scale 1" = 40'  July 9, 1952.
By W. A. Richelsen  Drawing No T-1
Traced By Lee Eller
To Date FEB 1 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON, D.C.
So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 3 1953

January 23, 1953

Memorandum

To: DMEA Field Team, Region II

From: Harold Kirkemo, Geologist, U. S. Geological Survey

Subject: Docket No. DMEA-525X (Copper-Zinc), Routine inspection report and discussion of the exploration program, Talisman Mine, Ferry County, Washington, Contract Idm-E137.

## Routine Inspection Report

Visits to the Talisman Mine were made by the writer on January 7-9, and 15, 1953, to map geology exposed in the recent work on the DMEA exploration project and to gather information for a report relative to the Operator's application for a DMPA loan on the property. G. W. Fuller, Geologist, U. S. Geological Survey, assisted with the inspection on January 15. Since the visit to the property by E. A. Magill, Engineer, U. S. Bureau of Mines, on December 12, 1952, the mill has been operating on a one-shift basis treating ore obtained from 111 DNW, 102-1W raise, and 102-2W raise. No concentrates have been shipped since milling was resumed in November 1952. The ore bin at the mill is nearly empty and milling must be discontinued soon for lack of a steady supply of ore. A. B. Hall, contractor, and two miners have continued working at the mine since Magill's visit on December 12 except for the period from Christmas to New Years. Mr. Vernon Hoar and one employee have been operating the mill. Mr. W. A. Richelsen, consulting mining engineer for the Spokane Mining Syndicate, Inc., has been seriously ill in the past month and may not be able to continue regular inspections of the Talisman Mine for his clients.

Exploration work to test the possible extensions of the ore deposit has continued in the past month. Advance in the various headings to January 15, 1953, is listed as follows:

| Location | Advance Dec. 12, 1952 - Jan. 15, 1953 | Total length |
|---|---|---|
| 111 DNW | 34 feet | 60 feet |
| 103 XCS | 19 feet | 57 feet |
| 103-1S Raise | 8 feet | 18 feet |
| No. 1 Long hole | 22 feet (approximately) | 22 feet (approx.) |
| No. 3 Long hole | 20 feet (approximately) | 20 feet (approx.) |

Drift 111 NW has been advanced 34 feet in low-grade zinc ore, 103 XCS has been driven an additional 19 feet in gneissic rock and 103-1S raise was advanced 8 feet in gneiss and schist. Five samples cut in 111 DNW have been sent to the Union Assay Office and assays have not been received to date. Long hole No. 1 from 102 XCW at 38 feet northwest of 111 DNW was drilled approximately 22 feet N. 32° E. plus 67°. A few specks of sulfide minerals were found in the drill cuttings from 0 to 5 feet. A sample of this material assayed 0.8 percent zinc, 0.45 percent lead, and 0.03 percent copper. Long hole No. 2 from 109 S at 6 feet south of 102 XCW was advanced approximately 20 feet S. 72° W. plus 5° in gneiss and schist.

## Discussion of Geologic Factors Affecting Exploration

The known ore body is a relatively flat, tabular, replacement deposit containing sphalerite, chalcopyrite, galena, quartz, epidote, and pyrite with minor amounts of magnetite and garnet. The mineralized zone appears to be in a certain horizon in the metamorphic rocks which was chemically and/or structurally receptive to ore deposition. It is impossible with present knowledge of the deposit to recognize the implacement controls for the ore body in the metamorphic rocks.

A system of post mineral faults striking N. 10 to 30° W. dipping 60° to 80° SW. or NE. cut the ore body and the mine workings beyond the present stopes. Eight of these faults are crossed in No. 1 adit in a zone between 250 feet to 350 feet southwest from the portal. Displacement, usually normal, ranges from a few inches to more than 10 feet. The faults are sharp, distinct fractures with little, if any, gouge present. Slickensided surfaces and mullion structures are common features on the fault planes. The ore body in the west end of No. 2 stope is cut by one of these faults and is apparently dropped below the floor of the stope. A prominent series of joint planes crosses No. 1 adit tunnel at 195 to 225 feet southwest of the portal. These planes strike N. 70° E. and dip 82° to 87° NW. Their influence on the ore body is unknown, but it will be noted on the composite plan map showing No. 1 and No. 2 stopes and the workings on the No. 1 adit level that, to date, the ore body has not been found southeast of this particular set of joints.

Folds or warps in the ore horizon complicate proper direction of exploration work within each fault block. The ore body may dip or plunge below No. 1 adit level as it apparently does east of 111 DNW. Determining the bottom of the ore horizon in each fault block with long hole drilling is desirable before starting drifts or raises on the ore.

The exploration program to find extensions of the ore body is, therefore, complicated by two and possibly three factors.

1. Post mineral faults, particularly the northwest-striking system near the west end of No. 2 stope.

2. Folding or warping of the ore body.

3. A northeast-striking joint system that may limit or complicate extension of the ore body to the southeast from the stopes.

Recognizing these problems, the exploration program now being followed is designed to test certain blocks between the northwest-striking faults with long holes, raises, or crosscuts. If the ore horizon is located in a block, the ore should be followed with drifts on the adit level or from raises above this level.

## Preliminary Program for Long Hole Drilling

A plan for long hole drilling is indicated on the attached map. Long holes 2, 3, 5, and 6 are to be drilled in a near horizontal plane from the crosscuts. If ore is cut in any of these holes, it will be in the same plane as the adit level, and crosscuts can be started toward the ore without further exploration to determine the elevation of the ore horizon. Long holes 1, 4, 7, and 8 are to be drilled at angles of plus 67, 40, 60, and 60° respectively to test for ore bodies above the adit level. Long holes No. 1 and 3 have been drilled about 20 feet each. The rock drill with pusher and stoper leg being used for the long hole drilling cannot drill holes much beyond 20 to 25 feet because of the extremely hard rock.

There is ore exposed in No. 2 stope about 18 feet above the track level of No. 1 adit at Survey tag No. 4. Long hole No. 4 is proposed to test the southeast extension of this ore. If ore is cut in the hole, the writer instructed Mr. Hall to drive a raise to the ore from the adit level and to drive an intermediate drift on the ore southeast from the raise. The possible limiting influence of the northeast-trending joint system, previously mentioned, will be tested with this work.

The long hole drilling program planned to date may be only part of the testing required by this method. As information is obtained from the first eight holes, additional holes can be planned to better advantage. Holes from the backs of the raises or holes testing below the level of the adit may be necessary to find all segments of the ore body. The long hole program will necessarily delay completion of work proposed in Stage I of the contract, but it is imperative that more definite targets are disclosed before continuing exploratory crosscuts or raises.

The writer has given Mr. Hall, contractor at the Talisman Mine, a map showing proposed long holes 1 through 8 and written instructions to raise from the adit level and to drive an intermediate drift southeast on ore if long hole No. 4 cuts ore.

The ore in 111 DNW at 60 feet northwest of 102 XCW was exposed only in the back of the drift. Mr. Hall was instructed to discontinue further advance in this drift is ore was not exposed in the next 5 feet. Long hole No. 8 is designed to test for this same ore block above 109 N. These definite instructions were made to Mr. Hall because the Operator's consulting engineer-geologist will be unable to visit the mine often enough to properly direct the long hole drilling program.

Two prints of the map showing the proposed long hole program have been sent to Mr. Don Gillis, secretary of the Spokane Mining Syndicate. An amendment providing payment to the Operator for 300 feet of long hole drilling is being prepared.

Harold Kirkemo

Harold Kirkemo
Geologist

Enclosures 2

Distribution:

Orig. & 3 - DMEA
USBM (2)
Docket
Kirkemo

LARGE FORMAT DOCUMENTS AT END OF FILE

Form MF 104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Defense Approval expires 6-30-53

RECEIVED
FEB 2 1953

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Stage 1

Month of December, 195 2 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu - Zn
Address 730 Peyton Bldg., Spokane, Washington
Contract Amount, $ 44,000 Government Participation: 50 % Amount, $ 22,000

| 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: | | | | | | ~~Acc~~ Keating Betty |
| Drilling | | | | | | |
| Bulldozing | | | | | | |
| Crosscutting | | 1,754.00 | 1,754.00 | | | |
| Drifting | 660.00 | 3,969.00 | 4,629.00 | | | |
| Raising | 150.00 | 660.00 | 810.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | | | | | | |
| Supervision | 64.00 | 576.00 | 640.00 | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | 3.09 | 105.52 | 108.61 | | | |
| Explosives | 500.73 | 1,331.28 | 1,832.01 | | | |
| Pipe | 5.48 | 115.40 | 120.88 | | | |
| Track | 25.01 | 186.53 | 211.54 | | | |
| Gasoline-oil-carbide | 104.95 | 585.51 | 690.46 | | | |
| Steel-Misc.supplies | 153.62 | 1,249.78 | 1,403.40 | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | 137.02 | 966.92 | 1,103.94 | | | |
| Depreciation | 114.50 | 710.66 | 825.16 | | | |
| (5) Initial Rehabilitation and Repairs | | 2,250.00 | 2,250.00 | | | |
| (6) New Bldgs., Improvements, etc. | 63.69 | | 63.69 | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 69.10 | 922.49 | 991.59 | | | |
| Sampling and Analysis | | 7.00 | 7.00 | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Tools | 13.70 | 40.42 | 54.12 | | | |
| Safety Supplies | | 9.38 | 9.38 | | | |
| (8) Contingencies (specify): | | | | | | |
| Tramway Maint. | | 3.24 | 3.24 | | | |
| | | | | | | |
| | | | | | | |
| TOTALS | 2064.89 | 15,443.13 | 17,508.02 | 2064.89 | 15443.13 | 17508.02 |

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

Date Jan. 14, 1953 *Payee Spokane Mining Syndicate, Inc.

Per Wm. A. Gillis 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.

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:

1032.45

$ 1032 45

Signature (Authorized Certifying Officer)

Date 1/26/53 Vou. No. (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/137 in accordance with the terms of the contract.

Signature /s/ Webster L Anderson Title Mining Engr. Date 1/22/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature /s/ Elwin a Magill Title Mining Engr. Date 1/22/53

# 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-101A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

## OPERATOR'S UNIT COST AND PROGRESS REPORT

Stage 1

Month of December 1952 Docket No. DMEA 525X Contract No. IDH-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals cu - zn
Address 730 Peyton Bldg., Spokane, Wash.

| 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 | Ft. | 1518.96 | 44 | 8,863.88 | 251 | 35.31 | 500 | 30.00 |
| Crosscutting | Ft. | | | 3,319.54 | 94 | 35.31 | 175 | 30.00 |
| Raising | Ft. | 345.22 | 10 | 1,906.97 | 54 | 35.31 | 150 | 30.00 |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| Total Distributed Costs | | 1864.18 | 54 | 14,090.39 | 399 | | | Total Costs Authorized by Contract |
| Operating Equipment Purchased | | 137.02 | | 1,103.94 | | | | |
| Initial Rehabilitation and Repairs | | | | 2,250.00 | | | | |
| New Buildings, Improvements, etc. | | 63.69 | | 63.69 | | | | |
| Total Costs | | 2064.89 | | 17,508.02 | | | | |

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 Jan. 14, 1953 Operator Spokane Mining Syndicate, Inc.

Per Wm. C. Gillis Title Secretary

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)

## 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

SPOKANE MINING SYNDICATE, INC.

730 Peyton Building
Spokane 8, Washington

Board of Directors
Spokane Mining Syndicate, Inc.
730 Peyton Building
Spokane 1, Washington

Progress Report - December, 1952

Gentlemen:

The following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of December, 1952. This is under the D.M.E.A. Contract 525X.

Exploration: During the month the total advance amounted to 54 feet, which was distributed among the various workings as follows:

This compares to an advance of 49 feet driven during November, 1952.

| Workings | Drifts | X-Cuts | Raises | Month to Date | | Remarks |
|---|---|---|---|---|---|---|
| 102 W. X-Cut | | | | | 89 | |
| 102 W. S. Swipe | | | | | 5 | |
| 102-1 W. Raise | | | | | 15 | |
| 102-2 W. Raise | | | | | 6 | |
| 109 N. Drift | | | | | 70 | Stopped at 70' |
| 109 S. Drift | | | | | 86 | Stopped at 86' |
| 109-1 S. Raise | | | | | 17 | |
| 103 S. Drift | 19 | | | 19 | 57 | |
| 103 S. S. Swipe | | | | | 2 | |
| 103-1 S. Raise | | | 10 | 10 | 16 | |
| 111 N. Drift | 25 | | | 25 | 36 | |
| | 44 | | 10 | 54 | 399 | |

Contract footage was paid on the basis of 54 feet advance.

Details of the workings are shown on the attached map No. T-1, which is to date of January 14, 1953. December footage is shown in the 103 S. Drift, 111 N. Drift, 103-1 S. Raise.

The 103 S. Drift was advanced 19 feet. Previous 38 foot advance for November was on a corrected bearing of S. 30° E. and cut into a slip, which appeared to be diorite-granite contact; occasional chalcopyrite came in on slips in the foot. (Quoted from Walter A. Richelsen's report of December 16, 1952). A. B. Hall, the mining contractor, informed the writer that he kept approximate S. 30° E bearing course, and after advancing 19 feet had a face of granite.

The 103-1 S. Raise was started in the 103 S. Drift at 32 feet in - by from Sta. 11 in the 101 S. X-cut and carried on a bearing of S. 72° W., with a slope of 45°. It was advanced for a slope distance of 6 feet and exposed ore in the back of the raise, which is on the contact with the diorite and granite. The face of the raise is in granite. (Quoted from Walter A. Richelsen's report of December 16, 1952). Contractor extended this raise 10 feet further in December, and face was still in granite.

The 111 N. Drift was started from the 102 W. X-cut at 37 feet in - by from Sta. 6 and followed in under the 102-1 W. Raise. It was carried on a bearing of No. 02° W. for a total distance of 11 feet and exposed about 6 feet of ore along the side. This consisted of sphalerite, with occasional chalcopyrite and had an estimated combined metal content of about 4% (Quoted from Walter A. Richelsen's report of December 16, 1952). This drift was extended 25 feet during December and still maintained a face of ore, according to Contractor Hall, on an approximate bearing of N. 22° W.

(12)

Intermediate level exploration is seriously being considered.

Long Hole drill steel has been delivered to the contractor from Bitco, Inc., and is powered by the Swedish machine and should be capable of reaching 40 feet. However, 25 feet seems to be efficient handling limit for the lighter machine.

General: Weather and operating conditions were satisfactory. Period of December 3, 4, 5, 7, 9, 10, 12, 15 and 17 -- Several hours of these days were required to hoist supplies and material. Eight days were lost for the Christmas Holidays.

The concentrating mill has been run intermittently, and to date there is approximately 10 tons of concentrates.

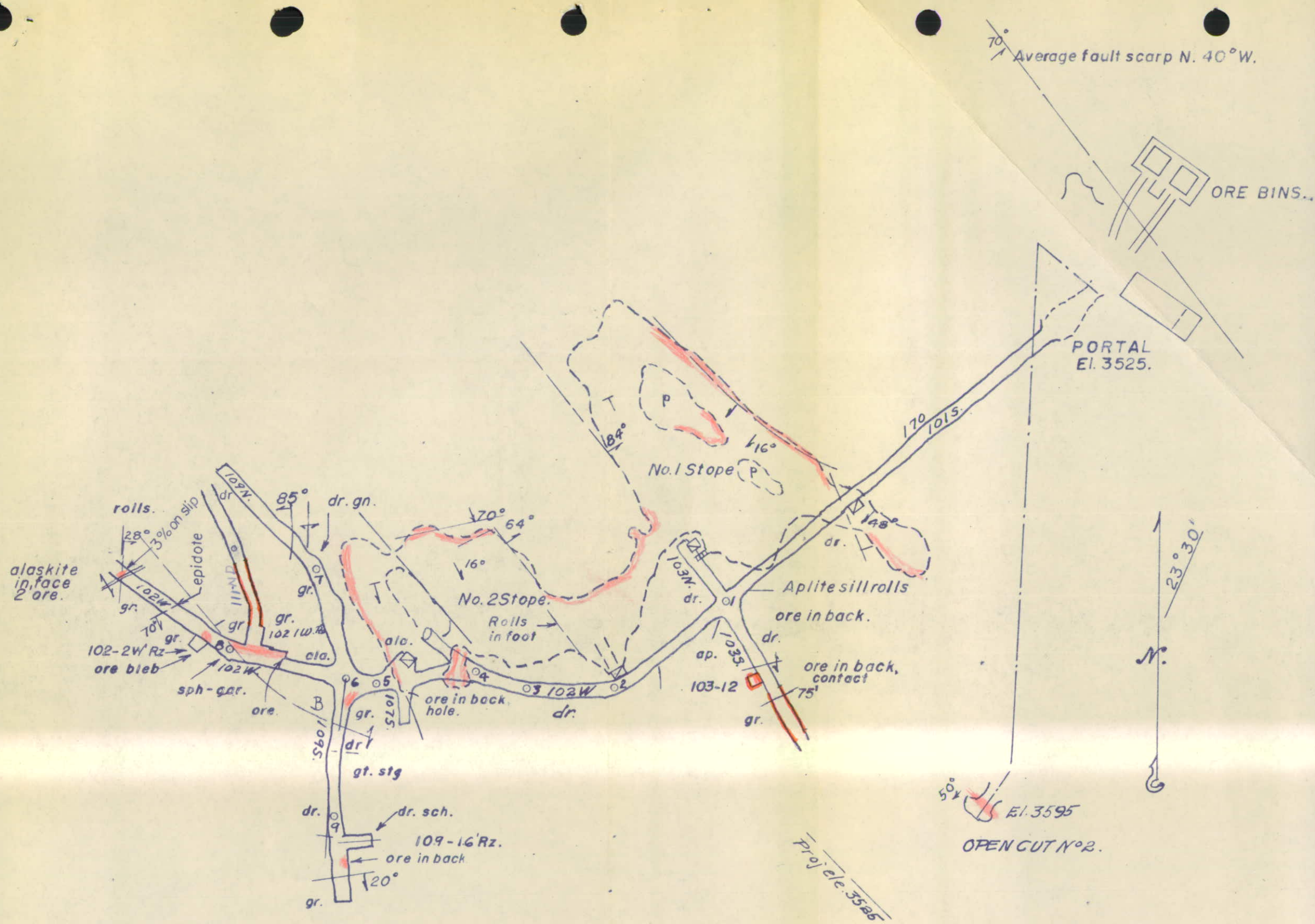
In order to progress profitably, a small scale mining of ore and milling program should be pushed, if the Reconstruction Finance Corporation approves your application for a loan of $15,000. Your contractor has a crew lined up for mining of the ore on a three-day notice. Of course your concentrating plant has two experienced millmen.

There were no accidents during the month.

Yours very truly,

Don A. Gillis

Don A. Gillis
Secretary for the Company
and Mineral Surveyor




Ore
Advance

PLAN OF
TUNNEL No 1
TALISMAN PROPERTY
FERRY COUNTY, WASHINGTON
Scale 1" = 40'  July 9, 1952.
By W. A. Richelsen  Drawing No T-1
Traced By Lee Eller
To Date JAN 14 1953

525

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

1201 N. Division St.
Spokane 2, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 5 1953

December 18, 1952

MEMORANDUM

To: DMEA Field Team, Region II

From: E. A. Magill, Mining Engineer, Bureau of Mines

Subject: Progress examination, Spokane Mining Syndicate Inc., (Talisman mine) Ferry County, Washington, Contract Idm-E137, Docket DMA 525X (Copper-Zinc)

A progress examination was made of the subject property on December 12, 1952. Mr. Hall, contract miner and two employees of his were on the property at the time of the visit. There were also two men operating the mill on a one-shift basis, milling ore from exploration work.

Advance in the various headings to date is as follows:

| Heading | Footage since last visit, October, 1952 | Total footage under project to date |
|---|---|---|
| Crosscuts and drifts | | |
| 102W | -- | 89 |
| 109S | -- | 85 |
| 109N | -- | 70 |
| 103S | 38 | 43 |
| 111N | 21 | 26 |
| Total | 59 | 313 |
| Raises | | |
| 109S- 1 Rz | 17' | 17' |
| 103 - 1 S RZ | 10' | 10' |
| 102 - 2 W Rz | 6' | 6' |
| 102 - 1 W Rz | 15' | 15' |
| Total | 48 | 48 |

Active at the present time are the 111 N drift and the 103 S crosscut.

The 111 N drift has been in ore its entire length (26'). It is very difficult to determine the strike or dip of the ore

but it appears to dip toward the east. A grab sample, EAM-232, was taken of the muck from the last round 22' to 28' north of the station in the 102 W cut. The metallization appeared to be predominately sphalerite in tactite.

The 102-1W raise is in ore about 10' above the back of the 102 W crosscut. This raise has been driven N 6 W ∠ 70 degrees 22 feet above track level.

The 103 S crosscut has been advanced 43 in granite gneiss. The 103-1S raise is 31 feet south of Station No. 1. The raise is S 64 W ∠ 65 degrees 16 feet above track level, has failed to encounter the ore zone exposed in the back at the start of the crosscut.

The only ore encountered under the exploration project is that in the 111 N drift and the 102 W-1 Raise.

It has been recommended to the operators that they purchase a set of sectional steel and probe the back in the 109S, 109N and 103S crosscuts for ore. It is understood that the operators propose to do this work in the near future. If this work is not successful in finding ore it is recommended that the exploration program be completely reevaluated with detailed geologic mapping in an attempt to determine if the faults exposed in the walls of the stopes have faulted off the ore or whether the ore has pinched out. It may be advisable for future exploration to run sub-levels out from the stopes commencing in ore rather than to search for it by raises from crosscuts driven below.

The operators have experienced difficulty in pulling a five-foot round in the hard ground. This problem has been solved by the use of a six finger burn cut (see attached sketch).

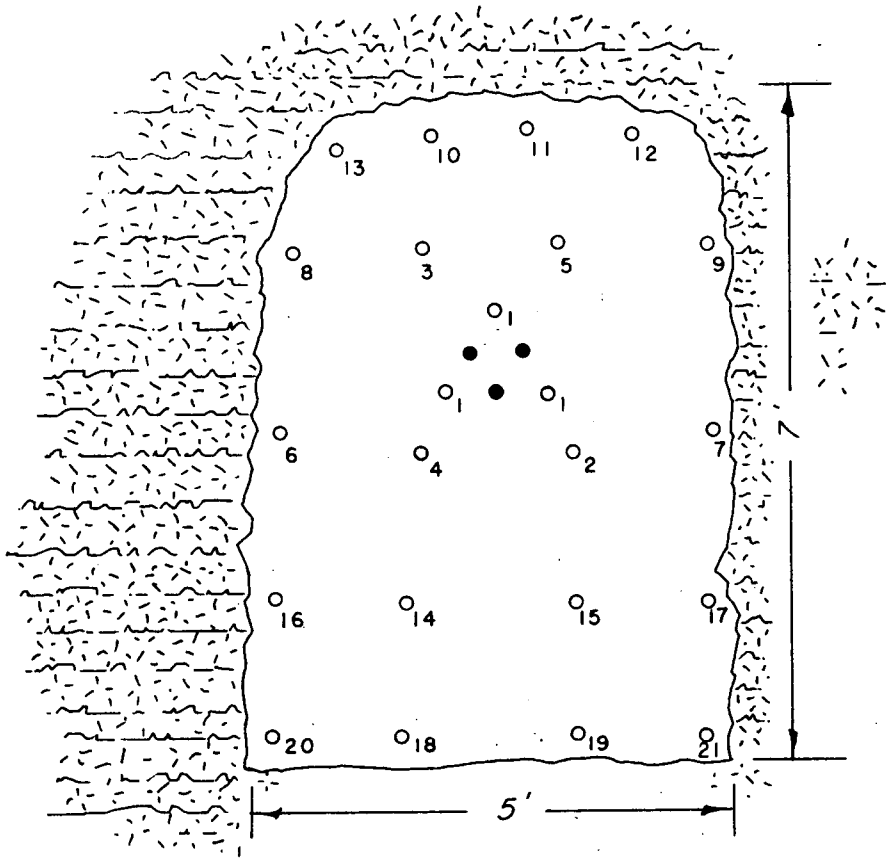
There is about 26 inches of snow on the level at the property but operations have not been seriously hampered. The operators plan on working throughout the winter.

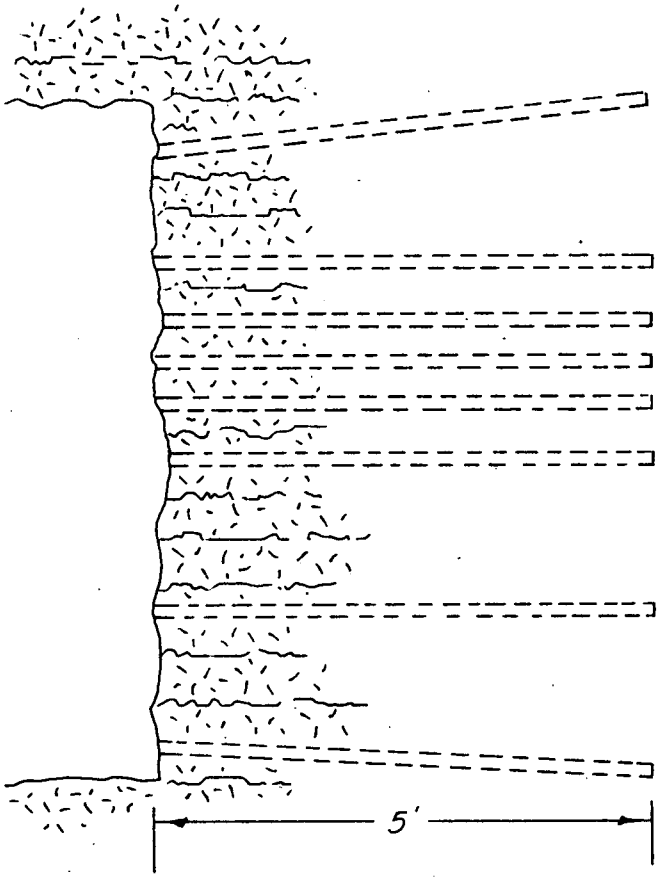
E A Magill

E. A. Magill

Enclosure

CC: 3-Wash.
2-USGS
DMEA
EAM
M/D
D/F




● Holes not fired.

○5 Holes fired and order of firing.

Country rock is granite gneiss.
Ore zone is tactite.

SCALE 1" = 2'

*Round drilled with Atlas Rock Drill with pusher leg*
*Drill steel Coromant - 5'3" x $1\frac{17}{32}$"*
*$1\frac{1}{8}$" 60% geletin powder with fuse and No. 6 caps.*

*D. M. E. A. Docket No. 525X ——— Contract Idm — E 137*

BURN CUT used at the TALISMAN MINE, FERRY COUNTY, WASHINGTON.

Form MF-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Budget Bureau No. 42-R0013.
Defense Minerals Exploration Administration
Approval expires 5-30-53.
RECEIVED

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Stage I ~~1952~~/1953

Month of November, 1952 Docket No. DMEA 525X Contract No. ~~IDM~~-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals cu - zn
Address 730 Peyton Bldg., Spokane, Wash.
Contract Amount, $44,000.00 Government Participation: 50 % Amount, $22,000.00

| 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: | | | | | | ~~Otis~~ Keating Belly |
| Drilling | | | | | | |
| ~~Pulling~~ Raising | 225.00 | 435.00 | 660.00 | 225.00 | 435.00 | 660.00 |
| Crosscutting | | 1,754.00 | 1,754.00 | — | 1754.00 | 1754.00 |
| Drifting | 510.00 | 3,459.00 | 3,969.00 | 510.00 | 3459.00 | 3969.00 |
| Repair Equipment | 57.00 | 335.00 | 392.00 | — | — | — |
| (2) Labor and Supervision: | | | | | | |
| Labor | | | | | | |
| Supervision | 96.00 | 480.00 | 576.00 | 96.00 | 480.00 | 576.00 |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | 105.52 | | 105.52 | 105.52 | — | 105.52 |
| Explosives | 540.54 | 790.74 | 1,331.28 | 540.54 | 790.74 | 1331.28 |
| Pipe | 26.49 | 88.91 | 115.40 | 26.49 | 88.91 | 115.40 |
| Track | | 186.53 | 186.53 | | 186.53 | 186.53 |
| Gasoline - Oil | 149.09 | 436.42 | 585.51 | 149.09 | 436.42 | 585.51 |
| Steel-Misc. Supplies | 237.53 | 1,012.25 | 1,249.78 | 237.53 | 883.40 | 1120.93 |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | 966.92 | 966.92 | — | 1095.77 | 1095.77 |
| Depreciation | 114.50 | 596.16 | 710.66 | 114.50 | 596.16 | 710.66 |
| (5) Initial Rehabilitation and Repairs | | 2,250.00 | 2,250.00 | — | 2250.00 | 2250.00 |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 48.83 | 481.66 | 530.49 | 105.83 | 816.66 | 922.49 |
| Sampling and Analysis | 7.00 | | 7.00 | 7.00 | | 7.00 |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Tools | | 40.42 | 40.42 | | 40.42 | 40.42 |
| Safety Supplies | 4.74 | 4.64 | 9.38 | 4.74 | 4.64 | 9.38 |
| (8) Contingencies (specify): | | | | | | |
| Tramway Maint. | 3.24 | | 3.24 | 3.24 | | 3.24 |
| | | | | | | |
| | | | | | | |
| TOTALS | 2125.48 | 13,317.65 | 15,443.13 | 2125.48 | 13317.65 | 15443.13 |

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

Date Dec. 15, 1952 *Payee SPOKANE MINING SYNDICATE, INC.

Per Wm. L. Gillis 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.

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:

1062.74

$1062.74

Signature (Authorized Certifying Officer)

Date 12/24/52 Vou. No. (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/37 in accordance with the terms of the contract.

/S/ Signature Eric G Erickson Title Mining Engr. Date 12/23/52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

/S/ Signature Thomas E Howard Title Mining Engr Date 12/23/52

## 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 83-39476

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

## OPERATOR'S UNIT COST AND PROGRESS REPORT

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED

Stage 1 ~~1952~~ 1953

Month of November 1952 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu Zn
Address 730 Peyton Building, Spokane, Wash.

| 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 | Ft. | 1474.82 | 34 | 7,335.72 | 207 | 35.44 | 500 | 30.00 |
| Crosscutting | Ft. | | | 3,331.20 | 94 | 35.44 | 175 | 30.00 |
| Raising | Ft. | 650.66 | 15 | 1,559.29 | 44 | 35.44 | 150 | 30.00 |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| Total Distributed Costs | | 2125.48 | 49 | 12,226.21 | | | | Total Costs Authorized by Contract |
| Operating Equipment Purchased | | | | 966.92 | | | | |
| Initial Rehabilitation and Repairs | | | | 2,250.00 | | | | |
| New Buildings, Improvements, etc. | | | | | | | | |
| Total Costs | | 2125.48 | | 15,443.13 | | | | |

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 Dec. 15, 1952 Operator SPOKANE MINING SYNDICATE, INC.

Per Wm. G. Gillis Title Secretary

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)

## 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

Walter A. Nicholson
806 Central Building
Seattle 4, Washington

December 16, 1952

Mr. Henry T. Horn
Spokane Mining Syndicate, Inc.,
730 Peyton Building
Spokane 8, Washington

Progress Report- November, 1952

Dear Sir:

The following is a summary of the exploration work conducted at the Tallman property in Ferry County, Washington, during the month of November, 1952. This is under the DMEA Contract 5254.

Exploration: During the month the total advance amounted to 49 feet which was distributed among the various workings as follows: This compares to an advance of 35 feet driven during October, 1952.

| Working | Footage Drifts | X-Cuts | Raises | Month | To Date | Remarks |
|---|---|---|---|---|---|---|
| 102 W. X-Cut | | | | | 89 | |
| 102 W. S. Swipe | | | | | 5 | |
| 102-1W. Raise | | | | | 15 | |
| 102-2W. Raise | | | 6 | 6 | 6 | |
| 109 N. Drift | | | | | 70 | Stopped at 70' |
| 109 S. Drift | | | | | 86 | Stopped at 86' |
| 109-1S. Raise | | | 3 | 3 | 17 | |
| 103 S. Drift | 23 | | | 23 | 38 | |
| 103 S. S. Swipe | | | | | 2 | |
| 103-1S. Raise | | | 6 | 6 | 6 | |
| 111 N. Drift | 11 | | | 11 | 11 | |
| | 34 | | 15 | 49 | 345 | |

Contract footage was paid on the basis of 49 feet advance.

---

Details of the workings are shown on the attached Map No. T-1 which is to date of December 9, 1952. November footage is shown in the 102-2W. Raise, 109-1S. Raise, 103 S. Drift, 103-1S. Raise and the 111 N. Drift.

The 102-2W. Raise was started in the 102 W. X-Cut at 12 feet in-by from Sta. 6 and was carried on a bearing of N.50°W., with a slope of 43° and a slope distance of 6 feet. The ore showing at the collar cut out and the face was in granite with some diorite schist.

The 109-1S. Raise was carried up an additional 3 feet for a total footage of 17 feet and is still in diorite schist.

Mr. Henry T. Born December 16, 1952

The 103 S. Drift was advanced 23 feet on a corrected bearing of S.30°W. for a total footage of 30 feet. It cut into a slip which appears to be the diorite-granite contact. Occasional chalcopyrite came in on slips in the foot.

The 103-13. Raise was started in the 103 S. Drift at 32 feet in-by from Sta. 11 in the 101 S. X-Cut and carried on a bearing of S.72° W. with a slope of 45°. It was advanced for a slope distance of 6 feet and exposed ore in the back of the raise which is on the contact with the diorite and granite. The face of the raise is in granite.

The 111 N. Drift was started from the 102 N. X-Cut at 37 feet in-by from Sta. 6 and followed in under the 102-1N. Raise. It was carried on a bearing of N.02°W. for a total distance of 11 feet and exposed about 6 feet of ore along the side. This consisted of sphalerite with occasional chalcopyrite and had an estimated combined metal content of about 4%.

Ore Reserves: There is no change in the ore reserves which are estimated at 2,800 tons with a combined metal content of about 7%.

Recommendations: The 102 N. X-Cut should be advanced for another 5 rounds.

The 102-2N. Raise should be advanced for another round.

The 111 N. Drift which is under the 102-1N. Raise should be continued and follow the ore. It would be advisable to hole into the 109 N. Drift for ventilation.

The 109-1N. Raise should be advanced another 2 rounds to test out the upper country.

The 103 S. Drift should be continued as it apparently has crossed the contact and will be in granite. Long drill holes should be put up in the back.

The 103-13. Raise should be continued for another 3 rounds and follow the ore exposed in the back. It may be necessary to double back toward the east.

Intermediate level exploration should be started from the west wall of the No. 2 Stope and carried over toward the ore in the 111 N. Drift and the 102-1N. Raise. This should be coordinated with a small scale mining operation in other parts of the stope.

Long drill holes should be put up in both the 109 N. and 109 S. Drifts.

General: Weather and operating conditions were satisfactory but there were considerable delays. 5 days were lost during the

Mr. Henry T. Born December 16, 1952

Thanksgiving holiday. 3 days were spent in mine and surface work placing a mine door and putting win ows and doors in the machine shop and compressor house and 3 days were spent in hoisting material.

T. A. Richelsen visited the property on November 15th and 16th, and Mr. John Sims inspected the property 6 times during the month.

The concentrating mill was turned over on November 13 and ran during the remainder of the month on a part time basis. Milling operations are handling about 3 tons per hour or about 24 tons per shift. Flotation reagents were tested out and zinc concentrates were produced having a zinc content ranging from 53.6% to 61.2%. Copper lead concentrates had a high of 17.4% lead, 4.2% copper and 9.2% zinc with 44.5 ounces of silver per ton.

The experimental work is progressing satisfactorily and the mill should be able to handle 75 tons per day on a 3 shift basis. At present the proposed tonnage will be maintained at 25 tons per day on a single shift. The mill will go on double shift when conditions warrant.

It is proposed to put in an oil heater in the mill to prevent freezing in the cells and concentrate bins during severe cold weather.

The tail sheave on the tramway at the Lower Terminal will be housed in for protection on snowfall.

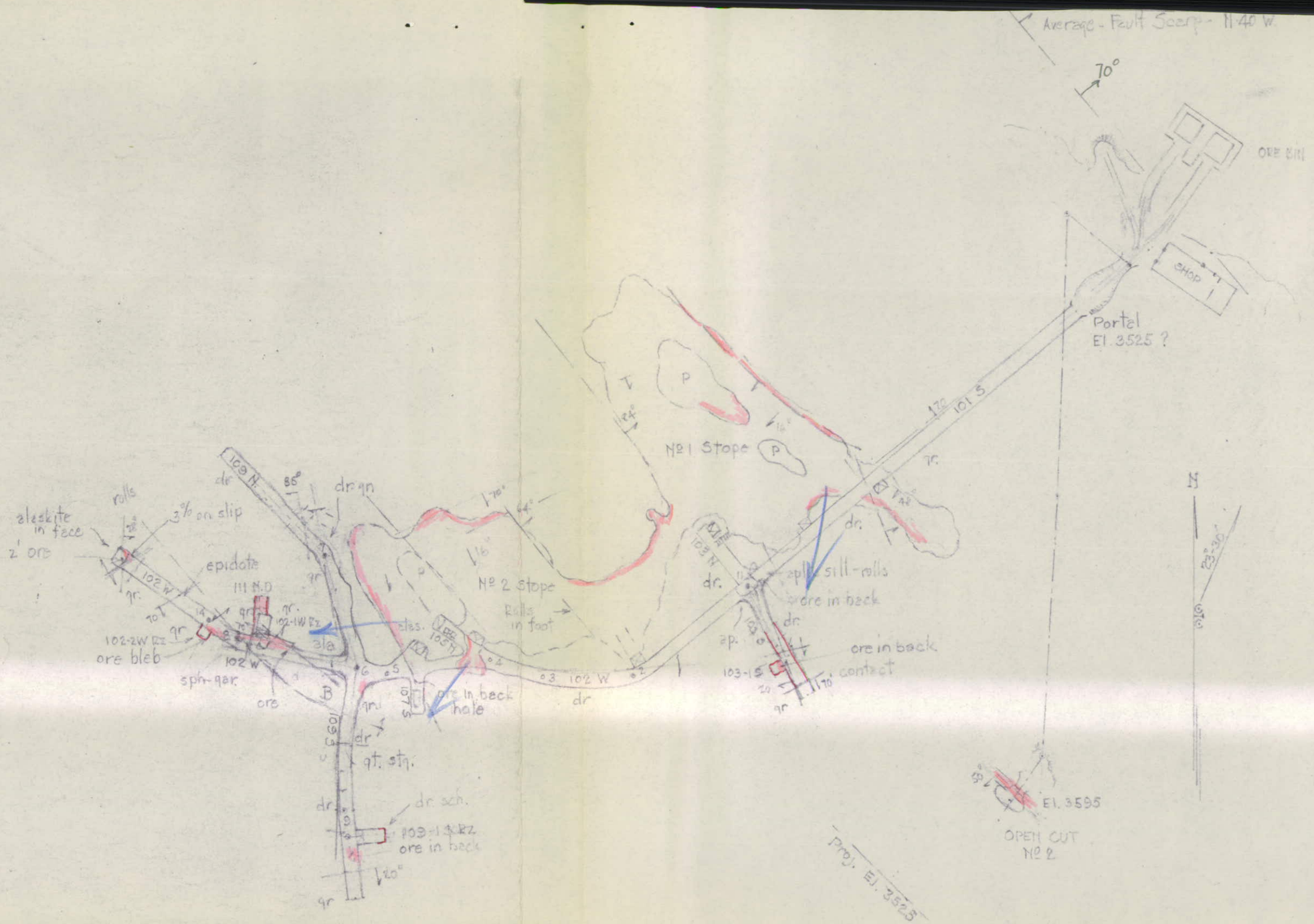
The ends of the tramway buckets have been painted with a yellow fluorescent paint and the traction cables are also painted with a yellow marker to spot the position of the buckets. This is a distinct safety measure when operating under foggy or snowy conditions.

There were no accidents during the month.

Yours very truly,

T. A. Richelsen
Consulting Engineer

Mmb




PLAN OF
TUNNEL No 1
TALISMAN PROPERTY
FERRY COUNTY - WASHINGTON

Scale - 1" = 40'
Date - July 9, 1952
To Date - DEC 9 1952

By: W.A. Richelsen
Drg. No T-1

Ore
Advance:

WALTER A. RICHELSEN
STATE OF WASHINGTON
REGISTERED
PROFESSIONAL ENGINEER

Form M-[illegible] (Rev.) (April 1952)
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 15 1952

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

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

**Stage 1**

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October 1952 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals cu zn
Address 730 Peyton Bldg., Spokane, Wash.
Contract Amount, $ 44,000 Government Participation: 50 % Amount, $ 22,000

| 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 | | | | | | |
| ~~Bulkheading~~ Raising | 435.00 | None | 435.00 | | | |
| Crosscutting | 135.00 | 1,619.00 | 1,754.00 | | | |
| Drifting | 255.00 | 3,204.00 | 3,459.00 | | | |
| Repair Equipment | 27.00 | 335.00 | 362.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | | | | | | |
| Supervision | 80.00 | 400.00 | 480.00 | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | 298.86 | 491.88 | 790.74 | | | |
| Pipe | 5.26 | 83.65 | 88.91 | | | |
| Track Ties | 13.29 | 173.24 | 186.53 | | | |
| Gasoline-Oil-Carbide | 6.18 | 430.24 | 436.42 | | | |
| Steel-Misc. Supplies | 475.45 | 536.80 | 1,012.25 | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | 219.90 | 747.02 | 966.92 | | | |
| Depreciation | 114.50 | 481.66 | 596.16 | | | |
| (5) Initial Rehabilitation and Repairs | 295.43 | 1,981.83 | 2,277.26 | | | |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 35.76 | 445.90 | 481.66 | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Tools | 29.14 | 11.28 | 40.42 | | | |
| Safety Supplies | 4.64 | None | 4.64 | | | |
| (8) Contingencies (specify): | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| TOTALS | 2430.41 | 10,941.50 | 13,371.91 | 2376.15 | 10941.50 | 13317.65 |

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

Date Nov. 15, 1952 Payee Spokane Mining Syndicate

Per Wm. C. Gillis 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.

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:

1188.01

$ 1188 01

Signature (Authorized Certifying Officer)

Date 12/5/52 Vou. No. (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. E137 in accordance with the terms of the contract.

Signature E a Magill Title Min Engr Date 11-25-52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Thomas E Howard Title Min Engr Date 11-25-52

# 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)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 15 1952

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Stage 1

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1952 Docket No. DMEA 525 X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals cu - zn
Address 730 Peyton Bldg., Spokane, Wash.

| 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 | Ft. | 591.93 | 17 | 5,919.25 | 173 | 34.22 | 500 | 30.00 |
| Crosscutting | Ft. | 313.38 | 9 | 3,216.24 | 94 | 34.22 | 175 | 30.00 |
| Raising | Ft. | ~~1009.77~~ | 29 | ~~992.24~~ | 29 | ~~34.22~~ | 150 | 30.00 |
| Shafts | | 988.77 | | 965.24 | | 33.28 | | |
| Winzes | | | | | | | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | ~~1915.08~~ 1888.08 | 55 | ~~10,127.73~~ 10100.73 | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | 219.90 | | 966.92 | | | | |
| Initial Rehabilitation and Repairs | | ~~295.43~~ | | ~~2,277.26~~ | | | | |
| New Buildings, Improvements, etc. | | 268.17 | | 2275.00 | | | | |
| TOTAL COSTS | | ~~2430.41~~ 2376.15 | | ~~13,371.91~~ 13317.65 | | | | |

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 Nov. 15 1952 Operator Spokane Mining Syndicate, Inc.

Per Wm. C. Gillis Title Secretary

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)

## 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

Walter A. Richelsen
806 Central Building
Seattle 4, Washington

November 20, 1952

Mr. Henry T. Dorn
Spokane Mining Syndicate, Inc.,
730 Peyton Building
Spokane 8, Washington

Progress Report- October, 1952

Dear Sir:

The following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of October, 1952. This is under the DMA Contract 5252.

Exploration: During the month the total advance amounted to 55 feet which was distributed among the various workings as follows: This compares to an advance of 90 feet driven during September, 1952.

| Working | Footage: Drifts | X-Cuts | Raises | Month | To Date | Remarks |
|---|---|---|---|---|---|---|
| 102 W. X-Cut | | 4 | | 4 | 89 | |
| 102 W. S. Swipe | | 5 (15' at 1/3) | | 5 | 5 | |
| 102-1W. Raise | | | 15 | 15 | 15 | |
| 109 N. Drift | | | | | 70 | Stopped at 70' |
| 109 S. Drift | | | | | 86 | Stopped at 86' |
| 109-1S. Raise | | | 14 | 14 | 14 | |
| 103 S. Drift | 15 | | | 15 | 15 | |
| 103 S. S. Swipe | 2 (6' at 1/3) | | | 2 | 2 | |
| | 17 | 9 | 29 | 55 | 296 | |

Contract footage was paid on the basis of 55 feet advance. This included 48 feet of advance and 7 feet of side swipe.

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Details of the workings are shown on the attached Map No. T-1 which is to date of November 15, 1952. October footage is shown in the 102 W. X-Cut, 102-1W. Raise, 109-1S. Raise and the 103 S. Drift.

The 102 W. X-Cut was in granite and broke into alaskite on the 4 foot advance. A small showing of oxidized ore was exposed back from the face. 15 feet of side swipe was made along the north side and the ore showing continued. A 10 foot chipped sample in the vicinity of the 102-1W. Raise ran 5.5 zinc with 0.2 ounces of silver per ton.

The 102-1W. Raise was started in the 102 W. X-Cut at 37 feet in-by from Sta. 6 and was carried on a bearing of N.10°W. with a slope of 34°. The slope distance amounted to 11 feet with an additional 4 feet of vertical rise. Ore was exposed for a slope distance of 10 feet and cut out on a slip below the vertical rise. A chipped sample ran 3.63 zinc with 0.8 ounces of silver per ton.

Mr. Henry T. Born November 20, 1952

The 109-1S. Raise was started in the 109 S. Drift at 10 feet in-by from Sta. 9 and was carried on a bearing of N.85°E. with a slope of 44°. The slope distance amounted to 14 feet and was in diorite schist for the entire distance. The face is 13 feet above the level.

No advance was made in either the 109 N. or the 109 S. Drifts.

The 103 S. Drift was started from the 101 S. X-Cut opposite the 103 N. Drift. It was carried in on a bearing of S.23°E. on a total distance of 15 feet and was in diorite with no exposures of ore. It will be swung a little to the southeast to intersect the projected area of the ore in Open Cut No. 2.

Ore Reserves: There is no change in the ore reserves which are estimated at 2,800 tons with a combined metal content of about 7%.

Recommendations: The 102 N. X-Cut should be advanced another 5 rounds. A 2 round stub raise should be put up on the ore showing about 10 feet in-by from Sta. 8. A short stub drift should be driven in under the 102-1N. Raise to test out the extent of the ore along the foot.

The 103 S. Drift should be continued and long holes put up in the back.

The 109-1S. Raise should be driven for another 3 rounds to test out the upper country.

A series of long drill holes should be put up in the back of the 109 N. and 109 S. Drifts. The small ore showing in the 109 S. Drift about 10 feet in-by from Sta. 6 should be tested out.

It would be of advantage to start a small scale mining operation. Ore showings in the 102 N. X-Cut and the 109 S. Drift are very spotty and difficult to follow. The No. 2 Stope has several faces of exposed ore which should be followed. Stoping should be started at the west end and carried over toward the ore in the 102-1N. Raise and the showing in the 109 S. Drift.

General: Weather and operatings conditions were satisfactory, but there was considerable delays. 3 days were lost in making repairs to the lighting plant at the mine and 3 days on repairs to the compressor motor. Reiner Frahm lost several days due to a badly lacerated finger which required treatment at Colville.

W. H. Gerwels, State Mine Inspector, visited the property on October 3, 1952.

V. A. Michelsen visited the property on October 11th and 12th. E. Hagill and H. Kirkeno inspected the property during the month.

The telephone line from the mine to the Lower Camp was completed

Mr. Henry T. Born November 20, 1952

and installation of the new pumps and motors at the river pump site was finished during the month. Work was done on the mill machinery to prepare for milling operations.

Repairs were made on the rock crib footing on the tram tower at the Upper Terminal.

A basket stretcher was purchased to transport accident cases over the tramway.

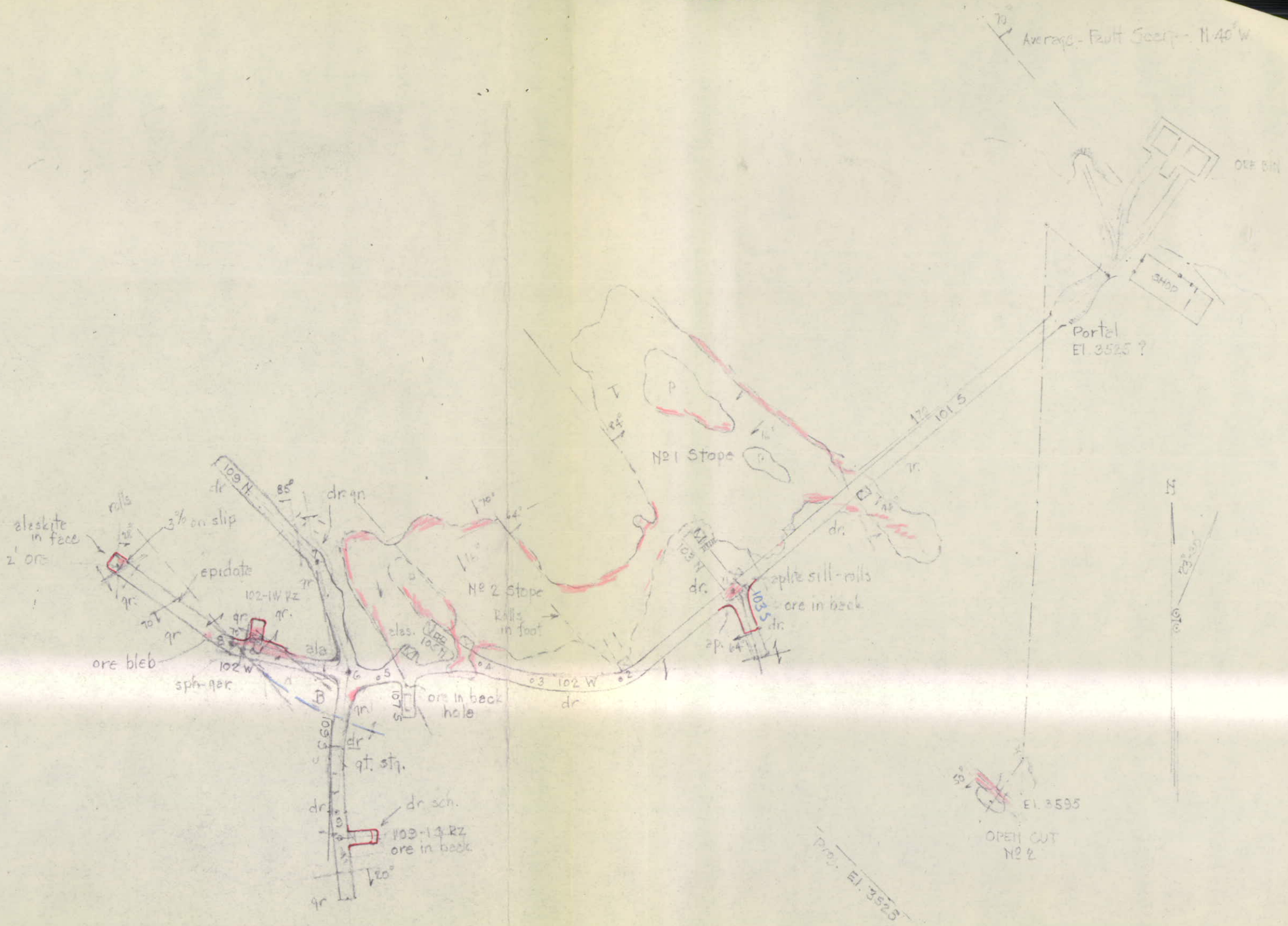
The only accident was a badly lacerated finger received by Senior Frahn caused by a kick-back of the Swedish drill.

Yours very truly,

W. A. Richelsen

W. A. Richelsen
Consulting Engineer

WAR:r




PLAN OF
TUNNEL No 1
TALISMAN PROPERTY
FERRY COUNTY - WASHINGTON

Scale - 1" = 40'
Date - July 9, 1952
To Date - NOV 15 1952

By: W.A. Richelsen
Drg. No T-1

Ore
Advance:

WALTER A. RICHELSEN
STATE OF WASHINGTON
REGISTERED
PROFESSIONAL ENGINEER

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
1201 N. Division St.
Spokane, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 10 1952

October 30, 1952

MEMORANDUM

To: Field Team, DMEA, Region II

From: E. A. Magill, Mining Engineer

Subject: Progress Examination Spokane Mining Syndicate, Inc., (Talisman Mine) Ferry County, Wash., Contract Idm-E137, Docket DMA 525X (Copper-Zinc)

A progress examination was made of the subject property on October 22, 1952 in company with Harold Kirkemo, USGS. Mr. Hall, contract miner, and his helper were on the property at the time of the visit. There was also one man (not under the DMEA project) preparing the mill for operation.

Since the last visit on August 25, 1952 the west crosscut (102 W) has been driven 59 feet, the south heading (109 S) 55 feet. At a point opposite point C a 5-foot round has been put in on the south side of the main haulageway. No further work has been done in the north heading (109N).

In the south heading (109 S) the Operator was preparing to put up a short raise (3 round) in an attempt to intersect the ore horizon which is believed to be above. This raise will be 65 feet south of station USBM 196. The 109 S heading has been mucked by using a slusher and ramp. The average size of the heading is $5\frac{1}{2}$ x 7 in the clear.

In the west heading (102 W) the Operator has put a slab round in the north wall about 45 feet west of station USBM 196 preparatory to putting up a short raise. This raise should pass through the ore horizon within a few feet inasmuch as it is dipping eastward and appears to be cut off by a fault a few feet further west. The west heading is being driven 6 x 7 in the clear and is hand mucked.

I believe that further work should be stopped in the 102 W heading and all effort for the time being concentrated on the raise in the 109 S heading and in advancing the crosscut to the south from point C as called for in the contract. If the

raise in 109 S is successful in crosscutting the ore this will, of course, influence further work. I believe that long hole drilling would be very advantageous in determining the extent and location of the ore horizons.

The Operator has completed a telephone connection between the mill and the mine. This will be especially useful in the safe operation of the tram.

Mr. Hall stated that the State of Washington mine inspector had visited the property recently. Apparently the main thing which he mentioned to Mr. Hall was repairs to the tram tower near the upper terminal. The rock cribbing has given away under the south side of the terminal and will have to be replaced. If the mine ever resumes milling operations and the tram is in continuous use it would probably be advisable to completely rebuild the upper terminal.

Amendment No. 2 has been prepared to allow the Operator to purchase a Swedish rock drill with pusher and stoper leg. Drilling out time (6 hours) has been cut in half by the use of this new equipment.

E. A. Magill

E. A. Magill

CC: 3-Wash.
2-USGS
McGuire
DMEA
M/D
EAM

Form DIF-104 (Rev.)
(April 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 21 1952

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

Wash.

# UNITED STATES
# DEPARTMENT OF THE INTERIOR
## DEFENSE MINERALS EXPLORATION ADMINISTRATION
## OPERATOR'S MONTHLY REPORT AND VOUCHER

Stage 1

Month of September, 1952 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu - Zn
Address 730 Peyton Bldg., Spokane, Wash.
Contract Amount, $ 44,000. Government Participation: 50 % Amount, $ 22,000

| 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: | | | | | | ~~Alt~~ Betty |
| Drilling | | | | | | |
| Bulldozing | | | | | | |
| Crosscutting | 630.00 | 989.00 | 1,619.00 | | | |
| Drifting | 720.00 | 2,484.00 | 3,204.00 | | | |
| Repair Equipment | | 335.00 | 335.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | | | | | | |
| Supervision | 176.00 | 224.00 | 400.00 | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | 491.88 | None | 491.88 | | | |
| Pipe | 83.65 | None | 83.65 | | | |
| Track Ties | 20.51 | 152.73 | 173.24 | | | |
| Gasoline-oil-carbide | 430.24 | | 430.24 | | | |
| Steel-Misc. Supplies | 297.06 | 110.89 | 407.95 | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | 875.87 | None | 875.87 | | | |
| Depreciation | 297.09 | 336.66 | 633.75 | 145.00 | 336.66 | 481.66 |
| (5) Initial Rehabilitation and Repairs | | 1,981.83 | 1,981.83 | | | |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 80.48 | 371.49 | 451.97 | 74.41 | 371.49 | 445.90 |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Tools | 11.28 | | 11.28 | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | $4,114.06 | 6985.60 | 11,099.66 | 3,955.90 | 6,985.60 | 10,944.50 |

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

Date Oct. 28, '52 *Payee Spokane Mining Syndicate, Inc.

Per Wm. C. Gillis 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.

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:

$ 1,977.95

Signature [illegible] (Authorized Certifying Officer)

Date ..... Vou. No. .....
(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 ..... Date .....

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.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 21 1952

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

Stage 1

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1952 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syncidate, Inc. Minerals Cu - Zn
Address 730 Peyton Bldg., Spokane, Wash.

| 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 | Ft. | 1727.03 | 48 | 5335.04 | 156 | 34.20 | 500 | 30.00 |
| Crosscutting | Ft. | 1511.16 | 42 | 2906.92 | 85 | 34.20 | 175 | 30.00 |
| Raising | | | | | | | | |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| | | | | ~~8241.96~~ | | | | |
| TOTAL DISTRIBUTED COSTS | | 3238.19 | 90 | 8241.96 | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | 875.87 | | 875.87 | | | | |
| Initial Rehabilitation and Repairs | | | | 1981.83 | | | | |
| New Buildings, Improvements, etc. | | | | | | | | |
| TOTAL COSTS | | 4114.06 | | 11,099.66 | | | | |

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 Oct. 28, 1952 Operator Spokane Mining Syndicate, Inc.

Per Wm. G. Ellis Title Secretary

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)

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GPO 83-38475

Walter A. Richelson
806 Central Building
Seattle 4, Washington

October 14, 1952

Mr. Henry T. Born
Spokane Mining Syndicate, Inc.,
730 Peyton Building
Spokane 8, Washington

Progress Report- September, 1952

Dear Sir:

The following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of September, 1952. This is under the DMEA Contract 525 X.

Exploration: During the month the total advance amounted to 90 feet which was distributed among the various workings as follows: This compares to an advance of 55 feet driven in August, 1952.

| Working | Footage Drifts | X-Cuts | Month | To Date | Remarks |
|---|---|---|---|---|---|
| 102 W. | | 42 | 42 | 85 | |
| 109 N. | — | | — | 70 | Stopped at 70' |
| 109 S. | 48 | | 48 | 86 | Stopped at 86' |
| | 48 | 42 | 90 | 241 | |

Contract footage was paid on the basis of 90 feet advance.

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Details of the workings are shown on the attached Map No. T-1 which is to date of October 12, 1952. September footage is indicated in both the 102 W. X-Cut and the 109 S. Drift.

The 102 W. X-Cut was in granite for the entire distance of 42 foot. There were occasional flockings of ore and the working was swung toward the east. Indications of a strong northwest shear showed up on the last round and an additional round in October disclosed 2 feet of ore in the foot estimated at 5% combined metal content. A total of 26 feet of ore is exposed which assayed 4% zinc, 1.8% lead with 3.3 ounces of silver per ton.

The 109 N. Drift was stopped in August and there was no additional work done.

The 109 S. Drift was in diorite and diorite schist for a distance of 38 feet up to the contact. The last 10 feet were in a gradational granite indicative of the upper country. Showings of ore were exposed in the back in the diorite about 16 feet in-by from Sta. 9 and about 18 feet back from the face.

Mr. Henry T. Born October 14, 1952

Ore Reserves: Additional ore has been discovered in the No. 2 Stope above the 105 N. Drift. This, together with the ore in the 102 W. X-Cut and the showing in the 109 S. Drift should increase reserves to around 2,800 tons. Lead values run from 1.5% to 2.0% but these are not recovered in the present flotation circuit. Ores will have a combined metal content of about 7%, with 2% copper, 5% zinc, about 0.6% cadmium and 2 ounces of silver per ton. Gross values per ton as discussed in the August report are revised as follows:

| | | | |
|---|---|---|---|
| Without cadmium | $25.60 | With cadmium | $49.60 |
| At 87% recovery | 22.25 | At 87% recovery | 43.20 |
| Net returns- 68% | 15.15 | Net returns- 68% | 29.40 |

Operations: Mining and milling costs are estimated at $8.12 per ton detailed as follows:

| | | | | |
|---|---|---|---|---|
| Mining- | Labor | $ 3.20 | per ton | |
| | Explosives | 1.20 | | |
| | Power | 1.00 | | $ 5.40 |
| Milling- | Labor | 1.87 | | |
| | Reagents | .60 | | |
| | Power | .25 | | $ 2.72 |
| | | | | $ 8.12 |

Deducting the cost of $8.12 from the above net smelter returns which included freight, gives an indicated profit as below:

| | | | |
|---|---|---|---|
| Without cadmium | $15.15 | With cadmium | $29.40 |
| Less | 8.12 | Less | 8.12 |
| Net Profit | $ 7.03 | Net Profit | $21.28 |

Estimated profit on 2,800 tons of ore

| | |
|---|---|
| $19,700 | $59,600 |

Milling: There is an estimated total of 300 tons of mixed ore in the mill bins, of which 150 tons is in the fine ore bin and 150 tons in the coarse ore bin. It is imperative that milling operations be started within the next 2 weeks in order to make room for the ore which is necessary for the operation of the tramway in order to continue with the present work.

The fine ore had an assay of around 3% zinc and that in the coarse ore bin will probably be higher. On this basis, with the mill running on single shift at 30 tons per day, there should be a profit of $2.07 per ton as detailed:

| | | |
|---|---|---|
| 3% ore- | 60 lbs. zinc at 14¢ | $ 8.40 per ton |
| | At 87% recovery | 7.05 |
| | Net returns- 68% | 4.79 |
| | Less milling cost | 2.72 |
| | Net Profit | 2.07 |
| Profit- | 300 tons at $2.07 | $621.00 |

Mr. Henry T. Born October 14, 1952

Recommendations: Milling operations must be started on single shift at the rate of 30 tons per day by November 1st. in order to continue with the exploration work. The estimated profit in running the present ore in the bins is estimated at about $621. Once the mill is tuned up, there is no reason why the mine could not maintain a production of 30 tons per day on a grade of 7% combined metal in copper and zinc. This would require a crew of about 6 men at the mine and 4 men at the mill.

Work in the 102 W. X-Cut should be continued for another 6 rounds. A side-swipe should be made on the ore showing in the vicinity of Sta. 8 and a 3 round raise put up in the ore about 7 feet out-by from the station. This may connect with the ore in the No. 2 Stope.

Work in the 109 S. Drift was discontinued at 86 feet. A 3 round raise should be put up about 10 feet in-by from Sta. 9 to test out the ore showing in the back.

Consideration should be given to an intermediate drift from the No. 2 Stope over the 105 N. Drift. This should run southwesterly toward the raise from the 109 S. Drift. Ore could be slushed to the chute in the No. 2 Stope or possibly from the 109-1S Raise.

Work should be started on the 103 S. Drift to test out the projected area from the ore showing in Open Cut No. 2.

Repairs must be made on the tram tower at the Upper Terminal. The rock crib footing on the south side will have to be replaced and new brace timbers put in.

A production loan should be applied for not to exceed $25,000 as this would expedite mining operations on a 30 ton basis. The loan would be well protected as shown under Operations on Page 2.

General: Weather and operating conditions were satisfactory during the month and there were no serious delays.

The new Swedish drill has given excellent results both as to drilling speed and efficiency.

Work was started on the new telephone line from the mine to the lower camp and is about 90% completed.

Installation was begun on the new pump and motors down at the river pump site and is about 80% completed.

There were no accidents during the month.

Yours very truly,

W. A. Richelsen

W. A. Richelsen
Consulting Engineer

WAR:r

PLAN OF
TUNNEL № 1
TALISMAN PROPERTY
FERRY COUNTY - WASHINGTON

Scale - 1" = 40'
Date - July 9, 1952
To Date - OCT 12 1952

By: W.A. Richelsen
Drg. № T-1

Ore
Advance:

WALTER A. RICHELSEN
STATE OF WASHINGTON
REGISTERED
PROFESSIONAL ENGINEER

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
So. 157 Howard Street
Spokane 4, Washington

9/22/5 ~ ~~Gilt~~ Betty

September 11, 1952

Memorandum:

To: A. E. Weissenborn, Executive Officer, DMEA Field Team, Region II

From: Willard P. Puffett, Geologist, U. S. Geological Survey

Subject: Routine inspection of progress at Talisman Mine, Ferry County, Washington, under contract Idm-E137, Docket No. DMEA 525X, Copper-Zinc.

A routine inspection was made of the Talisman Mine on Monday, August 25, 1952. I was accompanied on this inspection by E. H. Roseboom, H. Kirkemo, U. S. Geological Survey; and E. A. Magill, U. S. Bureau of Mines. Mr. W. A. Richelsen, Consulting Engineer for the operators, was at the property at the time of the inspection.

Work done under the terms of the contract includes drifting 67 feet north from point B, drifting 28 feet south from point B, and crosscutting 32 feet west from point B. The drift to the north is 92 feet long inasmuch as 25 feet had been driven previous to the initiation of the contract. A tape and compass survey was made of the new workings and significant geology was plotted. A copy of this map accompanies this memorandum report.

The north drift, designated as 109N, does not have exposed in it evidences that an ore zone has been intersected. Unfortunately, instead of following the tight fault, the drift has veered considerably to the northwest. This drift should not be allowed to be extended but further study might substantiate a few short crosscuts from the drift walls.

The south drift, 109S has not intersected ore but from presently available information it is believed that the possibility exists that 50 feet more of drifting will intersect a mineralized zone.

The crosscut to the west intersected an ore zone directly beneath a sharp, possibly fault, contact between an almost pegmatitic alaskite with garnetiferous, epidotized, biotite, granite gneiss. This zone persists to the face but it was difficult to determine the exact orientation of the trend of the zone. It is believed the crosscut should be continued through the zone if possible and then drifting should be initiated on the strike of the ore. Samples were taken of the ore of this date and assay results over a four-foot width show 3.3 ounces per ton of silver, 1.8 percent lead, 4.0 percent zinc, nil copper and gold.

Willard P. Puffett

Enclosure

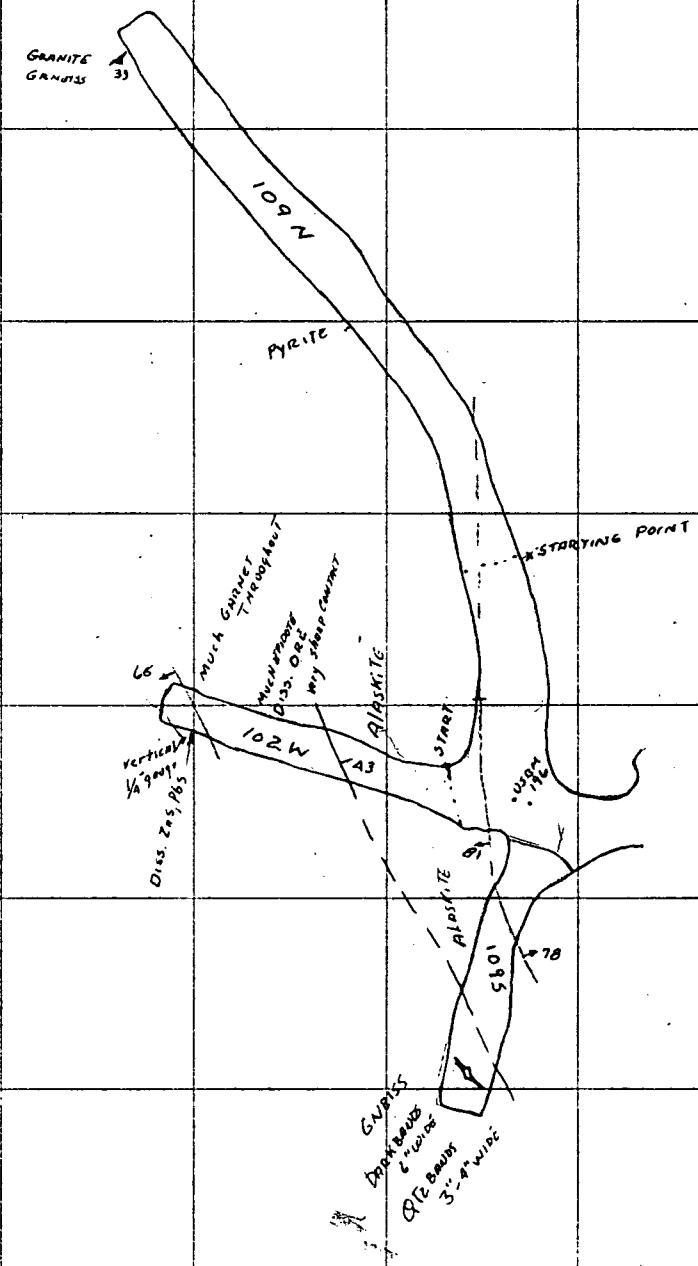
cc: DMEA (4)
USBM (2)
USGS(SRO)
Puffett

EXPLORATION TUNNELS

TALISMAN MINE

FERRY COUNTY, WASHINGTON

1"=20'




TAPE & COMPASS SURVEY 8/25/52

W. P. PUFFETT
E. H. ROSOBOOM } USGS

"ALBANENE" NO. 196M-K&E CO., N.Y.
MADE IN U.S.A. PAT. OFF.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 12 1952

1201 N. Division St.
Spokane 2, Wash.

September 5, 1952

MEMORANDUM

To: DMEA Field Team, Region II

From: E. A. Magill, Mining Engineer, Bureau of Mines

Subject: Progress examination Spokane Mining Syndicate (Talisman Mine) Ferry County, Wash., Contract Idm-E137, Docket 525X (copper, zinc)

A routine progress examination was made of the subject property on August 25, 1952, in company with Willard Puffett, Eugene Roseboom and Harold Kirkemo of the USGS. Mr. Sims and Mr. Richelsen of the Spokane Mining Syndicate were also at the property.

It is necessary to hoist all supplies to the property by a two bucket jig back tram which is on the valley floor. The tram raises some 1700 feet in a length of a little over 3200 feet. The buckets are of 1000 pound capacity, with a round trip being made every five minutes under ideal conditions.

Since the beginning of the contract the Operators have advanced the north heading 72 feet, the southwest heading 30 feet and the south heading 28 feet from point B. The equipment and camp have been rehabilitated after lying idle since 1949.

The west crosscut, at a point 23 feet west of USBM 196 (see map accompanying Puffett's report for location of USBM 196), has intersected an ore zone which continues to the face of the crosscut 40 feet west of #196. This zone apparently dips to the east but it is impossible to determine its exact strike and dip. Two samples were taken; sample EAM 215 was taken on the north wall from 23 to 27 feet west of USBM 196, sample EAM 216 was taken on the south wall 36 to 38 feet west of 196. The rock is highly metamorphosed and contains epidote, garnet, quartz, feldspar, sphalerite and galena. The north and south headings have encountered no metallization.

It was suggested to the Operators that operations in the north heading be suspended for the present and that work be concentrated on the west and south headings. I believe that it would be advisable to run a series of long holes from the north

and south headings in an attempt to pick up the ore zone. This long hole work would not suppliment the proposed diamond drilling but it might indicate the location of an ore zone which has not been intersected in the work to date.

E. A. Magill

CC: 3-Wash.
2-USGS
DMEA
M/D
D/F
EAM

Form MF-104 (Rev.)
(April 1952)

Wash

925

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OCT 28 1952

# OPERATOR'S MONTHLY REPORT AND VOUCHER

STAGE 1

Month of August 1952 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name SPOKANE MINING SYNDICATE, INC. Minerals Cu - Zn
Address 730 Peyton Bldg., Spokane, Wash.
Contract Amount, $ 44,000.00 Government Participation: 50 % Amount, $ 22,000.00

| 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 | 414.00 | 575.00 | 989.00 | 414.00 | 575.00 | 989.00 |
| Drifting | 966.00 | 1518.00 | 2484.00 | 966.00 | 1518.00 | 2484.00 |
| Repair Equipment | | 335.00 | 335.00 | | 335.00 | 335.00 |
| (2) Labor and Supervision: | | | | | | |
| Labor | | | | | | |
| Supervision | 48.00 | 224.00 | 272.00 | —0— | 224.00 | 224.00 |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Track & Switches | None | 152.73 | 152.73 | | 152.73 | 152.73 |
| Misc. Supplies | 64.36 | 84.82 | 149.19 | 26.07 | 84.82 | 110.89 |
| Diesel Oil | 26.11 | None | 26.11 | —0— | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | 168.33 | 336.66 | 504.99 | —0— | 336.66 | 336.66 |
| (5) Initial Rehabilitation and Repairs | | 1981.83 | 1981.83 | | 1981.83 | 1981.83 |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 127.70 | 337.41 | 465.11 | 34.08 | 337.41 | 371.49 |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| Crushing rock/ore | 328.00 | None | 328.00 | —0— | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | 2142.50 | 5545.45 | 7687.95 | 1440.15 | 5545.45 | 6985.60 |

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

Date 9/12/52 *Payee SPOKANE MINING SYNDICATE, INC.

Per Wm. G. Gillis 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.

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:

$ 720.07

Signature (Authorized Certifying Officer)

Date 10/22/52 Vou. No. (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 ..... Date .....

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.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 28 1952

# OPERATOR'S UNIT COST AND PROGRESS REPORT

STAGE 1

Month of August 1952 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name SPOKANE MINING SYNDICATE, INC. Minerals Cu - Zn
Address 730 Peyton Bldg., Spokane, Wash.

| 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 | Ft. | 1499.75 | 42 | 4081.20 | 108 | 37.79 | 500 | 30.00 |
| Crosscutting | Ft. | 642.75 | 18 | 1624.92 | 43 | 37.79 | 175 | 30.00 |
| Raising | | | | | | | | |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | $2142.50 | 60 | $5706.12 | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | | | | | |
| Initial Rehabilitation and Repairs | | | | 1981.83 | | | | |
| New Buildings, Improvements, etc. | | | | | | | | |
| TOTAL COSTS | | $2142.50 | | $7687.95 | | | | |

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. 12, 52 SPOKANE MINING SYNDICATE, INC.
Operator

Per Wm. L. Gillis Title Secretary

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)

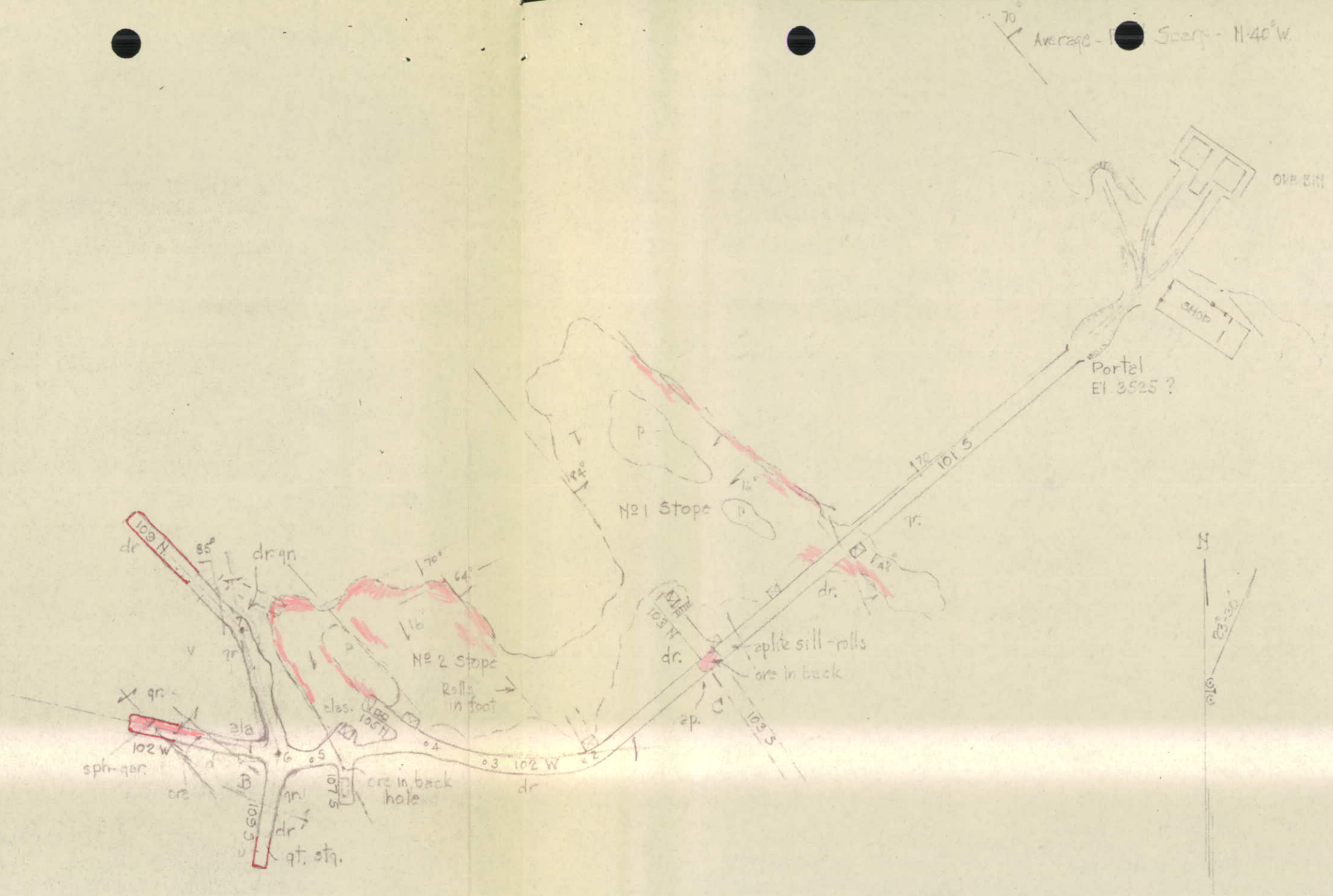
## INSTRUCTIONS

*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.

U. S. GOVERNMENT PRINTING OFFICE 205676




PLAN OF
TUNNEL No 1
TALISMAN PROPERTY
FERRY COUNTY - WASHINGTON

Scale - 1" = 40'
Date - July 9, 1952
To Date - SEP 1 1952

By: W.A. Richelsen
Drg. No T-1

Ore
Advance:

WALTER A. RICHELSEN
STATE OF WASHINGTON
REGISTERED
PROFESSIONAL ENGINEER

Walter A. Richelson
806 Central Building
Seattle 4, Washington

September 11, 1952

Mr. Henry T. Horn
Spokane Mining Syndicate, Inc.
730 Peyton Building
Spokane 8, Washington

Progress Report- August, 1952

Dear Sir:

The following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of August, 1952. This is under the DMEA Contract 525 X.

Exploration: During the month the total advance amounted to 55 feet which was distributed among the various workings as follows: This compares to an advance of 73 feet driven in July, 1952.

| Working | Footage Drifts | X-Cuts | Month | To Date | Remarks |
|---|---|---|---|---|---|
| 102 N. | | 16 | 16 | 43 | |
| 109 N. | 29 | | 29 | 70 | Stopped at 70' |
| 109 S. | 10 | | 10 | 38 | |
| | 39 | 16 | 55 | 151 | |

The old contract with Hall and Frahn was terminated on August 31st. Contract footage was paid on the basis of 60 feet, which included 5 feet due in July, 1952.

---

Details of the workings are shown on the attached Map No. 6-1 to date of September 1, 1952.

The 102 N. X-Cut was in granite for the entire 16 foot advance. A strong shear was cut at 36 feet from Sta. 6 and mineralization improved throughout the advance. There was considerable sphalerite and garnet and the mineralized zone now has a length of about 24 feet. It is estimated at a 4% combined metal content with about 0.5% copper and 3.5% zinc. Samples were taken by E. A. McNill of the U.S.B.M. but no returns are available as yet.

The 109 N. Drift was in diorite for the entire advance of 29 feet. This evidently was due to intermediate block faulting and the working was stopped temporarily. Some consideration has been given to driving a raise into the No. 2 Stope at 15 feet in-by from Sta. 7.

The 109 S. Drift advanced for a distance of 10 feet, all of which was in diorite with strong quartz stringers. It apparently is in an up-thrust block and the upper granite formation should lie further toward the south.

Mr. Henry T. Dorn September 11, 1952

Ore Reserves: Exposures in the 102 W. X-Cut have added about 300 tons to the reserve making a total of 2,100 tons. In previous operations, mill heads had an average of 2% copper, 5% zinc, about 0.6% cadmium and 2 ounces of silver per ton. On present metal prices with copper at 24 1/2 cents, zinc at 14 cents and cadmium at $2.00 per pound and silver at 90 cents per ounce, the gross values per ton are as follows:

| | | | |
|---|---|---|---|
| Without cadmium | $25.60 | With cadmium | $49.60 |
| At 90% recovery | $23.05 | At 90% recovery | $44.60 |

Operating, freight and smelter charges must be deducted to obtain the net value per ton.

Recommendations: Work should be continued in both the 102 W. X-Cut and the 109 W. Drift. A 3 round raise should be driven up on the strongest showing in the 102 W. X-Cut.

Slack should be taken out of the stationary tramway cables before freeze-up.

The mill pump at the river should be repaired and various operating units in the mill over-hauled in preparation for milling.

A telephone communication system should be installed following the ridge trail. This seems preferable to a radio phone installation both as to cost and operation.

General: Operating conditions were satisfactory during the month and there were no serious delays.

Ore in the mill bin crushed and transferred to the fine ore bin by Messrs. Yellow and Bice during the week of the 18th and 25th.

A new 2' 6" 0" water tank was sent to the mine during the week of the 25th. The old tank in No. 1 Stope is used for water storage but is under no pressure. A smaller tank has been installed on the level for this purpose.

Mr. Si Cornett of the Copco Pacific, Ltd., demonstrated a new Atlas drill during the week of August 25th. This was equipped with a jack-leg and used the Swedish bit and has proven very satisfactory.

Messrs. R. J. Handhausen and L. Chichester of the U. S. Bureau of Mines visited the property on August 1st. E. C. McDill of the Bureau was at the property on August 25th and also Messrs. W. P. Puffett, H. Kirkham and J. Roseboom of the U. S. Geological Survey.

N. A. Nicholsen was at the property on August 1, 2 and 25.

There were no accidents during the month.

Yours very truly,

N. A. Nicholsen

N. A. Nicholsen
Consulting Engineer

NAN:C:

Region II

Box 492
Albany, Oregon

October 23, 1952

Spokane Mining Syndicate, Inc.
730 Peyton Building
Spokane, Washington.

Reference: August MF-104
Contract Idm-F-137

Gentlemen:

We regret it was necessary to delete a total of $702.35 from the original amount of $2,142.50, that was submitted. The following invoices were deleted for reasons stated:

1. Richfield Oil Corp. in the amount of $26.11. It was noted that it was used for rock crusher. This is not covered under terms of contract.

2. Invoices number 01514, 01510, 01602, 01703, 01515, 01702 and 01511. The contract states that if original invoices are not submitted a certified true copy must be substituted with all of the information as shown on the original. Also, any amounts charged to ore crushing is not allowable under terms of the contract.

The above invoices are enclosed.

Very truly yours

W. Eulon Lee
Finance Officer

rjh
cc: R/F
Aug. MF-104
Contract
Auth. (2)
Vol'n (2)

M. E. Volin, Member, DMEA Field Team, Reg. II August 5, 1952

L. J. Hundhausen, Mining Engineer, Bureau of Mines

Talisman Mining & Leasing Co. (copper-zinc)
Ferry County, Washington, DMEA Contract Ida 1437
Docket No. 5-5

The subject property was visited on Friday, August 1, 1952, in company with Mr. Walter Michelsen, consulting engineer, and assisted by [illegible]. This was a routine inspection to check on progress made during the month of July, 1952, under DMEA Contract Ida 1437.

The table below lists the daily and Total Advance for the three headings now in progress:

| Heading | Daily Advance | Accumulated Total Advance |
|---|---|---|
| Main adit crosscut (1[illegible]) | [illegible] | 30 |
| North working (10[illegible]) | [illegible] | 44 |
| South working (109 [illegible]) | [illegible] | [illegible] |
| Totals | 83 | 106 |

*Includes 3 feet of slab round credited to adit.

The north working was encountered by a fault low grade ore mineralization. 3.5 foot [illegible] sample was taken in the breast. This ore zone dips in at the bottom of the drift and in a distance of 10 feet gradually [illegible]. The condition does not [illegible] geologic interpretation [illegible] formally interpreted that the ore zone was above the drift. Some re-evaluation of the geologic structure will, therefore, be necessary.

The heading to the south crossed through a strong shear and very weak alteration and mineralization was noted in the breast. Nothing of interest was seen in the heading to the south. This working was only partly exposed because of a large muck pile.

In general, the work was found to be progressing satisfactorily and the miners predicted that work would be at a faster rate this coming month.

An unsafe condition was noted on the aerial tram to the mill. A heavily loaded bucket on the north support cable will scrape over the rocks in two different locations near the upper tram terminal. This may be due to expansion of the cable due to heat allowing it to sag, or the

cable may be stretching for some other reason. At any rate, when men are transported up and down on apparatus such as this it is necessary that this hazard be eliminated. Mr. Nichelsen was informed of this condition verbally and promised to remedy the situation. It is recommended therefore, that the regular examining engineer check up on this point on his next inspection.

R. J. Hindhausen
R. J. Hindhausen

Orig. to files
cc: USGS (2)
Wash. (2)✓
L. H. McGuiv
J.M.

Form DME-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

Wash

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Stage 1

RECEIVED
SEP 9 1952
Defense Minerals Administration
DEPARTMENT OF THE INTERIOR

Month of July, 1952 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu - Zn
Address 730 Peyton Building, Spokane, Wash.
Contract Amount, $ 44,000.00 Government Participation: 50 % Amount, $ 22,000.00

| 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 | 391.00 | 184.00 | 575.00 | 391.00 | 184.00 | 575.00 |
| Drifting | 1173.00 | 345.00 | 1518.00 | 1173.00 | 345.00 | 1518.00 |
| Repair Equipment | | 335.00 | 335.00 | | 335.00 | 335.00 |
| (2) Labor and Supervision: | | | | | | |
| Labor | | | | | | |
| Supervision | 96.00 | 128.00 | 224.00 | 96.00 | 128.00 | 224.00 |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Track | 93.50 | None | 93.50 | 93.50 | — | 93.50 |
| Track Switches | 59.23 | None | 59.23 | 59.23 | — | 59.23 |
| Misc. Supplies | 84.82 | None | 84.82 | 84.82 | — | 84.82 |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | 168.33 | 168.33 | 336.66 | 168.33 | 168.33 | 336.66 |
| (5) Initial Rehabilitation and Repairs | | 1981.83 | 1981.83 | | 1981.83 | 1981.83 |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 123.08 | 214.33 | 337.41 | 123.08 | 214.33 | 337.41 |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | 2188.96 | 3356.49 | 5545.45 | 2188.96 | 3356.49 | 5545.45 |

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

Date Aug. 8, 1952 *Payee SPOKANE MINING SYNDICATE, INC.

Per Henry D. Carr 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:

$ 1094.48

Signature Wash
(Authorized Certifying Officer)

Date 9/2/52 Vou. No.
(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. 137 in accordance with the terms of the contract.

Signature Elem A. Magill Title Mining Engr Date Aug 13, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Thomas E. Howard Title Mining Engr Date 8/13/52

# 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.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1040
Approval expires 6-30-53.

LEGAL DIVISION
Defense Minerals Administration
RECEIVED
SEP 9 1952

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Stage 1

Month of July 1952 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu - Zn.
Address 730 Peyton Bldg., Spokane, Washington

| 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 | Ft. | 1641.72 | 51 | 2538.24 | 66 | 39.16 | 500 | 30.00 |
| Crosscutting | Ft. | 547.24 | 17 | 1025.38 | 25 | 39.16 | 175 | 30.00 |
| Raising | | | | | | | | |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| Total Distributed Costs | | 2188.96 | 68 | 3563.62 | | | | Total Costs Authorized by Contract |
| Operating Equipment Purchased | | | | | | | | 44,000.00 |
| Initial Rehabilitation and Repairs | | | | 1981.83 | | | | |
| New Buildings, Improvements, etc. | | | | | | | | |
| Total Costs | | 2188.96 | | 5545.45 | | | | |

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 Aug. 8, 1952 Operator SPOKANE MINING SYNDICATE, INC.

Per Henry D. Bora II 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)

## 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.

U. S. GOVERNMENT PRINTING OFFICE 205676

Walter A. Richelsen
306 Central Building
Seattle 4, Washington

August 7, 1952

Mr. Henry T. Born
Talisman Mining & Leasing Co
730 Peyton Building
Spokane 8, Washington

Progress Report- July, 1952

Dear Sir:

The following is a summary of the exploration work conducted at the Talisman property in Ferry County, Washington, during the month of July, 1952, under the DMEA Contract 525 X.

Exploration: During the month the total advance amounted to 73 feet which was distributed among the various workings as follows: This compares to an advance of 23 feet during the month of June, 1952.

| Working | Footage | | |
|---|---|---|---|
| | Drifts | X-Cuts | Total |
| 102 W. | | 19 | 19 |
| 109 N. | 26 | | 26 |
| 109 S. | 28 | | 28 |
| | 54 | 19 | 73 |

The Hall-Murback contract was dissolved during the month on a paid footage of 68 feet. An additional 5 feet was done by Hall and Haysent and will be carried over into the August footage.

---

Details of the workings are shown on the attached Map No. T-1 to date of August 1, 1952.

The 102 W. X-Cut was partially in alaskite and the face is in granite. About 8 feet of ore is exposed averaging about 0.5% copper and 2.5% zinc or a total of about 3%. No samples were taken at the face.

The 109 N. Drift advanced about 6 feet in diorite which is considered foot-wall country. The remaining 20 feet is in the upper formation and is a phase of granite. It crossed a northwest shear and evidently is in a down faulted block exposing the upper formation. The ore horizon probably lies further toward the north.

The 109 S. Drift advanced about 15 feet in granite and the remaining 13 feet is in diorite country. The face is in faulted ground and the ore horizon is probably about 3 rounds ahead.

Geology: The ore consists of chalcopyrite and sphalerite with some galena and slight indications of scheelite. It is associated with the northwest shear zones which show post mineral movement. The

Mr. Henry T. Born August 7, 1952

attitudes show an undulating structure due to folding and block faulting with a general strike toward the southwest. The floor of the stopes expose the foot-wall which has a rake or dip of about 16° toward the south and southeast.

Ore Reserves: It is estimated that there is about 1800 tons of available ore averaging about 2.0% copper and 4% zinc or a total combined of 6% or possibly 7%. There is about 80 tons of broken ore in the No. 2 Stope. The foot-wall indicates that there is about 600 tons of sniping ore in the foot. An additional 1100 tons is estimated in the walls and old working faces. The re erves will undoubtedly be increased during the month of August.

General: Operating conditions were satisfactory during the month and there were no serious delays. All supplies were hoisted to the Upper Camp over the tramway.

W. A. Richelsen visited the property on July 9th, 10th and 12th.

There were no accidents during the month.

Recommendations: Exploration should continue in the vicinity of Point B, and the work should favor the 102 S. X-Cut and the 109 S. Drift.

Yours very truly,

W. A. Richelsen

W. A. Richelsen
Consulting Engineer

WAR:r

cc: Mr. A. H. Weissenborn
Mr. M. E. Volin

TALISMAN PROPERTY

5D

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

[illegible] Street
[illegible], Washington

July [illegible], 1952

[illegible]

To: [illegible]

From: [illegible]

Subject: [illegible]

[illegible] July [illegible], 1952. [illegible]

[illegible] the miners, [illegible] have [illegible] contract with the operators [illegible].

[illegible] until June [illegible]. [illegible] discontinuous [illegible] and progress will be accelerated.

By July [illegible], [illegible] been advanced [illegible] feet. [illegible] had been advanced [illegible] feet from the [illegible] point.

[illegible] every [illegible].

[illegible]

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 14 1952

[illegible] ✓

[illegible] Mofott

Form MF-104 (Rev.)
(April 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Budget Bureau No. 41-R1036.3.
Approval expires 6-30-53.
RECEIVED
AUG 25 1952
Stage 1

# UNITED STATES
# DEPARTMENT OF THE INTERIOR
## DEFENSE MINERALS EXPLORATION ADMINISTRATION
# OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1952 Docket No. DMEA 525X Contract No. [illegible]-D-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu - Zn
Address 730 Peyton Bldg., Spokane, Wash.
Contract Amount, $ 44,000.00 Government Participation: 50 % Amount, $ 22,000.00

| 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 | 184.00 | None | 184.00 | | | |
| Drifting | 345.00 | None | 345.00 | | | |
| Repair Equipment | 335.00 | None | 335.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | | | | | | |
| Supervision | 120.00 | None | 120.00 | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Track | | | | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | 200.33 | None | 200.33 | | | |
| (5) Initial Rehabilitation and Repairs | | 1981.33 | 1981.33 | | | |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | 214.33 | None | 214.33 | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | 1374.66 | 1981.33 | 3356.49 | 1374.66 | 1981.33 | 3356.49 |

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

Date July 9-1952 Payee Spokane Mining Syndicate, Inc.

Per Henry J. Bom 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:

$ 687.33

Signature
(Authorized Certifying Officer)

Date Vou. No.
(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 137 in accordance with the terms of the contract.

Signature Elmer A. Mazill Title Mining Engr Date July 21, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Thomas E. Howard Title Mining Engr Date 7-21-52

## 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;

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(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".

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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.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

Budget Bureau No. 49-R1151
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 25 1952

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

## OPERATOR'S UNIT COST AND PROGRESS REPORT

Stage 1

Month of June 1952 Docket No. DMEA 525X Contract No. IDM-E-137
Operator's Name Spokane Mining Syndicate, Inc. Minerals Cu - Zn
Address 730 Peyton Bldg., Spokane, Washington

| 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 | Ft | $896.52 | 15 | $896.52 | 15 | 59.77 | 500 | $30.00 |
| Crosscutting | Ft | 478.14 | 8 | 478.14 | 8 | 59.77 | 175 | 30.00 |
| Raising | | | | | | | | |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | | | | | | | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | $1374.66 | 23 | $1374.66 | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | | | | | |
| Initial Rehabilitation and Repairs | | | | 1981.83 | | | | |
| New Buildings, Improvements, etc. | | | | | | | | |
| TOTAL COSTS | | $1374.66 | | $3356.49 | | | | $44,000.00 |

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 July 10, 1952 Operator SPOKANE MINING SYNDICATE, INC.
Per Henry J. Born II Title 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)

## 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.

U. S. GOVERNMENT PRINTING OFFICE 205676

July 14, 1952

Defense Minerals Exploration Administration
1201 North Division Street
Spokane, Washington

Attention: Mr. Magill

Gentlemen:

Operations at the Talisman Mine commenced June 9, 1952, by independent contractor team known hereafter as Hall and Murbach.

Under a sub-contract the aforesaid Hall and Murbach repaired the air line, water line, compressor engine, electric power plant and lighting system, water pumping plant, together with minor repairs to tramway. This sub-contract work ended June 15, 1952.

Actual drifting and crosscutting started approximately June 19, for three days were needed to set up in the mine and haul supplies via the tramway.

Contractors drifted fifteen feet from location point "B" on the vein structure to the northwest, as cited in Step 1 of Stage 1, as per instructions of D.M.E.A. Contract. They also crosscut eight feet from point "B" towards point "D" referred to in Step 6 of the same stage, all on the No. 1 Adit level, for a total of twenty-three feet, thus ending the month June 30, 1952.

Yours very truly,

SPOKANE MINING SYNDICATE, INC.

Don A. Gillis

Don A. Gillis, Secretary

DAG:bm

M. E. Volin, Member, DMEA Field Team, Region II. May 7, 1952

E. A. Magill, Mining Engineer, Mining Division, Region II.

Progress Examination, Contract Idm E137, Docket DMA 525X, (copper-zinc) Talisman Mining and Leasing Co., Ferry County, Wash.

A progress examination was made of the subject property on April 19, 1952, accompanied by Willard Puffett of the USGS.

At the time of the visit the property was inactive, consquently the mine itself was not visited. The repair work which was carried out last fall on the lower end of the tramline was examined. This work appeared to be satisfactory, however it was noted that the cable guides at the lower haultack sheave were not bolted down.

Snow in the vicinity of the mine has melted so that it would offer no hinderance of operations.

E. A. Magill

Orig. to files
cc: USGS
2 Washington
EAM

525

WASHINGTON

FERRY COUNTY

February 1, 1952

Talisman Mining and Leasing Company, Idm-E137, Cu-Zn

50-50 of $44,000.00

One year

The work is divided into two stages. Stage one includes 500 feet of drifting on a vein structure on no. 1 adit level, 175 feet of crosscutting, and 600 feet of diamond drilling. Stage two calls for 100 feet of crosscutting, 50 feet of raising, and 1,000 feet of diamond drilling from the no. 2 adit heading.

Work had been confined to repair of aerial tramway when work was recessed for winter.

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 137

Name of Operator: Talisman Mining and Leasing Company
Docket No. DMA: 525 X
Total Contract Amount $: 44,000.00
Government Participation: Fifty % Amount, $ 22,000.00
Distribution of Expenditures for Month of: October - 1951

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C. 2:09 PM '51

# STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
## OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

*Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

*Maps.*—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.

*Cost Accounts.*—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

## CERTIFICATION

**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.**

Talisman Mining and Leasing Company
(Name of Company)

By Henry D. Bon II
(Signature of Authorized Official)

Nov. 3rd, 1951
(Date)

President
(Title)

**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.**

16—64068-3

U. S. BUREAU OF MINES
RECEIVED
NOV 8 1951
ALBANY, OREGON

# MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

| Item | Monthly Total | Totals Previously Reported | Totals to Date | For Government Use Only | | |
|---|---|---|---|---|---|---|
| | | | | Approved Monthly Total | Approved Totals Previously Reported | Approved Totals To Date |
| 1. Fixtures and Improvements: | | | | | | |
| (a) Facilities | | | | | | |
| (b) Buildings | | | | | | |
| (c) Fixtures | | | | | | |
| 2. Operating Equipment: | | | | | | |
| (a) Purchased[1] | | | | | | |
| (b) Rented[2] | | | | | | |
| (c) Furnished by operator | | | | | | |
| 3. Rehabilitation and Repairs: | | | | | | |
| (a) Facilities | | | | | | |
| (b) Buildings | | | | | | |
| (c) Installations | | | | | | |

# MONTHLY SUMMARY COST STATEMENT—Continued

| Item | Monthly Total | Totals Previously Reported | Totals to Date | For Government Use Only: Approved Monthly Total | Approved Totals Previously Reported | Approved Totals To Date |
|---|---|---|---|---|---|---|
| (d) Fixtures | | | | | | |
| 4. Labor[3] | 523.50 | | | | | |
| 5. Supervision | 552.00 | | | | | |
| 6. Supplies | | | | | | |
| (a) Timber | 87.98 | | | | | |
| (b) Explosives | | | | | | |
| (c) Repair Parts | 191.20 | | | | | |
| (d) Other Bolts | 10.00 | | | | | |
| 7. Power | | | | | | |
| 8. Transportation | 72.53 | | | | | |
| 9. Insurance | | | | | | |
| (a) Fire | | | | | | |
| (b) Public Liability | | | | | | |
| (c) Workmen's Compensation | | | | | | |
| 10. Contract Work | | | | | | |
| 11. Other (specify) Repairs | 136.00 | | | | | |
| Wash. State Sales Tax | 57.72 | | | | | |
| Total | 1633.83 | | | | | |
| Deletions | | | | | | |
| Adjusted totals | | | | | | |
| Totals previously reported | | | | | | |
| Totals to date | | | | | | |

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

**FOR GOVERNMENT USE ONLY**

Checked by W R Lee
Entered by
Approved by Glenn A Reed
Amount approved for payment $990.71
Remarks

16—64068-3

# EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF October

**(Supply Data Below Applicable Only to Your Operations)**

| Item | Costs | | | | | Progress [4] | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Wages [1] and salaries | Equipment [2] | Supplies | Other [3] | Total | Unit | Units this month | Units previously reported | Units to date | Units authorized by contract (Exhibit A) |
| Drifting | | | | | | | | | | |
| Crosscutting | | | | | | | | | | |
| Raising | | | | | | | | | | |
| Shafts | | | | | | | | | | |
| Winzes | | | | | | | | | | |
| Drill holes | | | | | | | | | | |
| Overburden | | | | | | | | | | |
| Rehabilitation and preparation | 1075.50 | | 589.18 | 317.15 | 1981.83 | Dollars | 1981.83 | — | 1981.83 | 3250.00 |
| Geology and geophysics | | | | | | | | | | |
| Trenching | | | | | | | | | | |
| Sampling and assaying | | | | | | | | | | |
| Roads and trails | | | | | | | | | | |
| Test pits | | | | | | | | | | |
| Other (specify) | | | | | | | | | | |
| | | | | | | | | | | |
| Totals | 1075.50 | | 589.18 | 317.15 | 1981.83 | | | | | |

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

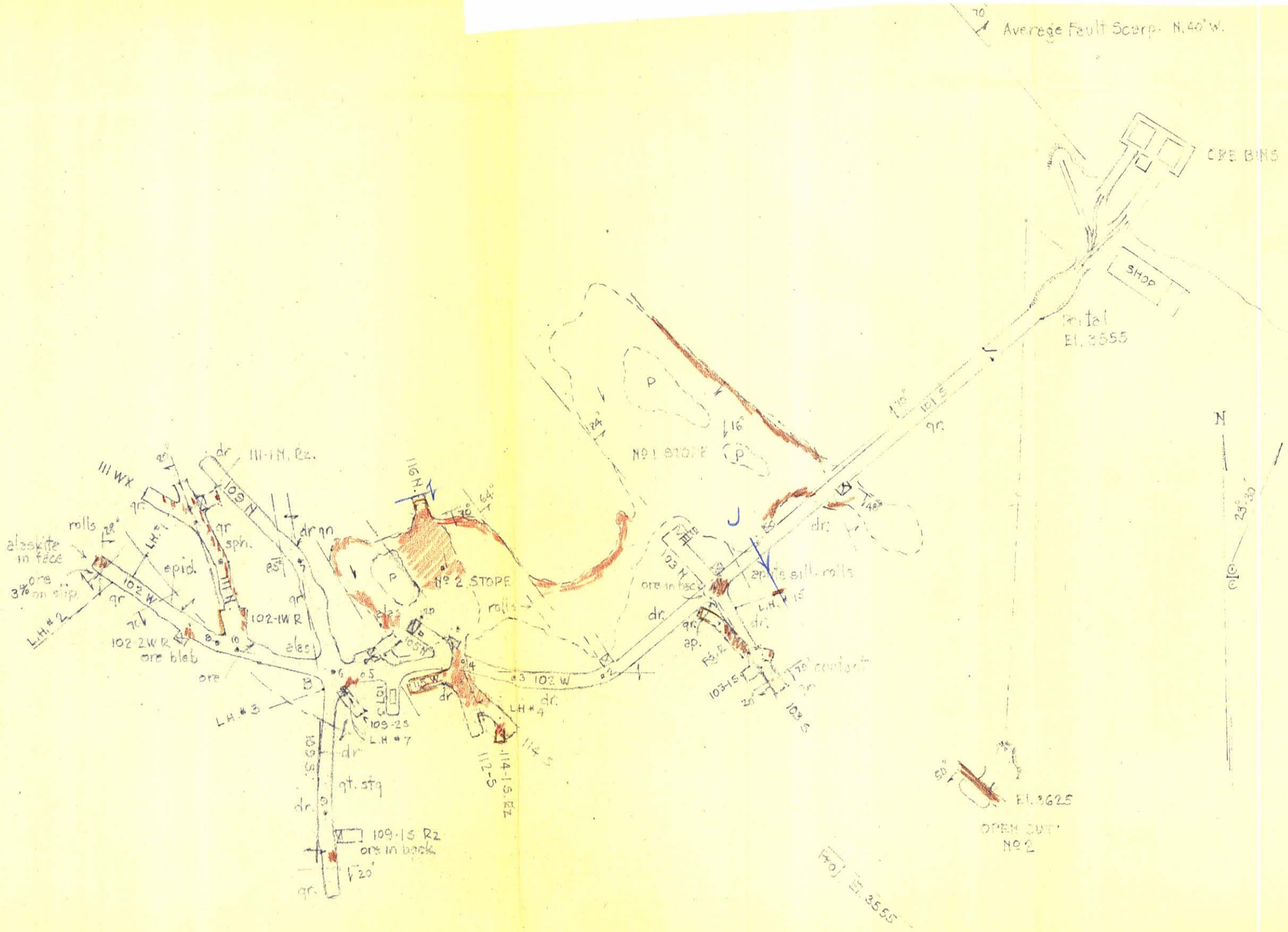
16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

U. S. BUREAU OF MINES
RECEIVED
NOV 8 1951
ALBANY, OREGON

Ore
Advance

PLAN OF
TUNNEL Nº 1
TALISMAN PROPERTY
FERRY COUNTY - WASHINGTON

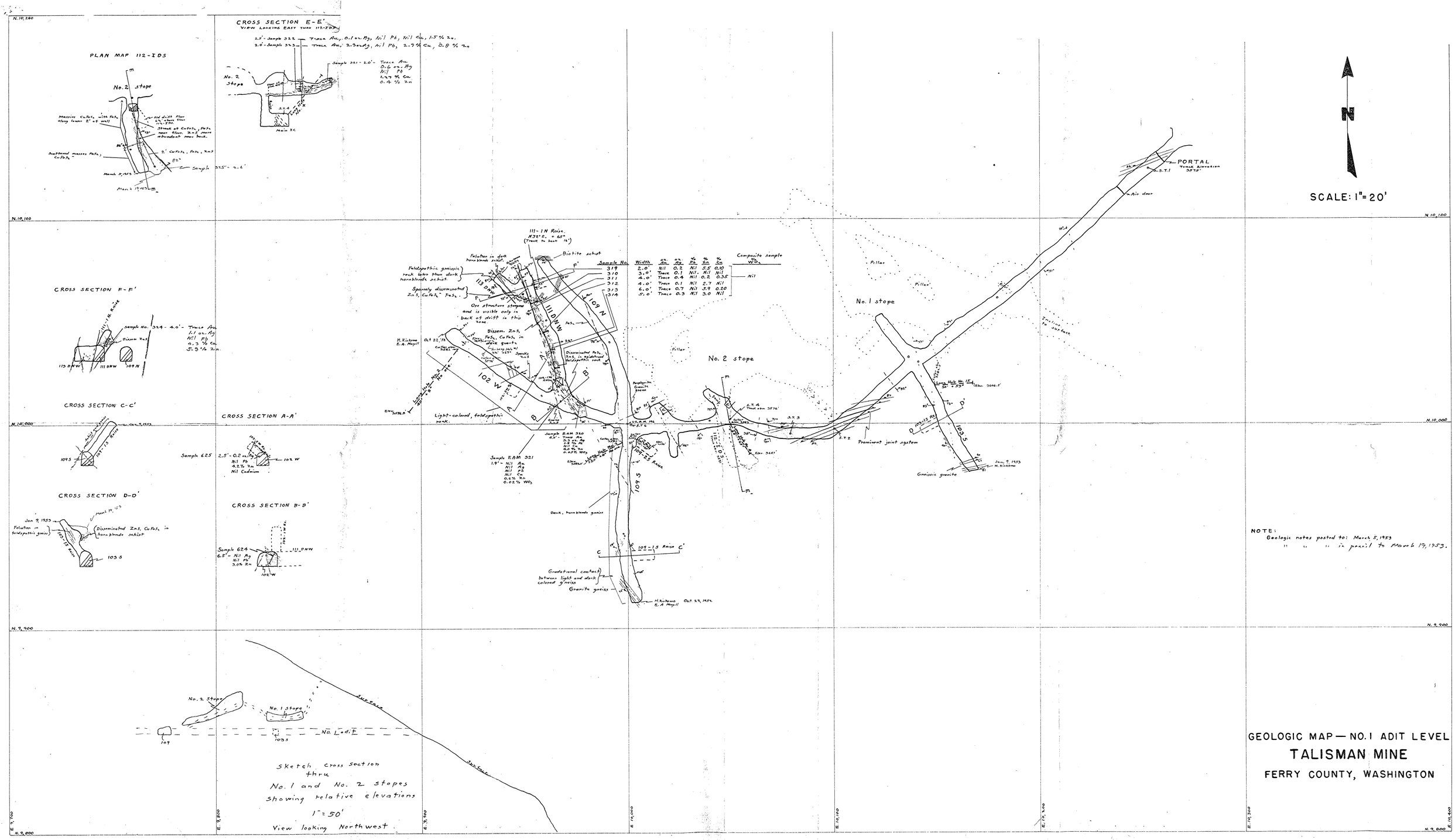
Scale - 1" = 40'
By: W.A. Richelsen
Date - July 9, 1952
Drg. Nº T-1
To Date - JUN 30 1953




Ore
Advance

PLAN OF
TUNNEL No 1
TALISMAN PROPERTY
FERRY COUNTY- WASHINGTON

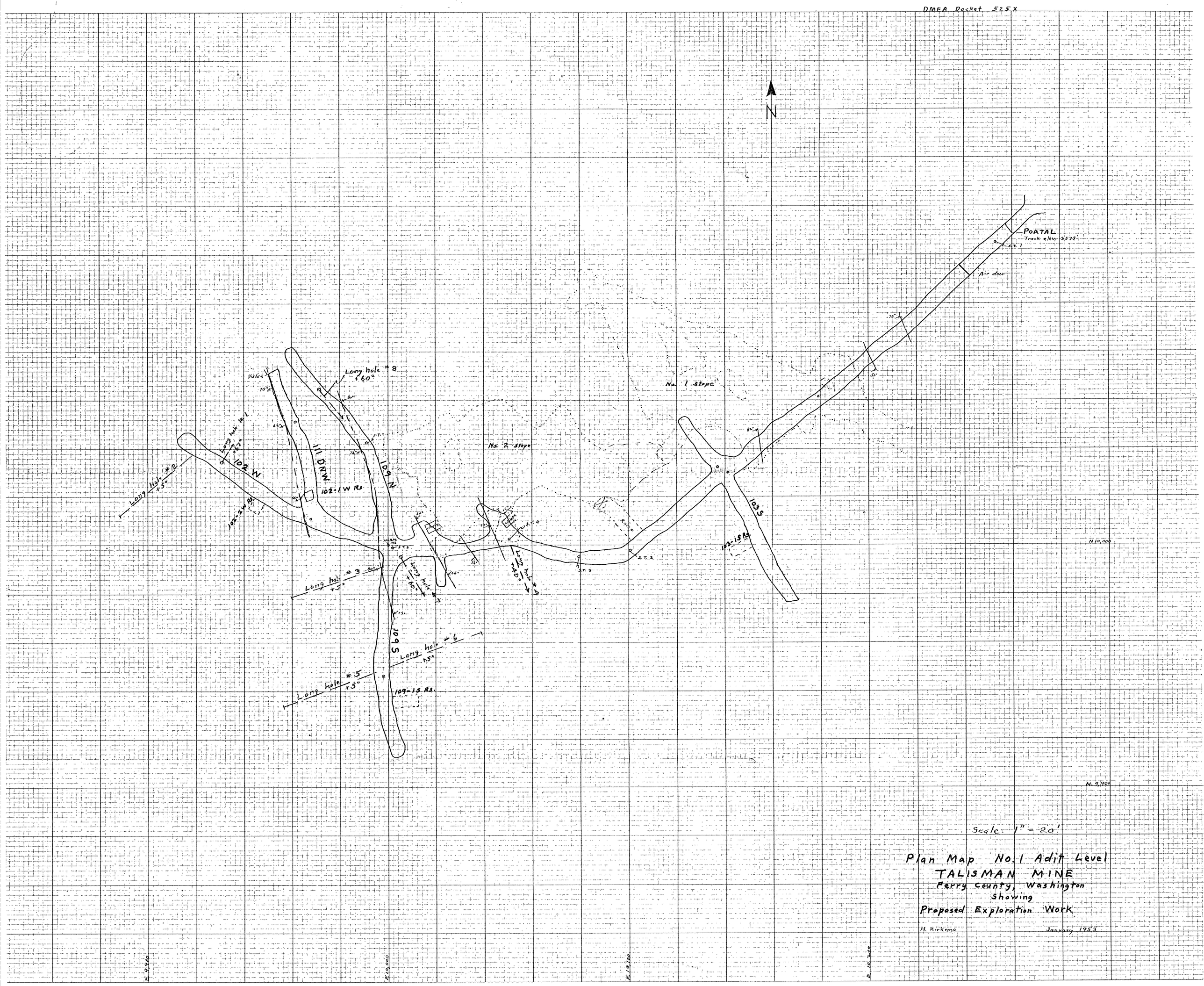
Scale - 1" = 40'
By: W.A. Richeborn
Date- July 9 1954
Drg. No T-1
To Date - MAY 6 1953


PLAN MAP 112-IDS
No. 2 stope
CROSS SECTION E-E'
VIEW LOOKING EAST THRU 112-IDS
2.5'- Sample 322 — Trace Au, 0.1 oz. Ag, Nil Pb, Nil Cu, 1.5 % Zn.
2.0'- Sample 323 — Trace Au, 2.3 oz. Ag, Nil Pb, 2.7 % Cu, 0.8 % Zn
Sample 321 - 2.0'- Trace Au, 0.6 oz. Ag, Nil Pb, 1.27 % Cu, 0.4 % Zn
No. 2 stope
Main SC
CROSS SECTION F-F'
Sample No. 329 - 4.0'- Trace Au, 1.1 oz. Ag, Nil Pb, 0.3 % Cu, 5.3 % Zn.
CROSS SECTION C-C'
CROSS SECTION A-A'
Sample 625 2.5'- 0.2 oz. Ag, Nil Pb, 4.2% Zn, Nil Cadmium
CROSS SECTION D-D'
CROSS SECTION B-B'
Sample 624 6.5'- Nil Ag, Nil Pb, 3.0% Zn
111-1N Raise. N75° E. + 65° (Track to back 14')
Biotite schist
Feldspathic gneissic rock later than dark hornblende schist.
Sparsely disseminated Zn S, CuFeS2, FeS2.
Ore structure stopped and is visible only in back of drift in this zone.
Dissem. ZnS, FeS2, CuFeS2 in white quartz.
Disseminated FeS2 in feldspathic rock
Light-colored, feldspathic rock.
Sample EAM 320
Sample EAM 321
Dark, hornblende gneiss
Gradational contact between light and dark colored gneiss
Granite gneiss
Composite sample
No. 1 stope
No. 2 stope
Pillar
Prominent joint system
Gneissic granite
PORTAL
Track Elevation 3673'
Air door
Tie line to surface
SCALE: 1"=20'
NOTE:
Geologic notes posted to: March 5, 1953
" " " in pencil to March 19, 1953.
No. 2 Stope
No. 1 Stope
No. 1 adit
Sky line
Sketch cross section thru No. 1 and No. 2 stopes showing relative elevations
1" = 50'
View looking Northwest.
GEOLOGIC MAP — NO. 1 ADIT LEVEL
TALISMAN MINE
FERRY COUNTY, WASHINGTON

Map 2

KEUFFEL & ESSER CO
NEW YORK
TRADE STANDARD MARK
RED U.S. PAT OFF
CROSS SECTION 10 X 10
100% RAG PAPER
MADE IN U.S.A.
KEUFFEL & ESSER
NEW YORK

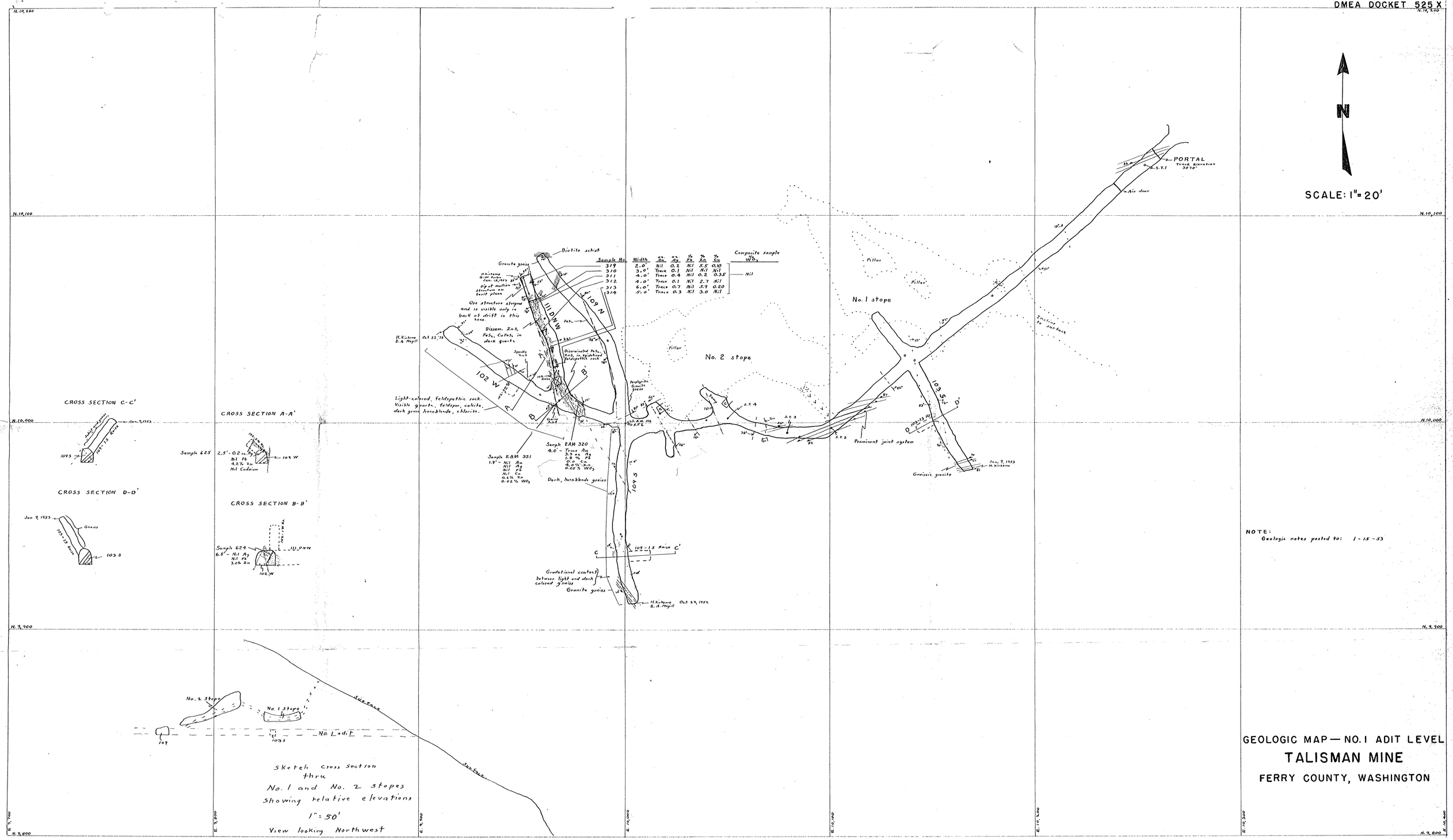
DMEA Docket 525 X




Scale: 1" = 20'

Plan Map No. 1 Adit Level
TALISMAN MINE
Ferry County, Washington
Showing
Proposed Exploration Work

H. Kirkemo January 1953


N
SCALE: 1" = 20'
PORTAL
Track Elevation 3873'
S.T.1
Air door
Pillar
Pillar
No. 1 stope
No. 2 stope
Pillar
Pillar
Fractures to surface
S.T.4
S.T.3
S.T.2
Prominent joint system
103 S
D
D'
103-13 Raise
Jan. 9, 1953
H. Kitkuma
Gneissic granite
Biotite schist
Granite gneiss
Sample No. | Width | Au oz. | Ag oz. | Pb % | Zn % | Cu %
319 | 2.0' | Nil | 0.2 | Nil | 5.5 | 0.10
310 | 3.0' | Trace | 0.1 | Nil | Nil | Nil
311 | 4.0' | Trace | 0.4 | Nil | 0.2 | 0.35
312 | 4.0' | Trace | 0.1 | Nil | 2.7 | Nil
313 | 6.0' | Trace | 0.7 | Nil | 4.9 | 0.20
314 | 5.0' | Trace | 0.3 | Nil | 3.0 | Nil
Composite sample WO3 — Nil
Greenstone gneiss
Hanging wall. Gneiss. Jan. 18, 1953
Dip of mullion structure on fault plane
Ore structure stopped and is visible only in back of drift in this zone.
Disseminated ZnS, FeS2, CuFeS2 in dark quartz
FeS2
Disseminated FeS2, ZnS, in epidotized feldspathic rock
Specks ZnS
Iron stain Rock
H. Kitkuma
E. A. Magill
Oct 22, '52
102 W
102 W
109 N
109 S
Light-colored, feldspathic rock. Visible quartz, feldspar, calcite, dark green hornblende, chlorite.
Porphyritic Granite gneiss
Sample EAM 320
4.0' - Trace Au
3.3 oz. Ag
1.8 % Pb
0.0 Cu
4.9 % Zn
0.03 % WO3
Sample EAM 321
1.9' - Nil Au
Nil Ag
Nil Pb
Nil Cu
0.2 % Zn
0.02 % WO3
Dark, hornblende gneiss
Gradational contact between light and dark colored g'neiss
Granite gneiss
109-13 Raise
C
C'
CROSS SECTION C-C'
Jan. 9, 1953
Joint system
109-13 Raise
109 S
CROSS SECTION A-A'
Sample 625
2.5' - 0.2 oz. Ag
Nil Pb
4.2% Zn
Nil Cadmium
102 W
CROSS SECTION D-D'
Jan 9, 1953
Gneiss
103-13 Raise
103 S
CROSS SECTION B-B'
Sample 624
6.5' - Nil Ag
Nil Pb
3.0% Zn
102 W
109 N
No. 2 Stope
No. 1 Stope
109
103 S
No. 1 adit
Surface
Surface
Sketch cross section thru No. 1 and No. 2 stopes showing relative elevations
1" = 50'
View looking Northwest
NOTE:
Geologic notes posted to: 1-15-53
GEOLOGIC MAP — NO. 1 ADIT LEVEL
TALISMAN MINE
FERRY COUNTY, WASHINGTON
N. 10,200
N. 10,100
N. 10,000
N. 9,900
N. 9,800
E. 9,700
E. 9,800
E. 9,900
E. 10,000
E. 10,100
E. 10,200
E. 10,300
E. 10,400